City Council Meeting
Agenda

January 20, 2026
7:00 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/

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

ROLL CALL BY THE CITY CLERK:

PUBLIC COMMENT:

*Study Sessions are considered Special Meetings under the Brown Act. Accordingly, comments from the public are limited to items listed on the agenda (GC 54954.3a). Public Comment will be accepted during each agenda item. 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. Receive a report on the City of Hanford Landscape and Lighting Districts and authorize staff to bring back the district balloting at the April 7, 2026, Council Meeting during a Public Hearing to receive ballots and public testimony on proposed funding changes/assessment increases for 2026/27 of the Quail Run Estates, Portofino, Gateway Estates, Crystal Springs, Cielo en Tierra, and Hyde Park Landscape and Lighting Maintenance Assessment Districts, and provide feedback on issuance of a maintenance request for bids.

B. Finance: Annual Comprehensive Financial Report presentation for the fiscal year ending June 30, 2025

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

A. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION (54956.9 (d)(2))

2 Potential Cases.

B. CONFERENCE WITH LEGAL COUNSEL-PROPERTY NEGOTIATIONS (GC 54956.8)

APNs: 012045001, 012045010, 012045004, 012045005, 012046019, 012046005, 012046006, 012046007, 012045001
Negotiating Party: Solis Martin Vieyra & Araujo Fanny Castro, Miya Farms, PRE 4 LLC
Agency Negotiators: Chris Tavarez, Jason Waters, and Ty Mizote

APNs: 012083001, 012083010, 012083009, 012083008, 012083007, 012083006, 012083012, 012083011, 012083003, 012083004, 012083005, 012083001
Negotiating Party: Lacey Milling Co., Padilla, Jesus
Agency Negotiators: Chris Tavarez, Jason Waters, and Ty Mizote

C. PUBLIC EMPLOYMENT (GC 54957(b)(1)):

Title: City Manager

CALL TO ORDER REGULAR SESSION:

ROLL CALL:

INVOCATION:

Pastor Lori Niles

FLAG SALUTE:

PUBLIC COMMENT:

This is the time for citizens to comment on subject matters 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. State law does not allow the Council to discuss or take action on issues not on the agenda, except that members of the Council or staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights (Gov. Code sec. 54954.2). 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. Waive reading in full of resolutions and ordinances and approval and adoption of same by reading the title only.

B. City Clerk: Approval of the Minutes of the October 21, 2025 Meeting

C. City Clerk: Approval of the Minutes of the November 4, 2025 Meeting

D. City Clerk: Approval of the Minutes of the November 18, 2025 Meeting

E. City Clerk: Approval of the Minutes of the December 2, 2025 Meeting

F. Community Development: Waiver of second reading and adoption of Ordinance 2025-07, approving Zone Text Amendment No. 2025-10, a request to amend Title 17, Section 17.56.230, Wall mural placement and design criteria: in order to comply with free speech requirements.

G. Community Development: Waiver of second reading and adoption of Ordinance 2025-08, approving Zone Text Amendment No. 2025-12, a request to amend Title 17, Section 17.56.200, Property maintenance and add Chapter 9.12 – Graffiti: in order to establish

regulations for abatement of graffiti on public and private property.

H. Community Development: Waiver of second reading and adoption of Ordinance 2025-09, approving Zone Text Amendment No. 2025-11, a request to amend Title 17.56.050, 17.56.150, 17.56.155, and 17.56.310 Temporary and Portable Signs: in order to establish the placement, size and materials for portable signs.

I. Parks and Community Services: Youth Athletic Complex (YAC) Facility Use Agreement with Hanford Youth Baseball, pending modifications, which are approved by the City Attorney, that are consistent with provisions contained in the draft.

J. Public Works: Authorization for the City to accept and appropriate funding for an FAA Airport Improvement Program grant (AIP), once the grant offer is received, for the Hanford Municipal Airport, in the amount of $857,000 for reconstruction of the south transient ramp, phase 1 and removal of Taxiway B and a segment of Taxiway D and authorization for the City Manager to execute the Grant Agreement. A total appropriation in the Airport Fund of $857,000. $96,907 of local matching funds will be required contingent on the grant award.

K. Public Works: Affirm approval and appropriation from the General Fund reserve for emergency repairs on Fire Engine #164 in the amount of $63,712.72 from Betts Truck Parts and Service of Fresno CA.

L. Public Works: Approval of the Notice of Completion for the FY 24-25 Pavement Resurfacing Treatment (Single and Double Fiberized Slurry Overlay) Project, with a final sub-project cost of $936,588.01, and Authorization for the Mayor to execute and the City Clerk to file the Notice with the Kings County Recorder's Office.

M. Utilities and Engineering: Intent to Form Community Facilities District No. 2026-3 (Public Maintenance Services)

N. Utilities and Engineering: Approval of the Notice of Completion for Tract No. 934 Unit, at the Southeast corner of 13th Ave and Grangeville Blvd., in the City of Hanford

O. Utilities and Engineering: Approval of the reimbursement for Tract 928, Units 1 & 2 to Presidio JJR Bella Vista II 150, LLC and Presidio FFO Bonterra II 160, LLC for street improvements and park land and storm basin acquisition and improvements in the amount of $969,886.34; and, further approve an appropriation of $667,340.91 from the Park Impact Fees Fund 0180 and $119,353.13 from the Storm Drain Impact Fees Fund 0184 to fulfill the reimbursement.

P. Police: Approval of the purchase of two Dodge Durango police-package patrol vehicles from National Auto Fleet Group in the amount of $121,550.50 pursuant to Sourcewell Contract No. 091521-NAF, authorization of vehicle upfitting by Cook’s Communications in the amount of $87,339.64, and an appropriation from the Fleet Reserve Account in the total amount of $208,890.14.

Q. Police: Approval of the purchase of a slicktop Dodge Durango and upfitting from National Auto Fleet Group (Sourcewell Contract 091521-NAF) and Cook's Communication in the total amount of $88,705.81, and an appropriation from the Fleet Replacement Reserve in the amount of $27,748.18 to cover costs not reimbursed by the FY25/26 California Highway Patrol (CHP) grant.

R. Police: Adoption of Resolution No. 26-02-R to authorize the acceptance of an award of

$482,016 in grant funding from the California Department of Justice for tobacco enforcement, amend the budget to recognize the grant, appropriate this amount in the General Fund for the Police Department, and authorize the Police Chief to execute the Memorandum of Understanding (MOU).

S. Fire: Approval and authorization for the City Manager to enter into a contract with Cook's Communications (Fresno, CA) in the amount of $361,802.13 for the supply and delivery of Mobile and Portable Radios to the Fire Department funded under the Measure H Fire Communications Update Project.

T. Finance: Approval of Resolution 25-74-R, Amendments to the City of Hanford Purchasing Policy

PUBLIC HEARING:

A. Community Development: Continued Public Hearing for the Copper Ridge Mixed Use Project. The project proposes the phased development of a 650-unit subdivision with a 5.45-acre commercial portion, through Tentative Subdivision Map 00012-24. Additional project components include:

1. Annexation 165, in order to annex 141.85 acres into the City limits from the Kings County Jurisdiction.
2. General Plan Amendment No. 0009-24: to change the land use designation from Low- and Medium-Density Residential to Medium-Density Residential (78.16 acres) and Neighborhood Mixed Use (5.45 acres).
3. Prezone No. 0013-24: to prezone the properties as R-M (78.16 acres), MX-N (5.45 acres), R-L-5 (51.92 acres) and C-N (6.32 acres);
4. Planned Unit Development No. 0037-24: to allow various deviations from the regulation of the R-M Medium-Density Residential zone district; and
5. Mitigated Negative Declaration No. 2025-73: a request to certify that the project will have a less than significant adverse impact on the environment with the incorporation of mitigation measures.

The Project site is located north of Grangeville Boulevard and east of 9 ¼ Avenue. (APNS 014-143-022, -069, -078, 014-830-010, -011, and -013 to -018).

CONVENE AS SUCCESSOR AGENCY:

PUBLIC COMMENT-SUCCESSOR AGENCY :

Any person may directly address the Board at this time on any item on the agenda, or on any item that is within the subject matter jurisdiction of the Board. A maximum of three minutes is allowed for each speaker.

SUCCESSOR AGENCY FOR THE DISCUSSION OF THE FOLLOWING:

A. Review And Approval Of the Recognized Obligation Payment Schedule (ROPS 26-27) For The Period July 1, 2026 To June 30, 2027, as required by AB 1484 and amendments under SB 107 of Redevelopment Agency (RDA) Successor Agencies.

ADJOURN AS THE SUCCESSOR AGENCY:

GENERAL BUSINESS:

A. Public Works: Designation of a Public Hearing date for the City of Hanford Solid Waste rate study.

B. Finance: Approval of the 2026 Solar Equipment Lease/Purchase Agreement and an

Escrow and Account Control Agreement and the City Manager to execute such actions.

C. Human Resources: Approval of the City of Hanford Salary Schedules

D. City Attorney: City Manager Employment Agreement

COUNCIL REPORTS/GENERAL REPORTS:

Brief information-only reports from City Council and/or Staff, including committee reports and reports by City Council related to meetings attended at City expenses (AB1234).

ITEMS FOR FUTURE AGENDAS:

At this time, any Council Member may ask a question for clarification or may request a matter, which is not otherwise scheduled on a City Council agenda, to be placed on a future agenda. The Council Member referring the item shall provide sufficient information as to the nature of the item. The City Council, by concurrence of a majority, may direct the City Manager to put the item on a future agenda. (GOV. CODE SEC. 54954.2)

A. Council Future Agenda Items

B. Upcoming Events and Important Dates:

January 28: Council Corner 5:30 pm - 7:00 pm Me-n-Ed's, 2483 N.10th Avenue. More Information
February 3: Regular City Council Meeting
February 11: City/County Coordinating Meeting
February 17: Regular City Council Meeting
February 19: City offices will be closed in observance of Presidents' Day

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: 1/20/2026	**AGENDA SECTION:** STUDY SESSION

SUBJECT:

Receive a report on the City of Hanford Landscape and Lighting Districts and authorize staff to bring back the district balloting at the April 7, 2026, Council Meeting during a Public Hearing to receive ballots and public testimony on proposed funding changes/assessment increases for 2026/27 of the Quail Run Estates, Portofino, Gateway Estates, Crystal Springs, Cielo en Tierra, and Hyde Park Landscape and Lighting Maintenance Assessment Districts, and provide feedback on issuance of a maintenance request for bids.

RECOMMENDATION:

Recommendation:That Council receives a report on the City of Hanford Landscape and Lighting Districts and authorize staff to bring back the district balloting at the April 7, 2026, Council Meeting during a Public Hearing to receive ballots and public testimony on proposed funding changes/assessment increases for 2026/27 of the Quail Run Estates, Portofino, Gateway Estates, Crystal Springs, Cielo en Tierra, and Hyde Park Landscape and Lighting Maintenance Assessment Districts, and provide feedback on issuance of a maintenance request for bids.

Recommended Motion: I move to accept the report and authorize staff to bring back the district balloting at the April 7, 2026, Council Meeting during a Public Hearing to receive ballots and public testimony on proposed funding changes/assessment increases for 2026/27 of the Quail Run Estates, Portofino, Gateway Estates, Crystal Springs, Cielo en Tierra, and Hyde Park Landscape and Lighting Maintenance Assessment Districts, and provide feedback on issuance of a maintenance request for bids.

BACKGROUND:

In 1990, developers began using the Landscaping and Lighting Act of 1972 to create maintenance districts to finance maintenance of decorative block fencing and landscaping improvements located along arterial and collector streets adjacent to subdivisions. Since 1990, 44 landscape and lighting assessment districts have been created encompassing 64 acres of landscape. Seventeen (17) of these districts were built before 2000 and do not have a Consumer Price Index (CPI) provision to increase revenue. Several districts in the past have had elections with ballot and information packets sent out to residents in these districts through the years for an assessment increase approval, with limited success.

With costs for utilities and maintenance increasing over the years, staff have been forced to reduce

the levels of service, to balance expenditures and revenues. The six (6) districts being proposed for balloting have had maintenance eliminated to reduce costs and have deficient reserve funds balanced. This has become highly visible, with trees and shrubs in need of pruning, turf mowed monthly (by City staff) and a sparse landscape void of plant material and bark/mulch.

Staff are proposing to ballot the six (6) deficient landscape and lighting districts. To increase the assessment for these districts the City must ballot and conduct a public hearing in accordance with the Landscaping and Lighting Act of 1972 and Article XIIID., Section 4 of the California Constitution to receive oral and written testimony regarding the proposed reduction, no change, or proposed increase in the annual assessment and imposition of a Standard Annual CPI Increase. City staff have completed a comprehensive Engineer's Estimate for the six (6) deficient districts to identify the assessment increase. Ballots have been prepared and are currently under review with our Finance Department. City staff have also consulted with Peregrine Strategies on a public outreach plan. **Once staff receive direction from Council, the public outreach will begin**, with a public hearing target date of April 7, 2026, to receive ballots and public testimony on proposed funding changes/assessment increases for 2026/27.

Staff are also requesting feedback from Council on the process the landscape maintenance contract is administered for the landscape and lighting assessment districts. The current landscape maintenance contract was awarded as a Request for Proposal (RFP). RFPs are for complex projects needing innovative, customized solutions, evaluating detailed plans, experience, and strategy beyond just cost.

It is proposed the landscape maintenance contract be advertised as a Request for Bids (RFB). RFBs are quick, transparent, and price-driven, ideal for standardized needs. An RFB is for straightforward projects with clear specs, focusing on the lowest price from qualified vendors. Staff have developed a very detailed scope of services, with maintenance standards, and expectations for the winning bidder. With clear levels of service and cost reductions with each level of service performed and a comprehensive inspection process for City staff and contractors. Staff are also proposing a clear mechanism to withhold certain amounts of payment for Landscape Districts that are out of compliance with the requirements of the maintenance agreement.

Based on the results of the RFB process, Staff proposes to potentially consider, the creation of a new Public Works Division. Landscape maintenance that would be performed by City staff. This division would be responsible for the maintenance and management of the Landscape Maintenance Districts and Community Facilities Districts. Over the last several years staff have seen an increase in costs for contractual services. Some of the factors that have created this increase are state prevailing wage requirements, state mandated minimum wage increases, fuel and material costs. After reviewing these costs, staff found that the costs had increased to the level that in-house staff could be hired to not only perform the current level of maintenance but also improve response times in resolving maintenance issues. Some of the pros with in-house staff would be staff members on-site daily, they will be available to respond to issues that may arise throughout the week. Staff will be able to respond quickly to irrigation, tree, and safety hazards. Another advantage of in-house staffing is that it will increase the level of service for the City. Some of the cons would be initial startup costs, staffing will take time to recruit, hire, and train. Equipment procurement, vehicles, lawnmowers, and power tools will take time to purchase. Equipment costs, staff have completed an initial cost estimate ($265,175) for the equipment necessary to complete maintenance and maintenance would be started in phases as equipment and staffing become available.

Staff believes with issuance of an RFB, staff can then review the updated contractual costs and determine the best approach for maintenance that would be the most cost-effective of the proposed

options. Staff would then return to Council with more defined contractual costs to receive direction on the preferred method of maintenance for the Landscape and Lighting Maintenance Districts. Balloting of the recommended districts will be required to balance and improve the overall condition and financial health of the Quail Run Estates, Portofino, Gateway Estates, Crystal Springs, Cielo en Tierra, and Hyde Park Landscape and Lighting Maintenance Assessment Districts.

FISCAL IMPACT:

Table 1 shows the current financial condition of the Quail Run Estates, Portofino, Gateway Estates, Crystal Springs, Cielo en Tierra, and Hyde Park Landscape and Lighting District.

TABLE 1: Projected LLMAD Fund Balances

District #	District Name	# of Lots	Beg. Fund Balance 06/30/25	2025/26 Assessment Revenue	2025/26 Operating Expenses (Estimated)	Ending Fund Balance 06/30/26 (estimated)
94-03	Quail Run Estates	272	($40,746)	$16,048	$14,522	($39,220)
92-01	Portofino	78	($8,156)	$3,963	$4,361	($8,554)
94-01	Gateway Estates	114	($12,193)	$2,975	$2,774	($11,992)
98-01	Crystal Springs	126	($6,408)	$4,788	$3,473	($5,093)
92-02	Cielo en Tierra	98	($3,631)	$2,813	$5,392	($6,211)
90-04	Hyde Park	14	$274	$872	$763	$384

ATTACHMENTS:

1. Sample Ballot_2026 Hfd LAD
2. Hanford Landscape Maintenance Scope of Work
3. Current Levels of Services
4. Proposed New Levels of Service
5. Downward Payment Adjustment Example
6. LAD maintenance standards
7. Consolidated Services 5-year Cost Estimate

CITY OF HANFORD
Department of Public Works
Focused On Our Community 24/7
900 South 10th Avenue • HANFORD, CA 93230-5234 • (559) 585-2550

«DATE_MAILED»

«OWNER_NAME»
«PO_ADDRESS»
«PO_CITY_ZIP»

Subject:	Maintenance of common landscape for: Lighting and Landscape District: **94-03 QUAIL RUN ESTATES** Proposed Benefit Assessment Increase for Fiscal Year: **2026** and an Annual Adjustment for Inflation Allowance for the district.
Service Level	Level No Service

Dear «OWNER_NAME» :

The maintenance of the common landscaping (lawn mowing, planting and replanting of plants and trees, sprinkler maintenance, etc.) for your subdivision is funded by your payment of a benefit assessment through a Lighting and Landscaping District. The common landscaping is maintained at the service level mentioned above. In order to increase this level of service, the City is seeking your support of an increase in the assessment amount you currently pay and establishing an annual Consumer Price Index (CPI) adjustment. The maintained landscaping and improvements visually enhance your neighborhood, add value to the surrounding properties and increase your quality of life.

This letter includes a ballot. The City is requesting you return the enclosed ballot indicating your choice, either approving or disapproving increasing the annual benefit assessment amount, and the establishment of an annual CPI adjustment allowance. The approval of the assessment increase and the CPI adjustment will allow the City to make changes in the benefit assessment fee to balance the district's finances and increase the current level of service to an A service. The increased assessment amount will also provide funds to refurbish the district's landscaping over a period of time as reserves are replenished.

Proposal:		Current Rate		Proposed Rate
Increase the annual benefit assessment and establish an annual benefit district CPI adjustment allowance in accordance with California Government Code Section 53739(b)(1).	from	$59.00	to	$XX

Please consider the enclosed documents, which include an informational page about the district, a ballot form, a return envelope, Notice of Public Hearing and a map depicting the landscape areas maintained by your district.

If you have questions or concerns, you may contact Alvin Dias, Deputy Public Works Director at 559-415-7189 or Russ Sterling, Director of the Public Works Department at 559-585-2565. Thank you for your time and consideration.

INFORMATION

District:	94-03 QUAIL RUN ESTATES			
Calendar Year Cash Balance:	**2025**	$	$(XX)	
Projected Ending Calendar Year Cash Balance:	**2026**	$	$(XX)	
Number of Lots multiplied by Assessment per Lot	272	X	$59.00	$16,048.00

The City is proposing an increase in the Benefit District Assessment Amount in order to keep up with maintenance costs for the common landscape areas in the District and to create a small reserve to complete landscape enhancement projects and help offset any future unexpected maintenance costs. Keeping the landscaped common areas maintained helps to keep neighborhoods looking good and helps to maintain property values. Currently your district is comprised of 272 lots, with a total current year benefit assessment equaling $16,048.00. The projected expenses are detailed as follows:

Annual Benefit District Assessment Reserve - Cash Balance as of Dec 31, **2024**	$(XX)
Annual Benefit District Assessment Revenue Collected Amount	$16,048.00
Expenses for the Calendar Year	$(XX)
TOTAL PROJECTED ENDING CASH BALANCE	$(XX)

Projected CY Assessment Reserve - Cash Balance as of Dec 31, **2025**	$(XX)
Annual Benefit District Assessment Revenue Proposed Collection Amount	$16,048.00
Proposed Expenses for the Calendar Year	$(XX)
TOTAL PROJECTED ENDING CASH BALANCE	$(XX)

Projected CY Assessment Reserve - Cash Balance as of Dec 31, **2026**	$(XX)
Annual Benefit District Assessment Revenue Proposed Collection Amount	$16,048.00
Proposed Expenses for the Calendar Year	$(XX)
TOTAL PROPOSED ENDING CASH BALANCE	$(XX)

Based on the current benefit district assessment revenue and proposed expenses the total cash balance is $(28,540.00) for the projected calendar year **2026**.

	Existing Amount	Proposed Amount	Increase
Monthly Per Lot	$4.92	$XX	$XX
Annually Per Lot	$59.00	$XX	$XX
Annually Per District	$16,048.00	$XX	$XX

The cost to you to keep the maintenance up in your District will be an additional $XX per year, or $XX per month.

You will see this as an increase in the Property Benefit Assessment included on your County of Kings real property tax bill**.**

In addition to the proposed benefit assessment increase, the City is proposing that an annual benefit CPI adjustment allowance be established in accordance with California Government Section 53739(b)(1). The annual benefit assessment amount will be adjusted by the CPI on an annual basis in accordance with the following formula:

Commencing with calendar year **2026** and on January 1 or each calendar year ("Adjustment Date") thereafter during the life of the District, the Total Annual Assessment amount for the next calendar year shall be an amount equal to the greater of:

(i) the Total Annual Assessment amount in effect immediately prior to the Adjustment Date; or

(ii) the product obtained by multiplying the Total Annual Assessment amount in effect immediately prior to the Adjustment Date by a fraction, the numerator of which is the Index published nearest but prior to the Adjustment Date and the denominator of which is the Index published nearest but prior to January 1 of the first year of the Adjustment becomes effective.

The term "Index" means the Consumer Price Index for Urban Wage Earners and Clerical Workers, San Francisco-Oakland-San Jose Consolidated Statistical Area, 1982-1984, equal 100, published by the Bureau of Labor Statistics of the United States Department of Labor. If the Bureau of Labor Statistics revises the Index, the Bureau of Labor Statistics will be the sole judge of the comparability of successive indexes, but if that agency fails to supply indexes that it deems comparable or if no succeeding index is published, the City shall determine an appropriate alternative published price index.

This annual CPI adjustment allowance process is already being used in districts created after 2001. If approved, the annual inflation allowance will allow the City to better fiscally manage the district and to more closely match benefit assessment revenue to the actual costs incurred.

On the last page is a ballot which gives you, the property owner, certain options:

Yes. I approve of the proposed Benefit Assessment Increase with a CPI Adjustment Allowance for Fiscal Year 2026. If a majority of the returned ballots select **YES**, it will allow the City to secure funding from your District for the current increased costs of maintenance and utilize a CPI adjustment inflation formula to offset future maintenance cost increases. With the proposed Benefit Assessment Increase the current cash balance deficiency will be repaid and funding will become available to fund enhancement projects for the district.

No. I do not approve of the proposed Benefit Assessment Increase for Fiscal Year 2026. If a majority of the returned ballots select **NO**, it will cause the City to re-evaluate the level of maintenance provided to your District, which will likely result in reduced maintenance, such as reduced watering and/or reduced frequency of mowing and trimming of the common areas.

It is very important that you complete and return your ballot. Ballots that are not returned will <u>not</u> be counted. If the "no" ballots exceed the number of "yes" ballots, the proposed fee increase and automatic CPI adjustment will not occur. If only a few people return ballots to the City, those few people will make the decision for the entire district.

The failure to raise service fees will result in a reduction in maintenance services, which will result in a deterioration of the landscaping and/or other improvements.

If the CPI adjustment is approved, any future increase in service fees that exceed the CPI adjustment will require the City to distribute ballots and seek owner approval.

If you want maintenance of the landscaping and other improvements to improve from the current level, it will be necessary to vote "yes" and to return your ballot to the City.

Notice of Public Hearing

A Public Hearing for this proposal will be held on April XX, 2026, at the hour of 7:00 PM in the Council Chambers of the Civic Auditorium at 400 N. Douty Street, Hanford, CA. The ballots will be counted and the results announced at the end of the City Council Special Meeting that same evening. At this meeting, affected citizens will have an opportunity to speak to Council, and may also change their ballot vote if desired.

City of Hanford City Clerk's Office
319 N. Douty Street
Hanford, CA 93230

April XX, 2026

City of Hanford, City Clerk's Office
319 N. Douty Street
Hanford, CA 93230

Re: 94-03 QUAIL RUN ESTATES District
Ballot

BALLOT INSTRUCTIONS

Completion and Return Instructions:

1. Fill out the ballot at the bottom of this page. Be sure to print your name, mark your choice, sign, and date the ballot (the ballot will not be counted without your signature)
2. Fold this page so the address above is visible.
3. Insert this page into the provided return envelope so the Clerk's address is visible through the window of the envelope.
4. Place appropriate postage on the return envelope and mail it.
5. In order to be counted, the ballot must arrive at the above address (City Clerk's Office) on or before 5:00pm, April XX, 2026.
6. ALTERNATIVE DELIVERY: You may also hand deliver the ballot to the City Clerk's office at 319 N. Douty Street, Hanford, CA, on or before 5:00pm on April XX, 2026 **or** hand deliver the ballot to the City Clerk at the time of the Public Hearing on April XX, 2026. If delivered in person, the ballot **must** be in a sealed envelope, or it cannot be accepted.

If you have any question or concerns about the ballot process or Increase in the Annual Benefit District Assessment or Annual Benefit District Assessment Adjustment for Inflation Allowance, please contact Alvin Dias, Deputy Public Works Director at 559-415-7189 or Russ Sterling, Director of the Public Works Department at 585-2565.

DISTRICT No. 94-03 QUAIL RUN ESTATES BENEFIT DISTRICT

BALLOT (QUAIL RUN ESTATES)

Proposal: Increase the annual benefit district assessment amount from $59.00 to $268.08 and establish an Annual Benefit District Assessment adjustment for inflation allowance.

«OWNER_NAME», owning property with Assessment Number «APN»
:

(Check one) **Fee Increase** ☐ APPROVES ☐ DISAPPROVES

_____ _____
(Property Owner Signature) (Date)

_____
(Print Name)

Quail Run Estates 94-03



VI. SCOPE OF WORK/SERVICES

A. STANDARD REQUIREMENTS AND LEVEL OF SERVICE

Maintenance of areas must include if applicable, but not be limited to, pruning, shaping and training of trees, shrubs and ground covers; fertilization; weed control; litter control; control of all plant diseases and pests; mowing; maintenance of irrigation system; and all other duties required to keep the area(s) in safe, attractive, usable condition and maintain plant and turf condition with horticulturally acceptable growth and color and as otherwise described herein. **Landscape Maintenance for the City of Hanford must be "priority work" for the successful contractor. Contractor must have sufficient equipment and employees to complete the work in accordance with the specifications and requirements of this Invitation to Bid.**

LEVELS OF SERVICE

The City of Hanford prefers the highest level of service for all areas of the Quadrant. Most areas in all Quadrants have funding that can support the highest level of service. However, there are rare instances when the available funding in a particular area of a Quadrant will require the City to reduce the costs for that area by reducing the level of service (frequency of service) for that area. Therefore, the City of Hanford reserves the right to assign a service level of less frequency (Level B or Level C Service) to specific areas of a Quadrant when City deems necessary.

The City will provide the Contractor with 30 days advance written notice listing the area and square footages for which service shall be reduced and the effective day of service reduction. City will also automatically reduce the contract payment amount for those specific areas according to the table below which shows the reduction for Level B and Level C.

Service Level	Frequency of Service	Number of Services Annually	Percentage by which Contractor's price will be reduced
A	Once per week intervals	52	-
B	Two-week intervals	26	25%
C	Once per month intervals	12	33%

1. **Standards.** Contractor must perform services in a manner commensurate with the highest quality professional standards of the landscape maintenance profession, using qualified and experienced personnel and high-quality equipment and materials.

   The specifications and standards must be met by Contractor at all times regardless of Contractor's employees' absence or established staffing pattern and levels.

2. **Working Day**. The contractor's activities must be confined to the hours between 6:00 a.m. PST and 6:00 p.m. PST, Monday through Friday, excluding holidays. Deviation from these hours will not be permitted without the prior written consent of the City, except in emergencies involving immediate hazard to persons or property.

   - No normal and routine maintenance operations that cause excessive noise shall be performed before 7:00 a.m.

   - All or some locations may require blowing of parking lots and other hardscape areas prior to normal business hours of 8 a.m. PST to avoid materials being blown onto private vehicles and customers, i.e., Civic Center, and other customer-based facilities.

Contractor shall comply with the City of Hanford's Municipal Code, Title 9 Public Peace, Morals, and Welfare, Chapter 9.10 Noises Prohibited. The City of Hanford Municipal Code can be found at www.ci.hanford.ca.us.

3. **Company Identification.**

   - All employees must wear uniforms or other identifying clothing, to make clear to all observers that they are employed by the contractor.

   - All vehicles (trucks, etc.) used in the course of fulfilling this contract shall have appropriate company identification, visible to all observers, to identify vehicles as being owned by the contractor.

4. **Professional Conduct.** Contractor and contractor's employees must conduct themselves professionally at all times in public and when dealing with City staff and/or Hanford citizens. This will include but not be limited to refraining from using profane or vulgar language in public areas while performing work under this agreement. Contractor and contractor's employees will also afford residents and citizens the utmost courtesy and respect at all times.

5. **Property Owner Concerns**. Contractor must make every attempt to satisfactorily address concerns and issues presented by residents of the district. As soon as the contractor is aware of a resident concern either directly or indirectly, the contractor shall immediately inform the Project Manager of the concern (including the resident's name and phone number if possible), and what action was taken or will be taken by the contractor to address the concern.

   Failure of the Contractor to abide by these terms and meet addressed concerns of the Quadrant's residents will result in a $100 liquidated damages assessment or contract termination. The amount of damages for these types of issues is difficult to estimate, therefore a $100 liquidated damages assessment (per incident) shall represent costs incurred by the City in responding to complaints concerning the Contractor.

6. **Mowing** All Turf areas covered by this contract shall be mowed at the intervals established by the Level of Service assigned to the area (Level A, Level B or Level C Service).

7. **Watering**. Irrigation systems must be maintained, repaired, and adjusted to prevent wetting of adjacent streets and water waste during the irrigation cycle.

   Contractor shall follow the City's and State's water regulations. There will be a liquidated damage assessment of $100 per incident or termination of contract if multiple or gross violations occur in recognition of the importance of water conservation. The amount of damage for these types of issues is difficult to estimate and therefore, $100 shall represent costs incurred by the City in responding to complaints concerning the Contractor.

8. **Signage.** All regulatory park, street, and traffic signs, city information signs, botanical garden signs, donation monuments or stones, individual plant placards, etc., must be kept clean and clear of plant materials, dirt and dust, graffiti, and animal and bird excrements.

9. **Chemicals**. The City reserves the right to reject any chemicals Contractor and/or their subcontractors propose to use, prior to or during actual use. **Safety Data Sheets (S.D.S.) shall be provided to City prior to award of contract and in case of changes after award of contract at least thirty (30) days prior to usage by Contractor for any chemicals while performing this contract.**

   Materials shall be non-staining, non-corrosive, and shall not leave a flammable residue. Contractor shall not use pesticides in Category 1 (no chemicals with LD50 levels lower than 500 mg/km). These would include, but not be limited to, several organophosphate and

carbamate possessing high mammalian toxicity due to their intense anticholinesterase activity.

Pesticides in Category II may be used with the authorization of the Project Manager.

Contractor shall, as part of the required monthly report to the City, prepare a Chemical Use and Proposed Work Report to indicate in writing the amount, type, and location of all chemicals used. **If no chemicals are used, then the report must still be submitted indicating to the City that no chemicals were used.**

10. **Fertilizer**. Short release fertilizer: Only commercial fertilizer containing ten percent (10%) or more nitrogen (N), available phosphoric acid (P205) or eight percent (8%) soluble potash (K2O), singly or collectively may be used. Generally, 16-6-8 would be nitrogen coming from an ammonic or nitrogen source. A slow-release fertilizer shall have at least half of the nitrogen coming from a coated slow-release nitrogen source.

    Fertilization will be on an as needed basis. Project Manager will request a quote for cost of additional services from time to time when services are needed.

11. **Clean-up.** All areas covered by the contract must be kept free of debris and potential safety hazards generated by but not limited to, leaves, grass clippings, pruning, weeding, trimming, and other operations of the contractor, as well as bottles, cans, trash and paper and other yard waste. All trash and debris are to be removed and disposed of at intervals established by the Level of Service assigned to the area and at the contractor's expense.

12. **Emergency Response**. Contractor must be able to respond immediately to emergencies. Emergencies are generally construed as those events that in the opinion of City staff constitute an **immediate danger or hazard to property or persons,** or that significantly violate water conservation requirements. If the emergency condition is identified and the contractor is notified (either through discovery or by contact from City personnel) during normal work hours, the contractor must respond to the emergency within **two hours** unless otherwise specified. If discovery or notification occurs after normal working hours, the contractor must respond by 10am on the following working day.

    Contractor must provide some acceptable method by which contact can be made in case of emergency, i.e., paging system, cell phone, etc. and shall also provide a method by which non-emergency messages can be received during the workday, i.e., phone messages, email, etc.

13. **Reporting and Inspections**

Status Reports

a. **A written report is to be prepared by the Contractor and given to the Project Manager monthly**. The report shall include a description of unusual circumstances, locations of any homeless encampments that are found in areas being maintained by the Contractor, lighting that is inoperable, major irrigation breaks, safety hazards, etc. For emergencies and safety hazards, the Project Manager is to be called immediately. Failure to provide a report may result in a $100 penalty per incident or termination of contract if multiple incidents are noted. The reports are important especially if they are safety hazards. Amount of damages for these types of issues are difficult to estimate. Therefore, $100 per incident shall represent costs incurred by the City in responding to complaints concerning the Contractor.

b. **The Contractor must schedule a meeting with the Project Manager no less than once per month** to review the work site to ensure compliance with the contract specifications and standards. At this meeting, Contractor or Contractor's supervisor

shall sign the meeting attendance and inspection reports prepared by the City, provide all chemical use and proposed use reports, irrigation inspection and schedule changes, and usage and/or proposed fertilizer usage reports and discuss major accomplishments for the previous month, notable problems, schedule changes and goals and deadlines for the coming month. The Project Manager shall discuss areas out of compliance and options to bring areas back into compliance with contractor. Project Manager shall discuss any penalties with the Contractor and/or intensions to withhold payment of invoices. Project Manager shall document these meetings. Failure to attend these meetings may be cause for a $100 penalty per incident or termination of contract if Contractor has failed to meet with City staff after multiple attempts to discuss gross breaches of duty.

c. **The Project Manager shall report any maintenance deficiencies to Contractor. Contractor must correct any deficiencies at Contractor's cost within five (5) working days of written notification.** Unusual horticultural problems such as pests, disease, and damages that are beyond the scope of Contractor's responsibility shall be brought to the attention of Project Manager.

d. **A Chemical Use and Proposed Work Report must be completed for each chemical application and proposed application. These reports shall be submitted each month during contractor's monthly meeting with City's Project Manager**. Failure to submit reports may delay the City's payment to Contractor and be cause for a liquidated damage assessment of $100 per incident. The amount of damage and costs to the City for these types of issues is difficult to estimate and therefore, $100 shall represent costs incurred by the City in responding to incidents where the City was unsure of what chemicals were applied by the Contractor. The Contractor is responsible for submitting chemical usage reports to the County Agricultural Department. Copies are to be sent to the Project Manager as part of the Contractor's monthly report.

e. Monthly Irrigation Inspection reports (described below), irrigation schedule changes, and contractor signed landscape inspections from the City must be submitted with monthly invoice before payment will be made**.** Failure to submit all reports may delay the City's payment to Contractor.

B. LANDSCAPE MAINTENANCE – SPECIFICATIONS

1. **Irrigation**. Irrigation must be done with the use of automatic or manual sprinkler systems where available and operable, unless outlined in the initial acceptance inspections for repairs. These areas will be addressed with Contractor during initial inspection and noted for regular monthly inspections. Failure of an existing system to provide full and adequate coverage after Contractor signs Notice of Acceptance shall not relieve the contractor of the responsibility to provide proper coverage of all areas. **Providing any supplementary hoses, sprinklers, nozzles, etc. necessary to accomplish proper coverage shall be the contractor's responsibility.** Exclusions will be identified in description of areas and will be addressed with Contractor during initial inspection. Original brand and size of heads and nozzles will be used in replacement of vandalized or faulty heads in turf and planter areas.

   Contractor is responsible for all repairs to the irrigation system starting at the City side of the water meter, with the exception of the **testing of the back flow** and **repair/replacement of the backflow**.

   a. **Maintenance**. At all times, Contractor must maintain all sprinkler systems in such a way as to give proper coverage and full working capacity, making whatever adjustments or repairs necessary to maintain healthy turf, plant growth, prevent dry

spots in turf, plants, and shrubs, and prevent excessive run-off into streets or other areas not intended to be irrigated. Care must be taken to prevent wasting water, causing soil erosion, or allowing seepage into existing underground improvements or structures.

The contractor shall keep controllers and valve boxes free of dirt and debris; repair, replace, clean, adjust, straighten, raise, or lower the following sprinkler system components:

- Sprinkler heads
- Sprinkler risers
- Quick coupler valve boxes
- Hose bib boxes
- Remote control valves
- Remote control valve boxes and covers
- Maintain and replace batteries in battery operated controllers on a continual basis
- All irrigation wiring should be maintained to City standards including proper splices using DBR/Y-6 splice kits
- Proper solenoid/decoder replacement should be completed with dry and tight connections
- Minor graffiti removal from irrigation controllers
- Controllers to be kept free of all plant materials, spiders and webs, and any other material that could cause the controller to be non-accessible or damaging to the controller

If contractor fails to keep sprinkler nozzles properly adjusted/aligned to prevent water waste, repair or replace malfunctioning, broken or missing sprinkler heads and/or sprinkler head risers and water waste results, the City of Hanford reserves the right to bill contractor for excess amount of water in addition to assessing a liquidated damage assessment of $100 per incident. Because It is difficult to estimate the potential losses in water and the costs for City response time to complaints from residents, $100 has been established as a reasonable assessment.

The Contractor shall prepare a written Irrigation Inspection Report (a report template has been included with this RFB, as a sample for Contractor). The report shall describe any irrigation schedule changes, malfunctions, and necessary repairs. The Irrigation Inspection Report must be submitted with monthly invoice before payment will be made.

b. **Inspection**. **The contractor must inspect all irrigation systems for any malfunction on an interval established by Level of Service assigned for the area.** This must be accomplished by utilizing a remote-control receiver or placing the controller in test mode and visually inspecting sprinkler operation. This includes, but is not limited to breaks in irrigation lines, irrigation valves, heads, leaks and washouts, saturated areas or dry spots. Contractor must notify Project Manager within twenty-four (24) hours of any malfunctions. Failure to provide notice to the Project Manager may be cause for liquidated damage assessments of $100 per incident or termination of contract. Because It is difficult to estimate the potential losses in water and the costs for City response time to investigate complaints from residents, $100 has been established as a reasonable assessment.

Contractor is to track all irrigation locations where plants are missing and maintain irrigation heads until plants are replaced.

Excessive water run off or overflow onto hard surface areas must be kept to an absolute minimum so as not to cause waste of water, pedestrian and/or vehicular liabilities. Problems reported to Project Manager or designated representative will be repaired within twenty-four (24) hours. Failure to complete repair or notify Project Manager of any delay to repairs may be cause for liquidated damage assessment of $100 per incident or termination of contract if multiple breaches occur.

Water leaks or stations must be turned off within two hours (2 hrs.) on the day reported to save water. Repairs must be made within twenty-four (24) hours or sooner if City classifies the necessary repairs as requiring an Emergency Response as stated in this Agreement. Twenty-four (24) hour fixit notices will be sent to contractor via email. Failure to comply may result in liquidated damage assessments to the Contractor of $100 per incident, unless the Project Manager is contacted, and an agreed time frame modification is made between the contractor and the Project Manager in writing**.**

Approximately sixty (60) days prior to the conclusion of the contract, a comprehensive test of all irrigation systems shall be made by a Public Works Department representative. Any repairs deemed the contractor's responsibility must be made by the contractor prior to the end of the contract period.

If the repairs made are not to the Project Manager's satisfaction, deductions shall be made in the final contract payment to cover the cost of eliminating the discrepancies determined by the Project Manager.

c. **Repairs**. Irrigation systems which are damaged by vandalism or in any way as a result of work performed under this contract must be repaired or replaced in kind and in an approved manner by the contractor. Repairs must be made immediately after damage occurs, unless otherwise directed. Vandalism will be documented by the contractor with the use of digital photos or video tape and supplied to the Project Manager as proof of vandalism. The preferred method of transmission of photos would be digital photos transmitted via email. Failure to provide such documentation may be cause for no reimbursement of corrective expenses to Contractor.

The contractor shall keep an itemized list of material(s) used to repair vandalism damage and submit to Project Manager for reimbursement of the Contractor's labor at an hourly rate established in this contract and pay for replacement materials at COST.

- **Normal Repairs** = Contractor is responsible for all normal repairs (i.e. Main line (including from water service meter to the back flow), irrigation controllers, valves, control wires, decoders, sprinklers, nozzles, lateral lines, etc.) The backflow devices annual maintenance/testing will be the responsibility of the City of Hanford. All normal repairs are the sole responsibility of the contractor except for repairs needed due to vandalism. Repairs not made within twenty-four (24) hours of notification or not completed to the satisfaction of the Project Manager may be assessed a liquidated damage assessment of $100 per incident.

- **Major Repairs** = City is responsible for funding major repairs, which include repairs to Booster Pumps or Backflow Devices. All major repairs are the responsibility of the contractor to repair and make operable but must be authorized by Project Manager in writing prior to repairs being made. Hourly rate plus materials for major repairs to be authorized by Project Manager prior to any work being done. Contractor is responsible to report in writing any issues with these devices to the Project Manager for authorization to repair or replace.

Failure to complete repairs in the allotted time on a repeated basis will cause the Contractor to have the full costs of repairs deducted from monthly billing and may be grounds for termination of contract. Contractor will be responsible for any fines applicable under state law, public utility billing, or local ordinance, due to continuous running water.

d. **Turf Watering**. All turf areas must be watered based on 85-95% of daily evapotranspiration rate and need to maintain a uniform, green, healthy growth pattern and promote deep root growth. **(If City water restrictions are imposed to conserve water, they will supersede the previous statement)**. Water shall be applied in short repeat cycles of 3 - 5 minutes each to prevent water run-off into street. **Care shall be taken to not over water or waterlog any soil.** Contractor shall turn off irrigation system during the wet season and adjust the controller seasonally. **Each time the schedule is changed due to seasons or any other reason, a revised schedule shall be provided to the Project Manager**.

Water applications on turf and ground cover areas shall generally be applied between 12:00 a.m. and 6:00 a.m. where possible, to lower the risk of fungus in turf. Drip stations may be operated during daytime hours.

e. **Water Schedule**. Turf and landscape watering shall be scheduled in accordance with prevailing water conservation requirements, and unless otherwise specified shall be scheduled Tuesday through Sunday. No watering shall be allowed on Monday without prior approval of Project Manager. Irrigation program shall be set up so that no water is applied to turf 48 hours prior to mowing. Overhead systems shall not be operated between 8:00 a.m. and 6 p.m.

Contractor will be responsible for any fines associated with not following the City's Water Conservation Rules and Regulations.

A proposed quarterly schedule of watering shall be provided to the Project Manager one (1) month after award of contract. Each time the schedule is changed a new updated schedule must be provided to the Project Manager.

f. **Ground Cover**. Sufficient amounts of water shall be applied to ground cover areas to maintain a healthy growth pattern and promote deep rooting. Care shall be taken to not over water or waterlog soil.

g. **Banks and Slopes**. Sloped landscape areas shall be irrigated in short cycles as required to prevent water runoff, and to maintain horticulturally acceptable growth and color. Irrigation practice is to promote deep root growth with a minimum of run-off.

h. **Shrub and Trees**. All shrubs and trees shall be watered as needed to maintain healthy growth and promote deep rooting. Care shall be taken to not over water.

Irrigation rates shall be adjusted according to shrubs or tree types and seasonal weather conditions. Deep watering for root growth is encouraged and surface run-off is to be kept at a minimum.

i. **Newly Planted Trees, Shrubs, and Groundcover.** All newly planted areas are to receive special attention until plants are established. Adequate water shall be applied to promote normal, healthy growth. Watering basins around newly planted shrubs and trees to be used during establishment period. **It is the contractor's responsibility to contact the City's Water Utilities Division to get a twenty-one**

(21) day establishment permit for any additional irrigation that will be needed for newly planted plant materials.

j. **Remote Control Receiver.** Upon contract commencement, the contractor is required to have a radio-frequency ready remote-control receiver that is compatible with all major irrigation systems. **It is the responsibility of the contractor to obtain and purchase these devices.**

Continuous activation of valves by manual solenoid or bleeding valve stem can be damaging to the fragile irrigation mechanisms. The remote control allows the contractor to inspect the irrigation system effectively by utilizing the technology currently in place.

2. Weed Control.

a. **Weed control clarification**. For the purpose of this specification**, a weed shall be considered to be any undesirable plant or plant growing out of place.**

- Maintenance shall include the removal and chemical abatement of weeds growing on all paved and unpaved surfaces of all maintenance areas of contract. All landscaping within the specified maintenance areas including lawns, planter areas, median islands, and tree wells shall be kept weed free at all times.

- **Complete removal of all weed growth is to be accomplished by the Level of Service assigned to the area**. Weeds shall be controlled by chemical methods by the contractor.

- Weeds reaching height or width of four inches (4") shall be physically removed from landscaped areas.

- Seedlings growing out of desired landscape plants shall be removed and chemically treated to terminate the growth of the undesirable seedling.

b. **Use of Chemical Herbicides**. The contractor shall abide by all rules and regulations of the California State Department of Food and Agriculture, Department of Health, and Department of Industrial Relations regarding the safe application of herbicides under this contract. Care shall be taken to ensure the safety of the public and the contractor's employees during chemical weed control operations. The Project Manager may restrict the use of chemical weed control in certain areas. **Pesticide Applicators License is required to apply herbicide. Contractor must supply a copy of this license to the Project Manager**. Failure to provide documentation of active license may result in a liquidated damage assessment or termination of contract.

Contractor shall take necessary precautions to prevent herbicide drift onto non-target plants.

3. **Diseases and Pest Control**. The contractor must regularly inspect all landscaped areas for the presence of disease, insect, or rodent infestation. The contractor shall notify the Project Manager within three (3) days of finding such a condition, outlining identification and control measures to be taken. Upon approval of the Project Manager, the contractor shall implement the approved control measures utilizing all safeguards necessary to protect the public and contractor's employees.

a. **Use of Chemical Pesticides**. All rules of the California State Department of Food and Agriculture, Department of Health, and Department of Industrial Relations regarding safe application of pesticides under this contract shall be observed.

Pesticide Applicators License-Category B, along with a valid Maintenance Gardener Pest Control Business License are required to apply pesticide. Contractor shall take necessary precautions to avoid pesticide drift onto non-target organisms.

b. **Rodent Mounding**. Mound of soil in turf and planter areas caused by rodent activity shall be raked down at the intervals established by the Level of Service assigned to the area, to prevent soil build up in turf and around plants. All curbs, gutters, and other hardscapes adjacent to the maintenance areas will be free of any soil mounds or erosion caused by rodents.

c. **Rodent/Pest Control**. Contractor must inspect all turf and planter areas for rodent (gopher, squirrel, and other pest) activity, and initiate control measures at the intervals established by the Level of Service assigned to the area. Contractor must fill all rodent holes in areas that are used by walkers and pedestrians for safety (i.e. trails, turf, DG paths, etc.). Contractor shall take necessary precautions and safeguards to protect health of public and employees.

4. **Plants**. All shrubs and ground cover plants growing in the work area must be pruned once every other month to maintain plants in a healthy growing condition, and to allow for full coverage of the irrigation system. Pruning is to be done in a manner that promotes the plant's natural growth characteristics. If hedging is needed to clear the sidewalk, the plant must be trimmed on all sides to balance growth. Hedging, shearing, or other severe pruning will not be allowed except with prior approval. **All debris from trimming of plant material will be removed from beds, hauled off, and disposed of immediately and appropriately. Fallen leaf material shall be removed from planter areas and off the plants on a monthly basis to allow for proper growth of the plants.**

a. **Growth Control**. Plant growth shall be kept within reasonable bounds to prevent its encroachment into walks, passageways, and streets. Clear view of traffic signs and intersections is to be maintained at all times.

All shrubs and plant growth in planter areas along walls are to be maintained to a height no greater than four feet (4') (unless specified by the project manager) and kept from blocking any subdivision, safety signage, and overhead or landscape lighting.

All trees, large and small shrubs, and groundcovers in planters or Right of Way areas along streets and at intersections, must be maintained and trimmed for traffic sightline clearances.

Mature tree canopies must be maintained above eighty-four (84) inches above soil grade for site line visibility. Newly planted, young or non-mature trees, multi-trunk trees, or large shrubs (i.e. Western Redbuds) must also be raised or thinned to maintain site line visibility.

Pruning is to be done in a manner that promotes the plant's natural growth characteristics.

Small shrubs and groundcovers must be kept below thirty (30) inches at road level to allow for visual site of oncoming traffic.

b. **Removal.** All dead, dying, or damaged plants (including trees) and any branches must be removed immediately. This debris, including plant growth removed by contractor, shall be removed away from job sites and appropriately disposed of at the intervals established by the Level of Service assigned to the area. **Hauling and**

disposing of said debris must be included in bid price. Dead stems of daylily, agapanthus, and similar plants shall be removed on a monthly frequency. Dead leaves around base of plants shall also be removed on a monthly basis.

c. **Trees**. The contractor is responsible for removal of suckers, limb growth that inhibits site line visibility of any traffic, and all pruning that can be reached with a twelve-foot (12') pole saw by a person standing on the ground as part of this contract.

All trees are to be maintained in their natural shape, and pruning is to be done in a manner that promotes the trees natural growth characteristics using sharp and proper pruning tools along with the correct pruning techniques to promote and achieve the trees natural growth characteristics and to meet International Society of Arboriculture (I.S.A.) Standards; all cuts shall be made cleanly with no stubs or projections remaining.

No weed whackers or hedging type tools shall be allowed to trim and maintain trees. The use of improper tools and techniques resulting in the negligent and irresponsible care of trees or plants, thus causing damage to trees or plants and resulting in the need for the Project Manager to hire outside services to correct the damage will result in those costs associated with the corrections being deducted from the Contractors monthly invoice along with a $100 liquidated damage assessment per incident or up to termination of the contract.

Canopy clearance above sidewalks, bikeways, and other pathways of 10'0" is to be maintained for pedestrian safety.

All regulatory street and traffic signs must be clear of tree and plant growth at all times for sight clearances.

Clippings must be picked up, hauled away, and disposed of by the Contractor immediately and appropriately.

Leaves in planter areas shall be removed on a monthly basis. In addition, during seasonal drop leaves will need to be removed off of walkways as needed for safety. **Fallen leaf material shall be removed off the plants regularly to allow for proper plant growth.**

Newly planted trees that do not have trunk caliber sufficient to support tree shall be staked, pruned, and shaped to promote their eventual development into strong, healthy representatives of their species.

Until young trees are strong enough to stand alone, they shall be flex-tied between two (2) approved two-inch (2") diameter x eight foot (8') treated tree stakes. Tree stakes shall be of treated lodge pole pine. Metal stakes may be required in some areas. Tree ties made of extruded vinyl base, 1" wide, and a minimum of .01" thick shall be used to secure the young trees. Tree ties to be inspected often for signs of girdling or abrasion.

Contractor must maintain a three-foot (3') diameter circle free of grass/weeds around all trees located in turf areas.

Trees damaged by maintenance equipment shall be replaced by contractor with like size and species. Contractor is responsible for all costs related to replacement.

Maintenance shall include the removal of dead trees, limbs, and dead leaf material at the intervals established by the Level of Service for that area. Dead trees will need

to be replaced per the contract for plant replacement in Item 6 (below) of this scope of work and per the discretion and determination of the Project Manager.

Young or new trees along trails, paths, riparian landscapes, Landscape and Lighting Districts, parkway strips, and pocket parks shall be maintained, pruned, and shaped to promote their eventual development into strong, healthy representatives of their species by the contractor for the first three (3) years of the trees life within the landscape. Stakes must be removed when tree has sufficient strength to support itself. These costs are to be factored into the planter costs. Project Manager will instruct contractor when tree stakes are to be removed. Contractor is responsible for the proper disposal of all pressure treated wooden tree stakes. All metal stakes in good condition must be taken to City of Hanford, Corporation Yard for storage.

The contractor shall notify the Project Manager within twenty-four (24) hours of any tree that shows sign of root heaving, leaning, having hanger limbs, or in some manner constitutes a safety hazard. Failure to notify Project Manager may result in a liquidated damage assessment of $100 per incident to recover the losses to the City for responding to resident complaints of the Contractor noncompliance or termination of contract if multiple breaches or gross violations occur that place residents in danger.

d. **Shrubs.** All shrubs must be trimmed to prevent encroachment onto walks, passageways, streets, curbing, and trails to allow for safe passage of users. Shrubs must be trimmed to allow a clear sightline of oncoming traffic at all Right of Ways and intersections. Shrubs must be cleared away from all regulatory street and traffic signs. Shrubs in planters must be kept below thirty (30) inches at intersections and turn lanes for sightline of oncoming traffic.

5. Fertilization. Fertilization will be performed on an as needed basis as requested by the Project Manager. Project Manager will request separate pricing for fertilization when it is required. A slow-release fertilizer will be applied when fertilizer is requested by Project Manager.

When fertilizer is applied as needed, to maintain healthy and vigorous plants: The City anticipates that primarily nitrogen will be deficient in soils; however, Contractor shall identify and correct other mineral deficiencies that affect plant growth.

Analysis of fertilizer shall be approved by the Project Manager prior to application.

All turf fertilizer shall be watered in thoroughly within two (2) hours of application.

Fertilizer shall be applied uniformly using an appropriate spreader. Prior to beginning a fertilization program, Project Manager shall submit to the Contractor a schedule showing sites to be fertilized. The Contractor shall submit to the Project Manager a schedule showing the dates and approximate times of fertilizer applications. Timing or number of sites fertilized per day or week shall not be set up to preclude normal on-site maintenance work.

Once the Project Manager has requested that fertilization is necessary the Contractor shall notify Project Manager at least ten (10) days before any fertilizer applications. **Receipts for the Contractor's purchase of the approved fertilizer will be required and must be submitted to the Project Manager with monthly invoice.**

Note: Subject to approval of the Project Manager, fertilization may be altered by use of slow-release fertilizers such as Woodace containing IBDU formula.

6. Replacement of Plant Material

a. The contractor must notify the Project Manager within three (3) days of discovery of loss of turf, shrub, ground cover, or tree material due to any cause.

b. The contractor must supply all labor and materials to replace any tree, shrub, turf, or ground cover damaged during work by the contractor or lost through the contractor's faulty maintenance or negligence.

Trees, shrubs, or turf that are damaged or lost through disease, insect infestation, or rodents, that could have been prevented with reasonable ordinary care by the Contractor shall be the responsibility of the Contractor.

Contractor is not responsible for plant loss due to vandalism, theft, vehicle accident, fires, storm, or water restriction in response to drought conditions. Whether or not the loss was due to Contractor faulty maintenance or negligence shall be determined by the Project Manager. The size and species of replacement plant material shall also be determined by the Project Manager but shall be reasonably equal to the plant material that is being replaced.

In regard to trees, where there is a difference between the tree lost and the replacement tree, the difference will be deducted from the contract payment. **The value will be determined using the latest American Shade Tree Conference guidelines.**

c. Any plant damaged or lost through fires, storms, or water restrictions in response to drought conditions, theft, vehicular damage, or vandalism that are not the responsibility of the Contractor (as determined by the Project Manager), shall be replaced in kind and size at the Project Manager's direction. The Contractor will perform the work and the City will pay for the Contractor's labor at an hourly rate established in this contract and pay for replacement materials at COST.

From time to time it may be necessary or desirable to replace some plants to enhance the overall appearance of a site. Any such replacements will be at the Project Manager's decision. The Contractor will perform the work and the City will pay for the Contractor's labor at contract rates and cost of replacement materials. All landscape repairs and replanting requested by the City's Project Manager must be completed according to a date agreed upon in writing between the City Project Manager and Contractor.

The Contractor shall supply itemized labor hours and material cost invoice(s) with monthly invoices in order to be reimbursed for plant replacement.

7. Turf Maintenance

a. **Mowing**. The turf must be mowed and edged at the intervals established by the Level of Service assigned to the area during its growing season in order to maintain a neat appearance and healthy growth. If weather conditions do not permit regular mowing, longer intervals may be observed by Project Manager with notice from Contractor.
   - Contractor shall **never mow turf when it is in a wet**, **saturated condition** that would cause rutting, tearing or sliding on the turf surface or when it could be unsafe for Contractor's employees to operate equipment.
   - All lawn areas in this contract **must** be mowed with power-propelled reel or rotary-type mowers.
   - All mowers **must** be cleaned prior to each mowing to avoid possible weed invasion.

- Mowers **must** be adjusted and maintained to provide a smooth, uniform cut with no ridges or depressions.
- Turf **must** be cut with the size of equipment, which will give a neat appearance without rutting, sliding over, or scalping the turf. This will be strictly adhered to, including cases of steep turf slopes.
- Blades **must** be kept sharp at all times to prevent turf damage.
- Mowing patterns **must** be changed for each mowing service or as often as necessary to avoid rutting.
- Turf **must** be kept at a uniform height that is recommended for that particular type of turf grass.
- Grass clippings **must** be removed promptly and disposed of at the Contractor's expense unless they will dry and drop beneath the growing level of the turf within twenty-four (24) hours.
- Recycling cutting decks that provide an acceptable cut may be used if written approval of Project Manager is obtained prior.

Contractor's employees shall take care to avoid obstructions such as electrical boxes, signage, buildings, vehicles, etc. Contractor shall be responsible for repair of damage caused by its mowing or other activities.

Contractor shall take great care around trees. Any trees which have more than fifty percent (50%) of the bark removed in a given three-inch (3") area of trunk by weed whips or mowers shall be considered destroyed and shall be replaced at the Contractor's expense with like species and size.

b. **Mowing Height** All turf, except Bermuda, must be maintained at a height range between three and one-half inches (3 ½ ") maximum and two and three fourths inches (2 ¾") minimum.

Fescue height shall not exceed three and one half inches (3 ½").

Common Bermuda must not exceed two inches (2") in height.

Mowing shall be performed so that no more than one third (1/3) of the grass blade is removed per frequency in returning the grass to acceptable height for the species being mowed within areas assigned at a level A Service.

All turf areas shall be mowed at the intervals established by the Level of Service assigned to the area on a preset day and route. Any changes to this schedule shall be approved in advance by the Project Manager.

During periods of heavy growth, more than one mowing per week may be required to maintain acceptable appearance within areas assigned at a Level A Service.

All turf areas shall be maintained at a level that will ensure a healthy, green color and uniform growth.

c. **Broad Leaf and Noxious Weeds**. These weeds shall be controlled on an as needed basis by chemical or manual method when requested by Project Manager. Chemicals used for control shall be registered for use on Fescue and Bermuda turfs. A Broadleaf and Crabgrass pre-emergent herbicide shall be applied between mid-January and March and again between September and Mid-November of every year. Herbicides such as Dimension, Pendulum, or Barricade are recommended during this application period. For post broadleaf weed control Triplet, Trimec, or Triamine will be applied to control Broadleaf and Crabgrass weeds that are currently growing and weather

conditions permit the application. **Contractor shall provide Project Manager a quote for work prior to work being started and shall not perform work without Project Manager's approval of quote. Contractor will be required to notify the Project Manager of the application dates and provide a schedule of areas treated as completed.**

d. **Edging**. All turf adjacent to improved surfaces shall be edged a minimum of once every mowing. Unimproved surfaces between turf and planter areas and/or property lines shall be edged a minimum of once per month to maintain turf delineation.

String trimmers, a.k.a. weed eaters, shall not be used around trees.

e. **Clean-up**. All surfaces shall be free of grass clippings and debris including turf, gutters, and street upon completion of mowing and edging operation. It is the responsibility of the Contractor to remove these items immediately and dispose of them appropriately.

f. **Turf grass seeding**. Turf grass seeding will be done on an as-needed basis when requested by Project Manager. This is considered additional work and will be paid separately from this contract. Contractor shall provide Project Manager a quote for work prior to work being started. **When seed is used, areas shall be top-dressed with humus.**

g. **Renovation**. Renovation will be done on an as-needed basis when requested by Project Manager. Project Manager will furnish square footage and locations for renovation This is considered additional work and will be paid separately from this contract. Contractor shall provide Project Manager a quote for work prior to work being started.

Turf renovation to remove accumulated thatch from all sites under this contract must be accomplished by power raking or dethatching rakes on turf (care shall be taken so turf is not damaged).

A schedule of equipment to be used by the Contractor shall be submitted to the Project Manager for approval 10 days prior to beginning work.

Refuse generated by renovating shall be removed not later than the day following the operation.

h. **Aerification**. Aerification will be done on an as-needed basis when requested by Project Manager. This is considered additional work and will be paid separately from this contract. Contractor shall provide Project Manager a quote for work prior to work being started. Contractor shall not perform work without Project Manager's approval of quote.

Project Manager will furnish square footage and locations for aerification.

8. Ground Cover Maintenance & Wall Covering of Ficus Pumila, and All Other Vines.

a. All areas planted in ground covers shall be adequately irrigated to maintain vigorous growth.

b. Groundcover beds shall be periodically edged to keep them in their intended space. Groundcovers shall not be allowed to encroach into sidewalks, lawns, shrub beds, or other areas deemed as undesirable by the Project Manager.

c. Groundcover plantings shall be periodically thinned and pruned for vigorous growth and overall appearance of the site.

d. Groundcovers in median and other Right of Way areas must be trimmed below thirty (30) inches at road/asphalt level for sight clearances for traffic safety.

e. Wall covering of Ficus Pumila and other vines, will be trimmed back close to the wall and removed from trees and shrubs, and removed from planter areas as needed. **Wall coverings shall not be allowed to grow over the top of the wall.**

9. **Hardscape Areas.** All patios, curbs, gutters, pathways, sidewalks, parking lots, and other hardscape areas (i.e. Center median island points, roundabouts, etc.) adjacent to and part of the City owned property or Right of Way must be kept free of weeds, debris, leaves, grass clippings, etc. at all times to provide a safe and clean passage for users and to prevent slips and falls.

All areas covered by the contract must be kept free of debris and potential safety hazards generated by but not limited to, leaves, grass clippings, pruning, weeding, trimming, and other operations of the contractor, as well as glass, bottles, cans, trash, paper, and other yard waste. All trash and debris are to be removed and disposed of at the intervals established by the Level of Service and at the contractor's expense.

10. **Vegetation**. All vegetation areas must be kept free of weeds, trash, leaves, grass clippings, etc. at all times. The contractor is responsible for removal of suckers, limb growth, and all pruning of trees that can be reached with a twelve-foot (12') pole saw to a minimum height of eight (8) feet, by a person standing on the ground as part of this contract. Contractor must maintain a three-foot (3') diameter circle free of grass/weeds around all trees. Mowing shall be performed as weed control bi-weekly.

Note: If and when using a blower or other power equipment, Contractor shall comply with the City's Municipal Code 9.10.060 Noises Prohibited - Blowers, Mowers, Trimmers, and Similar Devices. In or in proximity to residential or noise sensitive areas, between the hours of 8:00 p.m. and 7:00 a.m., the operation of any noise-creating blower, mower, trimmer, power fan, or any battery/electrical-powered or internal-combustion-powered equipment, provided that the noise can be heard across the property line of the property from which it emanates.

Refer to Exhibits D-1 and D-2 for square footages and locations.

Current Landscape Service Levels

Service Level	Frequency
A	Every week
B	Every week (March-Oct.), every two weeks (Nov.-Feb.)
C	Every other week
D	Every other week (March-Oct.), every four weeks (Nov.-Feb.)
E	Once monthly
F	Six times per year
XXX	No service

Proposed New Levels of Service

LEVELS OF SERVICE

The City of Hanford prefers the highest level of service for all areas of the Quadrant. Most areas in all Quadrants have funding that can support the highest level of service. However, there are rare instances when the available funding in a particular area of a Quadrant will require the City to reduce the costs for that area by reducing the level of service (frequency of service) for that area. Therefore, the City of Hanford reserves the right to assign a service level of less frequency (Level B or Level C Service) to specific areas of a Quadrant when City deems necessary.

The City will provide the Contractor with 30 days advance written notice listing the area and square footages for which service shall be reduced and the effective day of service reduction. City will also automatically reduce the contract payment amount for those specific areas according to the table below which shows the reduction for Level B and Level C.

Service Level	Frequency of Service	Number of Services Annually	Percentage by which Contractor's price will be reduced
A	Once per week intervals	52	-
B	Two-week intervals	26	25%
C	Once per month intervals	12	33%

Downward Payment Adjustment Example

A. CITY'S RIGHT TO WITHHOLD CERTAIN AMOUNTS

The City may withhold a sufficient amount of any payment otherwise due to the contractor to cover:

- Payments that may be past due and payable for just claims for labor or materials furnished in and about the performance of the work under this contract and as a result of contractor's failure to properly make payments to its subcontractors or suppliers.

- Claims filed or reasonable evidence indicating the probable filing of claims. The City shall disburse and shall have the right to act as agent for the contractor in disbursing such funds as have been withheld pursuant to this subsection, to the party or parties who are entitled to payment therefrom. The City will render to the contractor a proper accounting of all such funds disbursed on behalf of the contractor.

- Work required in the specifications which is not performed or is incomplete or for defective work not remedied.

- When Contractor is out of compliance with the requirements of the maintenance agreement, an appropriate downward adjustment in contractor's payment shall be made. Downward adjustments will be made for incomplete and /or unsatisfactory work or non-performance based on a percentage of the estimated cost to the City for each area maintained by the Contractor. See tables below which list the cost adjustment percentage. The Area Cost Estimate used by the City will be the square footage descriptions contained in Exhibit D-1 (or as that document is amended if additional areas are added during the term of the Agreement) and then adjusted based on the Unit Price provided by the successful bidder.

Areas with Planters and Turf:

Area Cost Estimate	Trash/Debris	Turf	Planters	Trees	Irrigation	Weed Control
	10%	15%	20%	15%	15%	25%

Areas with only Planters:

Area Cost Estimate	Trash/Debris	Ground Cover and Shrubs	Trees	Irrigation	Weed Control
	10%	25%	25%	15%	25%

- If an inspection by City indicates an area is out of compliance, the City shall:
    - Notify the Contractor in writing of the area that the inspection showed was incomplete or unsatisfactory,
    - Describe the reason why the inspection listed the area as incomplete or unsatisfactory,
    - List the amount that the City will withhold if the area is not brought into compliance, and
    - List a date that re-inspection by the City shall occur.

- If the area is not brought into compliance by the re-inspection date or the matter otherwise resolved, the City shall withhold the stated amount for the incomplete and/or unsatisfactory work from the next payment processed by the City.

- If the corrections are not made by the Contractor, the City may, in the sole discretion of the City, have the out of compliance area brought into compliance by City forces or by a third party and charge the expense to the Contractor in lieu of a payment adjustment.

Downward Payment Adjustment Example

- The City reserves the right to assess a $100 liquidated damage assessment per incident over and above the cost to correct the unsatisfactory condition for failure to perform any part of the work covered in this contract. Because it is difficult to estimate the potential costs to the City in responding to resident complaints over such conditions, $100 is set as a reasonable estimate of potential costs to the City in responding to a failure by the Contractor.

LANDSCAPE ASSESSMENT DISTRICT MAINTENANCE STANDARDS

Item Inspected	Grade		Description
1. Turfgrass Condition	High Quality/Pay	**H**	Green and healthy appearance, neatly mowed and edged
	Satisfactory Quality/Pay	**S**	Mowed recently and reasonable quality job needing minor improvement
	Poor Quality/Do Not Pay	**P**	Not mowed per contract schedule, missed mowing and edging, many weeds and major brown areas, noticeably not edged since last visit, spent clippings
2. Tree Condition	High Quality/Pay	**H**	Trees straight and properly staked if applicable, healthy with no pedestrian or vehicle encroachment
	Satisfactory Quality/Pay	**S**	Trees in reasonable condition, may need canopy raising within next few weeks, minor restaking or support needed
	Poor Quality/Do Not Pay	**P**	Dead trees needing removal, trees being damaged by weed eater or mowing practices, obvious pedestrian or vehicle obstructions needing immediate attention, trees leaning and vulnerable due to lack of support
3. Shrubs/Ground Covers	High Quality/Pay	**H**	Clean, healthy, hedged at proper height, trimming not needed
	Satisfactory Quality/Pay	**S**	Overall okay but trimming should be scheduled within next few weeks
	Poor Quality/Do Not Pay	**P**	Obvious overgrowth, hedges well beyond specified height, sidewalk encroachment creating pedestrian interference, numerous dead shrubs needing removal
4. Irrigation	High Quality/Pay	**H**	System operating normally, controlled, properly timed with appropriate run times and start times, appropriate moisture applied with no standing water
	Satisfactory Quality/Pay	**S**	System operating normally, controller may need minor adjustment, minor standing water usually evaporating a few hours after cycle has ended, may have minor head replacement or realignment needed
	Poor Quality/Do Not Pay	**P**	Major over or under irrigation occurring, total system failure, many broken or plugged heads, several heads misaligned and not irrigating target area
5. Litter/Trash	High Quality/Pay	**H**	All areas clean of trash, limbs and leaf litter, no grass clippings visible
	Satisfactory Quality/Pay	**S**	Minor trash and leaf litter present but not highly visible, may require cleaning next visit but okay at this point, minor grass clippings present but not highly visible
	Poor Quality/Do Not Pay	**P**	Trash more than one visit old, limbs and leaf litter build-up highly noticeable, excessive grass clippings and leaf litter blown into beds
6. Weed Control	High Quality/Pay	**H**	Planter beds and turf areas free of weed growth
	Satisfactory Quality/Pay	**S**	Planter beds or turf areas have newly germinated weed growth requiring attention
	Poor Quality/Do Not Pay	**P**	Some mature weeds present and highly noticeable, noticeable neglect, infestation of nutgrass, weed growth only being weed whipped, lack of control measures obvious
7. Walks/Curb	High Quality/Pay	**H**	Clean, nice edge, no debris from maintenance activities present
	Satisfactory Quality/Pay	**S**	Fairly clean, minor dirt present but not related to maintenance activities
	Poor Quality/Do Not Pay	**P**	Dirty, obvious litter, debris and dirt left from maintenance activity

Overall Appearance	High Quality/Pay	**H**	Most areas being maintained in the highest standards
	Satisfactory Quality/Pay	**S**	Most areas being maintained but minor maintenance issues becoming more visible and require additional attention during next maintenance visit
	Poor Quality/Do Not Pay	**P**	One or more areas showing improper poor quality due to contractor technique and/or poor scheduling, expected strong criticism from public regarding conditions; if contractor has been warned of poor quality on previous reports, payment will be withheld until such time as the contractor complies with minimum satisfactory levels.

Landscape and Lighting District Maintenance (City Employees vs Out Sourcing)

City Cost	Start up Cost	Year 1 FY 26/27	Year 2 FY 27/28	Year 3 FY 28/29	Year 4 FY 29/30	Year 5 FY 30/31	Total
Total City Cost to include employee, tools, fuel, equipment repair and equipment replacement costs.							
Total City Cost	**$ 265,175**	**$ 518,573**	**$ 541,453**	**$ 567,236**	**$ 594,270**	**$ 622,614**	**$ 3,109,321**
Out Sourcing Work							
Total Outsource Cost to include landscape maintenance of current LAD and CFD landscapes.							
Total Outsource Cost		**$ 544,875**	**$ 561,222**	**$ 578,058**	**$ 595,400**	**$ 613,262**	**$ 2,892,818**
Costs if done by City Employees/(Cost increase in Year 5)							**$ (216,503)**

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** STUDY SESSION

SUBJECT:
Annual Comprehensive Financial Report presentation for the fiscal year ending June 30, 2025

RECOMMENDATION:

Recommendation: Staff recommends that City Council review the Annual Comprehensive Financial Report (ACFR) for the City of Hanford, for the fiscal year ended June 30, 2025

Recommended Motion: This is an informational item, no action is required.

BACKGROUND:

State law requires the City of Hanford to prepare audited financial statements for each fiscal year. The City is in the third year of its agreement with independent auditors Rogers, Anderson, Malody and Scott, LLP (RAMS) for assistance in the preparation of an Annual Comprehensive Financial Report (ACFR). In addition, pursuant to Ordinance 2024-10 City of Hanford Sales and Use Tax Accountability Measure (Section 3.60.050 Annual Audit), RAMS also prepared the Agreed-Upon Procedures Report for the Measure H sales and use tax.

The ACFR is a primary source of objective financial information for residents, City staff, creditors, investors, businesses and other interested parties. It presents the City's financial position, operational results, and economic condition for the fiscal year audited.

For the fiscal year ended June 30, 2025, the City received an unqualified opinion (clean). An unqualified opinion concludes, with the highest level of assurance that the ACFR presents fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City; and the respective changes in financial position. The ACFR is prepared annually in accordance with generally accepted accounting principles (GAAP) and reporting standards established by the national Governmental Accounting Standards Board (GASB), as verified during the independent auditor's examination. The Independent Auditors Report and opinion letter is included on page one of the attached ACFR.

There were no audit findings for fiscal year 2024-25.

MAJOR FUND SUMMARY HIGHLIGHT

Type	Fund	Available Fund Balance FY 24	Available Fund Balance FY 25	Net
Governmental	General Fund	12,610,835	13,596,699	
Governmental	Measure H Fund	-	3,253,905	3,
Governmental	Accumulated Capital Outlay (ACO) Fund	2,207,284	2,228,410	
Proprietary (ISF)	Internal Service Funds	20,790,179	23,495,753	2,
Proprietary (Enterprise)	Water Fund	22,763,381 *	29,279,991 *	6,
Proprietary (Enterprise)	Wastewater Fund	927,514 *	1,521,341 *	
Proprietary (Enterprise)	Storm Drain Fund	5,054,653 *	4,542,384 *	(
Proprietary (Enterprise)	Refuse Fund	(1,785,346) *	(3,012,361) *	(1,

*Unlike Governmental funds, assets are included in Fund Balance which are not expendable asset
As a result, net available cash shown.

The Fund Summary Highlight provides a snapshot of the fund conditions as of June 30, 2025 in addition to the net change from prior year.

General Fund

The City's most discretionary fund, the General Fund showed a positive increase to its unrestricted fund balance which is primarily due to one-time American Rescue Plan Act (ARPA) revenues, which concluded FY25. The City's reserve percentage decreased from 28% to 21%, largely attributable to a $17.5 million litigation settlement payment that was fully reimbursed by insurance. Excluding this one-time transaction, the reserve percentage would be approximately 29%.

City Council has adopted a minimum reserve goal of 35% (Resolution 2022-20-R). Staff will continue working toward this goal through balanced budgeting, careful use of General fund balance, limiting unplanned special projects, and pursuing additional revenue opportunities. Once achieved, reserves above the 35% threshold may be directed toward capital, pension, or internal service funds.

Measure H Fund

Measure H, approved by voters in November 2024, established a 1% transactions and use tax, with revenue distributions beginning in June 2025. While initial receipts were recorded in FY 2024–25, the formal 10-year expenditure plan will begin in FY 2025–26. Including accruals, approximately $3.3 million in revenue was recorded. This helped to establish a minimum Measure H Fund Balance of 15% for fiscal emergencies and continuity of services supported by Measure H.

Some initial costs were temporarily advanced (as approved by City Council and considered by the Measure H Oversight Board) by the General Fund and reimbursed at year-end.

Outlook: Based on updated sales tax projections that are lower than originally forecast, certain projects may need to be deferred, with street preservation and rehabilitation being the most flexible due to longer lead times. Ongoing monitoring will allow staff to manage resources effectively and maintain long-term sustainability.

ACO Fund
Growth in the ACO Fund is limited to interest earnings. Major projects currently funded include the YAC Building restoration and City Hall improvements. This fund would grow as the City's General Fund reserve exceeds 35%.

Internal Service Funds
Internal service funds are used to account for the financing of goods or services provided by one department or agency of the City to another on a cost-reimbursement basis. Examples of these funds include fleet replacement reserve and maintenance, building maintenance reserve, information technology services and equipment, medical fund, workers compensation insurance fund, etc. These funds continue to grow gradually as seen in this year's change in fund balance. In practice, not all vehicles/equipment need to be replaced at one time nor do major expenses generally all occur at one time. The City has an effective cost allocation plan and practices in place which allows for a consistent yearly replenishment to the funds while also monitoring the costs occurring in those funds.

Water Fund
The Water fund showed positive growth supported by previously adopted rate adjustments in 2024. Remaining rate increases will occur 07/01/25 through 2027. During the fiscal year the City began a $16.1 million water replacement project affecting over 19,000 water meters city wide with completion date anticipated by the end of 2026. Cash balances are expected to decline due to the continual progress payments until the project meets completion. Staff will continue monitoring operations, capital needs, and long-term rate adequacy.

Wastewater Fund
The Wastewater Fund experienced slight growth; however, significant capital investments and aging infrastructure will place continued pressure on fund balance. A timely rate study will need to take place otherwise there will likely be significant capital deferrals. The latest rate study in 2024 still has remaining rate increases scheduled for 07/01/25 through 2027 although these will not likely sustain the ongoing needs. With the City's growing population Wastewater infrastructure has remained a high priority for City Council. Throughout the fiscal year, the City has invested in several significant and costly assets.

Storm Drain Fund
A rate study was performed for this fund in 2024 which showed a need to increase rates. However, due to legal limitations/variables the fund was unable to proceed with a rate increase at that time. Until rates are adjusted, the fund is expected to continue declining, with limited capital maintenance occurring in the interim.

Refuse Fund
The Refuse Fund currently has no fund balance and is temporarily borrowing approximately $3 million from the General Fund. The most recent study was completed in 2022 and has remaining rate increases for 07/01/25 through 2026. At a recent study session, Council was advised of the results of the current rate study and core issues contributing to the declining health of the fund, which included rising tipping fees, costly capital needs and increasing operational costs. A Proposition 218 process has been initiated by Council to seek voter approval for rate adjustments necessary to restore financial stability and long-term sustainability.

Summary
Overall, the City's discretionary funds remain in sound financial condition and are positioned to manage short-term economic uncertainty such as a recession or lower tax revenues. Staff will

continue working toward the 35% goal to further strengthen the City's financial position. Despite lower future tax projections, Measure H will still enable the City to fund projects that would not otherwise be possible without the voter-approved tax. In addition, City Council may continue to consider an increase to the Transient Occupancy Tax (TOT) that was considered in 2025 to be taken to voters.

Due to rising costs, asset replacement demands, and new capital needs, the enterprise funds that provide essential services including water, wastewater, storm drain, and refuse require closer monitoring at this time, along with necessary rate adjustments for certain services. Absent these actions, serious consideration will need to be given to cost reductions, including service level reductions or capital project deferrals, to prevent further financial decline.

FISCAL IMPACT:

This item is informational; there is no fiscal impact from this report.

ATTACHMENTS:

1. Annual Comprehensive Financial Report Fiscal Year 2025
2. Agreed-Upon Procedures Report-Measure H Fiscal Year 2025
3. Statement on Auditing Standards
4. Generally Accepted Governmental Auditing Standards

City of Hanford

Hanford, California

Annual Comprehensive Financial Report

For the year ended June 30, 2025

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City of Hanford, California

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended June 30, 2025

Prepared by the Finance Department

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CITY OF HANFORD

Annual Comprehensive Financial Report
For the year ended June 30, 2025

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HANFORD
CALIFORNIA

December 17, 2025

Rogers, Anderson, Malody & Scott, LLP

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hanford (the entity) which compromise the statement of financial position as of June 30, 2025, and the respective change in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements of the various opinion units are presented fairly, in all material respects, in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 17, 2025:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 19, 2025, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- The financial statements refer to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and noted to the basic financial statements.
- We acknowledge our responsibility for the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- The methods, data and significant assumptions used by us in making accounting estimates and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.
- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

The City of Hanford operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with two council members elected in one election and three elected in another election, separated by two years. The mayor is selected from among the council members by the council members and serves a two-year term. All five members of the governing board are elected at large. The council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager and attorney. The City manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

The City of Hanford provides a full range of services, including police and fire protection; the construction, maintenance, and cleaning of streets and other infrastructure; planning and development services; water service; refuse collection, disposal, and recycling services; sewer service; storm drainage; recreation activities and cultural events; and general administration.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriations to the City Manager during March every two years. The City Manager uses these requests along with input from the council to develop a proposed budget. By the second Tuesday in May the proposed budget is presented to the City Council for review. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City of Hanford's fiscal year. The appropriated budget is prepared by fund and department. The City Manager may make transfers of appropriations within a specific fund. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

THE REPORTING ENTITY

This report includes all activities carried out by the City as a legal entity, including its component units and is financially accountable as determined under the guidelines of the Governmental Accounting Standards Board (GASB). Basic City operations are accounted for in the City's General Fund, with other activities accounted for in separate funds as required by law or determined by management discretion.

ACCOUNTING SYSTEMS AND BUDGETARY CONTROL

The City's fund accounting records are maintained using a modified accrual basis of accounting as explained in the Notes to the Financial Statements, following the accounting practices for governmental units as mandated by the Governmental Accounting Standards Board (GASB).

The Government-Wide financial statements (Statement of Net Position and Statement of Activities) follow the accrual basis of accounting. As required by GASB, an accompanying summary reconciliation schedule is presented following the Governmental fund financial statements.

The Finance Director/City Treasurer is charged with the responsibility for the receipt and disbursement of all monies and to maintain control over all expenditures to ensure that budget appropriations are not exceeded. The level of budgetary control, that is, the level at which expenditures are not to exceed Council-approved appropriations is established at the department level. Adjustments within the same fund and major categories of expenditures are permissible with the department head and Finance Director recommendation and City Manager approval. Adjustments between funds and additional supplemental appropriation funding require City Council approval. Appropriations lapse at year-end unless encumbered and become available for re-appropriation the following year. Capital project appropriations shall continue until the project is completed or no longer determined feasible by the City Manager. City Council is also presented with regular updates on the budget in addition to original budget adoption at mid-year (usually in February or March) and mid-cycle in June.

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

The City of Hanford has achieved several significant milestones and accomplishments in recent years, reflecting its commitment to development, public engagement, and community spirit.

Community Engagement and Technological Advancements

Grant funded, the City was able to enhance the City's GIS and permitting systems, a long overdue project. The project aimed to modernize and streamline the systems to better support staff, residents and developers including expanding public access to planning information. It introduced user-friendly GIS maps on the City website and developed comprehensive datasets covering utilities, zoning, land use, infill potential, and connectivity to trails and multimodal facilities. Permitting processes were updated to reduce manual data entry, improve fee transparency, and minimize errors. The project also included staff training and resources to ensure the City could sustainably maintain and update the GIS system moving forward.

Community Engagement

The City celebrated the 100th anniversary of its iconic landmark, the Civic Auditorium which houses City Council chambers and hosts many events throughout the year including both City-sponsored events and privates events. The anniversary was held with an invitation to the public to admire recent updates to the building, historical displays, entertainment and the reveal of a time capsule from 1976.

Hanford Winter Wonderland, now an established regional event at Civic Center Park continued for its 4th year and in support of its popularity and longevity of the event the Community Services Department invested in the purchasing of the ice rink. This will allow for long-term cost savings as well as continue the tradition of the event which has been well-attended by the community and travelers from destinations outside the County and brings about economic activity and community enhancement.

Major Capital Projects and Improvements

The City is currently undertaking a citywide replacement of approximately 19,000 water meters at a total cost of $16.1 million. At the time of bid, most of the existing meters were more than 15 years old and required replacement due to inconsistent transmission of meter reads, an increase in work orders for repairs and maintenance, and a rise in customer complaints.

The primary goals of this system-wide meter replacement project are to enhance water conservation and efficiency, improve system reliability, reduce ongoing operational costs, and ensure better availability of replacement parts. The City anticipates completing the project by end of 2026 or sooner.

Once a Hanford resident's meter has been installed, they will be able to download the EyeOnWater app to monitor their water usage in near real time. Overall, the project is expected to significantly improve equipment reliability and increase customer satisfaction.

With the City's growing population and the increasing strain on aging infrastructure, the Wastewater Fund has remained a high priority for the City Council. Ensuring that critical backup systems are in place in the event of a major equipment failure has been a central focus. Throughout the fiscal year, the City invested in several significant and costly assets, including a standby pump and new screw pumps. The City also purchased electrical switchgear in preparation for a solar power upgrade at the wastewater treatment plant.

The solar equipment must be operational by April 14, 2026, in order for the City to qualify for a more favorable solar incentive program that provides credits for excess energy returned to the grid. Additionally, the City Council has recently reviewed preliminary information regarding an estimated $63 million comprehensive upgrade of the entire wastewater treatment plant. These discussions are ongoing. Any project of that scale would require the Council to initiate a Proposition 218 process to determine whether ratepayers would support the additional long-term rate increases needed to fund the improvements.

The Hanford Municipal Airport is also undergoing significant infrastructure enhancements aimed at improving its long-term self-sufficiency. A primary revenue source for the airport is the sale of aviation gasoline (AvGas). To support this, the City Manager successfully secured both federal and state grant funding to initiate design and engineering services for a new fuel island and upgraded fuel tanks.

In addition to installing a new 12,000-gallon AvGas tank, the project will introduce a separate 12,000-gallon tank dedicated to jet fuel. The airport currently does not offer jet fuel, resulting in missed opportunities for substantial revenue growth within the Airport Enterprise Fund. Jet fuel yields a significantly higher profit margin compared to AvGas, and with the steady increase in aircraft operations in recent years—particularly among aircraft that require jet fuel—the demand is rising.

Financial Transparency and Planning

During the Fiscal Year 2024/2025, Hanford maintained its commitment to financial transparency by publishing key financial documents, including the Fiscal Year 2023/24 audited financial statements, single audit and Transportation Development Act Audit. In addition, ARPA fund reports were completed timely and submitted to the US Treasury for viewing on the Treasury's website. The City has maintained these reports on its website as well. These publications provide residents with insights into the city's financial health, strategic planning efforts and use of public funds.

These steps underscore Hanford's dedication to fostering a connected, informed, and vibrant community.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Hanford operates.

LOCAL ECONOMY AND PROSPECTS FOR THE FUTURE

As the City transitions out of the pandemic period and adapts to a “new normal”, we continue to monitor fiscal projections in light of evolving economic indicators. Hanford’s local economy remains stable and with careful management, the City was able to continue to provide service enhancements, infrastructure improvements, and increases in employee compensation and benefits. The City’s unemployment rate in June of 2025 was 7% which is a 1% increase from the prior year. This is largely due to the continued cooling of post-pandemic economic activity, ongoing inflation, and the impact of elevated interest rates, which slowed hiring in key local sectors such as agriculture, retail, and construction. Sales and use tax increased in FY25 as compared to prior year, however projections show a leveling period over the next couple of years. The impact of lower consumer spending is also apparent in the lower than expected forecasting of the newly passed 1% Measure H transactions and use tax. Property tax showed a positive increase. Over the past year home values in Hanford have increased modestly by an approximate 2% in a very competitive market. Any future deficiencies in sales tax will optimistically be balanced by steady and increasing property taxes.

Nationally, inflation increased to 2.7% as of June 2025 (in California 3%) and its associated impacts continue to challenge the broader economy. While inflation has moderated from its peak, price levels remain elevated, and certain sectors—such as housing, energy, and services—are still experiencing persistent cost pressures. As a result, the potential for an economic slowdown or recession remains, particularly given the combination of stubborn inflation in key areas, a tight labor market, moderating consumer spending, and financial markets operating at historically high levels.

The Labor market shows the U.S. unemployment rate at 4.1% as of June 2025, no change from the year prior. Overall personal income has grown compared to last year, supported in part by rising employee compensation. However, this growth has been partially offset by an increase in personal current taxes, which can dampen household spending power and contribute to more cautious consumer behavior.

The Federal Reserve has begun cautiously lowering interest rates in response to cooling inflation and slowing job growth. These reductions are intended to support economic activity while maintaining vigilance against any resurgence of inflationary pressures. Despite these efforts, uncertainty persists. Global conflicts, ongoing trade tensions, and volatility in energy markets continue to pose risks that could influence national and local economic conditions, potentially affecting revenue performance for state and municipal governments.

In this environment, the City will continue to prioritize prudent financial management and long-term planning to maintain fiscal stability. Emphasis will remain on preserving healthy reserves, investing strategically in critical infrastructure, and operating efficiently to sustain essential public services. The City is committed to developing balanced, forward-looking budgets that reflect the City Council’s priorities and respond to evolving economic conditions. These measures will help ensure financial sustainability and strengthen the City’s resilience in the years ahead.

The City of Hanford is part of the Hanford-Corcoran Metropolitan Area. This includes the City of Hanford and the developed areas of the County of Kings. The population of Kings County is 154,015 as of 2025. The City's population of 61,238 experienced a 3.3% growth in 2025 compared to a 1.1% growth rate in the County. There are approximately 53,900 employed in Kings County. The City of Hanford has 24,400 employed out of a total labor force of 25,500.

Major employers of the City include Central Valley Meat Co, Del Monte Foods, Hanford Elementary School District, Hanford Joint Union High School District, Walmart Supercenter, City of Hanford, Costco Wholesale, Marquez Brothers International, College of the Sequoias, and the largest employer, Adventist Health Hanford Hospital with over 1,700 employees.

LONG-TERM FINANCIAL PLANNING AND FINANCIAL POLICIES

As part of the City of Hanford land use planning process, the City's completed General Plan is at the top of the City's land use regulation hierarchy. It is the foundation for most of the Council's budgeting decisions in terms of capital facilities, staffing, programs, utility infrastructure, and levels of service; it establishes a land use pattern for lands beyond the City limit; it provides the vision and guidance for capital improvements and the development of City infrastructure; and it is used to create development impact fees and provides the basis for environmental analysis of the growth of the City. The plan is intended to guide development for a period of ten years and will be the basis of the City's annual 5 year operating and capital forecast. To finance current growth, the City has in place a variety of user and developer fees to pay for streets, parks, water wells and lines, and sewer lines. The City reviews these fees on an annual basis to assure that the fee structure is in line with the cost of construction.

Measure H-Transactions and Use Tax

Approved by voters in November 2024, the Measure H Transactions and Use Tax established a 1% tax, with revenue distributions beginning in June 2025. While the first receipts were recorded in FY25, the City's 10-year expenditure plan budget for Measure H will formally begin in FY26. Including accruals, the City reported approximately $3.3 million in sales tax revenue for FY25.

In February 2025, the City Council appointed eleven members to the Measure H Oversight Board Committee, with initial terms ranging from two to three years. The committee is charged with reviewing annual expenditure plans, evaluating annual audits, and providing recommendations to the City Council. Beyond these formal responsibilities, the committee serves an important role in supporting the long-term success of Measure H. By ensuring that funds are spent in accordance with the voter-approved plan, the committee helps promote transparency, strengthen accountability, and provides residents with added confidence that community members are directly involved in monitoring how the tax revenues are used.

Developer Impact Fee Study

A comprehensive Impact Fee Study is currently underway. The City's last comprehensive study was completed and subsequently adopted in November of 2019. Since then, only increases based on annual CPI % increases have been made. The City is experiencing rapid and expansive growth which necessitates the need for the study because of significant construction cost increases since 2019. By establishing an updated DIF program the City can ensure that new development pays the capital costs associated with their growth and impact on infrastructure and increased service demands.

Alignment with Council's Goals

Each budget is created with City Councils' established goals in mind. These goals continue to guide decisions and investments as we focus on:

- Improving quality of life for residents
- Maintaining and enhancing fiscal sustainability
- Promoting community outreach and transparent governance
- Strengthening our customer service culture
- Becoming an employer of choice

Structurally Balanced Budget Policy

Maintaining a structurally balanced budget where current estimated expenditures are within projected current revenues is paramount for the long-term financial health of the City in order to provide budgetary stability for all operating budgets. In FY 2020 Council passed a resolution formalizing the requirement of the City Manager to present to the City Council a balanced budget proposal with each budget cycle. This policy has allowed for continued growth to the General Fund unrestricted fund balance over the last several years. Reserve balance % of General Fund expenditures has decreased from prior year 28% to 21% . However, the fund still had a positive increase overall of $908,363. This does not include the committed fund balance of Measure H which is maintained in a separate fund at a total amount of $3.25 million.

Assigned for Emergencies

The City currently has a reserve policy with a goal of 35% unrestricted General Fund balance of budgeted expenditures. A portion (15%) of the fund balance is for fiscal emergencies. These emergencies can range from major catastrophic incidents to significant economic downturns. The City Council annually considers a change in the fund balance assigned for emergencies whenever there is unexpected or one-time revenue or expenditure savings are realized.

INDEPENDENT AUDIT

An independent audit of the City's records was performed for the year ended June 30, 2025, by the certified public accounting firm Rogers, Anderson, Malody & Scott, LLP. The auditor's report on the basic financial statements (government-wide financial statements and the fund financial statements), the notes to the basic financial statements and supplementary information is included in the Financial Section of the ACFR.

In general, the auditors concluded that the basic financial statements and supplementary information referred to above present fairly, in all material respects, the financial position of the City of Hanford and its component units, as of June 30, 2025, and the results of its operations and cash flows of its proprietary fund types for the year ended in accordance with accounting principles generally accepted in the United States of America. The professionalism and knowledge by Rogers, Anderson, Malody & Scott, LLP during the audit is appreciated.

AWARDS AND ACKNOWLEDGEMENTS

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award for its biennial budget document for FY 26 & 27. This was the 2nd consecutive award that the City has received. To qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including a policy document, a financial plan, an operations guide and a communications device.

The preparation of this report has been accomplished with the efficient and dedicated service of the City's Finance Department. I would like to express my appreciation to everyone who assisted in its preparation, especially Aubrey Balbina, David Chang and Penny Sutphin.

Respectfully submitted,



Destiny Borba
Acting Finance Director

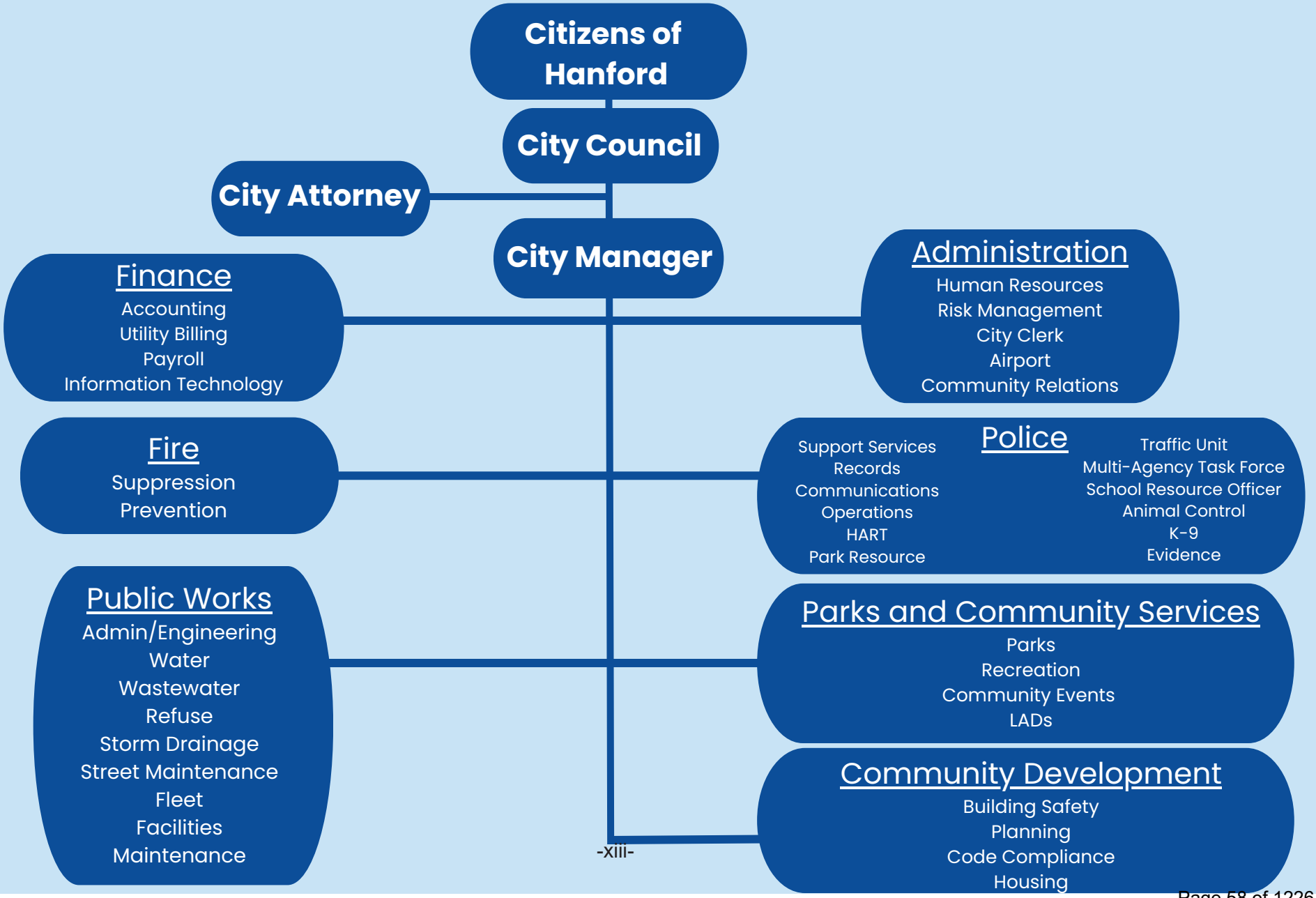
CITY OF HANFORD

PRINCIPAL CITY OFFICIALS

JUNE 30, 2025

NAME	POSITION
CITY COUNCIL	
Lou Martinez	Mayor
Travis Paden	Vice Mayor
Mark Kairis	Council Member
Nancy Howze	Council Member
Kimber Regan	Council Member
ADMINISTRATION	
Christopher Tavarez	Interim City Manager
Griswold, LaSalle, Cobb, Dowd & Ginn, LLP	City Attorneys
Natalie Corral	City Clerk
Destiny Borba	Acting Treasurer/Finance Director
Jason Waters	Community Development Director
Daniel Perkins	Fire Chief
Stephanie Huddleston	Police Chief
Russell Sterling	Public Works Director
Francisco Senteno	Utilities & Engineering Director
Bradley Albert	Community Services Director
Sarah Cardoza	Human Resources Manager

CITY OF HANFORD
ORGANIZATIONAL CHART



RAMS
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Hanford, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hanford (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 1 to the financial statements during the year ended June 30, 2025, the City adopted new accounting guidance under Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* and No. 102, *Certain Risk Disclosures.* Our opinions are not modified with respect to this matter.

Tel. 909-889-0871 | www.ramscpa.net | 735 E. Carnegie Dr. Suite 100, San Bernardino, CA 92408

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, including the management's discussion and analysis and the schedules listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated December 17, 2025, on our consideration of the City of Hanford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Hanford's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 17, 2025

This discussion and analysis of the City of Hanford's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- Assets and deferred outflows of the City exceed its liabilities and deferred inflows at the close of the most recent fiscal year 2025 by $401.8 million. Of this amount, about $79.2 million in unrestricted net position may be used to meet the City's ongoing obligation to citizens and creditors.

- As of June 30, 2025, the City's governmental funds reported combined ending fund balances of $87.9 million.

- Approximately 15% of the combined governmental fund balances is considered available for spending at the City's discretion.

- As of June 30, 2025, unassigned fund balance in the General Fund was $13.6 million, or 21% of total General Fund Expenditures.

- The City's total debt decreased by $3.9 million during fiscal year 2025, which is due to the normal maturity of debt in the water system, the wastewater system, the citywide solar energy system, and the Pension Obligation Bond.

- The following pension liabilities totaling $26,970,974 are included in the financial statements as required by generally accepted accounting principles: General Government $24,240,550; Water System Enterprise $803,066; Wastewater Enterprise $642,453; Storm Drainage $321,226; Refuse Enterprise $963,679; Computer Maintenance $160,613; Building $321,226; and Fleet Management $321,226.

THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Hanford, California (the City) and its component units, using the integrated approach as prescribed by generally accepted accounting principles. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

These Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. Additionally, certain eliminations have occurred as prescribed by the GASB statements regarding interfund activity, payables and receivables.

The Fund Financial Statements include statements for each of the three categories of activities governmental, business-type and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The business-type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary activities are agency funds, which report a fiduciary net position and a statement of changes in net position and do not have a measurement focus. Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

OVERVIEW OF THE FINANCIAL STATEMENTS

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities. These statements included all assets and liabilities of the City using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenue and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. Net position is the difference between assets and liabilities, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the City's property tax base and sales tax base.

In the Statement of Net Position and the Statement of Activities, we separate the City activities as follows:

Governmental Activities - Most of the City's basic services are reported in this category, including General Government, Police, Fire, Public Works, Parks and Community Services, and Community Development. Property and sales taxes, user fees, interest income, franchise fees, and state and federal shared revenues and grants generally finance these activities.

Business-Type Activities - The City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's Water, Sewer, Storm Drain, Refuse, Airport, Intermodal, Courthouse Square Funds and Building Safety are reported in this category.

FUND FINANCIAL STATEMENTS

The City, like other state and local governments, uses fund accounting to account for a number of funding sources and activities. In general, fund accounting provides a mechanism for separately accounting for a variety of different funding sources, and enables the City to demonstrate compliance with legal and/or contractual requirements that may be associated with these funds.

Thus, the accompanying fund financial statements present individual funds, organized into one of three groups based on the nature of the activities and their purpose: Governmental, funds. In addition, the fund financial statements include a schedule that reconciles the fund financial statements to the Government-Wide Financial Statements. This is designed to explain the difference created by the integrated approach.

Governmental Funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operation and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between the results shown in the governmental fund financial statements and those shown in the government-wide financial statements are explained in a reconciliation schedule following each governmental fund financial statement.

Proprietary Funds – When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. In fact, the City's enterprise funds are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities – such as the City's self-insurance, fleet maintenance, and computer maintenance funds. The internal service funds are reported with governmental activities in the government-wide financial statements.

Fiduciary Funds – The City is the trustee, or fiduciary, for certain funds held on behalf of various third parties. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statement – The notes to the financial statements provide information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain "required supplementary information" concerning the City's progress in funding its obligation to provide pension benefits to its employees, budgetary comparison schedules for the general fund and other major funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City presents its financial statements under the reporting model required by Governmental Accounting Standards Board (GASB) Statement No. 34. The City is presenting prior fiscal years' data for the purpose of providing comparative information for the Management Discussion and Analysis (MD&A).

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $401,808,246 at the close of the 2024-2025 fiscal year.

By far, the largest portion of the City's net position, 71%, reflects its investment in capital assets (e.g., land, buildings, machinery, infrastructure and equipment), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, their value is not available for future spending. Although the City's investment in the capital assets is reported net of related debt, it should be noted that the sources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Of the total current assets totaling $161,143,762, approximately 89.3% or $143,890,167, consists of unrestricted cash and investments. These funds are invested in accordance with State law and the City's investment policy and include funds legally and/or contractually restricted as to their use.

STATEMENT OF NET POSITION

	As of June 30,					
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current assets	$ 95,342,888	$ 84,679,531	$ 65,800,874	$ 54,695,865	$ 161,143,762	$ 139,375,396
Capital and non-current assets (net of depreciation)	187,150,554	191,642,952	144,328,343	143,660,523	331,478,897	335,303,475
Total Assets	282,493,442	276,322,483	210,129,217	198,356,388	492,622,659	474,678,871
Deferred outflows of resources	16,145,176	18,945,144	1,865,764	1,903,416	18,010,940	20,848,560
LIABILITIES						
Current and other liabilities	10,289,210	13,613,178	7,240,401	5,559,050	17,529,611	19,172,228
Long-term liabilities	57,839,065	56,560,553	22,833,494	26,112,733	80,672,559	82,673,286
Total Liabilities	68,128,275	70,173,731	30,073,895	31,671,783	98,202,170	101,845,514
Deferred inflows of resources	9,279,977	11,762,775	1,343,206	853,940	10,623,183	12,616,715
NET POSITION						
Net investment in capital assets	160,790,661	165,368,191	125,287,048	121,203,106	286,077,709	286,571,297
Restricted	36,440,081	29,207,622	-	-	36,440,081	29,207,622
Unrestricted	23,999,624	18,755,308	55,290,832	46,530,975	79,290,456	65,286,283
Total Net Position	$ 221,230,366	$ 213,331,121	$ 180,577,880	$ 167,734,081	$ 401,808,246	$ 381,065,202

An additional portion of the City's net position of $36,440,081 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $79,290,456, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report an overall positive balance in net position. This means the City has sufficient current assets to satisfy both its current and long-term liabilities and fulfill its obligations pursuant to external restriction imposed on City assets. In short, the City is in sound financial condition.

Statement of Activities

As discussed earlier, the Statement of Net Position provides a measure of the financial health of an entity at a specific date in time. The Statement of Activities provides details of how net position changed from the beginning of the year to the end of the year, and whether net assets increased or decreased. From June 30, 2024 to June 30, 2025, the net position of the City as a whole increased, due to maintaining expenditures below revenue whilst current year capital grants and contributions revenues were significantly lower than year prior but were offset by increase in tax revenue.

STATEMENT OF ACTIVITIES

	For the fiscal year ended June 30.					
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues:						
Charges for services	$ 4,366,807	$ 4,544,558	$ 39,903,211	$ 32,097,134	$ 44,270,018	$ 36,641,692
Operating grants and contributions	10,460,453	12,658,886	-	-	10,460,453	12,658,886
Capital grants and contributions	6,085,235	16,354,756	624,700	4,431,308	6,709,935	20,786,064
General Revenues:						
Taxes	41,161,158	35,942,896	-	-	41,161,158	35,942,896
Investment earnings	2,120,623	2,947,174	2,514,315	2,735,869	4,634,938	5,683,043
Other revenues	17,945,684	558,387	3,160,816	2,701,155	21,106,500	3,259,542
Lease revenue	-	-	188,843	111,166	188,843	111,166
Total Revenues	82,139,960	73,006,657	46,391,885	42,076,632	128,531,845	115,083,289
EXPENSES						
Governmental Activities:						
General government	26,361,639	7,755,643	-	-	26,361,639	7,755,643
Public safety	25,850,371	26,472,385	-	-	25,850,371	26,472,385
Public works	10,121,963	10,096,705	-	-	10,121,963	10,096,705
Parks and recreation	7,038,008	5,483,946	-	-	7,038,008	5,483,946
Community development	2,362,734	2,890,465	-	-	2,362,734	2,890,465
Interest expense	1,012,248	1,086,925	-	-	1,012,248	1,086,925
Business-type Activities:						
Water system	-	-	10,570,388	7,711,131	10,570,388	7,711,131
Wastewater system	-	-	8,199,461	7,506,365	8,199,461	7,506,365
Storm drain	-	-	1,208,294	1,680,905	1,208,294	1,680,905
Refuse	-	-	12,416,109	10,852,999	12,416,109	10,852,999
Airport	-	-	707,402	558,304	707,402	558,304
Intermodal	-	-	53,768	56,256	53,768	56,256
Courthouse square	-	-	92,428	107,624	92,428	107,624
Building safety	-	-	1,793,988	1,649,670	1,793,988	1,649,670
Total Expenses	72,746,963	53,786,069	35,041,838	30,123,254	107,788,801	83,909,323
Increase in Net Position Before Transfers	9,392,997	19,220,588	11,350,047	11,953,378	20,743,044	31,173,966
Transfers	(1,805,302)	(1,154,605)	1,805,302	1,154,605	-	-
Change in Net Position	7,587,695	18,065,983	13,155,349	13,107,983	20,743,044	31,173,966
Net Position, Beginning of Year, Restated	213,642,671	195,265,138	167,422,531	154,626,098	381,065,202	349,891,236
Net Position, End of Year	$ 221,230,366	$ 213,331,121	$ 180,577,880	$ 167,734,081	$ 401,808,246	$ 381,065,202

The City's revenue totaled $128,531,845 with 34% generated from charges for services and 32% generated from taxes. The largest source of revenues in governmental activities comes from taxes at 50.1%. This is typical in that traditional services provided by a city, such as public safety, parks, recreation, and public works, are primarily funded from property, sales, transient occupancy, and other local taxes. The largest source of revenues in Business-Type Activities comes from charges for services at 86%. The Business-Type Activities include enterprise fund operations, such as Water, Sewer, Refuse, Storm Drain, Airport, Courthouse Square, Intermodal Funds and Building Safety, all of which recover their costs through fees and charges just like a normal business.

Expenses of the City totaled $107,788,801. The two largest categories of expenses in governmental activities are general government, which represents 24.5% of total costs, and public safety which represents 24% of total costs. However, in relation to Governmental Activity totals only, general government makes up 36.2% of the total and public safety makes up 35.5% of the total.

As shown in the Statement of Activities, net position increased from the prior year. In the funds included within the Governmental Activities category, net position increased by $7,587,695, or 3.7% due to significant increase in revenue mostly due to charges for services net general government expenses. In the funds included within the Business-Type Activities category, net position increased by $13,155,349, or 7.7% mostly due to the increase in charges for services and net expenses and transfers in.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As previously noted, the City of Hanford uses fund accounting to demonstrate compliance with legal and contractual requirements. This section provides an analysis and discussion of individual funds and fund types presented in the financial statements.

Governmental Funds - The focus of the City of Hanford's governmental funds is on short-term inflows and outflows and balances of spendable resources. Such information is useful in assessing the City's financial requirements. In particular, unreserved fund balance may serve a spending at the end of the fiscal year. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed to a specific future use.

The General Fund is the primary operating fund of the City of Hanford. At the end of the fiscal year, unassigned fund balance of the General Fund was $13,596,699 while total fund balance was $13,983,364. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total expenditures. The unassigned fund balance of the General Fund represents approximately 21.1% of General Fund expenditures.

CDBG/HOME/Housing Fund - The Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) are federal grants that fund affordable housing and community development projects. The grants are administered by the U.S. Department of Housing and Urban Development (HUD). Funds are used for developing and maintaining affordable housing, financing public improvements, funding public service agencies that serve lower income households, etc.

Transportation Development Act Fund - A state level funding sources that provides funding for public transit operations, including bus and rail projects, as well as some non-transit related transportation projects like bike paths and specialized services for people with disabilities, funded through a dedicated quarter-cent sales tax collected statewide; it consists of two main components: the Local Transportation Fund (LTF) and the State Transit Assistance (STA) fund.

American Resue Plan Act - In March of 2021, the ARPA or also known as the COVID-19 Stimulus Package was signed into law to aid to aid economic recovery and emergency response to COVID-19, The City of Hanford was allocated $13,077,740 million in federal aid. The Act states that funding can be used to respond to COVID-19 or its economic impacts.

Measure H - The Measure H fund is a special revenue fund approved by voters in November 2024 and is used to account for financial resources provided by a voter-approved one percent (1%) local transactions and use (sales) tax.

Proprietary Funds - The City's proprietary funds include the Water, Wastewater, Storm Drain, Refuse, Airport, Intermodal, Courthouse Square Funds and Building Safety. All of the proprietary funds are highly capital intensive, requiring a significant investment in capital equipment and facilities to conduct their operations, whether it be in water and sewer lines, water and wastewater treatment facilities or runways.

The Water System Fund has a total net position of $79,330,085 at the end of the fiscal year. Total net position includes $48,606,642 invested in capital assets which are not available to pay for current expenses. The remaining net position of $30,723,443 is unrestricted and available to pay for current operating and capital needs of the fund.

The Wastewater Fund has a total net position of $49,354,305 at the end of the fiscal year. Total net position includes $40,375,958 invested in capital assets, which are not available to pay for current expenses. The remaining net position of $8,978,347 is unrestricted and available to pay for current operating and capital needs of the fund.

The Storm Drain Fund has a total net position of $28,903,928 at the end of the fiscal year. Total net position includes $23,490,092 invested in capital assets, which are not available to pay for current expenses. The remaining net position of $5,413,836 is unrestricted and available to pay for current operating and capital needs of the fund.

The Refuse Fund has a total net position of $2,248,834 at the end of the fiscal year. Total net position includes $6,034,515 invested in capital assets, which are not available to pay for current expenses.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – The City of Hanford's investment in capital assets for governmental and business type activities as of June 30, 2025 amounts to $311,832,065 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities and roads. The net decrease in the City's investment in capital assets for the current fiscal year was $3,969,442. This decrease is a net result of annual depreciation, infrastructure, normal equipment replacement, and construction of typical capital assets. Significant capital asset events during the fiscal year included the following:

CIP OBJ #	DESCRIPTION	PROJECT COST
825600	BADGER METER REPLACEMENT PROJ	$ 3,024,131
825301	STORM DRAIN VAC TRUCK	776,614
825609	WWTP3RD INTERNAL LIFT ADDITION	427,414
824618	TRANSIT-ORIENTED DEV-HIGH SPEED RAIL	419,850
824011	WW STAND-BY PUMP	364,035
824621	DESIGN & CONTST OF SCE-OWNED FAC	336,962
824002	AUTOMATED REFUSE CONTAINERS	258,985
822649	HEROES PARK	246,325
824001	COMMERCIAL/RECYCLE DUMPSTERS	210,857
824010	ICE RINK	193,962

CAPITAL ASSETS
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 61,094,107	$ 61,094,107	$ 11,966,873	$ 11,966,873	$ 73,060,980	$ 73,060,980
Construction in progress	7,713,017	6,947,608	4,418,542	509,213	12,131,559	7,456,821
Buildings and improvements	14,101,785	14,572,268	112,761,016	115,852,898	126,862,801	130,425,166
Infrastructure	74,741,815	80,766,404	-	-	74,741,815	80,766,404
Machinery and equipment	7,268,043	7,635,602	15,166,592	15,311,073	22,434,635	22,946,675
Right to use leased asset	1,631,368	927,235	15,320	20,466	1,646,688	947,701
Right to use SBITA asset	953,587	197,760	-	-	953,587	197,760
Total Capital Assets	$ 167,503,722	$ 172,140,984	$ 144,328,343	$ 143,660,523	$ 311,832,065	$ 315,801,507

Long-Term Debt – At the end of the current fiscal year, the City had a total debt outstanding of $47,307,554.

OUTSTANDING DEBT

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Pension obligation bonds payable	$ 22,129,180	$ 23,922,715	$ 4,046,820	$ 4,006,284	$ 26,176,000	$ 27,928,999
Bonds payable	-	-	10,845,000	12,725,000	10,845,000	12,725,000
Unamortized bond premium	-	-	336,504	409,811	336,504	409,811
Lease payable	1,160,951	638,867	15,758	20,742	1,176,709	659,609
SBITA payable	929,308	178,371	-	-	929,308	178,371
Notes payable	-	-	3,460,993	3,890,840	3,460,993	3,890,840
Finance purchase arrangement	-	-	4,383,040	5,411,024	4,383,040	5,411,024
Total Outstanding Debt	$ 24,219,439	$ 24,739,953	$ 23,088,115	$ 26,463,701	$ 47,307,554	$ 51,203,654

In the Business-Type Activities, the revenue bonds payable consists of four bond issues. In 2013, for the water system, the City received $12,725,000 from the issuance of Water Revenue Bonds for the purpose of refinancing a 2003 Revenue Bond and 2007 note payable, of which $3,155,000 remains. For the sewer system there remains a 2015 $2,005,000 Refunding Revenue Bond, and a 2012 $5,685,000 Refunding Revenue Bond. In 2022, the City issued Pension Obligation Bonds of which $4,046,820 is payable from the Business-Type Activities.

The notes payable portion of the outstanding debt totaling $3,460,993 consists of one loan. In 2002, the City obtained a $10,000,000 loan for the purpose of expanding the wastewater treatment plant.

The outstanding lease purchase amount, $4,383,040, is comprised of two different finance purchase arrangements. The first lease was for an energy efficient solar tracker system at the wastewater treatment plant for $4,325,556. The second lease was for a second energy efficient solar tracking system in the amount of $8,495,138. This system is located at the wastewater treatment plant but is serving the whole city.

For detail information regarding each of these bonds or notes, please refer to Note 5 Long-Term Debt.

GENERAL FUND BUDGETARY HIGHLIGHTS

The fiscal year budget did not have significant net changes throughout the year with the exception of appropriation roll-over for capital projects or capital projects appropriated in the 5-year Capital Improvement Plan. However, if funding is not available to pay for projects or a grant to cover the expense of the capital project is not received as forecasted in the plan, then the purchase is not approved.

Actual revenues were $21.2 million over estimated budget amounts. This was mainly due to a legal related stop-loss insurance recovery of $17.5 million. The remaining is due to increases in property taxes and grant funding.

Federal funding in the amount of $3,299,497 was used to cover eligible costs of public safety workers performing essential work during Covid-19. This will be the final year of this one-time funding.

Expenditures were over budget in the amount of $17.9 million. This was primarily due to a legal settlement in the amount of $17.5 and related costs. In addition, unfilled positions throughout the year and some operational savings also attributed to lower expenditures.

Overall, the unrestricted fund balance of the General Fund increased by $908,363 million. The Measure H Fund unrestricted balance, which is also considered General Fund generated $3.3 million (first year of distributions).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The key assumptions and considerations in the General Fund revenue forecast for fiscal year 2025-2026 budget process were:

- Biennial Budget was balanced- Resolution 25-29-R
- Balanced budget was a challenge to achieve for FY26
- Conservative revenue projections in General Fund due to stagnant sales tax projections and fiscal prudence
- 1st year of 10-year expenditure plan for Measure H
- Measure H is General Fund but will be maintained separate for transparency and auditing purposes
- Maintain operating expenditures in General Fund, no large increases or limited increases to non-fixed/essential costs
- No annual increases in staffing in General Fund (unless offset by grants or revenue increases)
- Addition of 20 FTE to be funded by Measure H
- Budgeted salaries at top step
- Reviewed and updated reserves. Fully budgeted
- Updated cost allocation plan. Slight increase to GF and provided for more accurate indirect costs and allocations

Per policy, continue to strive for 35% goal of General Fund Reserve of unrestricted fund balance to budgeted expenditures in preparation of financial pressures or emergencies. As of fiscal year 2025 reserve decreased from 28% to 21%. However, the actual dollar amount increased by $908,363.

Items addressed in the budget were:

General Fund Operations – Maintain current services and increase efficiency in operations, decrease expenses where possible and anticipate stagnant revenue growth with no draw from reserves. Should continue to anticipate increases to our second largest fund source, property taxes. Some capital projects will be deferred unless offset by grants or related revenue. Accumulated capital outlay fund was used when a special revenue or restricted fund was not available for use.

Parks and Community Services – Continue with a variety of recreation programs and activities including Boys and Girls Club, 46th Renaissance Fair, 100-year Celebration of the Civic Auditorium, Catfish Crawl Fishing Derby, Summer and Winter camps for kids, Adult softball league, etc. Budget was increased for City's fourth annual Winter Wonderland Event to include the purchase of the ice rink. The Parks division also was awarded with a $1 million dollar grant for the "Hanford Goes Green" project. An integral component of the program's scope of work is to complete a comprehensive tree inventory, tree canopy assessment, urban forestry program background and operations review, and community engagement, leading to the completion of the Urban Forest Master Plan, which will guide the future of the City's Urban Forest Program.

Additionally, the City collaborated on a purchase with the Hanford Joint Union High School District to purchase an ABI force field machine to be used at the Hanford Softball Complex, a facility jointly used and operated by both parties. The replacement equipment is designed for professional infield maintenance and will enhance field safety and playability due to its precise grading, grooming and surface conditioning.

Fire – With grant funding, purchased 3 unmanned aircraft (drones) with thermal imaging capabilities that can assist during fire incidents, illegal fireworks operations, etc. Replaced an engine for a 2014 Pierce Pumper (Fire Engine) that is critical to operations. Provided additional budget for Part-Time help for the efficiency and effectiveness of the Fire Inspection program to increase public safety.

Police – With grant funding, purchased a patrol Durango for the Departments fleet and new sights and slides that will improve target acquisition and accuracy. Added additional portable ratios to inventory. Final year of participation in the Multi-Agency Task force with the County which allowed for the FTE to be transferred to Operations Division. In coordination with the City's vehicle-leasing agreement with Enterprise, the department added 11 patrol Durangos to its fleet as replacements for aging vehicles, bringing the total number of newly leased replacements to 27 over the past couple of years.

Community Development – With grant funding, hired consultant to make updates to the Hanford Planning documents including the general plan, municipal code and objective-based standards and modernize the GIS and permitting processes to improve efficiency and public access to planning resources. Additionally, the department also obtained funding for planning services for the Kings-Tulare high-speed rail station transit-oriented development and connectivity plan, and Cross Valley Corridor Rail Service planning project. The Building Division is in its second year of prioritizing the scanning and indexing of building plans, with completion anticipated next year. This effort preserves critical records, protects them from loss or damage, and ensures long-term accessibility.

Airport – With grant funding began engineering services for the replacement of fuel island and tanks and reconstruction of South Transient Ramp. Worked with consultant to update the Pavement Management Program which not only evaluates the current condition of the pavement but provides consistent, objective, and systematic procedures. for establishing facility policies, setting priorities and schedules, allocating resources, and budgeting for pavement maintenance and rehabilitation.

Water – Prepared City's 2025 Urban Water Management Plan and Water Shortage Contingency Plan as mandated by the California State Water Resources Control Board (must be prepared every 5 years). Began the water meter replacement project to replace over 19,000 water meters City wide. Estimated to be completed end of 2026. Substantial site facility improvements to water wells 51 & 52.

Based on most recent rate study-remaining rate increases scheduled for 07/01/25 through 2027.

Wastewater – Purchased critical back up equipment including standby pump and screw pumps. Invested in electrical switch gear to prepare for upcoming solar power project. Contracted consultant for additional utility rate study to support current and needs and future growth. Approved net energy metering and interconnection agreement with Southern California Edison which included payment for the design and construction of SCE-owned facilities to accept power generated from proposed City-owned solar energy generating facility.

Based on most recent rate study-remaining rate increases scheduled for 07/01/25 through 2027.

Refuse – Replaced automated refuse containers and commercial/recycle dumpsters. Awarded small grant to place three solar compactors in the downtown area.

Based on most recent rate study- remaining rate increases scheduled for 07/01/25 through 2026.

Storm Drain – Continued curb and gutter installation, increased flow capacity in Peoples Ditch, storm drain repairs, tree trimming and removal for the effectiveness of drains. Purchased portable pumps and new vacuum truck.

Streets – Ongoing resurfacing, sealing, and maintenance, replacing curb, gutters, and sidewalks, lane widening, installing/replacing traffic signals at various locations. Replaced streets water truck.

Building – City made substantial building improvements to the intermodal facility (Amtrak station) both externally and internally to facilitate a shared employee use only health clinic in partnership with the Hanford Joint Union High School Districted. Upon first year City will evaluate employee use and overall fiscal sustainability.

In November 2024, the City Council approved a disposition and development agreement, along with all related documents, for the sale of the historic County of Kings Courthouse to Barrelhouse Brewing for $1. At the time, the courthouse was largely unoccupied, with most suites vacant due to needed repairs and ADA accessibility upgrades—improvements the City lacked sufficient funding to complete. Barrelhouse plans to undertake major rehabilitation of the building, converting it into a brewery and taproom while also activating additional spaces as a multi-tenant entertainment and food hub. The sale officially closed escrow in October 2025.

REQUESTS FOR INFORMATION

This Financial Report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in the report or requests for additional financial information can be sent via e-mail to finance@hanfordca.gov. Formal written requests should be addressed to: City of Hanford, Attn: Finance Department, 315 N. Douty Street, Hanford, California 93230.

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FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Statement of Net Position
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 94,275,682	$ 49,614,485	$ 143,890,167
Receivables, net	9,373,702	5,166,142	14,539,844
Leases receivables	691,081	852,018	1,543,099
Interest receivable	555	12,356	12,911
Internal balances	(9,897,068)	9,897,068	-
Inventory	295,796	202,235	498,031
Deposits	289,500	14,000	303,500
Prepaid expenses and other assets	313,640	42,570	356,210
Loan receivables	19,646,832	-	19,646,832
Capital Assets:			
Capital assets, not being depreciated	68,807,124	16,385,415	85,192,539
Capital assets, net of accumulated depreciation	98,696,598	127,942,928	226,639,526
Total assets	282,493,442	210,129,217	492,622,659
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	15,122,825	1,399,223	16,522,048
Deferred outflows related to OPEB	1,022,351	466,541	1,488,892
Total deferred outflows of resources	16,145,176	1,865,764	18,010,940
LIABILITIES			
Accounts payable	2,908,208	2,438,460	5,346,668
Salary and benefits payable	568,199	145,625	713,824
Accrued interest payable	5,022	219,338	224,360
Deposits and unearned revenue	1,291,216	189,209	1,480,425
Compensated absences - current portion	880,187	322,935	1,203,122
Compensated absences - noncurrent portion	1,634,632	364,160	1,998,792
Long-term debt - current	1,998,963	3,886,666	5,885,629
Long-term debt - noncurrent	22,220,476	19,201,449	41,421,925
Claims payable	7,566,000	-	7,566,000
Total OPEB liability - current	137,415	38,168	175,583
Total OPEB liability - noncurrent	2,177,407	537,461	2,714,868
Net pension liability	24,240,550	2,730,424	26,970,974
Settlement liability - current	2,500,000	-	2,500,000
Total liabilities	68,128,275	30,073,895	98,202,170
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	7,005,400	51,904	7,057,304
Deferred inflows related to OPEB	1,609,490	499,001	2,108,491
Deferred inflows related to leases	665,087	792,301	1,457,388
Total deferred inflows of resources	9,279,977	1,343,206	10,623,183
NET POSITION			
Net investment in capital assets	160,790,661	125,287,048	286,077,709
Restricted for:			
Community Development	2,577,388	-	2,577,388
Street and Roads	22,422,771	-	22,422,771
Recreation	7,545,344	-	7,545,344
Landscape Maintenance	2,358,368	-	2,358,368
Public Safety	1,536,210	-	1,536,210
Unrestricted	23,999,624	55,290,832	79,290,456
Total net position	$ 221,230,366	$ 180,577,880	$ 401,808,246

The accompanying notes are an integral part of these financial statements.

Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Primary Government:							
Governmental activities:							
General government	$ 26,361,639	$ 259,316	$ 3,802,527	$ -	$ (22,299,796)	$ -	$ (22,299,796)
Public safety	25,850,371	1,061,431	2,318,631	404,801	(22,065,508)	-	(22,065,508)
Public works	10,121,963	1,193,779	2,778,934	4,100,501	(2,048,749)	-	(2,048,749)
Recreation	7,038,008	1,039,902	700,419	1,579,933	(3,717,754)	-	(3,717,754)
Community development	2,362,734	812,379	859,942	-	(690,413)	-	(690,413)
Interest expense	1,012,248	-	-	-	(1,012,248)		(1,012,248)
Total governmental activities	72,746,963	4,366,807	10,460,453	6,085,235	(51,834,468)	-	(51,834,468)
Business-type activities:							
Water system	10,570,388	15,674,307	-	334,000	-	5,437,919	5,437,919
Wastewater system	8,199,461	9,559,836	-	188,950	-	1,549,325	1,549,325
Storm drain	1,208,294	1,496,551	-	101,750	-	390,007	390,007
Refuse	12,416,109	10,686,423	-	-	-	(1,729,686)	(1,729,686)
Airport	707,402	120,938	-	-	-	(586,464)	(586,464)
Intermodal	53,768	-	-	-	-	(53,768)	(53,768)
Courthouse square	92,428	36,954	-	-	-	(55,474)	(55,474)
Building safety	1,793,988	2,328,202	-	-	-	534,214	534,214
Total business-type activities	35,041,838	39,903,211	-	624,700	-	5,486,073	5,486,073
Total Primary Government	$ 107,788,801	$ 44,270,018	$ 10,460,453	$ 6,709,935	(51,834,468)	5,486,073	(46,348,395)
General Revenues:							
Taxes:							
Property taxes					16,445,724	-	16,445,724
Sales and use tax					21,107,925	-	21,107,925
Franchise taxes					1,173,931	-	1,173,931
Transfer taxes					217,043	-	217,043
Transient occupancy taxes					705,508	-	705,508
Other taxes					1,511,027	-	1,511,027
Investment earnings					2,120,623	2,514,315	4,634,938
Gain on disposal of capital assets					137,460	5,043	142,503
Miscellaneous/other					17,808,224	3,155,773	20,963,997
Lease revenue					-	188,843	188,843
Transfers - interfund					(1,805,302)	1,805,302	-
Total General Revenues and Transfers					59,422,163	7,669,276	67,091,439
Change in Net Position					7,587,695	13,155,349	20,743,044
Net Position							
Beginning of year, previously reported					213,331,121	167,734,081	381,065,202
Adjustment - correction of error					311,550	(311,550)	-
Beginning of year, as restated					213,642,671	167,422,531	381,065,202
End of year					$ 221,230,366	$ 180,577,880	$ 401,808,246

The accompanying notes are an integral part of these financial statements.

GOVERNMENTAL FUNDS

FINANCIAL STATEMENTS

Balance Sheet – Governmental Funds
June 30, 2025

	General Fund	Special Revenue: CDBG/HOME/ Housing Fund	Special Revenue: Transportation Development Act Fund	Special Revenue: American Rescue Plan Act
ASSETS				
Cash and investments	$ 10,596,785	$ 2,479,891	$ 9,336,450	$ 1,313,509
Receivables, net:				
Accounts	2,645,143	174,927	-	-
Interest	555	-	-	-
Taxes	1,901,094	-	1,355,009	-
Leases	691,081	-	-	-
Loans	-	17,839,739	-	-
Due from other funds	3,144,260	-	-	-
Deposits	104,500	-	-	-
Prepaid expenses and other assets	282,165	-	-	-
Advances to other funds	-	-	-	-
Total assets	$ 19,365,583	$ 20,494,557	$ 10,691,459	$ 1,313,509
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 1,682,054	$ 77,430	$ -	$ 49,121
Accrued wages payable	531,943	-	-	-
Advance from other governments	-	-	-	1,288,081
Consumer deposits	3,135	-	-	-
Settlement liability	2,500,000	-	-	-
Due to other funds	-	-	-	-
Total liabilities	4,717,132	77,430	-	1,337,202
Deferred Inflows of Resources:				
Deferred inflows from leases	665,087	-	-	-
Total deferred inflows of resources	665,087	-	-	-
Fund Balances (deficit):				
Nonspendable:				
Loans receivable	-	17,839,739	-	-
Prepaid expenses	282,165	-	-	-
Deposits	104,500	-	-	-
Restricted for:				
Community development	-	2,577,388	-	-
Street and roads	-	-	10,691,459	-
Recreation	-	-	-	-
Landscape maintenance	-	-	-	-
Public Safety	-	-	-	-
Committed for:				
Parking and business improvement	-	-	-	-
Community development	-	-	-	-
Street and roads	-	-	-	-
Parks and community services	-	-	-	-
Public safety	-	-	-	-
Cannabis	-	-	-	-
Unassigned	13,596,699	-	-	(23,693)
Total fund balances	13,983,364	20,417,127	10,691,459	(23,693)
Total liabilities, deferred inflows of resources and fund balances	$ 19,365,583	$ 20,494,557	$ 10,691,459	$ 1,313,509

Balance Sheet – Governmental Funds (concluded)
June 30, 2025

Special Revenue Measure H Fund	All Other Non-Major Governmental Funds	Total
$ 729,273	$ 36,734,515	$ 61,190,423
-	308,586	3,128,656
-	-	555
2,524,632	461,960	6,242,695
-	-	691,081
-	1,807,093	19,646,832
-	-	3,144,260
-	-	104,500
-	1,100	283,265
-	636,692	636,692
$ 3,253,905	$ 39,949,946	$ 95,068,959
$ -	$ 188,787	$ 1,997,392
-	3,838	535,781
-	-	1,288,081
-	-	3,135
-	-	2,500,000
-	96,199	96,199
-	288,824	6,420,588
-	-	665,087
-	-	665,087
-	1,807,093	19,646,832
-	1,100	283,265
-	-	104,500
-	-	2,577,388
-	11,731,312	22,422,771
-	7,545,344	7,545,344
-	2,358,368	2,358,368
-	1,536,210	1,536,210
-	3,025,495	3,025,495
97,617	11,390,909	11,488,526
1,041,250	-	1,041,250
130,156	-	130,156
1,984,882	-	1,984,882
-	265,291	265,291
-	-	13,573,006
3,253,905	39,661,122	87,983,284
$ 3,253,905	$ 39,949,946	$ 95,068,959

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Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025

Total Fund Balances Governmental Funds		$ 87,983,284
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets: In governmental funds, only current assets are reported. in the Statement of Net Position, all assets are reported, including capital assets and accumulated depreciation:		
Capital assets at historical cost	$ 321,874,184	
Right to use asset	3,330,866	
Accumulated depreciation	(156,955,417)	
Accumulated amortization	(745,911)	
Adjustments for Internal Service Fund capital assets, net	(4,622,802)	162,880,920
Internal service funds are used by management to charge the costs of fleet maintenance, purchasing, risk management, building usage, and computer maintenance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.		14,536,734
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Compensated absences	(2,514,819)	
Pension obligation bonds	(22,129,180)	
Lease payable	(1,160,951)	
SBITA payable	(929,308)	
OPEB liability	(2,314,822)	
Net pension liability	(24,240,550)	
Adjustments for Internal Service Fund long term debt	1,985,042	(51,304,588)
Deferred outflows related to pensions and OPEB	16,145,176	
Adjustment for Internal Service Fund Deferred outflows related to pension	(411,535)	15,733,641
Deferred inflows related to pensions and OPEB	(8,614,890)	
Adjustment for Internal Service Fund Deferred inflows related to pension	15,265	(8,599,625)
Total Net Position - Governmental Activities		$ 221,230,366

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2025

	General Fund	Special Revenue: CDBG/HOME/ Housing Fund	Special Revenue: Transportation Development Act Fund	Special Revenue: American Rescue Plan Act
REVENUES				
Taxes and special assessments	$ 35,878,197	$ -	$ 1,355,009	$ -
Aid from other government agencies	3,151,749	531,855	-	3,802,527
Licenses and permits	63,690	-	-	-
Fines and forfeitures	144,373	-	-	-
Charges for services	2,733,388	-	-	-
Lease revenue	163,635	-	-	-
Revenue from use of money and property	413,348	309,955	445,506	-
Miscellaneous	17,589,996	148	-	-
Total revenues	60,138,376	841,958	1,800,515	3,802,527
EXPENDITURES				
Current:				
General government	21,986,050	-	9,114	-
Public safety	26,572,968	-	-	-
Public works	2,868,444	-	-	-
Recreation	6,323,733	-	-	-
Community development	895,219	608,065	-	-
Debt service:				
Principal	1,841,625	-	-	-
Interest	1,012,248	-	-	-
Capital outlay	3,089,492	-	50,420	380,011
Total expenditures	64,589,779	608,065	59,534	380,011
Excess (deficiency) of revenues over (under) expenditures	(4,451,403)	233,893	1,740,981	3,422,516
OTHER FINANCING SOURCES (USES)				
Transfers in	5,431,606	-	-	-
Transfers out	(1,719,428)	(191,073)	-	(3,299,497)
Lease and SBITA acquisition	1,755,501	-	-	-
Proceeds from sale of assets	24,896	34,342	-	-
Total other financing sources (uses)	5,492,575	(156,731)	-	(3,299,497)
Net change in fund balances	1,041,172	77,162	1,740,981	123,019
FUND BALANCE (DEFICIT)				
Beginning of year	12,942,192	20,339,965	8,950,478	(146,712)
End of year	$ 13,983,364	$ 20,417,127	$ 10,691,459	$ (23,693)

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (concluded)
For the Year Ended June 30, 2025

Special Revenue		
Measure H Fund	All Other Non-Major Governmental Funds	Total
$ 3,388,557	$ 8,659,443	$ 49,281,206
-	121,654	7,607,785
-	-	63,690
-	29,463	173,836
-	-	2,733,388
-	-	163,635
9,184	1,558,970	2,736,963
-	165,921	17,756,065
3,397,741	10,535,451	80,516,568
86	78,483	22,073,733
-	-	26,572,968
-	1,009,529	3,877,973
-	-	6,323,733
-	387,503	1,890,787
-	-	1,841,625
-	-	1,012,248
-	1,839,527	5,359,450
86	3,315,042	68,952,517
3,397,655	7,220,409	11,564,051
-	299,805	5,731,411
(143,750)	(688,123)	(6,041,871)
-	-	1,755,501
-	72,172	131,410
(143,750)	(316,146)	1,576,451
3,253,905	6,904,263	13,140,502
-	32,756,859	74,842,782
$ 3,253,905	$ 39,661,122	$ 87,983,284

The accompanying notes are an integral part of these financial statements.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
Governmental Funds
For the Year Ended June 30, 2025

Total net changes in fund balances - governmental funds		$ 13,140,502
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation and disposals in the current period.		
Capital outlay expense, net of disposals	$ 5,335,415	
Depreciation expense (net of internal service funds)	(8,639,923)	(3,304,508)
The issuance of long term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance cost, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences in the treatments of long-term debt and related items.		
Principal payments on long term liabilities, net of internal service funds	1,824,011	
Lease acquisition, net of internal service funds	(718,760)	
SBITA acquisition, net of internal service funds	(1,036,741)	68,510
Internal Service funds are used by management to charge the costs of fleet maintenance, purchasing, employee welfare, workers' compensation, general and unemployment insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities:		(49,008)
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		(1,008,362)
Pension expenditures reported in the governmental funds includes the annual required contributions. In the statement of activities, pension expense includes the net change in the net pension liability, and related change in pension amounts for deferred outflows of resources and deferred inflows of resources.		(992,286)
OPEB expenditures reported in the governmental funds includes the actual premium payments. In the statement of activities, OPEB expense includes the net change in the net OPEB liability and related change in OPEB amounts for deferred outflows deferred inflows of resources.		(267,153)
Changes in net position of governmental activities		$ 7,587,695

The accompanying notes are an integral part of these financial statements.

PROPRIETARY FUNDS

FINANCIAL STATEMENTS

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Statement of Net Position
Proprietary Funds
June 30, 2025

	Water System Fund	Sewer Improvement Funds: Wastewater Fund	Sewer Improvement Funds: Storm Drain Fund	Refuse Fund	Total Non-major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
ASSETS							
Current assets:							
Cash and investments	$ 32,546,564	$ 9,495,048	$ 5,754,136	$ 623,185	$ 1,195,552	$ 49,614,485	$ 33,085,259
Receivables, net:							
Accounts	2,058,276	1,252,891	218,451	1,351,045	285,479	5,166,142	2,351
Leases	-	346,998	-	-	505,020	852,018	-
Interest	-	8,417	-	-	3,939	12,356	-
Deposits	10,000	4,000	-	-	-	14,000	185,000
Prepaid expenses	7,359	34,161	-	-	1,050	42,570	30,375
Inventory	202,235	-	-	-	-	202,235	295,796
Total current assets	34,824,434	11,141,515	5,972,587	1,974,230	1,991,040	55,903,806	33,598,781
Noncurrent assets:							
Capital Assets:							
Land	362,350	4,141,540	4,587,476	-	2,875,507	11,966,873	-
Construction in progress	3,479,372	764,376	37,777	7,816	129,201	4,418,542	-
Buildings and improvements	68,706,226	90,590,955	24,643,775	1,400,645	11,495,823	196,837,424	26,191
Machinery and equipment	18,452,732	2,804,228	2,023,535	11,346,345	401,951	35,028,791	15,301,713
Right to use assets	25,726	-	-	-	-	25,726	237,867
Less accumulated depreciation/amortization	(35,490,276)	(45,813,333)	(7,802,471)	(6,720,291)	(8,122,642)	(103,949,013)	(10,942,969)
Capital assets, net	55,536,130	52,487,766	23,490,092	6,034,515	6,779,840	144,328,343	4,622,802
Total noncurrent assets	55,536,130	52,487,766	23,490,092	6,034,515	6,779,840	144,328,343	4,622,802
Total assets	90,360,564	63,629,281	29,462,679	8,008,745	8,770,880	200,232,149	38,221,583
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows related to pensions	411,536	329,229	164,614	493,844	-	1,399,223	411,535
Deferred outflows related to OPEB	141,991	121,706	-	202,844	-	466,541	-
Total Deferred Outflows of Resources	553,527	450,935	164,614	696,688	-	1,865,764	411,535
LIABILITIES							
Current liabilities:							
Accounts payable	1,717,432	294,448	39,324	319,209	68,047	2,438,460	910,816
Salaries and benefits payable	39,185	31,742	12,999	43,204	18,495	145,625	32,418
Interest payable	63,742	148,791	1,049	5,222	534	219,338	5,022
Deposits and unearned revenue	188,729	-	-	480	-	189,209	-
Due to other funds	-	-	-	3,012,361	35,700	3,048,061	-
Advances to other funds	-	-	-	-	636,692	636,692	-
Compensated absences - current portion	124,445	43,924	25,586	84,240	44,740	322,935	12,106
Bonds and notes payable - current portion	1,935,000	1,811,748	19,268	95,913	19,622	3,881,551	63,463
Total OPEB liability - current portion	12,070	9,847	-	16,251	-	38,168	-
Lease payable	5,115	-	-	-	-	5,115	-
SBITA payable	-	-	-	-	-	-	79,275
Total current liabilities	4,085,718	2,340,500	98,226	3,576,880	823,830	10,925,154	1,103,100
Noncurrent liabilities:							
Compensated absences payable	102,389	67,100	30,346	120,765	43,560	364,160	146,189
Claims payable	-	-	-	-	-	-	7,566,000
Lease payable	10,643	-	-	-	-	10,643	-
Bonds and notes payable, net	6,240,518	11,079,063	267,461	1,331,391	272,373	19,190,806	880,944
Total OPEB liability	164,762	137,983	-	234,716	-	537,461	-
Net pension liability	803,066	642,453	321,226	963,679	-	2,730,424	803,065
Total noncurrent liabilities	7,321,378	11,926,599	619,033	2,650,551	315,933	22,833,494	9,396,198
Total liabilities	11,407,096	14,267,099	717,259	6,227,431	1,139,763	33,758,648	10,499,298
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows related to pensions	15,266	12,213	6,106	18,319	-	51,904	15,265
Deferred inflows related to OPEB	161,643	126,509	-	210,849	-	499,001	-
Deferred inflows related to leases	-	320,090	-	-	472,211	792,301	-
Total deferred inflows of resources	176,909	458,812	6,106	229,168	472,211	1,343,206	15,265
NET POSITION (DEFICIT)							
Net investment in capital assets	48,606,643	40,375,958	23,490,092	6,034,515	6,779,840	125,287,048	4,622,802
Unrestricted	30,723,443	8,978,347	5,413,836	(3,785,681)	379,066	41,709,011	23,495,753
Total net position	$ 79,330,086	$ 49,354,305	$ 28,903,928	$ 2,248,834	$ 7,158,906	166,996,059	$ 28,118,555
			Adjustment to reflect the consolidation of internal service fund activities			13,581,821	
			Net Position of Business-type Activities			$ 180,577,880	

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Water System Fund	Sewer Improvement Funds: Wastewater Fund	Sewer Improvement Funds: Storm Drain Fund	Refuse Fund	Total Non-major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
OPERATING REVENUES							
Charges for services	$ 15,674,307	$ 9,559,836	$ 1,496,551	$ 10,686,423	$ 2,486,094	$ 39,903,211	$ 13,760,999
Other revenues	1,073,537	1,133,792	407,489	305,984	234,971	3,155,773	64,126
Total operating revenues	16,747,844	10,693,628	1,904,040	10,992,407	2,721,065	43,058,984	13,825,125
OPERATING EXPENSES							
Personnel services	2,629,421	2,096,832	868,117	3,222,920	1,085,107	9,902,397	2,227,301
Services and supplies	5,349,807	4,019,794	989,274	8,343,622	1,169,188	19,871,685	9,136,619
Depreciation and amortization	2,443,992	1,800,683	412,422	785,250	370,523	5,812,870	1,025,725
Total operating expenses	10,423,220	7,917,309	2,269,813	12,351,792	2,624,818	35,586,952	12,389,645
Operating income (loss)	6,324,624	2,776,319	(365,773)	(1,359,385)	96,247	7,472,032	1,435,480
NONOPERATING REVENUES (EXPENSES)							
Interest income	1,178,443	471,958	235,460	19,888	65,694	1,971,443	1,137,104
Unrealized gain (loss) on investments	354,588	109,296	71,091	6,369	1,529	542,873	354,878
Interest expense	(324,221)	(451,727)	(14,479)	(72,077)	(14,211)	(876,715)	(50,330)
Lease revenue	-	78,338	-	-	110,505	188,843	-
Gain/(loss) on disposal of capital assets	-	1,782	-	3,261	-	5,043	(9,469)
Total Nonoperating Revenues (Expenses)	1,208,810	209,647	292,072	(42,559)	163,517	1,831,487	1,432,183
Income (Loss) Before Capital Contributions and Transfers	7,533,434	2,985,966	(73,701)	(1,401,944)	259,764	9,303,519	2,867,663
CAPITAL CONTRIBUTIONS AND TRANSFERS							
Capital contributions	334,000	188,950	101,750	-	-	624,700	-
Transfers in	5,385,557	3,503,910	1,391,918	11,924	1,250,706	11,544,015	4,509,669
Transfers out	(5,050,424)	(3,520,649)	(1,045,798)	(11,924)	(109,918)	(9,738,713)	(6,004,511)
Total Capital Contributions and Transfers	669,133	172,211	447,870	-	1,140,788	2,430,002	(1,494,842)
Change in Net Position	8,202,567	3,158,177	374,169	(1,401,944)	1,400,552	11,733,521	1,372,821
NET POSITION (DEFICIT)							
Beginning of year, as previously reported	71,127,519	46,196,128	28,529,759	3,650,778	6,069,904		26,745,734
Adjustment - correction of an error	-	-	-	-	(311,550)		-
Beginning of year, as restated	71,127,519	46,196,128	28,529,759	3,650,778	5,758,354		26,745,734
End of year	$ 79,330,086	$ 49,354,305	$ 28,903,928	$ 2,248,834	$ 7,158,906		$ 28,118,555
			Adjustment to reflect the consolidation of internal service fund activities			1,421,828	
			Net Position of Business-type Activities			$ 13,155,349	

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Water System Fund	Sewer Improvement Funds: Wastewater Fund	Sewer Improvement Funds: Storm Drain Fund	Refuse Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for current services	$ 15,443,673	$ 9,396,200	$ 1,488,754	$ 10,631,603
Cash received for other operating revenues	1,073,537	1,133,792	407,489	305,984
Cash paid to suppliers for goods and services	(4,215,413)	(3,905,950)	(956,264)	(8,350,812)
Cash paid for salaries and benefits	(2,337,109)	(1,912,951)	(781,813)	(2,918,376)
Net cash provided (used) by operating activities	9,964,688	4,711,091	158,166	(331,601)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
Transfers (to) from other funds	335,133	(16,739)	346,120	-
Loans from/(to) other funds	-	-	-	1,121,880
Net cash provided (used) by noncapital financing activities	335,133	(16,739)	346,120	1,121,880
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on long-term debt	(1,779,845)	(1,694,658)	(19,202)	(95,586)
Interest payments on long-term debt	(368,861)	(510,215)	(13,430)	(66,855)
Payments for capital asset acquisition	(3,300,073)	(1,074,949)	(853,107)	(493,582)
Lease payments	(4,983)	-	-	-
SBITA payments	-	-	-	-
Lease income	-	83,172	-	-
Proceeds from the sale of capital assets	-	-	-	-
Net cash provided (used) by capital and related financing activities	(5,453,762)	(3,196,650)	(885,739)	(656,023)
CASH FLOWS FROM INVESTING ACTIVITIES				
Unrealized gain (loss) on investments	354,588	109,296	71,091	6,369
Interest received on investments	1,178,443	471,958	235,460	19,888
Net cash provided by investing activities	1,533,031	581,254	306,551	26,257
Net increase (decrease) in cash and investments	6,379,090	2,078,956	(74,902)	160,513
Cash and investments, beginning of year	26,167,474	7,416,092	5,829,038	462,672
Cash and investments, end of year	$ 32,546,564	$ 9,495,048	$ 5,754,136	$ 623,185
Reconciliation to Statement of Net Position:				
Cash and investments	$ 32,546,564	$ 9,495,048	$ 5,754,136	$ 623,185
Total cash and investments	$ 32,546,564	$ 9,495,048	$ 5,754,136	$ 623,185

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Total Non-major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for current services	$ 2,317,807	$ 39,278,037	$ 13,773,713
Cash received for other operating revenues	234,971	3,155,773	64,126
Cash paid to suppliers for goods and services	(1,147,449)	(18,575,888)	(8,287,746)
Cash paid for salaries and benefits	(1,027,416)	(8,977,665)	(2,028,928)
Net cash provided (used) by operating activities	377,913	14,880,257	3,521,165
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers (to) from other funds	1,140,788	1,805,302	(1,494,842)
Loans from/(to) other funds	(1,200,751)	(78,871)	-
Net cash provided (used) by noncapital financing activities	(59,963)	1,726,431	(1,494,842)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal payments on long-term debt	(19,555)	(3,608,846)	(63,246)
Interest payments on long-term debt	(13,677)	(973,038)	(48,413)
Payments for capital asset acquisition	(129,235)	(5,850,946)	(352,957)
Lease payments	-	(4,983)	-
SBITA payments	-	-	(77,207)
Lease income	84,827	167,999	-
Proceeds from the sale of capital assets	-	-	650,516
Net cash provided (used) by capital and related financing activities	(77,640)	(10,269,814)	108,693
CASH FLOWS FROM INVESTING ACTIVITIES			
Unrealized gain (loss) on investments	1,529	542,873	354,878
Interest received	62,084	1,967,833	1,137,104
Net cash provided by investing activities	63,613	2,510,706	1,491,982
Net increase (decrease) in cash and investments	303,923	8,847,580	3,626,998
Cash and investments, beginning of year	891,629	40,766,905	29,458,261
Cash and investments, end of year	$ 1,195,552	$ 49,614,485	$ 33,085,259
Reconciliation to Statement of Net Position:			
Cash and investments	$ 1,195,552	$ 49,614,485	$ 33,085,259
Total cash and investments	$ 1,195,552	$ 49,614,485	$ 33,085,259

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Water System Fund	Sewer Improvement Funds: Wastewater Fund	Sewer Improvement Funds: Storm Drain Fund	Refuse Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	$ 6,324,624	$ 2,776,319	$ (365,773)	$ (1,359,385)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	2,443,991	1,800,683	412,422	785,250
Changes in assets, liabilities, and deferred resources in:				
Receivables	(154,655)	(163,216)	(7,522)	(54,856)
Prepaid expenses	2,520	4,903	55	55
Inventory	46,247	-	-	-
Deferred outflows of resources	13,614	9,811	(3,188)	17,415
Accounts payable	1,085,628	108,941	32,955	(7,245)
Salaries and benefits payable	9,238	6,390	3,867	8,974
Interest payable	(8,292)	-	-	-
Compensated absences	126,497	53,637	31,057	106,274
Deposits and unearned revenue	(67,687)	(420)	(275)	36
Claims payable	-	-	-	-
Net OPEB liability	536,019	417,909	-	601,106
Net pension liability	(480,212)	(368,149)	63,236	(539,253)
Deferred inflows of resources	87,156	64,283	(8,668)	110,028
Net cash provided (used) by operating activities	$ 9,964,688	$ 4,711,091	$ 158,166	$ (331,601)
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contributed Capital	$ 334,000	$ 188,950	$ 101,750	$ -

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025 (concluded)

	Total Non-major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$ 96,247	$ 7,472,032	$ 1,435,480
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	370,523	5,812,869	1,025,725
Changes in assets, liabilities, and deferred resources in:			
Receivables	(168,287)	(548,536)	12,714
Prepaid expenses	(1,050)	6,483	-
Inventory	-	46,247	13,926
Deferred outflows of resources	-	37,652	(7,970)
Accounts payable	22,789	1,243,068	267,947
Salaries and benefits payable	6,927	35,396	(20,559)
Interest payable	-	(8,292)	-
Compensated absences	50,764	368,229	90,482
Deposits and unearned revenue	-	(68,346)	-
Claims payable	-	-	567,000
Net OPEB liability	-	1,555,034	-
Net pension liability	-	(1,324,378)	158,090
Deferred inflows of resources	-	252,799	(21,670)
Net cash provided (used) by operating activities	$ 377,913	$ 14,880,257	$ 3,521,165
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Contributed Capital	$ -	$ 624,700	$ -

The accompanying notes are an integral part of these financial statements.

FIDUCIARY FUNDS

FINANCIAL STATEMENTS

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Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Redevelopment Successor Agency Private Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and investments	$ 271,071	$ 1,966,030
Accounts receivable	-	29,823
Assets held for resale	38,192	-
Total assets	309,263	1,995,853
LIABILITIES		
Accounts payable	-	1,283,685
Deposits held for others	-	698,311
Total liabilities	-	1,981,996
FIDUCIARY NET POSITION		
Held in trust for the retirement of obligations of the former Hanford Redevelopment Agency and other purposes	309,263	-
Restricted	-	13,857
Total fiduciary net position	$ 309,263	$ 13,857

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2025

	Redevelopment Successor Agency Private-Purpose Trust Fund	Custodial Funds
ADDITIONS		
Investment earnings	$ 10,071	$ -
Unrealized gain/(loss) on investments	3,086	-
Total additions	13,157	-
DEDUCTIONS		
General government	267	-
Total deductions	267	-
Change in fiduciary net position	12,890	-
NET POSITION		
Beginning of year	296,373	13,857
End of year	$ 309,263	$ 13,857

The accompanying notes are an integral part of these financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the City of Hanford, California (the City) have been prepared in conformity with U.S. Generally Accepted Accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The accompanying financial statements present the financial position of the City and the various funds and fund types, the results of operations of the City and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2025 and for the year then ended.

Description of the Reporting Entity

The City was incorporated as a General Law city in 1891. The City operates under a Council-Administrator form of government and provides the following services: Public safety (police and fire), community development, community services, public works, cultural, general administrative services, and capital improvements.

As required by accounting principles generally accepted in the United States of America, these financial statements present the City (the primary government) and its component units. The component units discussed below is included in the City's reporting entity because of the significance of their operational or financial relationship with the City. However, elected officials of the City have a continuing accountability for fiscal matters of the other entities. The financial reporting entity consists of: (1) the City (2) organizations for which the City is financially accountable and (3) organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, component unit balances and transactions are reported in a manner similar to the balances and transactions of the City. A component unit is presented on a blended basis component unit's governing body is substantially the same as the City's or the component unit provides services almost entirely to the City; otherwise, the component unit is presented discretely.

Blended Component Unit

The financial statements of the City include the financial activities of the City as well as of the Hanford Improvement Corporation. Although the Hanford Improvement Corporation is a legally distinct unit from the City, their financial operations are overseen by the City and the City Council is the board of directors of the Corporation.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

Government-Wide Financial Statements

The Government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information of all of the non-fiduciary activities of the primary government and its component units. For the most part, eliminations have been made to minimize the double counting on internal activities. These statements distinguish between the governmental and business type activities of the City. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and of reach function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Net Position are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental Fund Financial Statements

The fund financial statements provide information about the City's funds, with separate statements presented for each fund category - *governmental, proprietary, and fiduciary*. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund – The General Fund is the principle operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds. For the City, the General Fund includes basic governmental activities such as general government, public safety, public works, recreation and community development.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

CDBG Home/Housing Fund – This fund is used to receive and disburse funds in accordance with grants received from the Department of Housing and Urban Development for the repair and improvement of targeted housing areas.

Transportation Development Act Fund – This fund is used to account for financial resources to be used for transit and non-transit related purposes that comply with regional transportation plans. The City has elected to present this fund as a major fund.

American Rescue Plan Act Fund – This fund is used to account for financial resources provided by the American Rescue Plan Act.

Measure H Fund – This fund is used to account for financial resources provided by a 1% sales tax used to fund public services. The City has elected to present this fund as a major fund.

The City reports the following major enterprise funds:

Water System Fund – The Water System Fund is used to account for the financial activities of water utility of the City.

Wastewater Fund – The Wastewater Fund is used to account for financial activities of sewage collection and wastewater treatment utility of the City.

Storm Drain Fund – The Storm Drain Fund is used to account for the financial activities of the City's storm drains.

Refuse Fund – The Refuse Fund is used to account for the financial activities of the collection of solid waste and disposal utility of the City.

The City presents the following non-major enterprise funds:

Airport Fund – To account for all activities necessary to provide an airport to the residents of the City and surroundings areas.

Intermodal Fund – The Intermodal Fund is used to account for the financial activities of a building used to support state regional and local transportation.

Courthouse Square Fund – The Courthouse Square Fund is used to account for the financial activities of the maintenance and improvement of the property known as the Courthouse Square in downtown Hanford.

Building Safety Fund – The Building Safety Fund is used to account for the financial activities of the City's review of building plans from developers, contractors and/or property owners and inspectors of buildings. Revenue is provided by the permit and review fees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The City reports the following fund types in aggregate as part of other non-major governmental funds:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Fund – *Capital Projects* Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those finances by proprietary funds.

Additionally, the City reports the following fund types:

Internal Service Funds – Internal Service Funds are used to account for the financing of goods or services provided by one department or agency of the City to another on a cost-reimbursement basis.

Private-Purpose Trust Fund – The Private Purpose Trust Fund is used to account for the activities of the former Hanford Redevelopment Agency during the wind down period.

Custodial Funds – Custodial Funds are used to account for assets held by the City in a purely custodial capacity or as an agent for individuals, private organizations and/or other governments.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In accordance with generally accepted accounting principles the Statement of Net Position reports separate sections for Deferred Outflows of Resources and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources – This amount represents outflows of resources (consumption of net assets) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources – This amount represents inflows of resources (acquisition of net assets) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. Revenues and expenses not meeting this definition are reported as non-operating.

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the City considers all short term and highly liquid investments (including restricted assets) to be cash and cash equivalents, as reported on the Statement of Net Position and Balance Sheet as cash and investments.

Investments

Investments are stated at fair value (the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than a forced or liquidation sale).

Further cash and investment disclosures are presented in Note 2.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items (Continued)

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government wide financial statement as “internal balances.” Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be a market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include intergovernmental and tax revenue receivable. Business-type activities report trade and intergovernmental revenue as their major receivables.

Inventory

Inventories of materials and supplies in the proprietary and internal services funds are valued at the lower of cost or market, carried on a first-in, first-out (FIFO) basis.

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements and proprietary fund statements, capital assets are presented on the statement of net position and valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at acquisition value at the date of acquisition.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items (Continued)

The City's capitalization threshold is $10,000. In other words, capital assets are capitalized only if they have a cost in excess of $10,000 and have an expected useful life of three years or more. Capital assets that have a cost below $10,000 are expended during the fiscal year they are acquired.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized.

Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Infrastructure	20 to 50 years
Buildings	20 to 50 years
Improvements other than buildings	20 to 50 years
Machinery and equipment	3 to 20 years
Leases and subscription assets	Life of associated contract

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unsaved vacation, sick pay benefits and compensatory time. All vacation and compensatory pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements. For additional information regarding compensated absences, see Note 7.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items (Continued)

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Debt principal payments of both government and business-type activities are reported as decreases in the balance of the liability on the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid. Governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds received or not, are reported as debt service expenditures.

Leases

The City is a lessee for noncancelable leases of copiers and recognizes the liability and an intangible right-to-use lease asset at the inception of the lease agreement at the current present value of future payments, in the government-wide and proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value of $25,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items (Continued)

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases, which it has determined is the prime rate at the inception of the lease.

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

The City is a lessor for noncancelable leases of the Hanford train station, hotel parking spaces, and agricultural ground leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary fund, and governmental fund financial statements at the inception of the lease agreement at current present value of all future payments.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the interest rate charges to the lessees as the discount rate. When the interest rate charged the lessees is not provided, the City generally uses the implied rate of return as the discount rate for leases. When the implied rate of return cannot be determined, the City uses its estimated incremental borrowing rate which it has determined is the prime rate at the inception of the lease.

- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items (Continued)

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of lease receivable.

Right-to-Use Lease / Subscription Based Information Technology Arrangements (SBITA) Assets

Right-to-use lease/SBITA assets are recorded at the amount of the initial measurement of the lease/SBITA liabilities and modified by any lease payment made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

Right-to-use lease/SBITA assets are amortized using the straight-line method over the shorter of the lease term or the useful life on the underlying asset, unless the lease contains a purchase option that the City has determined is reasonably certain of being exercised.

Other Post-employment Benefits (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined by an independent actuary.

For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

OPEB	
Valuation Date	June 30, 2025
Measurement Date	June 30, 2025
Measurement Period	June 30, 2024 to June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

	CalPERS
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	June 30, 2023 to June 30, 2024

Net Position

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

- *Net investment in capital assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- *Restricted net position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constructional provisions or enabling legislation.

- *Unrestricted net position* – This category represents net position of the City, not restricted for any project or other purpose.

When expenses are incurred for purposes for which both restricted and unrestricted net position is available, the City's policy is to apply restricted net position first.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items (Continued)

Fund Balance

In the fund financial statements, governmental funds report fund balances as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of the City's highest level if decision-making authority (the City Council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- *Assigned fund balance* – amounts that are constrained by the City's intent to be used for specific purposes. The intent can be established by either the highest level of decision making, or by a body or an official designated for that purpose.
- *Unassigned fund balance* – the residual classification for the City's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The City Council establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balances first, then unrestricted fund balances as they are needed. When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order: committed, assigned, and unassigned.

Property Taxes

In 1978, a state constitutional amendment (Proposition 13) provided that the tax rate be limited to 1% of market value, levied only by the County and shared with all other jurisdictions. Such limitation on the rate may only be increased through voter approval. The County Collects property taxes and distributes them to taxing-approved debt. In the fund financial statements, property tax is recorded as revenue in the period levied to the extent they are collected within 60 days of year-end.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Assets or Fund Balance, and Other Financial Statement Items (Continued)

The property tax calendar for the City is as follows:

Lien date	January 1
Levy dates	September 1
Due dates	November 1 - 1st installment
	February 1 - 2nd installment
Collection dates	December 10 - 1st installment
	April 10 - 2nd installment

Advances from other Governments

The City reports advances from other governments in its financial statements. These advances arise when resources are received by the government before it has legal claim to them.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Stewardship, Compliance, and Accountability

Budgets and Budgetary Accounting

The procedures established by the City Council in adopting the budgetary data reflected in the financial statements are as follows:

On or before the second meeting in May, the City Manager submits to the City Council a proposed operating and capital projects budget for the fiscal year commencing the following July 1. Following publication and public hearings, the budget is legally enacted by resolution.

The City Manager is authorized to transfer funds appropriated with respect to all classifications within the same department. The City Manager may transfer appropriated funds from any classification within other expenditure categories to existing capital outlay and capital projects classifications within the same department only; however, any revisions that alter the total expenditures of any department or create additional projects must be approved by the City Council.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Stewardship, Compliance, and Accountability (Continued)

Supplemental budgetary appropriations were negligible for the fiscal year ended June 30, 2025. All unencumbered appropriations lapse at year-end.

For budgeting purposes, the General Fund is composed of several departments while all other budgeted funds are considered a single department. Revenues are budgeted on a line-item basis. A comparison of budgeted and actual revenues by line item would be too voluminous for this report.

Budgets for the General and major Special Revenue Funds are presented in the accompanying general purpose financial statements on a basis consistent with accounting principles generally accepted in the United States of America. No budgets are adopted for the Proprietary and Fiduciary Fund types.

Reclassification and Eliminations

Interfund balances must generally be eliminated in the government-wide financial statements, except for net residual amounts due between governmental activities. Amounts involving fiduciary funds should be reported as external transactions. Any allocations must reduce the expense of the function from which the expenses are being allocated, so that expenses are reported only once in the function in which they are allocated.

Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

The City has implemented GASB No. 101, *Compensated Absences.* The primary objective of this Statement is to establish accounting and financial reporting guidance for compensated absences, which are leave benefits that are attributable to services already rendered, related to rights that accumulate, and are more likely than not to be used for time off or otherwise paid to employees. The Statement requires governments to recognize a liability for certain types of compensated absences, such as vacation, sick leave, and paid time off, when the leave is earned rather than when it is taken.

The City also implemented GASB No. 102, *Certain Risk Disclosures.* The primary objective of this Statement is to provide users of financial statements with better insight into risks that could have a material impact on the government's ability to provide services or meet obligations. These risks include concentration in revenue sources, investments, or loans; constraints imposed by external parties or legislation; and other conditions that may expose the entity to significant vulnerabilities.

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB statements:

GASB Statement No. 103, Financial Reporting Model Changes is effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 104, Disclosure of Certain Capital Assets is effective for fiscal years beginning after June 15, 2025.

NOTE 2 - CASH AND INVESTMENTS

Cash and investments as of June 30, 2025 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	$ 143,890,167
Fiduciary funds:	
Cash and investments	2,237,101
Total Cash and Investments	$ 146,127,268

Cash and investments as of June 30, 2025 consist of the following:

Cash on hand	$ 4,000
Deposits with financial institutions	10,394,336
Investments	135,728,932
Total Cash and Investments	$ 146,127,268

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers' Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	30%	None
Mortgage Pass-Through / Asset-Backed Securities	5 years	20%	AA rating or better
Municipal Bonds (Local Agencies)	5 years	None	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None
Corporate Investments	N/A	None	None

*Excluding amounts held by bond trustees that are not subject to California Government Code Restrictions.

NOTE 2 - CASH AND INVESTMENTS (Continued)

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers' Acceptances	180 days	40%	None
Commercial Paper	270 days	40%	None
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 Year	30%	None
Mortgage Pass-Through / Asset-Backed Sec	5 years	20%	None
Municipal Bonds (Local Agencies)	5 years	None	None
Mutual Funds	N/A	20%	None
Money Market Mutual Funds	N/A	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Corporate Investments	N/A	None	None

Disclosure Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of short term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing and coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

		Remaining Maturity (in Months)			
Investment Type	Total	12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
U.S. Treasury Obligations	$ 10,928,661	$ 498,144	$ 4,014,060	$ 6,416,457	$ -
U.S. Agency Securities	26,994,266	9,917,120	3,199,538	13,877,608	-
Commercial Paper	3,760,624	3,760,624	-	-	-
Negotiable Certificates of Deposits	4,312,544	1,937,017	493,372	1,882,155	-
Corporate Investments	24,998,043	870,452	7,515,046	16,612,545	-
Asset-Backed Securities	20,173,321	2,465,850	-	17,707,471	-
Municipal Bonds	10,642,811	-	597,054	10,045,757	-
Held by bond trustee:					
Money Market Funds	3,070,842	3,070,842	-	-	-
County Investment Pool	1,158,812	1,158,812	-	-	-
California Class	29,689,008	29,689,008	-	-	-
Total	$ 135,728,932	$ 53,367,869	$ 15,819,070	$ 66,541,993	$ -

NOTE 2 - CASH AND INVESTMENTS (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented on the following page is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements and the actual rating as of year-end for each investment type.

			Standard's & Poor's Ratings as of Year End		
Investment Type	Amount	Minimum Legal Rating	A/A+	AA+	Unrated
U.S. Treasury Obligations	$ 10,928,661	AA	$ -	$ 10,928,661	$ -
U.S. Agency Securities	26,994,266	N/A	-	26,994,266	-
Commercial Paper	3,760,624	N/A	3,760,624	-	-
Negotiable Certificates of Deposits	4,312,544	N/A	-	-	4,312,544
Corporate Investments	24,998,043	N/A	23,492,748	1,505,295	-
Asset-Backed Securities	20,173,321	AA	-	18,143,481	2,029,840
Municipal Bonds	10,642,811	N/A	5,437,471	2,421,085	2,784,255
Held by bond trustee:					
Money Market Funds	3,070,842	N/A	-	-	3,070,842
County Investment Pool	1,158,812	N/A	-	-	1,158,812
California Class	29,689,008	N/A	-	29,689,008	-
Total	$ 135,728,932		$ 32,690,843	$ 89,681,796	$ 13,356,293

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The City had no investments in any one issuer (other than U.S. Treasury Securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provisions for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

NOTE 2 - CASH AND INVESTMENTS (Continued)

Investment in State and County Investment Pools

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code under the oversight of the Treasurer of State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amount based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. For withdrawals over $10,000,000 LAIF requires at least 24-hour notice. Also, there is a $5,000 minimum and a limit of 15 transactions per month.

The City is also a voluntary participant in the County of Tulare Investment Pool. Assumptions made in determining the fair value of the investment portfolio are available from the County Treasurer.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2025:

Investment type	Level 1	Level 2	Level 3	Total
U.S. Treasury Obligations	$ -	$ 10,928,661	$ -	$ 10,928,661
U.S. Agency Securities	-	26,994,266	-	26,994,266
Commercial Paper	-	3,760,624	-	3,760,624
Negotiable Certificates of Deposits	-	4,312,544	-	4,312,544
Corporate Investments	-	24,998,043	-	24,998,043
Asset-Backed Securities	-	20,173,321	-	20,173,321
Municipal Bonds	-	10,642,811	-	10,642,811
	$ -	$ 101,810,270	$ -	101,810,270
Investments not subject to fair value hierarchy:				
County Investment Pool				1,158,812
California Class				29,689,008
Money Market Funds				3,070,842
Total				$ 135,728,932

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. There have been no changes in fair value measurement classifications from the prior year.

NOTE 3 - CAPITAL ASSETS

Capital assets activities for the year ended June 30, 2025 were as follows:

	Balance July 1, 2024	Additions/ Completions	Retirements/ Adjustments	Balance June 30, 2025
Governmental Activities				
Capital assets not being depreciated:				
Land	$ 61,094,107	$ -	$ -	$ 61,094,107
Construction in progress	6,947,608	1,291,069	(525,660)	7,713,017
Total capital assets not being depreciated	68,041,715	1,291,069	(525,660)	68,807,124
Capital assets being depreciated/amortized:				
Buildings	25,261,269	-	-	25,261,269
Infrastructure	203,803,718	1,788,809	(644,586)	204,947,941
Equipment	22,870,178	933,191	(945,519)	22,857,850
Right to use leased equipment	1,067,622	988,635	-	2,056,257
Right to use SBITA asset	395,074	1,036,741	(157,206)	1,274,609
Total capital assets being depreciated/amortized	253,397,861	4,747,376	(1,747,311)	256,397,926
Less accumulated depreciation/amortization:				
Buildings	(10,689,001)	(470,483)	-	(11,159,484)
Infrastructure	(123,037,314)	(7,168,812)	-	(130,206,126)
Equipment	(15,234,576)	(1,460,937)	1,105,706	(15,589,807)
Right to use leased equipment	(140,387)	(284,502)	-	(424,889)
Right to use SBITA asset	(197,314)	(280,914)	157,206	(321,022)
Total accumulated depreciation/amortization	(149,298,592)	(9,665,648)	1,262,912	(157,701,328)
Total capital assets being depreciated, net	104,099,269	(4,918,272)	(484,399)	98,696,598
Governmental Activities capital assets, net	$ 172,140,984	$ (3,627,203)	$ (1,010,059)	$ 167,503,722
Business-type Activities				
Capital assets not being depreciated:				
Land	$ 11,966,873	$ -	$ -	$ 11,966,873
Construction in progress	509,213	3,975,594	(66,265)	4,418,542
Total capital assets not being depreciated	12,476,086	3,975,594	(66,265)	16,385,415
Capital assets being depreciated:				
Buildings and improvements	196,146,459	690,965	-	196,837,424
Machinery and equipment	33,592,077	2,006,546	(569,832)	35,028,791
Right to use leased equipment	25,726	-	-	25,726
Total capital assets being depreciated	229,764,262	2,697,511	(569,832)	231,891,941
Less accumulated depreciation:				
Buildings and improvements	(80,293,561)	(3,782,847)	-	(84,076,408)
Machinery and equipment	(18,281,004)	(2,024,877)	443,682	(19,862,199)
Right to use leased equipment	(5,260)	(5,146)	-	(10,406)
Total accumulated depreciation	(98,579,825)	(5,812,870)	443,682	(103,949,013)
Total capital assets being depreciated, net	131,184,437	(3,115,359)	(126,150)	127,942,928
Business-type Activities capital assets, net	$ 143,660,523	$ 860,235	$ (192,415)	$ 144,328,343

NOTE 3 - CAPITAL ASSETS (Continued)

Depreciation/amortization expense for the fiscal year ending June 30, 2025 was charged to the following activities:

Governmental Activities:	
General governmental	$ 6,652,741
Public safety	259,198
Public works	1,382,388
Recreation	259,198
Community development	86,399
Capital assets held by the internal service funds that were charged to the various functions based on their usage	1,025,725
Total	$ 9,665,648
Business-type Activities:	
Water system	$ 2,443,992
Wastewater	1,800,683
Storm drain	412,422
Refuse	785,250
Airport	319,509
Intermodal	26,116
Building Safety	24,898
Total	$ 5,812,870

NOTE 4 - LONG-TERM DEBT

The following is a summary of the long-term debt activity for the year ended June 30, 2025:

	Balance July 1, 2024	Prior period adjustment	Additions	Deletions	Balance June 30, 2025	Due Within One Year
Governmental Activities						
Pension obligation bonds payable	$ 23,922,715	$ (311,550)	$ -	$ (1,481,985)	$ 22,129,180	$ 1,487,059
Lease payable	638,867	-	718,760	(196,676)	1,160,951	273,178
SBITA payable	178,371	-	1,036,741	(285,804)	929,308	238,726
Total Governmental Activities	24,739,953	(311,550)	1,755,501	(1,964,465)	24,219,439	1,998,963
Business-type Activities						
Pension obligation bonds payable	4,006,284	311,550	-	(271,014)	4,046,820	271,944
Bonds payable	12,725,000	-	-	(1,880,000)	10,845,000	1,960,000
Bond premiums	409,811	-	-	(73,307)	336,504	73,308
Note payable - direct	3,890,840	-	-	(429,847)	3,460,993	444,892
Finance purchase arrangement - direct borrowing	5,411,024	-	-	(1,027,984)	4,383,040	1,131,407
Lease payable	20,742	-	-	(4,984)	15,758	5,115
Total Business-type Activities	26,463,701	311,550	-	(3,687,136)	23,088,115	3,886,666
Total Primary Government	$ 51,203,654	$ -	$ 1,755,501	$ (5,651,601)	$ 47,307,554	$ 5,885,629

NOTE 4 - LONG-TERM DEBT (Continued)

Governmental Activities

Bonds Payable

On May 23, 2022, the City of Hanford issued $30,946,000 Pension Obligation Bonds bearing interest of 4.39% payable annually on June 1 commencing June 1, 2023. The bonds mature annually at various amounts through June 1, 2039. The bonds are payable from net revenues in both the governmental activities and business-type activities created under the Indenture.

The Bonds were issued to pay the City's unfunded accrued actuarial liability (UAAL), now known as Net Pension Liability, to the California Public Employees' Retirement System (CalPERS).

Significant terms that pertain to the Pension Obligation Bonds are as follows. If the City fails to make the payment of principal or interest when due and payable; if the City fails to observe and perform any of the covenants, agreements, or conditions required in the bond agreement; if the City commences a voluntary case under Title 11 of the United States Code or any substitute or successor statute; the City shall be considered in default. In the event of a default, the Trustee may declare the principal and interest of the bond immediately due and payable. The revenues pledge from the bond are the revenues payable from the various funds allocated the issuance of the debt.

Pension obligation bonds outstanding on June 30, 2025 for governmental activities are $22,129,180.

The future maturities of the pension obligation bonds payable for governmental activities are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 1,487,059	$ 918,146	$ 2,405,205
2027	1,478,605	852,378	2,330,983
2028	1,543,701	783,716	2,327,417
2029	1,269,791	717,767	1,987,558
2030	1,299,380	660,724	1,960,104
2031-2035	7,173,221	2,040,254	9,213,475
2036-2038	7,877,423	904,714	8,782,137
Totals	$ 22,129,180	$ 6,877,699	$ 29,006,879

NOTE 4 - LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

Leases Payable

The City entered into several lease agreements for the use of various types of equipment. The lease agreements range from 12 to 60 months. The City is required to make annual fixed payments ranging from $4,046 to $14,712. The agreements have interest rates ranging from 0.2% to 2.63%. As of June 30, 2025, the City had total outstanding lease payable of $1,160,951 and right to use asset of $1,631,368, net of amortization.

The future maturities of lease payments are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 273,178	$ 29,462	$ 302,640
2027	280,669	21,542	302,211
2028	275,959	13,538	289,497
2029	229,192	6,224	235,416
2030	101,953	1,399	103,352
Totals	$ 1,160,951	$ 72,165	$ 1,233,116

Subscription based IT arrangement (SBITA) payable

The City entered into several subscription-based IT arrangements for the use of various types of software. The subscription agreements range from 12 to 60 months. The City is required to make annual fixed payments ranging from $21,889 to $186,707. The agreements have interest rates ranging from 0.2% to 2.63%. As of June 30, 2025, the City had total outstanding SBITA payable of $929,308 and right to use asset of $953,587, net of amortization.

The future maturities of SBITA payments are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 238,726	$ 23,339	$ 262,065
2027	164,564	17,540	182,104
2028	169,841	12,148	181,989
2029	175,255	6,519	181,774
2030	180,922	725	181,647
Totals	$ 929,308	$ 60,271	$ 989,579

NOTE 4 - LONG-TERM DEBT (Continued)

Business-type Activities

Bonds Payable

On July 1, 2012, the City of Hanford issued $13,165,000 Wastewater Revenue Refunding Bonds Series 2012 bearing interest of 3.0% to 5.0% payable semi-annually on April 1 and October 1 commencing October 1, 2012. The bonds mature annually at various amounts through October 1, 2032. The bonds are payable from net revenues of the City's Wastewater System and from amounts on deposit in certain funds and accounts created under the Indenture.

The Bonds were issued to refinance the City's previously issued $5,000,000 CSCDA Water and Wastewater Revenue Bonds, dated October 1, 1999 and the $10,555,000 CSCDA Water and Wastewater Revenue Bonds dated April 16, 2002. As a result, the 1999 and 2002 Revenue Bonds are considered to be defeased and the liability for those bonds has been removed from the long-term liabilities of the Business Activities Debt.

The aggregate debt service payments of the new debt is $2,121,034 less than the old debt. The issuance of the new debt and refunding of the old debt resulted in an economic gain (the difference between the present value of the old debt and new debt payments) of approximately $1,537,677.

Significant terms that pertain to the Wastewater Revenue Refunding Bonds Series 2012 are as follows. If the City fails to make the payment of principal or interest when due and payable; if the City fails to observe and perform any of the covenants, agreements, or conditions required in the bond agreement; if the City files a petition or answer seeking reorganization or arrangement under the Federal bankruptcy laws; the City shall be considered in default. In the event of a default, the Trustee may declare the principal and interest of the bonds immediately due and payable. The revenues pledged of the bond are the revenues payable from the City's Wastewater fund for the life of the bonds.

Wastewater revenue bonds outstanding on June 30, 2025 are $5,685,000.

The future maturities of the wastewater revenue bonds payable are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 725,000	$ 201,375	$ 926,375
2027	750,000	175,563	925,563
2028	785,000	148,209	933,209
2029	805,000	119,391	924,391
2030	835,000	88,100	923,100
2031-2033	1,785,000	109,100	1,894,100
Totals	$ 5,685,000	$ 841,738	$ 6,526,738

NOTE 4 - LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

On July 1, 2013, the City of Hanford issued $12,725,000 Water Revenue Refunding Bonds Series 2013 bearing interest of 2.0% to 5.0% payable semi-annually on April 1 and October 1, commencing October 1, 2013. The bonds mature annually at various amounts through October 1, 2028. The bonds are payable from net revenues of the City's Water System and from amounts on deposit in certain funds and accounts created under the Indenture.

The Bonds are being issued to refinance the City's previously issued to refinance the City's previously issued $8,925,000 CSDA Water and Wastewater Revenue Bonds, dated December 9, 2003 and the $8,150,000 Installment Sale Agreement Water System dated December 20, 2007. As a result the 2003 Revenue Bond and 2007 Installment Sale Agreement are considered defeased and the liability for those issues has been removed from the long-term liabilities of the Business Activities Debt.

The aggregate debt service payments of the new debt are $1,430,167 less than the old debt. The issuance of the new debt and refunding of the old debt resulted in an economic gain (the difference between the present value of the old debt and new debt payments) of approximately $567,774.

Significant terms that pertain to the Water Revenue Refunding Bonds Series 2013 are as follows. If the City fails to make the payment of principal or interest when due and payable; if the City fails to observe and perform any of the covenants, agreements, or conditions required in the bond agreement; if the City files a petition or answer seeking reorganization or arrangement under the Federal bankruptcy laws; the City shall be considered in default. In the event of a default, the Trustee may declare the principal and interest of the bonds immediately due and payable. The revenues pledged for the bond are the revenues payable from the City's Water fund for the life of the bonds.

Water revenue bonds outstanding on June 30, 2025 are $3,155,000.

The future maturities of the water revenue bonds payable are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 1,015,000	$ 115,075	$ 1,130,075
2027	1,055,000	68,600	1,123,600
2028	530,000	36,238	566,238
2029	555,000	12,488	567,488
Totals	$ 3,155,000	$ 232,401	$ 3,387,401

NOTE 4 - LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

On January 28, 2015, the City of Hanford issued $3,885,000 Wastewater Revenue Refunding Bonds Series 2015, bearing interest of 2.0% to 4.0% payable semi-annually on April 1 and October 1, commencing April 1, 2015. The bonds mature annually at various amounts through October 1, 2032. The bonds are payable from net revenues of derived from charges and revenues received by the City from the operation of the Wastewater System.

The bonds are being issued to provide funds to refund the City's outstanding City of Hanford, Variable Rate Demand Sewer System Refunding Revenue Bonds, 1996 Series A, to purchase a reserve fund municipal bond insurance policy in lieu of cash funding a bond reserve fund for the Bonds, and to pay the cost of issuing the Bonds. As a result, the 1996 Revenue Bonds are considered to be defeased and the liability for those bonds has been removed from the long-term liabilities of the Business Activities Debt.

The aggregate debt service payments of the new debt are $644,540 more than the old debt. The issuance of the new debt and refunding of the old debt resulted in an economic loss (the difference between the present value of the old debt and new debt payments) of approximately $621,656.

Significant terms that pertain to the Wastewater Revenue Refunding Bonds Series 2015 are as follows. If the City fails to make the payment of principal or interest when due and payable; if the City fails to observe and perform any of the covenants, agreements, or conditions required in the bond agreement; if the City abandons a substantial part that shall continue for a period of sixty consecutive days; if the City files a petition or answer seeking reorganization or arrangement under the Federal bankruptcy laws; the City shall be considered in default. In the event of a default, the Trustee may declare the principal and interest of the bonds immediately due and payable. The revenue pledged for the bond are the revenues payable from the City's Wastewater fund for the life of the bonds.

Wastewater revenue bonds outstanding on June 30, 2025 are $2,005,000.

The future maturities of the wastewater revenue bonds payable are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 220,000	$ 72,450	$ 292,450
2027	225,000	65,775	290,775
2028	235,000	57,700	292,700
2029	245,000	48,100	293,100
2030	255,000	38,100	293,100
2031-2033	825,000	50,300	875,300
Totals	$ 2,005,000	$ 332,425	$ 2,337,425

NOTE 4 - LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

On May 23, 2022, the City of Hanford issued $30,946,000 Pension Obligation Bonds bearing interest of 4.39% payable annually on June 1 commencing June 1, 2023. The bonds mature annually at various amounts through June 1, 2039. The bonds are payable from net revenues in both the governmental activities and business-type activities created under the Indenture.

Pension obligation bonds outstanding on June 30, 2025 for business-type activities are $4,046,820.

The future maturities of the pension obligation bonds payable for business activities are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 271,944	$ 177,657	$ 449,601
2027	270,398	165,718	436,117
2028	282,302	153,848	436,150
2029	232,212	141,455	373,666
2030	237,623	131,261	368,883
2031-2035	1,311,794	493,938	1,805,733
2036-2039	1,440,546	102,206	1,542,752
Totals	$ 4,046,820	$ 1,366,082	$ 5,412,902

Notes Payable – direct borrowing

On May 28, 2002, the City of Hanford obtained a loan from the California Infrastructure and Economic Development Bank in the amount of $10,000,000. The term of the agreement is thirty (30) years with a maturity date of February 1, 2034, and an annual interest rate of 3.50%. Prior to the Bond Date, there is a .26% reduction in the interest rate, resulting in an initial rate of 3.24%. Interest on the loan is payable semi-annually on each February 1 and August 1, commencing August 1, 2003. As of June 30, 2025, the balance outstanding was $3,460,993.

Significant terms that pertain to the California Infrastructure and Economic Development Bank loan are as follows. If the City fails to make the payment of principal or interest when due and payable; if the City fails to observe and perform any of the covenants, agreements, or conditions required in the note agreement; if the City made any representation or other written statement contained in the agreement that was incorrect in any material respect; if the City files a petition or answer seeking reorganization or arrangement under the Federal bankruptcy laws; the City shall be considered in default. In the event of a default, the CIEDB may declare the principal and interest of the bonds immediately due and payable. Additionally, revenues pledged for the note are the revenues payable from the City's Wastewater fund.

NOTE 4 - LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

The future maturities of the note payable are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 444,892	$ 113,349	$ 558,241
2027	460,463	97,505	557,968
2028	476,579	81,107	557,686
2029	493,259	64,135	557,394
2030	510,523	46,569	557,092
2031-2032	1,075,277	37,958	1,113,235
Totals	$ 3,460,993	$ 440,624	$ 3,901,617

Finance Purchase Arrangements – direct borrowing

In November, 2011, the City entered into a finance purchase arrangement with Bank of America to design and construct an energy efficient tracker system for the City's wastewater treatment plant. The purchase price of this project is $4,325,556, with annual payments in varying amounts including interest at 3.33% commencing on July 8, 2012 with a final payment in July, 2026. The balance outstanding as of June 30, 2025 was $696,904.

Significant terms that pertain to the 2011 Finance Purchase Arrangement are as follows. If the City fails to make the payment of principal or interest when due and payable; if the City fails to observe and perform any of the covenants, agreements, or conditions required in the agreement; if the City had a statement, representation, or warranty that was proven to be false, incorrect, misleading, or breached; if the City defaults on any other agreement for borrowing money, lease financing of property, or other credit under which the City is an obligor; if the City files a petition or answer seeking reorganization or arrangement under the Federal bankruptcy laws; the City shall be considered in default. In the event of a default, the Lessor may take whatever action necessary or desirable to collect each rental payment as they become due and payable, or they may enter the premises where the equipment is located and retake possession or they may take whatever action at law or in equity may appear necessary or desirable to enforce. The collateral pledged for the lease is the equipment noted in the capital lease.

NOTE 4 - LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

The future maturities for the 2011 Finance Purchase Arrangement outstanding on June 30, 2025 are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 332,549	$ 23,207	$ 355,756
2027	364,355	12,133	376,488
Totals	$ 696,904	$ 35,340	$ 732,244

In March 2014, the City entered into a finance purchase arrangement with Bank of America National Association to design and construct a solar photovoltaic energy system using an energy service contract with Chevron Energy Solutions Company for several facilities throughout the City. The purchase price of this contract is $8,495,138, with semi-annual payments in varying amounts including interest at 3.54% commencing on October 26, 2014 with a final payment in April, 2029. The balance outstanding as of June 30, 2025 was $3,686,136.

Significant terms that pertain to the 2014 Finance Purchase Arrangement are as follows. If the City fails to make the payment of principal or interest within 10 days after the date when due; if the City fails to observe and perform any of the covenants, agreements, or conditions required in the agreement; if the City had a statement, representation, or warranty that was proven to be false, incorrect, misleading, or breached; if the City defaults on any other agreement for borrowing money, lease financing of property, or other credit under which the City is an obligor; the City shall be considered in default. In the event of a default, the Lessor may take whatever action necessary or desirable to collect each rental payment as they become due and payable or they may enter the premises where the equipment is located and retake possession or they may take whatever action at law or in equity may appear necessary or desirable to enforce. The collateral pledged for the lease is the equipment noted in the capital lease.

The future maturities for the 2014 Finance Purchase Arrangement outstanding on June 30, 2025 are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 798,858	$ 123,481	$ 1,721,197
2027	877,195	94,514	1,848,905
2028	960,630	62,730	1,983,990
2029	1,049,453	27,944	2,126,848
Totals	$ 3,686,136	$ 308,670	$ 7,680,939

NOTE 4 - LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

Leases Payable

The City entered into a lease agreements for the use of equipment. The lease agreement ranges from 12 to 60 months. The City is required to make annual fixed payments ranging from $5,814 to $6,291. The agreement has an interest rate of 2.63%. As of June 30, 2025, the City had total outstanding lease payable of $15,758 and right to use asset of $15,320, net of amortization.

The future maturities of lease payments are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 5,115	$ 336	$ 5,451
2027	5,252	199	5,451
2028	5,391	59	5,450
Totals	$ 15,758	$ 594	$ 16,352

NOTE 5 - LEASE RECEIVABLE

Lease Receivables

The City has entered into various lease agreement as the lessor. The leases range from 12 to 240 months. The lessees are required to make monthly fixed payments ranging from $3,511 to $90,643. The leases have interest rates ranging from 0.2% to 2.63%. The combined value of lease receivables and deferred inflow of resources as of June 30, 2025 was $1,543,099 and $1,457,388, respectively. In addition, the City recognized lease revenue of $322,344 during the fiscal year related to these leases.

Payments for the lease receivables that are expected to be received in the following subsequent years:

Fiscal Year	Principal	Interest	Total
2026	$ 285,176	$ 24,128	$ 309,304
2027	296,695	18,429	315,124
2028	308,630	12,544	321,174
2029	190,544	7,670	198,214
2030	104,556	5,941	110,497
2031-2033	357,498	8,327	365,825
Totals	$ 1,543,099	$ 77,040	$ 1,620,139

NOTE 6 - CHANGES IN OTHER LONG-TERM LIABILITIES

Compensated Absences

	Balance July 1, 2024	Net Change	Balance June 30, 2025	Due Within One Year
Governmental Activities				
Compensated absences	$ 1,415,975	$ 1,098,844	$ 2,514,819	$ 880,187
Total Governmental Activities	$ 1,415,975	$ 1,098,844	$ 2,514,819	$ 880,187
Business-type Activities				
Compensated absences	$ 318,866	$ 368,229	$ 687,095	$ 322,935
Total Business-type Activities	$ 318,866	$ 368,229	$ 687,095	$ 322,935

The City accounts for compensated absences (unpaid vacation, sick leave, and compensatory time) in accordance with generally accepted accounting principles. In governmental funds, compensated absences are recorded as expenditures in the year paid, as it is the City's intention to liquidate any unpaid compensated absences as of June 30 from future resources, rather than current available financial resources. Accordingly, the unpaid liability for governmental funds is recorded in the government-wide statement of net assets. The General Fund typically liquidates governmental funds compensated absences.

NOTE 7 - PENSION PLAN

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City participates in three rate plans (one miscellaneous and two safety). The miscellaneous plan is an agent multiple-employer plan and the police and fire safety plans are cost-sharing multiple employer plans. Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

NOTE 7 - PENSION PLAN (Continued)

Benefits Provided (Continued)

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

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NOTE 7 - PENSION PLAN (Continued)

Benefits Provided (Continued)

The Plan's provisions and benefits in effect as of June 30, 2025, are summarized as follows:

	Miscellaneous	
		PEPRA
	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	3.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years' service	5 years' service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits as a % of eligible compensation	2.000% - 3.000%	1.000% - 2.500%
Required employee contribution rates	8.00%	7.50%
Required employer contribution rates	13.94%	8.25%

	Safety Police	
		PEPRA
	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years' service	5 years' service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50
Monthly benefits as a % of eligible compensation	2.400%-3.000%	2.000% - 2.700%
Required employee contribution rates	9.00%	13.75%
Required employer contribution rates	26.29%	14.72%

	Safety Fire	
		PEPRA
	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years' service	5 years' service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50
Monthly benefits as a % of eligible compensation	2.400%-3.000%	2.000% - 2.700%
Required employee contribution rates	9.00%	13.75%
Required employer contribution rates	26.29%	14.72%

NOTE 7 - PENSION PLAN (Continued)

As of the June 30, 2023 actuarial valuation, the following current and former City employees were covered by the agent-multiple employer miscellaneous plan:

Inactive employees or beneficiaries currently receiving benefits	237
Inactive employees entitled to but not yet receiving benefits	237
Active employees	199
Total	673

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2025, were $2,317,545 for the Miscellaneous plan and $2,496,401 for the Safety plan.

Net Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

NOTE 7 - PENSION PLAN (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2023 valuation was rolled forward to determine the June 30, 2024 total pension liability, based on the following actuarial methods and assumptions:

Valuation date	June 30, 2023
Measurement date	June 30, 2024
Actuarial cost method	Entry Age Actuarial Cost Method
Asset valuation method	Fair value of assets
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by Entry Age and Service
Mortality rate table [(1)]	Derived using CalPERS' membership data for all funds
Post retirement benefit	The lessor of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

[(1)] The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 Experience Study report from November 2021 that can be found on the CalPERS website.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

NOTE 7 - PENSION PLAN (Continued)

The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return[1,2]
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

[1] An expected inflation of 2.30% used for this period.
[2] Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 7 - PENSION PLAN (Continued)

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

Proportionate Share of Net Pension Liability

The following table shows the Safety Plan's proportionate share of the net pension liability over the measurement period.

	Miscellaneous	Safety
Proportion - June 30, 2023	N/A	0.15592%
Proportion - June 30, 2024	N/A	0.14964%
Change - Increase (Decrease)	N/A	-0.00628%

The City's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov. The City's proportionate share of the net pension liability/(asset) for the Safety Plan as of June 30, 2023 and 2024 measurement dates was as follows:

	Increase(Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Safety			
Balance at: 6/30/23 (Valuation date)	$ 116,617,770	$ 104,962,766	$ 11,655,004
Balance at: 6/30/24 (Measurement date)	125,137,878	114,228,224	10,909,654
Net changes during 2023-2024	$ 8,520,108	$ 9,265,458	$ (745,350)

NOTE 7 - PENSION PLAN (Continued)

Change in agent-multiple employer plan

The following table shows the changes in net pension liability of the Miscellaneous Plan over the measurement period:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability / (Asset) (c) = (a) - (b)
Balance at: 6/30/2023 (VD)	$ 127,755,342	$ 114,855,862	$ 12,899,480
Changes recognized for the measurement period:			
Service cost	2,781,409	-	2,781,409
Interest on the Total Pension Liability	9,014,897	-	9,014,897
Differences between expected and actual experience	5,067,278	-	5,067,278
Contributions from the employer	-	1,897,514	(1,897,514)
Contributions from employees	-	1,103,577	(1,103,577)
Net investment income	-	10,794,112	(10,794,112)
Benefit payments, including refunds of employee contributions	(7,125,290)	(7,125,290)	-
Administrative expense	-	(93,459)	93,459
Net Changes during 2023-24	9,738,294	6,576,454	3,161,840
Balance at: 6/30/2024 (MD)	$ 137,493,636	$ 121,432,316	$ 16,061,320

[1] During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

NOTE 7 - PENSION PLAN (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's net pension liabilities as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

	Miscellaneous	Safety
1% Decrease	5.90%	5.90%
Net Pension Liability	$ 34,601,031	$ 28,003,368
Current Discount Rate	6.90%	6.90%
Net Pension Liability	$ 16,061,320	$ 10,909,654
1% Increase	7.90%	7.90%
Net Pension Liability/(Asset)	$ 838,561	$ (3,070,601)

Amortization of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

NOTE 7 - PENSION PLAN (Continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2023), the City's net pension liabilities were $12,899,480 and $11,655,004, for the Miscellaneous and Safety plans, respectively. For the measurement period ending June 30, 2024 (the measurement date), the City incurred a pension expense of $4,886,317 and $1,484,807 for the Miscellaneous and Safety Plans, respectively. The pension expense of the Miscellaneous Plan was as follows:

Description	Amount
Service cost	$ 2,781,409
Interest on total pension liability	9,014,897
Recognized changes of assumptions	483,691
Recognized differences between expected and actual experience	974,192
Employee contributions	(1,103,577)
Projected earnings on pension plan investments	(7,775,322)
Recognized difference between projected and actual earnings on plan investments	417,568
Administrative expense	93,459
Total pension expense	$ 4,886,317

As of June 30, 2025, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

Miscellaneous Plan

	Deferred Outflows	Deferred Inflows
Changes of assumptions	$ 435,320	$ -
Differences between expected and actual experiences	3,659,701	305,322
Net differences between projected and actual earnings on investments	1,818,159	-
Pension contributions subsequent to measurement date	2,317,545	-
Total	$ 8,230,725	$ 305,322

Safety Plan

	Deferred Outflows	Deferred Inflows
Changes in assumptions	$ 268,791	$ -
Differences between expected and actual experience	890,325	28,948
Net differences between projected and actual earnings on investments	527,323	-
Adjustment due to differences in proportions	3,078,996	2,455,558
Change in employer's proportion	1,029,487	4,267,476
Pension contributions subsequent to measurement date	2,496,401	-
Total	$ 8,291,323	$ 6,751,982

NOTE 7 - PENSION PLAN (Continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)

The amounts above are net of outflows and inflows recognized in the 2023-24 measurement period expense. Contributions subsequent to the measurement date of $2,317,545 and $2,496,401, for the Miscellaneous and Safety Plans, respectively reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal year ended June 30	Deferred Outflows (Inflows) of Resources	
	Miscellaneous Plan	Safety Plan
2026	$ 1,593,538	$ (1,014,507)
2027	4,211,412	420,788
2028	406,666	(182,914)
2029	(603,758)	(180,427)
Total	$ 5,607,858	$ (957,060)

Payable to the Pension Plan

The City had no outstanding amounts owed to the pension plan for contributions for the year ended June 30, 2025.

NOTE 8 - OTHER POST EMPLOYMENT HEALTH CARE BENEFITS

Plan Description: the City participates in the CalPERS medical program under the Public Employees' Medical and Hospital Care Act (PEMHCA). As such, the City is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. The City has selected the equal contribution method, where it resolves to contribute the same amount for retirees as is contributed toward active employee medical plan coverage. The City currently pays the minimum employer contribution (MEC) for both active and retired employees as well as their survivors, if covered at the time of the employees' death. The MEC is $119 per month for 2025. The plan does not issue separate standalone financial statements.

Dental insurance is available to retired employees as well, though the cost of coverage is paid entirely by the retiree. Once the retiree reaches age 65 the City no longer allows the retiree to stay on the dental plan.

The above coverage is available for employees who satisfy the requirements for retirement under CalPERS (attained age 50 with 5 years of State or public agency service or approved disability retirement). An employee cannot terminate employment before meeting the age condition and be entitled to receive benefits. As of January 1, 2016, the City terminated its healthcare contract with CalPERS. No future retirees are eligible for healthcare coverage or benefits from the City toward the cost of retiree medical coverage.

NOTE 8 - OTHER POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

Employees Covered

As of the June 30, 2025 actuarial valuation, the following current and former City employees were covered by the OPEB plan membership:

Inactive employees or beneficiaries currently receiving benefit payments	42
Inactive employees entitled to, but not yet receiving benefits	13
Active employees	297
Total employees covered by the OPEB plan membership	352

Contributions

Currently the City funds retiree healthcare benefits on a pay-as-you-go basis, paying a maximum of $119 per month for retiree benefits from the City funds as they are due with no prefunding for future years. The City recognizes expenditures for its share of the annual premiums as these benefits become due. For fiscal year 2024-2025, the City paid approximately $47,600 for benefits of 34 retirees or their beneficiaries receiving benefits.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2025 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2025, based on the following actuarial methods and assumptions.

Valuation Date	June 30, 2025
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets
Discount Rate	5.20% as of June 30, 2025 3.97% as of June 30, 2024
Participants Valued	Only current active employees, retired participants and covered dependents are valued. No future entrants are included.
Salary Increase	3.0% per year. Since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.
General Inflation Rate	2.5% per year
Mortality	CalPERS 2021 Experience Study
Mortality Improvement	MacLeod Watts Scale 2022 applied generationally from 2017
Healthcare Trend	6.0% in 2026, step down to 3.9% by 2075

NOTE 8 - OTHER POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 5.20 percent. The projection of the cash flows used to determine the discount rate assumed that the City contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the OPEB City's net position was projected to be available to make all projected OPEB payments for inactive employees and beneficiaries based on the "pay as you go" annual contributions.

Changes in the total OPEB Liability

The change in the total OPEB liability for the year ended June 30, 2025 is as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2024 (6/30/24 measurement date)	$ 4,169,018	$ -	$ 4,169,018
Changes in the year:			
Service cost	291,017	-	291,017
Interest	174,096	-	174,096
Employer contribution	-	149,503	(149,503)
Benefit payments	(149,503)	(149,503)	-
Changes in assumptions	(834,291)	-	(834,291)
Plan experience	(759,886)	-	(759,886)
Net change	(1,278,567)	-	(1,278,567)
Balance at June 30, 2025 (6/30/25 measurement date)	$ 2,890,451	$ -	$ 2,890,451

Sensitivity of the total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Plan as of the measurement date, calculated using the discount rate of 5.20%, if it were calculated using a discount rate that is 1 percentage-point lower (4.20%) or 1 percentage-point higher (6.20%) than the current rate:

	Discount Rate -1% (4.20%)	Current Discount Rate 5.20%	Discount Rate +1% (6.20%)
Total OPEB Liability	$ 3,153,174	$ 2,890,451	$ 2,652,853

NOTE 8 - OTHER POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

Change in Assumptions

The discount rate changed from a rate of 3.97% on June 30, 2024, to a rate of 5.20% on June 30, 2025.

Sensitivity of the total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Plan if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	$ 2,612,867	$ 2,890,451	$ 3,220,531

OPEB Expense

As of the start of the measurement period (July 1, 2025), the total OPEB liability was $4,169,018. For the measurement period ended June 30, 2025 (the measurement date), the City incurred an OPEB expense of $501,021. The OPEB expense was as follows:

Description	Amount
Service cost	$ 291,017
Interest cost	174,096
Assumption changes	1,331
Plan experience	34,577
Total OPEB expense	$ 501,021

As of June 30, 2025, the City has deferred outflows and deferred inflows of resources related to the total OPEB liability as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 551,299	$ 791,631
Changes in assumptions or other inputs	937,593	1,316,860
Total	$ 1,488,892	$ 2,108,491

NOTE 8 - OTHER POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in the future OPEB expense as follows:

Fiscal Year ended June 30,	Recognized Net Deferred Outflows (Inflows) of Resources
2026	$ 35,908
2027	35,908
2028	35,908
2029	35,908
2030	(30,612)
Thereafter	(732,619)
	$ (619,599)

NOTE 9 - RISK MANAGEMENT

The City participates in a public entity risk pool for workers' compensation and general liability insurance above our self-insured retention limits. For workers' compensation, the City is individually liable for claims up to $250,000 per occurrence. Coverage in excess of the City's self-insured retention is then obtained through Public Risk Innovation, Solutions, and Management (PRISM) excess workers' compensation program up to the statutory limits. The City participates in a risk pool for general liability claims through PRISM above the City's self-insured retention of $100,000 up to $25,000,000 per occurrence, subject to certain exclusions. For both excess workers' compensation and general liability covered occurrences, PRISM coordinates reimbursement of costs incurred for covered actions in excess of each member's self-insured retention. While there were no reductions in excess coverage from the prior year and there were no settlements that exceeded excess pool layer of coverage for the past three fiscal years, given marketing challenges in California, additional coverage exclusions continue to apply.

The City participates in a number of supplemental insurance programs through Alliant. Alliant Property Insurance Program (APIP) is for city owned buildings and structures. In 2022 a city-wide site inspection was conducted to appraise city owned buildings and structures. The APIP deductible is $10,000 per covered occurrence. APIP insurance includes elected coverage for Boiler & Machinery, Cyber Security, and Pollution Coverage. Claim reporting timeframe limitations apply to both Cyber Coverage and Pollution Coverage policies.

Also, the City participates in Alliant's Motor Vehicle Program (AMVP) in an effort to reduce the cost of replacement values for approximately 90 City owned vehicles and equipment.

Worker's compensation and general liability claims incurred prior to July 1, 2012 were covered through the City's participation in the Central San Joaquin Valley Risk Management Authority (CSJVRMA), a public entity risk pool.

NOTE 10 - INTERFUND TRANSACTIONS

Interfund transactions are reported as either loans, service provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

As of June 30, 2025 the City interfund due from/to other funds were as follows:

	Due From Other Funds	Due To Other Funds
Governmental Funds		
General Fund	$ 3,144,260	$ -
Non-major funds	-	96,199
Proprietary Funds		
Refuse	-	3,012,361
Non-major funds	-	35,700
Total	$ 3,144,260	$ 3,144,260

These balances are to cover deficit cash balances and for short-term loans.

As of June 30, 2025 the City's interfund advances to/from other funds were as follows:

	Advances To Other Funds	Advances From Other Funds
Governmental Funds		
Capital Projects Fund	$ 636,692	$ -
Proprietary Funds		
Non-major enterprise funds		
Airport fund	-	375,468
Intermodal fund	-	261,224
Total	$ 636,692	$ 636,692

These balances are for long-term financing between funds.

NOTE 10 - INTERFUND TRANSACTIONS (Continued)

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. Interfund transfers for the year-ended June 30, 2025 were as follows:

	Transfers In	Transfers Out
Major Governmental Funds		
General Fund	$ 5,431,606	$ 1,719,428
CDBG Home/Housing Fund	-	191,073
ARPA Fund	-	3,299,497
Measure H Fund	-	143,750
Non-major Governmental Funds	299,805	688,123
Proprietary Funds		
Water System Fund	5,385,557	5,050,424
Wastewater Fund	3,503,910	3,520,649
Storm Drain Fund	1,391,918	1,045,798
Refuse Fund	11,924	11,924
Non-major enterprise fund types		
Airport Fund	-	109,918
Courthouse Fund	1,250,706	-
Internal Service Funds		
Building Fund	22,705	749,451
Fleet Management Fund	4,486,964	5,255,060
Total	$ 21,785,095	$ 21,785,095

These balances are for funding of capital projects, operating expenses and debt service payments.

NOTE 11 - DEFICIT FUND BALANCE/NET POSITION

The American Rescue Plan Act Fund has a fund balance deficit of $23,693, mainly attributable to the unearned revenues. The deficient will be recovered as the City continues to spend and earn the revenue.

The Courthouse Square Fund has a fund balance deficit of $36,683, mainly attributable to the due to other funds balance. The deficit will be written off and absorbed by General Fund in FY26 once property has closed escrow.

NOTE 12 - EXCESS EXPENDITURES OVER APPROPRIATIONS

For the fiscal year ended June 30, 2025, expenditures exceeded appropriations as follows:

Major Funds:	
General Fund	
General government	$ (17,526,807)
Public safety	(1,388,562)
Public works	(345,510)
Debt service - principal	(382,810)
Debt service - interest	(6,151)
Transportation Development Act Fund	
General government	(5,114)
Measure H Fund	
General government	(86)
Non-major Funds:	
Park Impact Fees	
General government	(3,037)
Parking Fund	
General government	(335)
Central Parking and Business Improvement Fund	
General government	(29)
Capital outlay	(45,000)
Fire Protection Impact Fees	
General government	(6,479)
Traffic Safety	
General government	(143)
State Gas Tax Fund	
General government	(6,679)
Transportation Impact Fees	
General government	(44,442)
Capital Projects	
General government	(707)
Landscaping Assessment District	
General government	(1,757)
Police Protection Impact Fees	
General government	(3,648)

NOTE 13 - NET POSITION

Net Investment in Capital Assets

Net position for governmental activities and business-type activities is classified as 1) net investments in capital assets, 2) restricted or 3) unrestricted. Net position that was classified as net investments in capital assets as of June 30, 2025, was determined as follows:

	Governmental Activities
Capital assets, net of accumulated depreciation	$ 167,503,722
Less: Lease liability	(1,160,951)
Subscription liability	(929,308)
Internal service fund capital assets, net	(4,622,802)
Net investment in capital assets	$ 160,790,661

	Business-type Activities				Non-major Enterprise Funds	Total Enterprise Funds
	Water System Fund	Wastewater Fund	Storm Drain Fund	Refuse Fund		
Capital assets, net of accumulated depreciation	$ 55,536,130	$ 52,487,766	$ 23,490,092	$ 6,034,515	$ 6,779,840	$ 144,328,343
Less capital related debt balances:						
Outstanding principal balance of:						
Bonds payable	(3,155,000)	(7,690,000)	-	-	-	(10,845,000)
Finance lease	(3,686,134)	(696,906)	-	-	-	(4,383,040)
Note payable	-	(3,460,993)	-	-	-	(3,460,993)
Bond premiums	(72,595)	(263,909)	-	-	-	(336,504)
Lease payable	(15,758)	-	-	-	-	(15,758)
Net investment in capital assets	$ 48,606,643	$ 40,375,958	$ 23,490,092	$ 6,034,515	$ 6,779,840	$ 125,287,048

NOTE 14 - PRIOR PERIOD RESTATEMENT

The City recorded a prior period restatement to the reallocation of pension bond obligation allocation as detailed in the table below.

Governmental Activities

	Governmental Activities
Net Position, beginning of year, as previously reported	$ 213,331,121
Correction for reallocation of pension bond obligations	311,550
Net Position, beginning of year, as restated	$ 213,642,671

Business-type Activities

	Business-Type Activities
Net position, beginning of year, as previously reported	$ 16,734,081
Correction for reallocation of pension bond obligations	(311,550)
Net position, beginning of year, as restated	$ 16,422,531

Business-type Fund Activities

	Fund Financials
	Building Safety Fund
Net position, beginning of year, as previously reported	$ 803,227
Correction for reallocation of pension bond obligations	(311,550)
Net position, beginning of year, as restated	$ 491,677

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REQUIRED SUPPLEMENTARY

INFORMATION

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Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Fiscal Years

Miscellaneous Plan

Measurement Period	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	$ 2,781,409	$ 2,525,214	$ 2,629,757	$ 2,307,283	$ 2,151,214	$ 2,064,352	$ 2,105,925	$ 2,090,309	$ 1,914,877	$ 1,859,399
Interest	9,014,897	8,376,796	8,080,540	8,011,156	7,725,010	7,440,145	7,031,320	7,021,932	6,976,069	6,689,193
Change in benefit terms	-	133,790	-	-	-	-	-	-	-	-
Differences between expected and actual experience	5,067,278	(34,421)	(1,259,145)	(436,335)	(410,579)	1,398,071	(1,511,015)	(3,768,183)	(831,190)	(443,007)
Changes in assumptions	-	-	1,886,393	-	-	-	(3,087,527)	6,006,913	-	(1,698,571)
Benefit payments, including refunds of employees contributions	(7,125,290)	(6,573,779)	(6,353,883)	(5,729,725)	(5,302,018)	(5,004,441)	(4,588,971)	(4,191,413)	(4,206,587)	(3,783,672)
Net change in total pension liability	9,738,294	4,427,600	4,983,662	4,152,379	4,163,627	5,898,127	(50,268)	7,159,558	3,853,169	2,623,342
Total pension liability- beginning	127,755,342	123,327,742	118,344,080	114,191,701	110,028,074	104,129,947	104,180,215	97,020,657	93,167,488	90,544,146
Total pension liability-ending (a)	137,493,636	127,755,342	123,327,742	118,344,080	114,191,701	110,028,074	104,129,947	104,180,215	97,020,657	93,167,488
Plan Fiduciary Net Position										
Contributions-employer	1,897,514	2,415,486	15,804,838	4,300,785	4,072,920	3,791,023	3,415,348	3,213,198	295,917	2,937,484
Contributions-employees	1,103,577	1,006,834	903,798	908,516	852,662	874,603	796,926	760,087	709,460	712,929
Net plan to plan resource movement	-	52,804	(52,804)	-	-	-	(188)	-	-	-
Net investment income	10,794,112	6,736,220	(8,335,831)	20,183,976	4,294,558	5,316,832	6,405,074	7,625,528	366,113	1,494,371
Benefit payments	(7,125,290)	(6,573,779)	(6,353,883)	(5,729,725)	(5,302,018)	(5,004,441)	(4,588,971)	(4,191,413)	(4,206,587)	(3,783,672)
Administrative expense	(93,459)	(81,845)	(68,151)	(89,733)	(121,281)	(57,883)	(340,724)	(100,570)	(41,645)	(76,906)
Other miscellaneous income/(expense)	-	-	-	-	-	186	-	-	-	-
Net change in plan fiduciary net position	6,576,454	3,555,720	1,897,967	19,573,819	3,796,841	4,920,320	5,687,465	7,306,830	(2,876,742)	1,284,206
Total plan fiduciary net position-beginning	114,855,862	111,300,142	109,402,175	89,828,356	86,031,515	81,111,195	75,423,730	68,116,900	68,331,642	67,147,436
Total plan fiduciary net position-ending (b)	121,432,316	114,855,862	111,300,142	109,402,175	89,828,356	86,031,515	81,111,195	75,423,730	65,454,900	68,431,642
Net pension liability-ending (a)-(b)	$ 16,061,320	$ 12,899,480	$ 12,027,600	$ 8,941,905	$ 24,363,345	$ 23,996,559	$ 23,018,752	$ 28,756,485	$ 31,565,757	$ 24,735,846
Plan fiduciary net position as a percentage of the total pension liability	88.32%	89.90%	90.25%	92.44%	78.66%	78.19%	77.39%	72.40%	70.21%	73.34%
City's covered-employee payroll	$ 13,207,072	$ 11,717,932	$ 12,146,682	$ 11,735,924	$ 10,586,681	$ 10,064,610	$ 10,080,535	$ 9,434,933	$ 9,643,787	$ 9,090,194
Net pension liability as a percentage of covered-employee payroll	121.61%	97.84%	99.02%	76.19%	230.13%	238.43%	228.35%	304.79%	299.71%	273.22%

1 Net of administrative expenses.

Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

Safety Plan

Measurement Date	Employer's Proportion of the Collective Net Pension Liability (Asset)[1]	Employer's Proportion Share of the Collective Net Pension Liability (Asset)	Covered Payroll	Employer's Proportionate Share of the Collection Net Pension Liability (Asset) as a Percentage of Covered Payroll	Pension's Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
6/30/2015	0.2194%	$ 14,547,172	$ 6,602,409	220.33%	74.99%
6/30/2016	0.2137%	18,487,608	6,897,272	268.04%	70.87%
6/30/2017	0.2115%	20,972,245	6,409,767	327.19%	70.93%
6/30/2018	0.2153%	20,744,090	6,692,475	309.96%	72.39%
6/30/2019	0.2161%	22,146,339	6,673,847	331.84%	73.25%
6/30/2020	0.2249%	24,469,454	6,889,321	355.18%	72.59%
6/30/2021	0.3957%	13,888,402	9,140,252	151.95%	86.61%
6/30/2022	0.1643%	11,290,136	8,109,211	139.23%	75.52%
6/30/2023	0.1559%	11,655,004	8,109,211	143.73%	74.87%
6/30/2024	0.1496%	10,909,654	8,835,591	123.47%	76.66%

*The pension schedules are required to show ten years of data and the additional years' information will be displayed as it becomes available

[1] Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

Required Supplementary Information
Schedule of Plan Contributions - Pension Plan
Last Ten Years

Miscellaneous Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 2,317,545	$ 2,415,486	$ 4,261,698	$ 4,300,785	$ 4,072,920	$ 3,791,023	$ 3,415,348	$ 3,213,198	$ 2,957,917	$ 2,837,484
Contributions in relation to the actuarially determined contribution	(2,317,545)	(2,415,486)	(15,804,838)	(4,300,785)	(4,072,920)	(3,791,023)	(3,415,348)	(3,213,198)	(2,957,917)	(2,837,484)
Contribution deficiency (excess)	$ -	$ -	$ (11,543,140)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 13,988,809	$ 13,207,072	$ 11,717,932	$ 12,146,682	$ 11,735,924	$ 10,586,681	$ 10,064,610	$ 10,080,535	$ 9,434,933	$ 9,643,787
Contributions as a percentage of covered-employee payroll	14.37%	20.61%	130.12%	36.65%	38.47%	37.67%	33.88%	34.06%	30.67%	31.21%

Safety Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 2,496,401	$ 2,004,715	$ 2,422,956	$ 22,748,720	$ 4,062,968	$ 3,451,832	$ 3,067,990	$ 3,064,625	$ 3,728,697	$ 2,859,367
Contributions in relation to the actuarially determined contribution	(2,496,401)	(2,004,715)	(2,422,956)	(22,748,720)	(4,062,968)	(3,451,832)	(3,067,990)	(3,064,625)	(3,728,697)	(2,859,367)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 9,254,159	$ 8,835,591	$ 8,109,211	$ 8,109,211	$ 9,140,252	$ 6,889,321	$ 6,673,847	$ 6,692,475	$ 6,409,767	$ 6,897,272
Contributions as a percentage of covered-employee payroll	26.98%	22.69%	29.88%	280.53%	44.45%	50.10%	45.97%	45.79%	58.17%	41.46%

Notes to Schedule:

Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

Required Supplementary Information
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	$ 291,017	$ 288,001	$ 235,139	$ 310,994	$ 120,203	$ 105,251	$ -	$ -
Interest on total OPEB liability	174,096	159,742	151,238	88,810	63,027	74,534	47,002	50,391
Differences between expected and actual experience	(759,886)	-	(131,402)		283,719	(1,034,539)	1,034,539	-
Changes in assumptions	(834,291)	(41,334)	(100,260)	(699,772)	1,541,087	141,650	39,397	(6,734)
Benefit payments, including refunds of employee contributions	(149,503)	(175,583)	(159,927)	(142,193)	(149,569)	(136,950)	(153,422)	(168,043)
Net change in total OPEB liability	(1,278,567)	230,826	(5,212)	(442,161)	1,858,467	(850,054)	967,516	(124,386)
Total Net OPEB liability - beginning	4,169,018	3,938,192	3,943,404	4,385,565	2,527,098	2,342,613	1,375,097	1,499,483
Total Net OPEB liability- ending (a)	2,890,451	4,169,018	3,938,192	3,943,404	4,385,565	1,492,559	2,342,613	1,375,097
Plan Fiduciary Net Position								
Contributions- employer	149,503	175,583	154,219	142,193	149,569	136,950	153,422	168,043
Benefit payments	(149,503)	(175,583)	(154,219)	(142,193)	(149,569)	(136,950)	(153,422)	(168,043)
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-
Total plan fiduciary net position - beginning	-	-	-	-	-	-	-	-
Total plan fiduciary net position - ending (b)	-	-	-	-	-	-	-	-
Net OPEB liability - ending (a)-(b)	$ 2,890,451	$ 4,169,018	$ 3,938,192	$ 3,943,404	$ 4,385,565	$ 1,492,559	$ 2,342,613	$ 1,375,097
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%	0%	0%	0%
City's covered-employee payroll	$ 28,692,258	$ 26,822,825	$ 26,307,809	$ 18,572,290	$ 19,345,356	$ 18,420,461	$ 19,211,409	$ -
Net OPEB liability as a percentage of covered-employee payroll	10.07%	15.54%	14.97%	21.23%	22.67%	13.72%	12.19%	0%

Notes to Schedule:

*Historical information is required only for measurement periods for which GASB 75 applicable. Future years' information will be displayed up to ten years as information becomes available.

Required Supplementary Information
Schedule of Contributions – OPEB
Last Ten Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	$ 149,503	$ 175,583	$ 154,219	$ 142,193	$ 149,569	$ 136,950	$ 153,422	$ 168,043
Contributions in relation to the actuarially determined contribution	(149,503)	(175,583)	(154,219)	(142,193)	(149,569)	(136,950)	(153,422)	(168,043)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered-employee payroll	$ 28,692,258	$ 26,822,825	$ 26,307,809	$ 18,572,290	$ 19,345,356	$ 18,420,461	$ 19,211,409	$ -
Contributions as a percentage of covered-employee payroll	0.52%	0.65%	0.59%	0.77%	0.77%	0.74%	0.80%	-

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2024-2025 were as follows for the June 30, 2025 measurement date actuarial valuations.

Valuation Date	June 30, 2025
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation	Fair value of assets
Discount Rate	5.20% as of June 30, 2025 3.97% as of June 30, 2024
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Salary Increase	3.00% per year, since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years.
General Inflation Rate	2.50% per year.
Mortality	CalPERS 2021 Experience Study
Mortality Improvement	MacLeod Watts 2022 Scale Generationally
Healthcare Trend	6.0% in 2026, fluctuating down to 3.9%% by 2075

*Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to ten years as information becomes available.

Required Supplementary Information
Budgetary Comparison Schedule – (GAAP Basis) General Fund
For the Year Ended June 30, 2025

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 34,452,230	$ 34,452,230	$ 35,878,197	$ 1,425,967
Aid from other government agencies	1,125,300	3,778,621	3,151,749	(626,872)
Licenses and permits	47,700	47,700	63,690	15,990
Fines and forfeitures	118,500	118,500	144,373	25,873
Charges for services	2,464,410	2,564,068	2,733,388	169,320
Lease revenue	43,200.00	43,200.00	163,635	120,435
Revenue from use of money and property	62,800	62,800	413,348	350,548
Miscellaneous	8,500	8,500	17,589,996	17,581,496
Total revenues	38,322,640	41,075,619	60,138,376	19,062,757
EXPENDITURES				
Current:				
General government	4,105,968	4,459,243	21,986,050	(17,526,807)
Public safety	24,524,465	25,184,406	26,572,968	(1,388,562)
Public works	2,568,983	2,522,934	2,868,444	(345,510)
Recreation	4,603,208	6,397,114	6,323,733	73,381
Community development	1,024,401	1,119,401	895,219	224,182
Debt service:				
Principal	1,458,815	1,458,815	1,841,625	(382,810)
Interest	1,006,097	1,006,097	1,012,248	(6,151)
Capital outlay	-	5,918,530	3,089,492	2,829,038
Total expenditures	39,291,937	48,066,540	64,589,779	(16,523,239)
Excess (deficiency) of revenues Over (under) expenditures	(969,297)	(6,990,921)	(4,451,403)	2,539,518
OTHER FINANCING SOURCES (USES)				
Transfers in	1,346,000	5,066,799	5,431,606	364,807
Transfers out	(336,393)	(336,393)	(1,719,428)	(1,383,035)
Lease and other financing proceeds	-	-	1,755,501	1,755,501
Proceeds from sale of assets	-	-	24,896	24,896
Total other financing sources (uses)	1,009,607	4,730,406	5,492,575	762,169
Net change in fund balance	40,310	(2,260,515)	1,041,172	3,301,687
FUND BALANCE				
Beginning of year	12,942,192	12,942,192	12,942,192	-
End of year	$ 12,982,502	$ 10,681,677	$ 13,983,364	$ 3,301,687

Required Supplementary Information
Budgetary Comparison Schedule – (GAAP Basis) CDBG Home/Housing Fund
For the Year Ended June 30, 2025

	CDBG/Home/Housing Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Aid from other government agencies	$ 1,095,000	$ 1,095,000	$ 531,855	$ (563,145)
Revenue from use of money and property	83,150	83,150	309,955	226,805
Miscellaneous	360,000	360,000	148	(359,852)
Total revenues	1,538,150	1,538,150	841,958	(696,192)
EXPENDITURES				
Current:				
Community development	1,381,440	1,423,688	608,065	815,623
Total expenditures	1,381,440	1,423,688	608,065	815,623
Excess (deficiency) of revenues Over (under) expenditures	156,710	114,462	233,893	119,431
OTHER FINANCING SOURCES (USES)				
Transfers out	(400,000)	(400,000)	(191,073)	208,927
Proceeds from sale of assets	-	-	34,342	34,342
Total other financing sources (uses)	(400,000)	(400,000)	(156,731)	208,927
Net change in fund balance	(243,290)	(285,538)	77,162	328,358
FUND BALANCE				
Beginning of year	20,339,965	20,339,965	20,339,965	-
End of year	$ 20,096,675	$ 20,054,427	$ 20,417,127	$ 362,700

Required Supplementary Information
Budgetary Comparison Schedule – (GAAP Basis) Transportation Development Act Fund
For the Year Ended June 30, 2025

	Transportation Development Act Fund			
	Original	Final	Actual Amount	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 821,000	$ 821,000	$ 1,355,009	$ 534,009
Revenue from use of money and property	39,000	39,000	445,506	406,506
Total revenues	860,000	860,000	1,800,515	940,515
EXPENDITURES				
Current:				
General government	4,000	4,000	9,114	(5,114)
Capital outlay	-	1,421,350	50,420	1,370,930
Total expenditures	4,000	1,425,350	59,534	1,365,816
Net change in fund balance	856,000	(565,350)	1,740,981	2,306,331
FUND BALANCE				
Beginning of year	8,950,478	8,950,478	8,950,478	-
End of year	$ 9,806,478	$ 8,385,128	$ 10,691,459	$ 2,306,331

Required Supplementary Information
Budgetary Comparison Schedule – (GAAP Basis) American Rescue Plan Act Fund
For the Year Ended June 30, 2025

	American Rescue Plan Act			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Aid from other government agencies	$ -	$ -	$ 3,802,527	$ 3,802,527
Total revenues	-	-	3,802,527	3,802,527
EXPENDITURES				
Capital outlay	-	1,641,260	380,011	1,261,249
Total expenditures	-	1,641,260	380,011	1,261,249
Excess (deficiency) of revenues Over (under) expenditures	-	(1,641,260)	3,422,516	5,063,776
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(3,299,497)	(3,299,497)	-
Total other financing sources (uses)	-	(3,299,497)	(3,299,497)	-
Net change in fund balance	-	(4,940,757)	123,019	5,063,776
FUND BALANCE (DEFICIT)				
Beginning of year	(146,712)	(146,712)	(146,712)	-
End of year	$ (146,712)	$ (5,087,469)	$ (23,693)	$ 5,063,776

Required Supplementary Information
Budgetary Comparison Schedule – (GAAP Basis) Measure H Fund
For the Year Ended June 30, 2025

	Measure H Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ -	$ -	$ 3,388,557	$ 3,388,557
Revenue from use of money and property	-	-	9,184	9,184
Total revenues	-	-	3,397,741	3,397,741
EXPENDITURES				
Current:				
General government	-	-	86	(86)
Total expenditures	-	-	86	(86)
Excess (deficiency) of revenues Over (under) expenditures	-	-	3,397,655	3,397,655
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(143,750)	(143,750)	-
Total other financing sources (uses)	-	(143,750)	(143,750)	-
Net change in fund balance	-	(143,750)	3,253,905	3,397,655
FUND BALANCE				
Beginning of year	-	-	-	-
End of year	$ -	$ (143,750)	$ 3,253,905	$ 3,397,655

Notes to Budgetary Comparison Required Supplementary Information
For the Year Ended June 30, 2025

Budget and Budgetary Accounting

The procedures established by the City Council in adopting the budgetary data are as follows:

On or before the second meeting in May, the City Manager submits to the City Council a proposed operating and capital projects budget for the fiscal year commencing the following July 1. Following publication and public hearings, the budget is legally enacted by resolution with a copy available on the City's website.

The City Manager is authorized to transfer funds appropriated with respect to all classifications within the same department. The City Manager may transfer appropriated funds from any classification within other expenditure categories to existing capital outlay and capital projects classifications within the same department only; however, any revisions that alter the total expenditures of any department or create additional projects must be approved by the City Council.

Supplemental budgetary appropriations were negligible for the fiscal year ended June 30, 2025. All unencumbered appropriations lapse at year-end. Budgets were legally adopted for all governmental funds with the exception of the Special Aviation Fund and Street Tree Committee Fund.

See note 1 for more information regarding the City's budgetary process.

Excess of expenditures over appropriations for major funds

Major Funds:	
General Fund	
General government	$ (17,526,807)
Public safety	(1,388,562)
Public works	(345,510)
Debt service - principal	(382,810)
Debt service - interest	(6,151)
Transportation Development Act Fund	
General government	(5,114)
Measure H Fund	
General government	(86)

SUPPLEMENTARY INFORMATION

Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2025

	Special Revenue				
	CMAQ Transportation Fund	Park Impact Fees	Parking Fund	Downtown Reinvestment Fund	Landscaping Assessment District
ASSETS					
Cash and investments	$ 138,803	$ 7,537,271	$ 503,719	$ 166,987	$ 2,548,920
Receivables:					
Accounts	31,176	9,577	-	-	15,038
Taxes	-	-	-	-	-
Loans	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Total Assets	$ 169,979	$ 7,546,848	$ 503,719	$ 166,987	$ 2,563,958
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 5,850	$ 1,504	$ -	$ -	$ 110,609
Accrued wages payable	-	-	-	-	-
Due to other funds	-	-	-	-	96,199
Total Liabilities	5,850	1,504	-	-	206,808
Fund Balances (deficit):					
Nonspendable:					
Loan receivable	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Restricted for:					
Streets and roads	164,129	-	-	-	-
Recreation	-	7,545,344	-	-	-
Landscape maintenance	-	-	-	-	2,357,150
Public safety	-	-	-	-	-
Committed for:					
Parking and business improvement	-	-	503,719	166,987	-
Community development	-	-	-	-	-
Cannabis	-	-	-	-	-
Total Fund Balances	164,129	7,545,344	503,719	166,987	2,357,150
Total Liabilities and Fund Balances	$ 169,979	$ 7,546,848	$ 503,719	$ 166,987	$ 2,563,958

Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2025 (continued)

	Special Revenue				
	City Housing Fund	Central Parking and Business Improvement	Fire Protection Impact Fees	Police Protection Impact Fees	Special Aviation
ASSETS					
Cash and investments	$ 646,527	$ 123,791	$ 1,185,845	$ 152,745	$ 19,311
Receivables:					
Accounts	-	5,288	1,910	1,036	-
Taxes	-	-	-	-	-
Loans	1,807,093	-	-	-	-
Prepaid expenses	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Total Assets	$ 2,453,620	$ 129,079	$ 1,187,755	$ 153,781	$ 19,311
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ 1,600	$ 1,504	$ 1,504	$ -
Accrued wages payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	1,600	1,504	1,504	-
Fund Balances (deficit):					
Nonspendable:					
Loan receivable	1,807,093	-	-	-	-
Prepaid expenses	-	-	-	-	-
Restricted for:					
Streets and roads	-	-	-	-	19,311
Recreation	-	-	-	-	-
Landscape maintenance	-	-	-	-	-
Public safety	-	-	1,186,251	152,277	-
Committed for:					
Parking and business improvement	-	127,479	-	-	-
Community development	646,527	-	-	-	-
Cannabis	-	-	-	-	-
Total Fund Balances	2,453,620	127,479	1,186,251	152,277	19,311
Total Liabilities and Fund Balances	$ 2,453,620	$ 129,079	$ 1,187,755	$ 153,781	$ 19,311

Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2025 (continued)

	Special Revenue				
	Traffic Safety	Street Tree Committee	State Gas Tax Fund	Public Housing Authority	Transportation Impact Fees
ASSETS					
Cash and investments	$ 191,322	$ 1,218	$ 11,137,556	$ 162,379	$ 10,610,244
Receivables:					
Accounts	6,360	-	-	-	31,013
Taxes	-	-	421,116	-	-
Loans	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Total Assets	$ 197,682	$ 1,218	$ 11,558,672	$ 162,379	$ 10,641,257
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ 10,800	$ 639	$ 54,777
Accrued wages payable	-	-	-	3,838	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	-	10,800	4,477	54,777
Fund Balances (deficit):					
Nonspendable:					
Loan receivable	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Restricted for:					
Streets and roads	-	-	11,547,872	-	-
Recreation	-	-	-	-	-
Landscape maintenance	-	1,218	-	-	-
Public safety	197,682	-	-	-	-
Committed for:					
Parking and business improvement	-	-	-	-	-
Community development	-	-	-	157,902	10,586,480
Cannabis	-	-	-	-	-
Total Fund Balances	197,682	1,218	11,547,872	157,902	10,586,480
Total Liabilities and Fund Balances	$ 197,682	$ 1,218	$ 11,558,672	$ 162,379	$ 10,641,257

Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2025 (concluded)

	Special Revenue		
	Cannabis Operations	Capital Projects Fund	Total Non-Major Special Revenue Funds
ASSETS			
Cash and investments	$ 17,259	$ 1,590,618	$ 36,734,515
Receivables:			
Accounts	207,188	-	308,586
Taxes	40,844	-	461,960
Loans	-	-	1,807,093
Prepaid expenses	-	1,100	1,100
Advances to other funds	-	636,692	636,692
Total Assets	$ 265,291	$ 2,228,410	$ 39,949,946
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ -	$ -	$ 188,787
Accrued wages payable	-	-	3,838
Due to other funds	-	-	96,199
Total Liabilities	-	-	288,824
Fund Balances (deficit):			
Nonspendable:			
Loan receivable	-	-	1,807,093
Prepaid expenses	-	1,100	1,100
Restricted for:			
Streets and roads	-	-	11,731,312
Recreation	-	-	7,545,344
Landscape maintenance	-	-	2,358,368
Public safety	-	-	1,536,210
Committed for:			
Parking and business improvement	-	2,227,310	3,025,495
Community development	-	-	11,390,909
Cannabis	265,291	-	265,291
Total Fund Balances	265,291	2,228,410	39,661,122
Total Liabilities and Fund Balances	$ 265,291	$ 2,228,410	$ 39,949,946

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2025

	Special Revenue				
	CMAQ Transportation Fund	Park Impact Fees	Parking Fund	Downtown Reinvestment Fund	Landscaping Assessment District
REVENUES					
Taxes and special assessments	$ -	$ 1,241,466	$ -	$ -	$ 1,158,740
Aid from other government agencies	121,654	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Revenue from use of money and property	-	338,465	24,005	455	103,639
Miscellaneous	1,608	-	-	-	-
Total revenues	123,262	1,579,931	24,005	455	1,262,379
EXPENDITURES					
Current:					
General government	-	6,837	485	-	1,757
Public works	-	-	-	-	948,711
Community development	-	-	-	-	64
Capital outlay	126,654	2,927	-	-	-
Total expenditures	126,654	9,764	485	-	950,532
Excess (deficiency) of revenues over expenditures	(3,392)	1,570,167	23,520	455	311,847
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	(3,392)	1,570,167	23,520	455	311,847
FUND BALANCE (DEFICIT)					
Beginning of year	167,521	5,975,177	480,199	166,532	2,045,303
End of year	$ 164,129	$ 7,545,344	$ 503,719	$ 166,987	$ 2,357,150

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2025 (continued)

	Special Revenue				
	City Housing Fund	Central Parking and Business Improvement	Fire Protection Impact Fees	Police Protection Impact Fees	Special Aviation
REVENUES					
Taxes and special assessments	$ -	$ 110,418	$ 223,038	$ 127,321	$ -
Aid from other government agencies	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Revenue from use of money and property	19,538	6,312	50,924	3,517	792
Miscellaneous	45	-	1,751	1,902	-
Total revenues	19,583	116,730	275,713	132,740	792
EXPENDITURES					
Current:					
General government	-	129	6,829	3,728	17
Public works	-	60,818	-	-	-
Community development	70,622	16,397	-	-	-
Capital outlay	-	45,000	2,927	2,927	-
Total expenditures	70,622	122,344	9,756	6,655	17
Excess (deficiency) of revenues over expenditures	(51,039)	(5,614)	265,957	126,085	775
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of assets	72,172	-	-	-	-
Total other financing sources (uses)	72,172	-	-	-	-
Net change in fund balance	21,133	(5,614)	265,957	126,085	775
FUND BALANCE (DEFICIT)					
Beginning of year	2,432,487	133,093	920,294	26,192	18,536
End of year	$ 2,453,620	$ 127,479	$ 1,186,251	$ 152,277	$ 19,311

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2025 (continued)

	Special Revenue				
	Traffic Safety	Street Tree Committee	State Gas Tax Fund	Public Housing Authority	Transportation Impact Fees
REVENUES					
Taxes and special assessments	$ -	$ -	$ 3,615,893	$ -	$ 1,589,005
Aid from other government agencies	-	-	-	-	-
Fines and forfeitures	29,463	-	-	-	-
Revenue from use of money and property	8,583	-	464,504	-	493,643
Miscellaneous	-	-	-	615	-
Total revenues	38,046	-	4,080,397	615	2,082,648
EXPENDITURES					
Current:					
General government	173	-	9,279	-	48,542
Public works	-	-	-	-	-
Community development	-	-	-	300,420	-
Capital outlay	-	-	822,127	-	816,451
Total expenditures	173	-	831,406	300,420	864,993
Excess (deficiency) of revenues over expenditures	37,873	-	3,248,991	(299,805)	1,217,655
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	299,805	-
Transfers out	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-
Total other financing sources (uses)	-	-	-	299,805	-
Net change in fund balance	37,873	-	3,248,991	-	1,217,655
FUND BALANCE (DEFICIT)					
Beginning of year	159,809	1,218	8,298,881	157,902	9,368,825
End of year	$ 197,682	$ 1,218	$ 11,547,872	$ 157,902	$ 10,586,480

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2025 (concluded)

	Special Revenue		
	Cannabis Operations	Capital Projects Fund	Total Non-Major Special Revenue Funds
REVENUES			
Taxes and special assessments	$ 593,562	$ -	$ 8,659,443
Aid from other government agencies	-	-	121,654
Fines and forfeitures	-	-	29,463
Revenue from use of money and property	2,246	42,347	1,558,970
Miscellaneous	160,000	-	165,921
Total revenues	755,808	42,347	10,535,451
EXPENDITURES			
Current:			
General government	-	707	78,483
Public works	-	-	1,009,529
Community development	-	-	387,503
Capital outlay	-	20,514	1,839,527
Total expenditures	-	21,221	3,315,042
Excess (deficiency) of revenues over expenditures	755,808	21,126	7,220,409
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	299,805
Transfers out	(688,123)	-	(688,123)
Proceeds from sale of assets	-	-	72,172
Total other financing sources (uses)	(688,123)	-	(316,146)
Net change in fund balance	67,685	21,126	6,904,263
FUND BALANCE (DEFICIT)			
Beginning of year	197,606	2,207,284	32,756,859
End of year	$ 265,291	$ 2,228,410	$ 39,661,122

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
CMAQ Transportation Fund
For the Year Ended June 30, 2025

	CMAQ Transportation Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Aid from other government agencies	$ 839	$ (839)	$ 121,654	$ 122,493
Miscellaneous	-	-	1,608	1,608
Total revenues	839	(839)	123,262	124,101
EXPENDITURES				
Capital outlay	-	949,244	126,654	822,590
Total expenditures	-	949,244	126,654	822,590
Net change in fund balance	839	(950,083)	(3,392)	946,691
FUND BALANCE				
Beginning of year	167,521	167,521	167,521	-
End of year	$ 168,360	$ (782,562)	$ 164,129	$ 946,691

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Park Impact Fees Fund
For the Year Ended June 30, 2025

	Park Impact Fees			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 750,000	$ 750,000	$ 1,241,466	$ 491,466
Revenue from use of money and property	38,000	38,000	338,465	300,465
Total revenues	788,000	788,000	1,579,931	791,931
EXPENDITURES				
Current:				
General government	3,800	3,800	6,837	(3,037)
Capital outlay	-	2,344,708	2,927	2,341,781
Total expenditures	3,800	2,348,508	9,764	2,338,744
Net change in fund balance	784,200	(1,560,508)	1,570,167	3,130,675
FUND BALANCE				
Beginning of year	5,975,177	5,975,177	5,975,177	-
End of year	$ 6,759,377	$ 4,414,669	$ 7,545,344	$ 3,130,675

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Parking Fund
For the Year Ended June 30, 2025

	Parking Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Revenue from use of money and property	$ 1,100	$ 1,100	$ 24,005	$ 22,905
Total revenues	1,100	1,100	24,005	22,905
EXPENDITURES				
Current:				
General government	150	150	485	(335)
Total expenditures	150	150	485	(335)
Excess (deficiency) of revenues over (under) expenditures	950	950	23,520	22,570
OTHER FINANCING SOURCES (USES)				
Lease acquisition	19,496	19,496	-	(19,496)
Total other financing sources (uses)	19,496	19,496	-	(19,496)
Net change in fund balance	20,446	20,446	23,520	3,074
FUND BALANCE				
Beginning of year	480,199	480,199	480,199	-
End of year	$ 500,645	$ 500,645	$ 503,719	$ 3,074

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Downtown Reinvestment Fund
For the Year Ended June 30, 2025

	Downtown Reinvestment Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Revenue from use of money and property	$ 1,300	$ 1,300	$ 455	$ (845)
Miscellaneous	2,500	2,500	-	(2,500)
Total revenues	3,800	3,800	455	(3,345)
EXPENDITURES				
Current:				
General government	100	100	-	100
Total expenditures	100	100	-	100
Net change in fund balance	3,700	3,700	455	(3,245)
FUND BALANCE				
Beginning of year	166,532	166,532	166,532	-
End of year	$ 170,232	$ 170,232	$ 166,987	$ (3,245)

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Central Parking and Business Improvement Fund
For the Year Ended June 30, 2025

	Central Parking and Business Improvement Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 105,000	$ 105,000	$ 110,418	$ 5,418
Revenue from use of money and property	1,000	1,000	6,312	5,312
Total revenues	106,000	106,000	116,730	10,730
EXPENDITURES				
Current:				
General government	100	100	129	(29)
Public works	81,090	81,090	60,818	20,272
Community development	15,000	28,400	16,397	12,003
Capital outlay	-	-	45,000	(45,000)
Total expenditures	96,190	109,590	122,344	(12,754)
Net change in fund balance	9,810	(3,590)	(5,614)	(2,024)
FUND BALANCE				
Beginning of year	133,093	133,093	133,093	-
End of year	$ 142,903	$ 129,503	$ 127,479	$ (2,024)

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Fire Protection Impact Fees Fund
For the Year Ended June 30, 2025

	Fire Protection Impact Fees			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 170,000	$ 170,000	$ 223,038	$ 53,038
Revenue from use of money and property	3,400	3,400	50,924	47,524
Miscellaneous	-	-	1,751	1,751
Total revenues	173,400	173,400	275,713	102,313
EXPENDITURES				
Current:				
General government	350	350	6,829	(6,479)
Capital outlay	-	13,200	2,927	10,273
Total expenditures	350	13,550	9,756	3,794
Net change in fund balance	173,050	159,850	265,957	106,107
FUND BALANCE				
Beginning of year	920,294	920,294	920,294	-
End of year	$ 1,093,344	$ 1,080,144	$ 1,186,251	$ 106,107

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Police Protection Impact Fees Fund
For the Year Ended June 30, 2025

	Police Protection Impact Fees			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 103,000	$ 103,000	$ 127,321	$ 24,321
Revenue from use of money and property	1,000	1,000	3,517	2,517
Miscellaneous	-	-	1,902	1,902
Total revenues	104,000	104,000	132,740	28,740
EXPENDITURES				
Current:				
General government	80	80	3,728	(3,648)
Capital outlay	-	13,200	2,927	10,273
Total expenditures	80	13,280	6,655	6,625
Net change in fund balance	103,920	90,720	126,085	35,365
FUND BALANCE				
Beginning of year	26,192	26,192	26,192	-
End of year	$ 130,112	$ 116,912	$ 152,277	$ 35,365

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Traffic Safety Fund
For the Year Ended June 30, 2025

	Traffic Safety			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 36,200	$ 36,200	$ 29,463	$ (6,737)
Revenue from use of money and property	300	300	8,583	8,283
Total revenues	36,500	36,500	38,046	1,546
EXPENDITURES				
Current:				
General government	30	30	173	(143)
Total expenditures	30	30	173	(143)
Net change in fund balance	36,470	36,470	37,873	1,403
FUND BALANCE				
Beginning of year	159,809	159,809	159,809	-
End of year	$ 196,279	$ 196,279	$ 197,682	$ 1,403

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
State Gas Tax Fund
For the Year Ended June 30, 2025

	State Gas Tax Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 3,410,200	$ 3,410,200	$ 3,615,893	$ 205,693
Revenue from use of money and property	24,800	24,800	464,504	439,704
Total revenues	3,435,000	3,435,000	4,080,397	645,397
EXPENDITURES				
Current:				
General government	2,600	2,600	9,279	(6,679)
Capital outlay	425,000	6,521,098	822,127	5,698,971
Total expenditures	427,600	6,523,698	831,406	5,692,292
Net change in fund balance	3,007,400	(3,088,698)	3,248,991	6,337,689
FUND BALANCE				
Beginning of year	8,298,881	8,298,881	8,298,881	-
End of year	$ 11,306,281	$ 5,210,183	$ 11,547,872	$ 6,337,689

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Public Housing Authority Fund
For the Year Ended June 30, 2025

	Public Housing Authority			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Miscellaneous	$ -	$ -	$ 615	$ 615
Total revenues	-	-	615	615
EXPENDITURES				
Current:				
Community development	302,306	309,320	300,420	8,900
Debt service:				
Principal	836	836	-	836
Interest	6	6	-	6
Total expenditures	303,148	310,162	300,420	9,742
Excess (deficiency) of revenues over (under) expenditures	(303,148)	(310,162)	(299,805)	10,357
OTHER FINANCING SOURCES (USES)				
Transfers in	303,148	303,148	299,805	(3,343)
Lease acquisition	3,844	3,844	-	(3,844)
Total other financing sources (uses)	306,992	306,992	299,805	(7,187)
Net change in fund balance	3,844	(3,170)	-	3,170
FUND BALANCE				
Beginning of year	157,902	157,902	157,902	-
End of year	$ 161,746	$ 154,732	$ 157,902	$ 3,170

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Transportation Impact Fees Fund
For the Year Ended June 30, 2025

	Transportation Impact Fees			
	Original	Final	Actual Amount	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 1,430,000	$ 1,430,000	$ 1,589,005	$ 159,005
Revenue from use of money and property	41,000	41,000	493,643	452,643
Total revenues	1,471,000	1,471,000	2,082,648	611,648
EXPENDITURES				
Current:				
General government	4,100	4,100	48,542	(44,442)
Capital outlay	-	6,817,248	816,451	6,000,797
Total expenditures	4,100	6,821,348	864,993	5,956,355
Net change in fund balance	1,466,900	(5,350,348)	1,217,655	6,568,003
FUND BALANCE				
Beginning of year	9,368,825	9,368,825	9,368,825	-
End of year	$ 10,835,725	$ 4,018,477	$ 10,586,480	$ 6,568,003

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Cannabis Operations Fund
For the Year Ended June 30, 2025

	Cannabis Operations			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 1,250,000	$ 1,250,000	$ 593,562	$ (656,438)
Revenue from use of money and property	2,700	2,700	2,246	(454)
Miscellaneous	96,000	96,000	160,000	64,000
Total revenues	1,348,700	1,348,700	755,808	(592,892)
EXPENDITURES				
Current:				
General government	300	300	-	300
Total expenditures	300	300	-	300
Excess (deficiency) of revenues over (under) expenditures	1,348,400	1,348,400	755,808	(592,592)
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,346,000)	(1,346,000)	(688,123)	657,877
Total other financing sources (uses)	(1,346,000)	(1,346,000)	(688,123)	657,877
Net change in fund balance	2,400	2,400	67,685	65,285
FUND BALANCE				
Beginning of year	197,606	197,606	197,606	-
End of year	$ 200,006	$ 200,006	$ 265,291	$ 65,285

Combining Statement of Net Position
Non-major Enterprise Funds
June 30, 2025

	Non-major Funds				
	Airport Fund	Intermodal Fund	Courthouse Square	Building Safety Fund	Totals
ASSETS					
Current assets					
Cash and investments	$ 5,398	$ 59,900	$ -	$ 1,130,254	$ 1,195,552
Receivables:					
Accounts	4,728	39,528	2,869	238,354	285,479
Leases	379,684	125,336	-	-	505,020
Interest	3,689	250	-	-	3,939
Prepaid expenses	-	-	-	1,050	1,050
Total current assets	393,499	225,014	2,869	1,369,658	1,991,040
Noncurrent assets					
Capital assets:					
Land	2,596,623	278,884	-	-	2,875,507
Construction in progress	128,226	-	-	975	129,201
Building and improvements	10,190,006	1,305,817	-	-	11,495,823
Machinery and equipment	81,851	-	-	320,100	401,951
Accumulated depreciation/amortization	(7,267,558)	(769,315)	-	(85,769)	(8,122,642)
Total capital assets (net of accumulated depreciation)	5,729,148	815,386	-	235,306	6,779,840
Total noncurrent assets	5,729,148	815,386	-	235,306	6,779,840
Total assets	6,122,647	1,040,400	2,869	1,604,964	8,770,880
LIABILITIES					
Current Liabilities					
Accounts payable	14,562	1,066	3,852	48,567	68,047
Salaries and benefits payable	874	-	-	17,621	18,495
Due to other funds	-	-	35,700	-	35,700
Advances to other funds	375,468	261,224	-	-	636,692
Interest payable	-	-	-	534	534
Compensated absences - current portion	-	-	-	44,740	44,740
Bonds and notes payable - current portion				19,622	19,622
Total current liabilities	390,904	262,290	39,552	131,084	823,830
Noncurrent Liabilities					
Compensated absences payable	-	-	-	43,560	43,560
Bonds and notes payable, net	-	-	-	272,373	272,373
Total noncurrent liabilities	-	-	-	315,933	315,933
Total liabilities	390,904	262,290	39,552	447,017	1,139,763
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to leases	354,157	118,054	-	-	472,211
Total deferred inflows of resources	354,157	118,054	-	-	472,211
NET POSITION (DEFICIT)					
Net investment in capital assets	5,729,148	815,386	-	235,306	6,779,840
Unrestricted	(351,562)	(155,330)	(36,683)	922,641	379,066
Total net position	$ 5,377,586	$ 660,056	$ (36,683)	$ 1,157,947	$ 7,158,906

Combining Statement of Revenues, Expenses and Changes in Net Position
Non-major Enterprise Funds
For the Year Ended June 30, 2025

	Non-major Funds				
	Airport Fund	Intermodal Fund	Courthouse Square	Building Safety Fund	Totals
OPERATING REVENUES					
Charges for services	$ 120,938	$ -	$ 36,954	$ 2,328,202	$2,486,094
Other revenues	147,631	221	-	87,119	234,971
Total operating revenues	268,569	221	36,954	2,415,321	2,721,065
OPERATING EXPENSES					
Personnel services	55,156	-	-	1,029,951	1,085,107
Services and supplies	327,032	27,652	89,576	724,928	1,169,188
Depreciation and amortization	319,509	26,116	-	24,898	370,523
Total operating expenses	701,697	53,768	89,576	1,779,777	2,624,818
Operating income (loss)	(433,128)	(53,547)	(52,622)	635,544	96,247
NON-OPERATING REVENUES (EXPENSES)					
Interest income	17,883	2,874	-	44,937	65,694
Interest expense	-	-	-	(14,211)	(14,211)
Unrealized gain (loss) on investments	889	640	-	-	1,529
Lease revenue	71,154	39,351	-	-	110,505
Total non-operating revenue (expenses)	89,926	42,865	-	30,726	163,517
Income (loss) before capital contributions and transfers	(343,202)	(10,682)	(52,622)	666,270	259,764
Transfers in	-	-	1,250,706	-	1,250,706
Transfers out	(109,918)	-	-	-	(109,918)
Total Capital Contributions and Transfers	(109,918)	-	1,250,706	-	1,140,788
Change in net position	(453,120)	(10,682)	1,198,084	666,270	1,400,552
NET POSITION (DEFICIT)					
Beginning of year, as previously reported	5,830,706	670,738	(1,234,767)	803,227	6,069,904
Correction of an error	-	-	-	(311,550)	(311,550)
Beginning of year, as restated	5,830,706	670,738	(1,234,767)	491,677	5,758,354
End of year	$5,377,586	$ 660,056	$ (36,683)	$ 1,157,947	$7,158,906

Combining Statement of Cash Flows
Non-major Enterprise Funds
For the Year Ended June 30, 2025

	Non-major Funds				
	Airport Fund	Intermodal Fund	Courthouse Square	Building Safety Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for current services	$ 138,905	$ -	$ 39,432	$ 2,139,470	$ 2,317,807
Cash received for other operating revenues	147,631	221	-	87,119	234,971
Cash paid for services and supplies	(318,046)	(28,693)	(89,387)	(711,323)	(1,147,449)
Cash paid for salaries and benefits	(54,282)	-	-	(973,134)	(1,027,416)
Net cash provided (used) by operating activities	(85,792)	(28,472)	(49,955)	542,132	377,913
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers (to)/from other funds	(109,918)	-	1,250,706	-	1,140,788
Loans from/(to) other funds	-	-	(1,200,751)	-	(1,200,751)
Net cash provided (used) by non-capital financing activities	(109,918)	-	49,955	-	(59,963)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal payments on long-term debt	-	-	-	(19,555)	(19,555)
Interest payments on long-term debt	-	-	-	(13,677)	(13,677)
Payments for capital asset acquisition	(128,260)	-	-	(975)	(129,235)
Lease income	45,627	39,200	-	-	84,827
Net cash provided (used) by capital and related financing activities	(82,633)	39,200	-	(34,207)	(77,640)
CASH FLOWS FORM INVESTING ACTIVITIES					
Unrealized gain (loss) on investments	889	640	-	-	1,529
Interest received	14,194	2,953	-	44,937	62,084
Net cash provided (used) by investing activities	15,083	3,593	-	44,937	63,613
Net increase (decrease) in cash and investments	(263,260)	14,321	-	552,862	303,923
Cash and investments, beginning of year	268,658	45,579	-	577,392	891,629
Cash and investments, end of year	$ 5,398	$ 59,900	$ -	$ 1,130,254	$ 1,195,552
Reconciliation to Statement of Net Position:					
Cash and investments	$ 5,398	$ 59,900	$ -	$ 1,130,254	$ 1,195,552
Total cash and investments	$ 5,398	$ 59,900	$ -	$ 1,130,254	$ 1,195,552
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	$ (433,128)	$ (53,547)	$ (52,622)	$ 635,544	$ 96,247
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	319,509	26,116	-	24,898	370,523
(Increase) decrease in:					
Receivables	17,967	-	2,478	(188,732)	(168,287)
Prepaids	-	-	-	(1,050)	(1,050)
Accounts payable	8,986	(1,041)	189	14,655	22,789
Salaries and benefits payable	874	-	-	6,053	6,927
Compensated absences	-	-	-	50,764	50,764
Total Adjustments	347,336	25,075	2,667	(93,412)	281,666
Net cash provided (used) by operating activities	$ (85,792)	$ (28,472)	$ (49,955)	$ 542,132	$ 377,913
Noncash from Capital and Related Financing Activities					
Capital Contributions	$ -	$ -	$ -	$ -	$ -

Combining Statement of Net Position
Internal Service Funds
June 30, 2025

	City Payroll Fund	Risk Management Fund	Computer Maintenance Fund
ASSETS			
Current assets			
Cash and investments	$ 480,346	$ 8,344,010	$ 538,209
Receivables	-	-	408
Deposits	-	185,000	-
Prepaid expenses	-	-	-
Inventory	-	-	-
Total current assets	480,346	8,529,010	538,617
Noncurrent assets			
Capital assets:			
Building and improvements	-	-	-
Machinery and equipment	-	-	1,771,281
Right to use assets	-	-	237,867
Accumulated depreciation/amortization	-	-	(1,500,023)
Total capital assets (net of accumulated depreciation)	-	-	509,125
Total noncurrent assets	-	-	509,125
Total assets	480,346	8,529,010	1,047,742
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	-	-	82,307
Total deferred outflows of resources	-	-	82,307
LIABILITIES			
Current Liabilities			
Accounts payable	388,050	177,782	15,141
Salaries and benefits payable	3,060	-	7,384
Interest payable	-	-	2,080
Compensated absences - current portion	-	-	6,818
Bonds and notes payable - current portion	-	-	9,421
SBITA payable - current portion	-	-	79,275
Total current liabilities	391,110	177,782	120,119
Noncurrent Liabilities			
Compensated absences payable	-	-	40,922
Claims payable	-	7,566,000	-
Bonds and notes payable	-	-	130,780
Net pension liability	-	-	160,613
Total noncurrent liabilities	-	7,566,000	332,315
Total liabilities	391,110	7,743,782	452,434
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	-	-	3,053
Total deferred inflows of resources	-	-	3,053
NET POSITION			
Net investment in capital assets	-	-	509,125
Unrestricted	89,236	785,228	165,437
Total net position	$ 89,236	$ 785,228	$ 674,562

Building Fund	Fleet Management Fund	Medical Fund	Totals
$ 1,865,477	$ 20,269,108	$ 1,588,109	$ 33,085,259
1,943	-	-	2,351
-	-	-	185,000
-	30,375	-	30,375
-	295,796	-	295,796
1,867,420	20,595,279	1,588,109	33,598,781
-	26,191	-	26,191
35,348	13,495,084	-	15,301,713
-	-	-	237,867
(14,484)	(9,428,462)	-	(10,942,969)
20,864	4,092,813	-	4,622,802
20,864	4,092,813	-	4,622,802
1,888,284	24,688,092	1,588,109	38,221,583
164,614	164,614	-	411,535
164,614	164,614	-	411,535
55,774	159,164	114,905	910,816
8,446	16,725	(3,197)	32,418
1,218	1,724	-	5,022
2,940	2,348	-	12,106
22,369	31,673	-	63,463
-	-	-	79,275
90,747	211,634	111,708	1,103,100
34,595	70,672	-	146,189
-	-	-	7,566,000
310,511	439,653	-	880,944
321,226	321,226	-	803,065
666,332	831,551	-	9,396,198
757,079	1,043,185	111,708	10,499,298
6,106	6,106	-	15,265
6,106	6,106	-	15,265
20,864	4,092,813	-	4,622,802
1,268,849	19,710,602	1,476,401	23,495,753
$ 1,289,713	$ 23,803,415	$ 1,476,401	$ 28,118,555

Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2025

	City Payroll Fund	Risk Management Fund	Computer Maintenance Fund
OPERATING REVENUES			
Charges for services	$ -	$ 2,176,745	$ 1,021,566
Other revenues	-	2,607	30,408
Total operating revenues	-	2,179,352	1,051,974
OPERATING EXPENSES			
Personnel services	-	-	464,771
Services and supplies	217	2,823,418	414,728
Depreciation and amortization	-	-	313,339
Total operating expenses	217	2,823,418	1,192,838
Operating income (loss)	(217)	(644,066)	(140,864)
NON-OPERATING REVENUES (EXPENSES)			
Interest income	8,027	262,883	17,124
Interest expense	-	-	(9,719)
Unrealized gain (loss) on investments	5,114	95,948	5,807
Gain/(loss) on disposals	-	-	-
Total non-operating revenue (expenses)	13,141	358,831	13,212
Income (loss) before capital contributions and transfers	12,924	(285,235)	(127,652)
Transfers in	-	-	-
Transfers out	-	-	-
Change in net position	12,924	(285,235)	(127,652)
NET POSITION			
Beginning of year	76,312	1,070,463	802,214
End of year	$ 89,236	$ 785,228	$ 674,562

Building Fund	Fleet Management Fund	Medical Fund	Totals
$ 1,452,530	$ 5,624,258	$ 3,485,900	$ 13,760,999
2,103	25,319	3,689	64,126
1,454,633	5,649,577	3,489,589	13,825,125
678,821	1,083,709	-	2,227,301
507,228	2,477,604	2,913,424	9,136,619
1,841	710,545	-	1,025,725
1,187,890	4,271,858	2,913,424	12,389,645
266,743	1,377,719	576,165	1,435,480
52,386	737,462	59,222	1,137,104
(16,810)	(23,801)	-	(50,330)
17,056	230,953	-	354,878
-	(9,469)	-	(9,469)
52,632	935,145	59,222	1,432,183
319,375	2,312,864	635,387	2,867,663
22,705	4,486,964	-	4,509,669
(749,451)	(5,255,060)	-	(6,004,511)
(407,371)	1,544,768	635,387	1,372,821
1,697,084	22,258,647	841,014	26,745,734
$ 1,289,713	$ 23,803,415	$ 1,476,401	$ 28,118,555

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

	City Payroll Fund	Risk Management Fund	Computer Maintenance Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for current services	$ -	$ 2,189,959	$ 1,021,215
Cash received for other operating revenues	-	2,607	30,408
Cash paid for services and supplies	151,977	(2,273,660)	(409,684)
Cash paid for salaries and benefits	(22,529)	-	(410,702)
Net cash provided (used) by operating activities	129,448	(81,094)	231,237
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers (to)/from other funds	-	-	-
Net cash provided (used) by non-capital financing activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal payments on long-term debt	-	-	(9,389)
Interest payments on long-term debt	-	-	(10,744)
Payments for capital asset acquisition	-	-	-
SBITA payments	-	-	(77,207)
Proceeds from the sale of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	(97,340)
CASH FLOWS FORM INVESTING ACTIVITIES			
Unrealized gain (loss) on investments	5,114	95,948	5,807
Interest received	8,027	262,883	17,124
Net cash provided (used) by investing activities	13,141	358,831	22,931
Net increase (decrease) in cash and investments	142,589	277,737	156,828
Cash and investments, beginning of year	337,757	8,066,273	381,381
Cash and investments, end of year	$ 480,346	$ 8,344,010	$ 538,209
Reconciliation to Statement of Net Position:			
Cash and investments	$ 480,346	$ 8,344,010	$ 538,209
Total cash and investments	$ 480,346	$ 8,344,010	$ 538,209
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$ (217)	$ (644,066)	$ (140,864)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	-	313,339
(Increase) decrease in:			
Receivables	-	13,214	(351)
Inventory	-	-	-
Deferred outflow of resources	-	-	(1,594)
Accounts payable	152,194	(17,242)	5,044
Salaries and benefits payable	(22,529)	-	1,422
Compensated absences	-	-	26,957
Claims payable	-	567,000	-
Net pension liability	-	-	31,618
Deferred inflow of resources	-	-	(4,334)
Total Adjustments	129,665	562,972	372,101
Net cash provided (used) by operating activities	$ 129,448	$ (81,094)	$ 231,237

Building Fund	Fleet Management Fund	Medical Fund	Totals
$ 1,451,856	$ 5,624,481	$ 3,486,202	$ 13,773,713
2,103	25,319	3,689	64,126
(513,398)	(2,344,956)	(2,898,025)	(8,287,746)
(604,598)	(987,902)	(3,197)	(2,028,928)
335,963	2,316,942	588,669	3,521,165
(726,746)	(768,096)	-	(1,494,842)
(726,746)	(768,096)	-	(1,494,842)
(22,293)	(31,564)	-	(63,246)
(15,592)	(22,077)	-	(48,413)
(11,264)	(341,693)	-	(352,957)
-	-	-	(77,207)
644,111	6,405	-	650,516
594,962	(388,929)	-	108,693
17,056	230,953	-	354,878
52,386	737,462	59,222	1,137,104
69,442	968,415	59,222	1,491,982
273,621	2,128,332	647,891	3,626,998
1,591,856	18,140,776	940,218	29,458,261
$ 1,865,477	$ 20,269,108	$ 1,588,109	$ 33,085,259
$ 1,865,477	$ 20,269,108	$ 1,588,109	$ 33,085,259
$ 1,865,477	$ 20,269,108	$ 1,588,109	$ 33,085,259
$ 266,743	$ 1,377,719	$ 576,165	$ 1,435,480
1,841	710,545	-	1,025,725
(674)	223	302	12,714
-	13,926	-	13,926
(3,188)	(3,188)	-	(7,970)
(6,170)	118,722	15,399	267,947
(286)	4,031	(3,197)	(20,559)
23,129	40,396	-	90,482
-	-	-	567,000
63,236	63,236	-	158,090
(8,668)	(8,668)	-	(21,670)
69,220	939,223	12,504	2,085,685
$ 335,963	$ 2,316,942	$ 588,669	$ 3,521,165

Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	Civil Subpoena	Renters' Insurance Deposits	COE Park Deposits	Miscellaneous Deposits Trust	Total
ASSETS					
Cash and investments	$ 75,448	$ 4,034	$ 488	$ 1,886,060	$ 1,966,030
Accounts receivable	-	-	-	29,823	29,823
Total Assets	75,448	4,034	488	1,915,883	1,995,853
LIABILITIES					
Accounts payable	2,082	-	-	1,281,603	1,283,685
Deposits held for others	143,449	835	-	554,027	698,311
Total Liabilities	145,531	835	-	1,835,630	1,981,996
NET POSITION (DEFICIT)					
Restricted	(70,083)	3,199	488	80,253	13,857
Total Net Position	$ (70,083)	$ 3,199	$ 488	$ 80,253	$ 13,857

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2025

	Civil Subpoena	Renters' Insurance Deposits	COE Park Deposits	Miscellaneous Deposits Trust	Total
ADDITIONS					
Other additions	$ -	$ -	$ -	$ -	$ -
Total Additions	-	-	-	-	-
DEDUCTIONS					
General government	-	-	-	-	-
Total Deductions	-	-	-	-	-
Change in Fiduciary Net Position	-	-	-	-	-
NET POSITION (DEFICIT)					
Beginning of year	(70,083)	3,199	488	80,253	13,857
End of year	$ (70,083)	$ 3,199	$ 488	$ 80,253	$ 13,857

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STATISTICAL SECTION

Net Position by Component
Last Ten (10) Fiscal Years
(accrual basis of accounting)

Fiscal Year	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	$ 138,153,691	$ 143,053,747	$ 147,136,482	$ 152,623,126
Restricted	44,303,261	40,033,008	37,759,964	36,912,718
Unrestricted	(4,230,067)	(11,322,040)	(11,446,292)	(10,241,262)
Total governmental activities net position	$ 178,226,885	$ 171,764,715	$ 173,450,154	$ 179,294,582
Business-type activities				
Net investment in capital assets	$ 79,775,875	$ 80,951,839	$ 86,648,028	$ 92,471,031
Restricted	324	2,420	2,419	2,419
Unrestricted	17,620,112	21,659,423	28,437,335	32,334,598
Total business-type activities net position	$ 97,396,311	$ 102,613,682	$ 115,087,782	$ 124,808,048
Primary government				
Net investment in capital assets	$ 217,929,566	$ 224,005,586	$ 233,784,510	$ 245,094,157
Restricted	44,303,585	40,035,428	37,762,383	36,915,137
Unrestricted	13,390,045	10,337,383	16,991,043	22,093,336
Total primary government net position	$ 275,623,196	$ 274,378,397	$ 288,537,936	$ 304,102,630

Source: City of Hanford Finance Department

Net Position by Component, (Continued)
Last Ten (10) Fiscal Years
(accrual basis of accounting)

2020	2021	2022	2023	2024	2025
$ 158,401,312	$ 157,116,548	$ 153,865,284	$ 155,203,294	$ 165,368,191	$ 160,790,661
31,543,209	39,517,385	44,531,429	23,285,547	29,207,622	36,440,081
(13,031,815)	(16,865,455)	(20,739,018)	16,776,297	18,755,308	23,999,624
$ 176,912,706	$ 179,768,478	$ 177,657,695	$ 195,265,138	$ 213,331,121	$ 221,230,366
$ 96,648,645	$ 108,641,344	$ 104,136,670	$ 141,608,046	$ 121,203,106	$ 125,287,048
2,379	2,379	2,379	4,743	-	-
37,049,575	36,037,365	46,369,374	13,013,309	46,530,975	55,290,832
$ 133,700,599	$ 144,681,088	$ 150,508,423	$ 154,626,098	$ 167,734,081	$ 180,577,880
$ 255,049,957	$ 265,757,892	$ 258,001,954	$ 296,811,340	$ 286,571,297	$ 286,077,709
31,545,588	39,519,764	44,533,808	23,290,290	29,207,622	36,440,081
24,017,760	19,171,910	25,630,356	29,789,606	65,286,283	79,290,456
$ 310,613,305	$ 324,449,566	$ 328,166,118	$ 349,891,236	$ 381,065,202	$ 401,808,246

Changes in Net Position
Last Ten (10) Fiscal Years
(accrual basis of accounting)

Fiscal Year	2016	2017	2018	2019
Expenses				
Governmental activities:				
General government	$ 1,985,661	$ 1,834,286	$ 2,411,345	$ 1,818,009
Public safety	14,331,789	16,605,006	17,908,901	20,415,070
Public works	8,587,563	7,970,040	9,665,063	8,608,632
Parks and recreation	2,992,500	3,577,165	2,986,101	2,681,282
Community development	3,602,920	9,419,387	5,255,402	4,140,104
Interest expense	-	-	-	-
Total governmental activities expenses	31,500,433	39,405,884	38,226,812	37,663,097
Business-type activities:				
Water system	6,416,603	7,038,650	6,897,804	6,097,140
Wastewater system	5,104,626	5,543,929	5,917,049	4,738,256
Storm drain	1,087,813	1,109,392	415,192	(112,831)
Refuse	6,524,554	7,116,048	8,488,643	8,281,902
Airport	401,980	366,610	408,718	429,455
Intermodal	107,976	111,455	68,237	50,808
Courthouse square	266,876	238,637	111,060	177,774
Building Safety	-	-	-	-
Total business-type activities expenses	19,910,428	21,524,721	22,306,703	19,662,504
Total primary government expenses	$ 51,410,861	$ 60,930,605	$ 60,533,515	$ 57,325,601
Program Revenues				
Governmental activities:				
Charges for services	$ 8,174,050	$ 7,378,383	$ 5,117,638	$ 8,160,049
Operating grants and contributions	981,843	474,195	1,244,656	1,402,082
Capital grants and contributions	1,435,941	754,175	1,745,470	710,585
Total governmental activities program revenues	10,591,834	$ 8,606,753	$ 8,107,764	10,272,716
Business-type activities:				
Charges for services	20,332,313	23,361,084	25,347,121	24,277,814
Capital grants and contributions	1,096,236	763,709	-	-
Total business-type activities program revenues	21,428,549	24,124,793	25,347,121	24,277,814
Total primary government revenues	$ 32,020,383	$ 32,731,546	$ 33,454,885	$ 34,550,530
Net (expense)/revenue				
Governmental activities	$ (20,908,599)	$ (30,799,131)	$ (30,119,048)	$ (27,390,381)
Business-type activities	1,518,121	2,600,072	3,040,418	4,615,310
Total primary government net (expense)/revenue	$ (19,390,478)	$ (28,199,059)	$ (27,078,630)	$ (22,775,071)

Source: City of Hanford Finance Department

Changes in Net Position, (Continued)
Last Ten (10) Fiscal Years
(accrual basis of accounting)

2020	2021	2022	2023	2024	2025
$ 7,424,876	$ 7,777,169	$ 6,839,279	$ 8,647,803	$ 7,755,643	$ 26,361,639
22,348,294	21,878,581	21,556,505	36,761,886	26,472,385	25,850,371
5,328,310	4,310,762	4,644,058	4,151,802	10,096,705	10,121,963
3,628,645	3,290,716	3,280,139	4,163,652	5,483,946	7,038,008
2,780,857	2,636,159	2,248,980	2,468,828	2,890,465	2,362,734
-	-	-	1,140,021	1,086,925	1,012,248
41,510,982	39,893,387	38,568,961	57,333,992	53,786,069	72,746,963
7,430,096	7,613,367	8,418,232	10,805,234	7,711,131	10,570,388
5,375,459	5,830,921	5,776,311	7,127,609	7,506,365	8,199,461
747,116	1,082,412	945,288	1,624,217	1,680,905	1,208,294
8,478,104	8,173,990	9,019,863	10,388,974	10,852,999	12,416,109
505,212	645,131	769,767	671,372	558,304	707,402
57,761	57,818	49,616	56,589	56,256	53,768
79,642	102,750	97,270	63,436	107,624	92,428
-	-	-	-	1,649,670	1,793,988
22,673,390	23,506,389	25,076,347	30,737,431	30,123,254	35,041,838
$ 64,184,372	$ 63,399,776	$ 63,645,308	$ 88,071,423	$ 83,909,323	$ 107,788,801
$ 7,235,394	$ 5,962,037	$ 6,970,563	$ 6,491,551	$ 4,544,558	$ 4,366,807
1,606,323	1,908,465	4,897,714	8,160,718	12,658,886	10,460,453
416,429	780,926	531,131	15,030,908	16,354,756	6,085,235
9,258,146	8,651,428	12,399,408	29,683,177	33,558,200	20,912,495
25,726,945	26,671,382	27,232,541	26,733,436	32,097,134	39,903,211
-	-	-	5,154,104	4,431,308	624,700
25,726,945	26,671,382	27,232,541	31,887,540	36,528,442	40,527,911
$ 34,985,091	$ 35,322,810	$ 39,631,949	$ 61,570,717	$ 70,086,642	$ 61,440,406
$ (32,252,836)	$ (31,241,959)	$ (26,169,553)	$ (27,650,815)	$ (20,227,869)	$ (51,834,468)
3,053,555	3,164,993	2,156,194	1,150,109	6,405,188	5,486,073
$ (29,199,281)	$ (28,076,966)	$ (24,013,359)	$ (26,500,706)	$ (13,822,681)	$ (46,348,395)

Changes in Net Position (Continued)
Last Ten (10) Fiscal Years
(accrual basis of accounting)

Fiscal Year	2016	2017	2018	2019
Government activities:				
Taxes				
Property Taxes	$ 10,201,145	$ 10,019,733	$ 11,369,719	$ 11,901,159
Sales and use tax	9,552,912	13,287,020	13,737,784	14,006,613
Franchise tax	1,030,056	952,304	1,080,031	900,895
Other taxes	2,281,349	2,164,133	1,056,995	1,183,139
Revenue from use of money and property	1,657,481	809,857	796,670	1,685,494
Impact Fees	-	-	2,602,398	1,876,232
Contributed capital	-	-	4,993,434	3,014,556
Miscellaneous/other	283,381	334,227	1,077,706	377,283
Transfers - Interfund	(1,140,941)	(506,048)	(1,825,044)	(1,039,937)
Investment earnings	-	-	-	-
Gain (Loss) on disposal of assets	-	-	-	-
Total governmental activities	23,865,383	27,061,226	34,889,693	33,905,434
Business-type activities:				
Revenue from use of money and property	153,781	186,871	169,094	863,991
Impact fees	2,676,359	1,619,558	1,543,490	1,413,423
Contributed Capital	-	-	1,591,676	1,447,855
Impairment loss	-	-	-	-
Miscellaneous/other	566,350	304,822	1,095,274	286,931
Transfers - Interfund	1,140,941	506,048	1,825,044	1,039,937
Investment Earnings	-	-	-	-
Lease Revenue	-	-	-	-
Loss on lease termination	-	-	-	-
Gain (Loss) on sale of capital assets	-	-	-	-
Total business-type activities	4,537,431	2,617,299	6,224,578	5,052,137
Total primary government	$ 28,402,814	$ 29,678,525	$ 41,114,271	$ 38,957,571
Extraordinary Items (Governmental Activities)				
Settlement expenditures	-	-	-	-
Total primary government	$ -	$ -	$ -	$ -
Change in Net Position				
Governmental activities	$ 2,956,784	$ (3,737,905)	$ 4,770,645	$ 6,515,053
Business-type activities	6,055,552	5,217,371	9,264,996	9,667,447
Total primary government	$ 9,012,336	$ 1,479,466	$ 14,035,641	$ 16,182,500

Source: City of Hanford Finance Department

Changes in Net Position, (Concluded)
Last Ten (10) Fiscal Years
(accrual basis of accounting)

2020	2021	2022	2023	2024	2025
$ 12,295,760	$ 13,414,233	$ 14,205,410	$ 13,988,031	$ 15,019,781	$ 16,445,724
14,103,551	16,332,234	18,199,243	18,011,255	16,772,531	21,107,925
998,402	1,152,391	1,141,696	1,256,488	1,310,678	1,173,931
1,239,906	1,292,189	2,735,498	2,696,299	1,853,648	2,433,578
917,907	936,759	(1,478,136)	-	-	-
1,720,516	1,098,344	3,372,830	-	-	-
6,196,908	2,233,673	-	-	-	-
370,256	374,064	111,176	124,250	539,645	17,808,224
(1,004,179)	(1,861,652)	(924,456)	(243,210)	(1,154,605)	(1,805,302)
-	-	-	976,872	2,947,174	2,120,623
(993,957)	(8,936)	21,714	279,583	18,741	137,460
35,845,070	34,963,299	37,384,975	37,089,568	37,307,593	59,422,163
714,727	243,843	(643,781)	-	-	-
1,369,100	2,220,328	2,916,474	-	-	-
3,424,285	885,641	-	-	-	-
(974,950)	-	-	-	-	-
352,995	3,014,868	15,138	2,384,559	2,615,755	3,155,773
1,004,179	1,861,652	924,456	243,210	1,154,605	1,805,302
-	-	-	871,114	2,735,869	2,514,315
-	-	610,805	193,373	111,166	188,843
-	-	-	(724,690)	-	-
-	(134,464)	-	-	85,400	5,043
5,890,336	8,091,868	3,823,092	2,967,566	6,702,795	7,669,276
$ 41,735,406	$ 43,055,167	$ 41,208,067	$ 40,057,134	$ 44,010,388	$ 67,091,439
-	-	-	(12,500,000)	-	-
$ -	$ -	$ -	$ (12,500,000)	$ -	$ -
$ 3,592,234	$ 3,721,340	$ 11,215,422	$ (3,061,247)	$ 17,079,724	$ 7,587,695
8,943,891	11,256,861	5,979,286	4,117,675	13,107,983	13,155,349
$ 12,536,125	$ 14,978,201	$ 17,194,708	$ 1,056,428	$ 30,187,707	$ 20,743,044

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Governmental Activities Tax and Assessments Revenues by Source
Last Ten (10) Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Taxes	Sales & Use Tax	Franchise Taxes	Transfer Taxes	Transient Occupancy Taxes	Other Taxes	Total
2016	$ 10,147,678	$ 9,552,912	$ 1,030,056	$ 154,528	$ 380,945	$ 569,721	$ 21,835,840
2017	9,968,170	13,287,020	952,304	165,387	381,106	589,580	25,343,567
2018	10,704,232	12,620,519	1,080,031	163,628	391,743	685,830	25,645,983
2019	11,217,176	12,941,563	900,896	155,791	519,663	682,518	26,417,607
2020	11,514,040	12,896,552	998,401	163,345	534,169	1,041,783	27,148,290
2021	12,565,022	15,086,391	1,152,391	214,997	506,042	813,256	30,338,099
2022	13,043,532	16,887,598	1,141,696	266,734	633,951	2,107,462	34,080,973
2023	13,755,470	18,011,255	1,256,488	232,561	770,144	1,926,155	35,952,073
2024	15,019,781	16,772,531	1,310,678	235,563	750,696	1,853,648	35,942,897
2025	16,445,724	21,107,925	1,173,931	217,043	705,508	1,511,027	41,161,158

Includes General Fund, Special Revenue, Capital Projects Funds,

Source: City of Hanford Finance Department

Fund Balances of Governmental Funds
Last Ten (10) Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	2016	2017	2018	2019
General fund				
Non Spendable:				
Long-term receivables	$ 6,551,252	$ -	$ -	$ -
Land for resale	246,450	246,450	-	-
Prepaid expenses	-	-	-	384,221
Deposits	-	-	-	-
Insurance deposits	102,500	102,500	102,500	180,950
Committed for:				
Community development	-	223,841	-	-
Capital Projects	361,571	410,805	-	-
Unassigned	7,588,301	8,243,676	8,504,194	6,884,054
Total general fund	14,850,074	9,227,272	8,606,694	7,449,225
All other governmental funds				
Non Spendable:				
Long-term receivables	$ 2,327,669	$ 2,308,419	$ 2,252,474	$ 2,252,416
Loan receivable	-	-	-	-
Lease receivable	-	-	-	-
Prepaid expenses	-	-	-	1,686
Restricted for:				
Community development	18,024,438	18,828,294	19,451,267	19,909,210
Streets and roads	9,235,637	3,163,348	3,150,066	6,810,336
Recreation	3,438,237	3,883,314	3,442,097	3,701,300
Landscape Maintenance	633,978	570,497	470,405	526,765
Public safety	1,860,328	1,901,468	847,555	452,490
Committed for:				
Parking and business improvement	7,715,855	7,271,925	7,529,338	5,882,433
Community development	1,154,093	2,490,055	616,762	442,281
Street and roads	-	-	-	-
Parks and community services	-	-	-	-
Public safety	-	-	-	-
Cannabis	-	-	-	-
Unassigned	(49,932)	(1,627,279)	(15,381)	(16,291)
Total all other governmental funds	44,340,303	38,790,041	37,744,583	39,962,626
Total fund balance all governmental funds	$ 59,190,377	$ 48,017,313	$ 46,351,277	$ 47,411,851

Source: City of Hanford Finance Department

Fund Balances of Governmental Funds (Continued)
Last Ten (10) Fiscal Years
(modified accrual basis of accounting)

2020	2021	2022	2023	2024	2025
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
92,744	6,302	144,650	199,992	226,857	282,165
-	-	104,500	104,500	104,500	104,500
104,500	104,500	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,383,628	10,926,987	3,031,928	10,214,594	12,610,835	13,596,699
5,580,872	11,037,789	3,281,078	10,519,086	12,942,192	13,983,364
$ 2,252,415	$ 20,503,159	$ -	$ -	$ -	$ -
-	-	20,346,974	20,378,274	19,501,968	19,646,832
-	-	557,209	-	-	-
1,722	1,722	1,722	1,100	1,100	1,100
20,434,281	1,646,956	1,870,075	-	-	2,577,388
5,744,795	6,522,042	10,075,783	15,276,502	20,079,629	22,422,771
4,204,305	4,322,904	5,107,894	5,705,236	5,975,177	7,545,344
581,818	731,600	968,179	1,451,419	2,046,521	2,358,368
636,174	399,646	713,464	852,390	1,106,295	1,536,210
5,154,829	4,931,758	3,902,047	3,537,705	2,986,008	3,025,495
460,475	552,161	722,548	7,550,690	10,152,998	11,488,526
-	-	-	-	-	1,041,250
-	-	-	-	-	130,156
-	-	-	-	-	1,984,882
-	124,305	121,818	126,255	197,606	265,291
(269,568)	(109,905)	(583,155)	(317,109)	(146,712)	(23,693)
39,201,246	39,626,348	43,804,558	54,562,462	61,900,590	73,999,920
$ 44,782,118	$ 50,664,137	$ 47,085,636	$ 65,081,548	$ 74,842,782	$ 87,983,284

Changes in Fund Balances of Governmental Funds
Last Ten (10) Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	2016	2017	2018	2019
Revenues				
Taxes and special assessments	$ 27,293,684	$ 29,647,843	$ 30,598,941	$ 31,610,153
Aid from other government agencies	3,755,254	2,896,846	4,691,907	6,078,876
Licenses and permits	1,106,359	1,038,419	844,802	938,841
Fines and forfeitures	212,736	185,641	183,604	170,956
Charges for services	1,233,071	1,171,293	1,377,615	1,275,044
Lease Revenue	-	-	-	-
Revenue from use of money and property	1,723,563	866,874	865,159	1,233,994
Miscellaneous	282,591	367,111	1,641,647	439,602
Total Revenues	35,607,258	36,174,027	40,203,675	41,747,466
Expenditures				
General government	2,218,049	1,864,740	2,787,272	1,762,734
Public safety	16,220,588	16,880,475	17,772,608	19,357,821
Public works	4,294,423	3,454,560	4,105,399	3,337,476
Recreation	2,699,506	3,037,478	4,318,774	3,618,014
Community development	3,777,870	9,365,735	2,803,849	2,868,807
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	6,772,187	10,235,425	7,185,808	7,995,534
Total Expenditures	35,982,623	44,838,413	38,973,710	38,940,386
Excess of revenues over (under) expenditures	(375,365)	(8,664,386)	1,229,965	2,807,080
Other Financing Sources (Uses)				
Transfers in	304,218	2,503,606	5,172,191	1,962,967
Transfers out	(1,002,360)	(2,288,019)	(8,095,493)	(3,381,448)
Proceeds from issuance of bonds	-	-	-	-
Lease and SBITA acquisition	-	-	-	-
Loss on lease termination	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Total Other Financing Sources (Uses)	(698,142)	215,587	(2,923,302)	(1,418,481)
Net Change in Fund Balances Before Extraordinary Item	(1,073,507)	(8,448,799)	(1,693,337)	1,388,599
Extraordinary Item	-	-	-	-
Net Change in Fund Balances	$ (1,073,507)	$ (8,448,799)	$ (1,693,337)	$ 1,388,599
Debt Service as a percentage of non-capital expenditures	0.00%	0.00%	0.00%	0.00%

Source: City of Hanford Finance Department

Changes in Fund Balances of Governmental Funds (Continued)
Last Ten (10) Fiscal Years
(modified accrual basis of accounting)

2020	2021	2022	2023	2024	2025
$ 31,981,731	$ 34,967,879	$ 41,422,170	$ 43,260,146	$ 44,194,513	$ 49,281,206
3,516,928	3,097,879	5,380,585	6,208,765	10,445,228	7,607,785
1,105,993	1,052,363	1,797,872	1,849,277	86,270	63,690
171,876	163,068	224,399	242,675	181,315	173,836
1,787,004	2,494,238	3,128,433	3,205,579	2,991,009	2,733,388
-	-	19,496	-	137,197	163,635
1,559,423	761,614	(847,591)	1,335,944	2,660,640	2,736,963
434,160	605,185	194,405	149,569	511,397	17,756,065
40,557,115	43,142,226	51,319,769	56,251,955	61,207,569	80,516,568
2,666,323	2,134,148	4,162,723	3,042,292	3,850,724	22,073,733
20,484,238	20,775,293	42,528,787	23,465,277	23,950,549	26,572,968
4,753,648	3,731,386	6,192,054	3,770,437	3,278,704	3,877,973
3,510,358	3,441,612	5,662,458	4,670,976	4,995,392	6,323,733
2,790,439	2,758,705	3,508,200	2,716,570	2,031,415	1,890,787
-	-	22,193	1,243,300	1,596,228	1,841,625
-	-	513	1,140,021	1,086,925	1,012,248
7,643,581	3,255,771	4,623,507	6,362,118	10,218,712	5,359,450
41,848,587	36,096,915	66,700,435	46,410,991	51,008,649	68,952,517
(1,291,472)	7,045,311	(15,380,666)	9,840,964	10,198,920	11,564,051
320,279	1,583,169	6,194,001	4,627,696	2,176,873	5,731,411
(825,757)	(2,767,302)	(7,508,224)	(4,934,143)	(3,309,157)	(6,041,871)
-	-	25,390,437	-	-	-
-	-	89,571	-	675,857	1,755,501
-	-	-	(11,319)	-	-
-	-	21,716	304,024	18,741	131,410
(505,478)	(1,184,133)	24,187,501	(13,742)	(437,686)	1,576,451
(1,796,950)	5,861,178	8,806,835	9,827,222	9,761,234	13,140,502
-	-	(12,500,000)	-	-	-
$ (1,796,950)	$ 5,861,178	$ (3,693,165)	$ 9,827,222	$ 9,761,234	$ 13,140,502
0.00%	0.00%	0.03%	5.07%	5.44%	4.14%

General Fund Tax Revenue by Source
Last Ten (10) Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Sales & Use Tax	Property Taxes	Franchise Taxes	Transfer Taxes	Transient Taxes	Business Taxes	Misc. Taxes	Total
2016	$ 8,140,001	$ 10,147,678	$ 1,030,056	$ 154,528	$ 380,945	$ 512,677	$ -	$ 20,365,885
2017	11,701,687	9,968,170	952,304	165,387	381,106	536,077	-	23,704,731
2018	11,513,314	10,704,232	1,080,031	163,628	391,743	587,200	45,303	24,485,451
2019	11,403,028	11,217,176	900,895	155,791	519,663	586,965	38,726	24,822,244
2020	12,224,645	11,514,040	998,402	163,345	534,170	631,399	64,970	26,130,971
2021	14,719,692	12,438,447	1,152,391	214,997	506,042	678,415	173,510	29,883,494
2022	16,100,599	13,043,532	1,141,696	266,734	633,951	1,156,017	83,091	32,425,620
2023	16,587,257	13,755,470	1,256,488	232,561	770,144	749,580	59,758	33,411,258
2024	15,559,418	15,019,781	1,310,678	235,563	750,696	860,490	8,572	33,745,197
2025	16,364,359	16,445,724	1,173,931	217,043	705,508	840,487	131,145	35,878,197

Source: City of Hanford Finance Department

Top 25 Sales Tax Producers
As of June 30, 2025, and Ten Years Ago

2024-25		2015-16	
Taxpayers	**Business Type**	**Taxpayers**	**Business Type**
Arco AM/PM Mini Marts	Service Stations	AT & T Mobility	Miscellaneous Retail
Chevron Service Stations	Service Stations	Chevron Service Stations	Service Stations
Costco Wholesale	Department Stores	Crop Production Services	Florist/Nursery
Crop Production Services	Florist/Nursery	Foods Co.	Food Markets
First Solar	Leasing	Freeway Toyota Of Hanford	Auto Sales - New
Freeway Toyota Of Hanford	Auto Sales - New	Hanford Chrysler Dodge Jeep Ram	Auto Sales - New
Hanford Bess	Green Energy	Hanford Gas	Service Stations
Hanford Chrysler Dodge Jeep Ram	Auto Sales - New	Hanford Hyundai	Auto Sales - New
Hanford Hyundai	Auto Sales - New	Helena Industries Company	Chemical Products
Helena Industries Company	Chemical Products	Home Depot	Bldg.Matls-Retail
Herbnjoy - Mmd	Drug Stores	J C Penney Company	Department Stores
Home Depot	Bldg.Matls-Retail	Keller Motors	Auto Sales - New
In-N-Out Burgers	Restaurants	Kohl's Department Stores	Department Stores
Keller Motors	Auto Sales - New	Lawrence Tractor Services	Heavy Industry
Kohl's Department Stores	Department Stores	Lowe's Home Centers	Bldg.Matls-Retail
Lawrence Tractor Services	Heavy Industry	Marshall's Stores	Apparel Stores
Lowe's Home Centers	Bldg.Matls-Retail	Quality Machinery Center	Heavy Industry
Marshall's Stores	Apparel Stores	Ross Stores	Apparel Stores
Mcdonald's Restaurants	Restaurants	Sears Roebuck & Company	Department Stores
Ross Stores	Apparel Stores	Simplot	Food Processing Eqp
Sinclair Service Stations	Service Stations	Target Stores	Department Stores
Target Stores	Department Stores	Valero Service Stations	Service Stations
Ulta	Miscellaneous Retail	Valley Ford Lincoln Mercury	Auto Sales - New
Valley Ford Lincoln Mercury	Auto Sales - New	Viking Ready Mix Co	Bldg.Matls-Whsle
Wal Mart Stores	Department Stores	Wal Mart Stores	Department Stores

Source: MuniServices, LLC / Neumo

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten (10) Fiscal Years

Fiscal Year End	Residential Property	Commercial Property	Industrial Property	Other Property (1)	Unsecured Property	Less: Exemptions	Assessed Value	Total Direct Tax Rate (2)	Actual Taxable Value (3)	Taxable Assessed	Value as a Percentage of
2015-16	$ -	$ -	$ -	$ -	$ -	$ -	$ -	1.13927	$ -	-	-
2016-17	-	-	-	-	-	-	-	1.12922	-	-	-
2017-18	2,783,525,089	493,114,270	269,659,726	508,752,105	N/A	363,949,952	3,691,101,238	1.12180	-	-	-
2018-19	2,935,804,163	618,989,482	180,727,792	544,280,676	N/A	392,514,570	3,887,287,543	1.11679	-	-	-
2019-20	3,105,274,399	647,007,412	164,095,505	555,146,633	173,827,008	387,715,607	4,257,635,350	1.12726	-	-	-
2020-21*	3,303,584,068	595,201,875	196,957,330	545,065,531	210,480,516	397,812,626	4,453,476,694	1.12388	6,179,434,682	1.387553	72.07%
2021-22	3,439,245,034	591,513,846	207,542,829	386,937,678	194,560,522	181,073,610	4,638,726,299	1.10065	5,971,265,535	1.287264	77.68%
2022-23	3,736,548,034	600,258,781	214,282,452	575,008,635	229,719,368	441,361,676	4,914,455,594	1.10284	7,111,767,664	1.447112	69.10%
2023-24	4,066,427,682	647,434,977	221,963,517	590,350,261	360,905,703	435,786,167	5,451,295,973	1.08077	6,593,766,045	1.209577	82.67%
2024-25	4,424,366,976	712,508,624	239,422,076	616,898,600	410,593,828	523,118,886	5,880,671,218	1.08252	9,202,130,365	1.564810	63.91%

Source: County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

Table is formatted to comply with GASB No. 44 and include estimated actual value.

1.) 2024-25 Value includes state utility in the amount of $17,634,471

2.) Total direct tax rate is for TRA 2-000.

3.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

*2020-21 is the City's first ACFR Statistical publication, therefore, historical data is limited.

Direct and Overlapping Property Tax Rates
(Rate per $100 of Taxable Property)
Last Ten (10) Fiscal Years

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Basic Lew	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Hanford EL 93 GOB	0.037628	0.035433	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Hanford EL 16C BD	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.010798	0.009860	0.007687	0.007486
Hanford EL 16B BD	0.000000	0.000000	0.000000	0.000000	0.0171	0.026207	0.003109	0.008020	0.006794	0.006168
Hanford EL 98 BD	0.022953	0.019416	0.017975	0.018392	0.017350	0.016614	0.016477	0.014979	0.000000	0.000000
Hanford EL 16 BD	0.000000	0.000000	0.021672	0.013150	0.008930	0.009275	0.009021	0.008302	0.009728	0.008905
Hanford HI 10 R	0.009540	0.008344	0.008064	0.008234	0.007731	0.007221	0.006449	0.006862	0.000000	0.000000
Hanford HI 98 B	0.013678	0.012028	0.011343	0.011780	0.011000	0.010566	0.010136	0.009644	0.008166	0.000000
Hanford HI 98 C	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Hanford HI 14 REF GOB	0.002899	0.002581	0.002460	0.002509	0.002211	0.002144	0.002009	0.001863	0.005645	0.003894
Hanford HI 04 A	0.030043	0.029459	0.028500	0.023573	0.023189	0.023042	0.023370	0.022949	0.020446	0.026335
Hanford HI 04 B	0.002224	0.001763	0.001785	0.001801	0.001564	0.001454	0.001366	0.001325	0.001137	0.001006
Hanford HI 16 A	0.000000	0.000000	0.000000	0.007351	0.008184	0.005545	0.002542	0.003053	0.002246	0.003053
Hanford HI 16 B	0.000000	0.000000	0.000000	0.000000	0.000000	0.001810	0.000369	0.000987	0.000755	0.001676
Hanford HI GOB 16-C	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.003164	0.008992
COS/ HFD 06- A&B GOB	0.020300	0.020200	0.009800	0.015600	0.015000	0.020000	0.015000	0.015000	0.015000	0.000000
COS/ HFD 06- C GOB	0.000000	0.000000	0.020200	0.014400	0.015000	0.000000	0.000000	0.000000	0.000000	0.015000
Overlapping Rates	0.139265	0.129224	0.121799	0.116790	0.127255	0.123878	0.100646	0.102844	0.080768	0.082515
Total Tax Rates	1.139265	1.129224	1.121799	1.116790	1.127255	1.123878	1.100646	1.102844	1.080768	1.082515

Source: County Auditor/Controller data, MuniServices, LLC / Neumo
TRA 2-000 is represented for this report.

Principal Property Taxpayers
As of June 30, 2025, and Ten Years Ago

	2024-25		2015-16	
Taxpayer	**Taxable Value ($)**	**Percent of Total City Taxable Value (%)**	**Taxable Value ($)**	**Percent of Total City Taxable Value (%)**
Faraday & Future Inc.	$ 90,536,790	1.54%		
Hanford Mill	45,079,990	0.77%		
Tessenderlo Kerley Inc.	43,171,459	0.73%	$ 42,101,290	1.32%
Edgewater Isle Apartments LLC	35,453,292	0.60%		
Marquez Brothers Hanford Cheese Plant	32,798,800	0.56%		
545 Centennial Lp	29,346,581	0.50%		
Wal-Mart Real Estate Business Trust	27,595,773	0.47%	24,533,760	0.77%
Bels Poultry LLC	26,091,332	0.44%	14,881,987	0.47%
Costco Wholesale Corporation	24,575,897	0.42%		
10701 Idaho Owner LLC	23,500,000	0.40%		
Hood Packaging Corp	21,952,638	0.37%		
Forebay Farms LLC	20,420,759	0.35%		
3902 Annadale Lane Lp	20,162,594	0.34%		
Marquez Investment Group LLC	18,399,789	0.31%	15,400,801	0.48%
Target Corporation	18,397,962	0.31%	13,819,578	0.43%
ARHC AhhfdCA01 LLC	17,674,271	0.30%	12,299,800	0.38%
Family Healthcare Network	16,458,753	0.28%		
Keller, Jon & Valerie Rev Trust	15,170,787	0.26%	12,610,316	0.39%
Centennial Capital L P	14,733,148	0.25%	13,158,500	0.41%
Lowes HIW Inc.	14,637,030	0.25%	17,493,802	0.55%
Berkshire Crossing LLC	14,326,797	0.24%		
SNR 27 The Remington Owner LLC	14,127,670	0.24%		
River Oaks Holdings LLC	13,492,106	0.23%	11,061,480	0.35%
Centennial-Hanford Center II LLC	12,544,635	0.21%	10,646,523	0.33%
361 E Grangeville Blvd LLC	12,467,868	0.21%		
Passco Hanford Mall LLC			36,597,143	1.14%
Wasatch Pool Holdings LLC			29,636,528	0.93%
Exopack LLC			11,782,873	0.37%
Cappo Real Estate Holdings LLC			11,406,253	0.36%
HD Development Of Maryland Inc			10,013,852	0.31%
Hanford Retirement Residence Ltd			8,882,393	0.28%
Els Properties Corporation			7,895,000	0.25%
Forever 21 Real Estate Holdings LLC			7,782,207	0.24%
Olam West Coast Inc			7,390,295	0.23%
Kings Residential Limited Partnership			7,270,225	0.23%
Calcot Ltd			6,818,022	0.21%
Realty Income Properties 23 LLC			6,814,686	0.21%
Helena Chemical Company			6,443,046	0.20%
Sears Roebuck And Co Lessee			6,425,541	0.20%
Total Top 25 Taxpayers	623,116,721	10.58%	353,165,901	11.04%
Total Taxable Value	5,880,671,218	100.00%	3,200,037,314	100.00%

Source: County Assessor data, MuniServices, LLC / Neumo
Note: 2015-16 represents Secured data only. Unsecured data: N/A

Property Tax Levies and Collections
Last Ten (10) Calendar Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy: Current Tax Collections	Collected within the Fiscal Year of the Levy: Percent of Current Taxes Collected	Collections in Subsequent Years*	Total Collections to Date: Amount	Total Collections to Date: Percentage of Levy
2016	$ 4,582,852	$ 4,569,373	99.7%	$ 61,312	$ 4,630,685	101.0%
2017	4,864,505	4,806,803	98.8%	74,190	4,880,993	100.3%
2018	5,177,210	5,060,767	97.8%	86,163	5,146,930	99.4%
2019	5,463,608	5,329,166	97.5%	72,637	5,401,803	98.9%
2020	5,796,254	5,371,270	92.7%	73,483	5,444,753	93.9%
2021	6,077,811	5,974,756	98.3%	43,620	6,018,376	99.0%
2022	6,316,730	6,307,520	99.9%	114,020	6,421,540	101.7%
2023	6,698,385	6,529,976	97.5%	168,330	6,698,306	100.0%
2024	7,503,825	6,942,300	92.5%	124,281	7,066,581	94.2%
2025	7,990,932	7,846,236	98.2%	127,558	7,973,794	99.8%

Source: Kings County Property Tax Division

* Subsequent collections may include amounts related to prior fiscal periods, as the County does not provide property tax collection detail by levy year.

Assessed Value of Property by Use Code
Last Eight (8) Fiscal Years

Category	2017-18	2018-19	2019-20
Residential	$ 2,770,795,326	$ 2,935,804,163	$ 3,105,274,399
Commercial	584,514,310	618,989,482	647,007,412
Institution	260,490,264	262,841,798	265,695,795
Industrial	174,965,382	180,727,792	164,095,505
Professional	143,476,958	157,209,582	164,062,839
Agricultural	39,328,210	44,504,943	54,144,413
Vacant	14,992,337	20,844,947	20,914,525
Miscellaneous	13,564,257	14,317,952	17,663,084
Unitary	37,802,543	28,502,543	17,502,543
Unknown	565,393	558,878	28,945
Recreation	6,840,139	6,948,353	7,008,610
Transportation	5,140,280	5,317,392	5,465,167
Manufacturing	2,558,841	2,591,251	2,643,076
Government	16,950	643,037	17,636
Gross Secured Value	4,055,051,190	4,279,802,113	4,471,523,949
Unsecured	N/A	N/A	173,827,008
Exemptions	363,949,952	392,514,570	387,715,607
Net Taxable Value	$ 3,691,101,238	$ 3,887,287,543	$ 4,257,635,350

Source: County Assessor data, MuniServices, LLC / Neumo
Use code categories are based on County Assessor's data

Assessed Value of Property by Use Code (Continued)
Last Eight (8) Fiscal Years

2020-21	2021-22	2022-23	2023-24	2024-25
$ 3,303,584,068	$ 3,439,245,034	$ 3,736,548,034	$ 4,066,427,682	$ 4,424,366,976
595,201,875	591,513,846	600,258,781	647,434,977	712,508,624
270,104,292	110,839,263	270,904,019	248,596,282	265,216,484
196,957,330	207,542,829	214,282,452	221,963,517	239,422,076
171,077,019	152,716,479	179,659,340	190,079,979	212,770,584
39,038,322	53,375,249	55,327,923	46,591,484	40,874,014
16,904,742	18,955,327	34,327,433	45,546,300	33,383,725
15,088,912	15,429,051	100,956	17,129,784	19,698,955
15,602,543	14,534,471	-	15,834,471	17,634,471
451,243	6,819,191	17,464,896	8,830,158	9,030,228
7,257,204	5,518,186	7,387,479	7,162,119	7,344,808
6,845,317	6,026,595	7,058,248	7,129,783	7,270,121
2,695,937	2,723,866	2,778,341	3,449,901	3,675,210
-	-	-	-	-
4,640,808,804	4,625,239,387	5,126,097,902	5,526,176,437	5,993,196,276
210,480,516	194,560,522	229,719,368	360,905,703	410,593,828
397,812,626	181,073,610	441,361,676	435,786,167	523,118,886
$ 4,453,476,694	$ 4,638,726,299	$ 4,914,455,594	$ 5,451,295,973	$ 5,880,671,218

Ratios of Outstanding Debt by Type
Last Ten (10) Fiscal Years

	Governmental Activities				Business-Type Activities							
Fiscal Year	Pension Obligation Bonds	Lease Payable	SBITA Payable	Notes Payable	Pension Obligation Bonds	Revenue Bonds	Notes Payable	Finance Purchase Agreements	Lease Payable	Total Primary Government	Percentage of Personal Income	Per Capita[1]
2016	$ -	$ -	$ -	$ 246,450	$ -	$25,455,000	$ 6,845,590	$11,293,114	$ -	$ 43,840,154	0.81%	$ 789
2017	-	-	-	246,450	-	24,055,000	6,519,159	10,748,627	-	41,569,236	0.74%	739
2018	-	-	-	-	-	22,605,000	6,181,303	10,015,715	-	38,802,018	0.67%	681
2019	-	-	-	-	-	21,110,000	5,831,622	9,210,709	-	36,152,331	0.61%	626
2020	-	-	-	-	-	19,560,000	5,469,703	8,610,970	-	33,640,673	0.55%	580
2021	-	-	-	-	-	17,945,000	5,095,115	7,936,377	-	30,976,492	0.49%	527
2022	26,506,940	67,378	-	-	4,439,060	16,826,425	4,707,418	7,181,833	-	59,729,054	0.92%	1,023
2023	25,460,230	34,041	353,827	-	4,263,770	15,013,118	4,306,151	6,341,947	-	55,773,084	0.84%	942
2024	23,922,715	638,867	178,371	-	4,006,284	13,134,811	3,890,840	5,411,024	20,742	51,203,654	1.05%	855
2025	22,129,180	1,160,951	929,308	-	4,046,820	11,181,504	3,460,993	4,383,040	15,758	47,307,554	0.92%	773

Note:

Details regarding the government's outstanding debt can be found in the notes to the financial statements.

[1] See the Schedule of Demographic and Economic Statistics for personal income and population

Source: City of Hanford Finance Department

Ratios of General Bonded Debt Outstanding
Last Ten (10) Fiscal Years

Fiscal Year	Pension Obligation Bonds	Revenue Bonds	Total	Percentage of Estimated Actual Taxable Value of Property[1]	Per Capita[2]
2016	$ -	$ 26,451,303	$ 25,455,000	0.80%	$ 362.73
2017	-	24,977,960	24,055,000	0.72%	342.78
2018	-	23,454,653	22,605,000	0.63%	322.11
2019	-	21,886,346	21,110,000	0.56%	300.81
2020	-	20,263,039	19,560,000	0.49%	278.72
2021	-	18,574,732	17,945,000	0.43%	255.71
2022	26,506,940	21,265,485	47,216,000	1.01%	672.81
2023	25,460,230	19,276,888	44,254,000	0.89%	630.61
2024	23,922,715	13,134,811	40,654,000	0.74%	579.31
2025	22,129,180	11,181,504	33,310,684	0.56%	543.95

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for the property value data.

[2] Population data can be found in the schedule of Demographic and Economic Statistics page

Source: City of Hanford Finance Department

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Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

2024-2025 Assessed Valuation $ 5,927,348,946

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Debt 6/30/25	Percent Applicable (1)	Debt 6/30/25
College of the Sequoias Hanford Campus Improvement District No. 1	$ 12,272,888	67.468%	$ 8,280,272
Hanford Joint Union High School District	53,754,955	67.468%	36,267,393
Armona School District	11,838,712	32.950%	3,900,856
Hanford School District	28,960,000	97.871%	28,349,234
Pioneer Union School District	10,913,571	86.086%	9,395,057
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			$ 86,192,812
DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Kings County General Fund Obligations	$ 5,165,000	37.655%	$ 1,944,881
Hanford Joint Union High School District Certificates of Participation	17,225,000	67.468%	11,621,363
Kings River Hardwick Union School District Certificates of Participation	3,780,000	21.843%	825,665
Pioneer Union School District Certificates of Participation	4,545,000	86.086%	3,912,609
City of Hanford Pension Obligations Bonds	22,129,180	100.000%	22,129,180
City of Hanford Lease payable	1,160,951	100.000%	1,160,951
City of Hanford SBITA payable	929,308	100.000%	929,308
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			$ 42,523,957
OVERLAPPING TAX INCREMENT DEBT:			
TOTAL DIRECT DEBT			24,219,439
TOTAL OVERLAPPING OBLIGATION DEBT			104,497,330
COMBINED TOTAL DEBT			$ 128,716,769 (2)

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2024-25 Assessed Valuation:

Total Overlapping Debt (excluding tax increment).....	1.45%
Total Direct Debt ($24,219,439)	0.44%
Combined Total Debt (excluding tax increment).....	2.20%

AB: ($600)

Source: California Municipal Statistics and City of Hanford Finance Department

Computation of Legal Debt Margin
Last Ten (10) Fiscal Years

Fiscal Year	2016	2017	2018	2019
Assessed valuation	$ 3,188,163,290	$ 3,353,705,246	$ 3,582,257,800	$3,775,010,700
Conversion percentage	25%	25%	25%	25%
Adjusted assessed value	$ 797,040,823	$ 838,426,312	$ 895,564,450	$ 943,752,675
Debt limit percentage	15%	15%	15%	15%
Debt limit	$ 119,556,123	$ 125,763,947	$ 134,334,668	$ 141,562,901
Total net debt applicable to limit:				
General obligation bonds	$ -	$ -	$ -	$ -
Legal debt margin	$ 119,556,123	$ 125,763,947	$ 134,334,668	$ 141,562,901
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Source: Kings County Auditor-Controller Property Tax Division

Note:
The government code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel in now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Computation of Legal Debt Margin (Continued)
Last Ten (10) Fiscal Years

2020	2021	2022	2023	2024	2025
$ 4,005,538,197	$ 4,203,023,242	$ 4,676,333,377	$ 4,952,642,565	$ 5,484,273,569	$ 5,913,290,523
25%	25%	25%	25%	25%	25%
$ 1,001,384,549	$ 1,050,755,811	$ 1,169,083,344	$ 1,238,160,641	$ 1,371,068,392	$ 1,478,322,631
15%	15%	15%	15%	15%	15%
$ 150,207,682	$ 157,613,372	$ 175,362,502	$ 185,724,096	$ 205,660,259	$ 221,748,395
$ -	$ -	$ 26,506,940	$ 25,460,230	$ 23,922,715	$ 22,421,174
$ 150,207,682	$ 157,613,372	$ 148,855,562	$ 160,263,866	$ 181,737,544	$ 199,327,221
0.00%	0.00%	15.12%	13.71%	11.63%	10.11%

Pledged Revenue Coverage
Last Ten (10) Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	2016	2017	2018	2019
Wastewater:				
Revenues	$ 7,061,335	$ 6,596,108	$ 7,159,145	$ 6,712,173
Less: Operating Expenses	(2,826,302)	(3,299,395)	(3,616,935)	(3,356,489)
Net Available Revenue	4,235,033	3,296,713	3,542,210	3,355,684
Water:				
Revenues	7,781,934	10,069,044	10,847,684	10,746,302
Less: Operating Expenses	(4,619,316)	(4,727,413)	(4,421,848)	(4,419,503)
Net Available Revenue	3,162,618	5,341,631	6,425,836	6,326,799
Total Utility Systems Revenues	14,843,269	16,665,152	18,006,829	17,458,475
Less: Total Utility Systems Operating Expenses	(7,445,618)	(8,026,808)	(8,038,783)	(7,775,992)
Total Utility Systems Net Revenue Available	$ 7,397,651	$ 8,638,344	$ 9,968,046	$ 9,682,483
Debt Service Requirements	$ 2,358,656	$ 2,355,806	$ 2,362,131	$ 2,357,406
Coverage	3.14	3.67	4.22	4.11

Note: Excludes depreciation and amortization

Pledged Revenue Coverage (Continued)
Last Ten (10) Fiscal Years
(modified accrual basis of accounting)

2020	2021	2022	2023	2024	2025
$ 6,592,213	$ 6,488,656	$ 7,134,563	$ 6,832,219	$ 8,271,634	$ 11,355,002
(3,337,601)	(3,688,293)	(3,501,738)	(4,827,492)	(7,060,278)	(7,917,309)
3,254,612	2,800,363	3,632,825	2,004,727	1,211,356	3,437,693
11,179,262	12,307,644	12,413,643	11,541,239	14,062,877	18,280,875
(4,949,316)	(4,983,238)	(5,638,433)	(8,072,888)	(7,446,299)	(10,423,220)
6,229,946	7,324,406	6,775,210	3,468,351	6,616,578	7,857,655
17,771,475	18,796,300	19,548,206	18,373,458	22,334,511	29,635,877
(8,286,917)	(8,671,531)	(9,140,171)	(12,900,380)	(14,506,577)	(18,340,529)
$ 9,484,558	$ 10,124,769	$ 10,408,035	$ 5,473,078	$ 7,827,934	$ 11,295,348
$ 2,354,131	$ 2,354,756	$ 2,351,881	$ 2,351,635	$ 2,343,188	$ 2,344,363
4.03	4.30	4.43	2.33	3.34	4.82

Demographic and Economic Statistics
Last Ten (10) Fiscal Years

Fiscal Year	Population [1]	Personal Income [2]	Per Capita Personal Income [2]	City Unemployment Rate [3]	County Unemployment Rate [3]	County Population	School Enrollment	Median Age
2016	56,192	$ 1,764,934,528	$ 31,409	8.5%	8.8%	149,042	9,662	31.5
2017	57,011	1,796,302,588	31,508	5.9%	8.1%	148,731	9,753	31.4
2018	57,915	1,840,828,275	31,785	5.0%	6.9%	150,807	9,775	31.9
2019	58,742	1,905,590,480	32,440	5.1%	6.8%	152,762	9,934	32.9
2020	58,121	1,911,192,843	32,883	14.5%	15.2%	152,486	9,944	32.9
2021	58,627	2,101,895,204	35,852	8.0%	9.7%	150,750	9,746	33.5
2022	58,312	2,295,218,632	39,361	5.0%	6.2%	151,494	9,688	33.4
2023	58,893	2,703,814,733	45,911	6.3%	8.0%	151,018	9,762	32.8
2024	59,286	3,041,599,458	51,304	6.0%	7.4%	152,327	9,748	32.5
2025	61,238	5,577,348,831	91,077	7.0%	8.6%	154,015	9,701	32.6

Sources: MuniServices, LLC / Neumo

(1) State of California Department of Finance.

(2) U.S. Census Bureau, adjusted for inflation.

(3) State of California Employment Development Department.

(4) Student Enrollment reflects the total number of students enrolled in the Hanford Elementary and Hanford Joint Union High School Dis

Principal Employers
Current Fiscal Year and Ten Years Ago

	2025			2021*		
Business Name	Employees	Rank	Percentage of total City Employment	Employees	Rank	Percentage of total City Employment
Adventist Health Hanford Hospital	1,713	1	6.72%	1,340	1	5.43%
Central Valley Meat Co	822	2	3.22%	1,025	2	4.15%
Del Monte Foods Co (a)	750	3	2.94%	1,015	3	4.11%
Hanford Elementary School District	734	4	2.88%	563	4	2.28%
Hanford Joint Union High School District	472	5	1.85%	335	5	1.36%
Walmart Supercenter	412	6	1.62%	348	6	1.41%
City of Hanford	306	7	1.20%	298	7	1.21%
Costco Wholesale	255	8	1.00%			
Marquez Brothers International	230	9	0.90%	225	8	0.91%
College of the Sequoias	183	10	0.72%	869	9	3.52%
Kings County Administration				716	10	2.90%
	5,877		23.05%	6,734		27.28%
Total City Labor Force [(1)]	25,500			24,700		

Source: MuniServices, LLC/ Neumo
[1] Total City Labor Force provided by EDD Labor Force Data

Notes:
Results based on direct correspondence with city's local businesses.
(a) Del Monte Foods Co will shut down operations as of 9/26/2025.
*FY2021 is the City's first ACFR Statistical section. FY2016 historical data is unavailable.

Full-Time Equivalents City Government Employees by Function
Last Ten (10) Fiscal Years

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function										
Administration										
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Admin Assist	-	-	-	-	1.00	-	-	-	-	
Community Relations Manage	-	-	-	-	-	-	-	1.00	1.00	1.00
Finance	11.00	13.00	13.00	14.00	14.00	16.00	16.00	18.00	18.00	18.00
Human Resources	3.00	3.00	3.00	3.00	4.00	5.00	5.00	5.00	5.00	5.00
Information Technology	1.00	1.00	1.00	1.00	2.00	2.00	2.00	3.00	3.00	3.00
Public safety										
Animal Control	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Police Officers	56.00	57.00	57.00	59.00	60.00	65.00	65.00	64.00	64.00	64.00
Police Support	23.00	21.00	21.00	25.00	26.00	25.00	25.00	25.00	25.00	25.00
Fire Admin/Suppression	31.00	31.00	31.00	34.00	34.00	34.00	34.00	32.00	32.00	32.00
Fire Prevention	1.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00	1.00	1.00
Community Development										
Planning	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Community Enhancement	2.00	1.00	1.00	1.00	1.00	2.00	2.00	4.00	4.00	4.00
Building and Safety	4.00	5.00	5.00	5.00	5.00	6.00	6.00	8.00	8.00	8.00
Public Housing	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
:es										
Parks and Recreation	17.00	17.00	17.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Building Maintenance	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Public Works										
Public Works	63.00	67.00	67.00	73.00	73.00	79.00	79.00	82.00	82.00	82.00
Street Maintenance	10.00	11.00	11.00	11.00	11.00	11.00	11.00	10.00	10.00	10.00
Wastewater	18.00	16.00	16.00	16.00	15.00	15.00	15.00	16.00	16.00	17.00
	256.00	262.00	262.00	279.00	283.00	298.00	298.00	305.00	305.00	306.00

Source: City of Hanford Human Resources

Source: City of Hanford Human Resources

City of Hanford

Operating Indicators by Function
Last Ten (10) Fiscal Years

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function										
Police										
Calls for service	40,982	39,921	40,924	41,885	45,613	42,938	42,971	44,989	46,975	47,298
Incidents created by Officers	191,180	19,688	17,700	17,498	17,783	17,540	15,366	23,407	15,276	17,099
Physical arrests	3,136	2,652	2,698	3,015	3,073	2,851	3,128	3,201	2,767	2,533
Citations issued by Officers	5,116	4,967	3,886	3,466	4,369	4,669	3,276	4,295	3,371	1,832
Fire										
Total number of calls for service	5,490	5,695	6,296	6,433	6,460	6,382	6,526	6,109	6,428	6,593
% of calls for medical aid	65.88%	63.39%	56.78%	59.26%	55.11%	61.36%	59.81%	57.59%	56.39%	56.32%
Number of fires extinguished	183	166	197	171	232	250	262	247	269	395
Parks										
Park shelter rentals at various citywide parks	787	750	742	689	768	105	377	514	404	364
Amount of rentals	259	226	240	277	251	150	159	186	132	468
Number of programs(Children)	6	6	6	6	7	6	6	6	6	4
Number of programs(Adults)	6	6	7	7	7	7	7	7	7	7
Building Permits										
Residential	1,862	1,836	1,690	1,865	2,156	2,629	3,037	3,045	3,061	2,918
Commercial	199	223	176	161	163	170	165	199	276	284
Public Works										
Permits Issued	454	509	441	600	777	721	494	494	468	515
Waste Collected										
Trash (Tons)	25,657	26,060	24,867	27,189	29,144	29,875	29,518	30,266	30,119	29,464
Recyclables (Tons)	3,459	3,763	3,557	3,927	3,764	4,200	5,445	5,445	5,317	5,387
Green Waste (Tons)	822	8,482	6,840	8,022	8,412	8,489	8,679	9,781	10,196	9,622
Miles of Street	219	222	222	225	225	225	231	231	231	231
Street Resurfacing (SF)	1,115,145	3,076,317	3,985,300	4,955,315	3,240,413	2,735,044	1,791,202	633,600	971,492	972,000
Crack Sealant Applied (Lbs)	34,475	32,795	32,235	87,150	92,058	17,640	14,366	19,740	5,600	1,310
Curb and Gutter (LF)	N/A	60	157	1,684	248	60	194	80	247	1,899
Sidewalk (SF)	1,222	2,759	3,646	5,537	3,688	2,261	8,224	6,030	4,124	3,963
ADA Ramps	3	10	10	13	12	1	8	8	6	6
Deep Patching (SF)	22,080	7,266	7,416	4,150	2,089	7,663	60,177	84,194	56,091	56,091
Leaf Pick Up (Tons)	658	665	1,304	1,455	641	N/A	N/A	N/A	N/A	N/A
Signal Calls	415	520	438	464	524	541	496	512	361	460
Signal PM	47	48	47	47	51	51	51	51	73	34
Signs Maintained	180	580	991	996	916	703	804	790	414	409
Sanitary Sewers (Miles)	218	220	220	220	227	227	227	227	231	237
Storm Water Drains Installed (Miles)	64.91	65.00	65.42	66.09	66.58	69.25	71.28	2.03	0.36	1.80
Water Mains Installed (Miles)	218.65	220.52	221.27	223.20	225.00	233.15	239.72	5.30	1.07	3.50
Fire Hydrants Installed	2,084	2,094	2,104	2,127	2,142	2,193	2,248	55	15	31
Water Conservation										
Notices Issued	2,107	2,272	398	506	376	1,260	910	510	906	567
Citations Issued	580	456	44	30	29	115	148	81	98	41
Average Daily Treatment of Wastewater (million gallons)	4.4	4.3	4.4	4.4	4.4	4.4	4.7	4.9	5.3	5.8
Average Daily Water Consumption (gallons)	9,740,129	9,254,181	9,955,877	10,404,927	10,688,820	11,171,794	10,296,418	9,972,162	10,307,288	10,328,410

Capital Asset Statistics by Function
Last Ten (10) Fiscal Years

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function										
General Government:										
Number of general government buildings	3	3	3	3	3	3	3	3	3	3
Public Safety:										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Number of fire stations	2	2	2	2	3	3	3	3	3	3
Public Works:										
Number of public works buildings	12	12	12	13	13	13	13	13	13	16
Miles of streets	219	222	222	225	225	225	231	231	231	231
Miles of sanitary sewers	218	220	220	220	227	227	227	227	231	237
Miles of storm water drains	58	58	59	59	60	62	64	65	67	69
Recreation and Parks:										
Number of parks and recreation facilities*	26	26	26	26	27	27	27	28	29	29
Acres of parks*	84	84	84	84	87	87	87	90	96	116
Water										
Miles of water mains	206	208	208	210	212	218	223	224	229	233
Number of fire hydrants**									2,583	2,614

* Does not include leased properties

** Did not start tracking until 2024

Sources: City of Hanford Finance Department

City of Hanford

Measure H:
City of Hanford Sales and Use Tax Accountability Measures

Independent Accountant's Report

For the year ended June 30, 2025

RAMS
CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountant's Report

To the City Council
City of Hanford, California

We have performed the procedures enumerated below on the revenues and expenditures associated with the City of Hanford's Measure H Sales and Use Tax for the fiscal year ended June 30, 2025. Management of the City of Hanford is responsible for the administration of the Measure H Sales and Use Tax.

Management of the City of Hanford has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the Sales Tax Oversight Board, as established by Ordinance 2024-10 *City of Hanford Sales and Use Tax Accountability Measures*. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. Obtain and evaluate revenue reports from the City's general ledger for the Measure H Fund for July 1 to the following June 30 of fiscal year 2025. Evaluate the supporting journal entries to ensure that the City properly recorded the receipts of the voter approved sales and use tax.

   Results: Revenues appear properly recorded.

2. Obtain and evaluate expenditure reports from the City's general ledger for the Measure H fund for July 1 to the following June 30 of fiscal year 2025. Select a sample of expenditure transactions for review and determine whether the expenditures were reasonable as they relate to the applicable uses of Measure H funds and are consistent with the adopted budget.

   Results: Expenditures appear reasonable in relation to the applicable uses of Measure H funds. The Measure H Fund adopted budget was established and implemented in fiscal year 2026, although some expenditures related to Measure H programs were budgeted in the General Fund in fiscal year 2025.

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We were engaged by management of the City of Hanford to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the revenues and expenditures associated with the City of Hanford's Measure H Sales and Use Tax for the year ended June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of management of the City of Hanford and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council, management of the City of Hanford and the Sales Tax Oversight Board and is not intended to be and should not be used by anyone other than these specified parties. However, this limitation is not meant to limit the distribution of this report which is a matter of public record.

Very truly yours,

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 17, 2025

City of Hanford
Measure H Fund
Schedule of Revenues and Expenditures
For the year ended June 30, 2025

REVENUES	
Taxes and special assessments	$ 3,388,557
Revenue from use of money and property	9,184
Total revenues	3,397,741
EXPENDITURES	
Current:	
General government	86
Total expenditures	86
Excess (deficiency) of revenues over (under) expenditures	3,397,655
OTHER FINANCING SOURCES (USES)	
Transfers out to General Fund	(143,750)
Total other financing sources (uses)	(143,750)
Net change in fund balance	3,253,905
FUND BALANCE	
Beginning of year	-
End of year	$ 3,253,905

See accompanying Independent Accountant's Report

RAMS
CERTIFIED PUBLIC ACCOUNTANTS

December 17, 2025

To the Honorable City Council
City of Hanford, California

We have audited the financial statements of the City of Hanford (the City) as of and for the year ended June 30, 2025, and have issued our report thereon dated December 17, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated March 19, 2025, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of the system of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

We have evaluated whether certain nonattest services performed by our firm during the audit have created a significant threat to our independence in relation to the City. We have identified a threat to our independence (preparation of the City's financial statements, creating a self-review threat) that if not reduced to an acceptable level, would impair our independence. In order to reduce the threat to an acceptable level, we have applied the following safeguard:

> Prior to the issuance of the City's financial statements, another partner or manager, independent of the engagement, will review the financial statements.

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Significant Risks Identified

We have identified the possibility of the following significant risks:

> *Management's override of internal controls over financial reporting* – Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.
>
> *Revenue recognition* – Revenue recognition is a generally accepted accounting principle that refers to the conditions under which a City can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

Qualitative Aspects of the City's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. The City adopted GASB Statement No. 101, *Compensated Absence*, and GASB Statement No. 102, *Certain Risk Disclosures* during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates and Related Disclosures

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the City's financial statements are:

> Management's estimate of the net pension liability and related deferred inflows and outflows of resources are based on actuarial reports by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.
>
> Management's estimate of the liability for other post-employment benefits (OPEB) and related deferred inflows and outflows of resources are based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users.

The most sensitive disclosures affecting the City's financial statements relate to:

> The disclosure of net pension liability and related deferred inflows and outflows of resources in the basic financial statements is based on actuarial assumptions. Actual future liabilities and actuarial deferred inflows and outflows may vary from disclosed estimates.
>
> The disclosures of the other post-employment benefits (OPEB) liability and related deferred inflows and outflows of resources in the basic financial statements is based on actuarial assumptions. Actual future liabilities and actuarial deferred inflows and outflows may vary from disclosed estimates.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements noted.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Attachment A reflects all material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated December 17, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the City, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the City's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

> Read the transmittal letter and statistical section and considered whether a material inconsistency existed between the other the information and the basic financial statements, or the other information otherwise appears to be materially misstated. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Rogers, Anderson, Malody & Scott, LLP.

Attachment A

Adjusting Journal Entries

Adjusting Journal Entries JE # 101

PPA for POB reallocation from general fund

0340-0340-360000	FUND BALANCE AVAILABLE	311,549.89	
0340-0340-945000	TRANSFERS OUT		311,549.89
Total		**311,549.89**	**311,549.89**

Adjusting Journal Entries JE # 102

To reverse accrued interest in the General Fund

0001-0001-315000	INTEREST PAYABLE	77,501.00	
0001-0001-796000	INTEREST EXPENSE		77,501.00
Total		**77,501.00**	**77,501.00**

HANFORD
CALIFORNIA

December 17, 2025

Rogers, Anderson, Malody & Scott, LLP

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hanford (the entity) which compromise the statement of financial position as of June 30, 2025, and the respective change in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements of the various opinion units are presented fairly, in all material respects, in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 17, 2025:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 19, 2025, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- The financial statements refer to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and noted to the basic financial statements.
- We acknowledge our responsibility for the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- The methods, data and significant assumptions used by us in making accounting estimates and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.
- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

- All component units, as well as joint ventures with an equity interest, if any, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments,* GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus as amended*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- Nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements and the effects of material adjustments are summarized in the attached schedule.
- We have evaluated all of our lease and subscription agreements and have given you our assessment as to whether each agreement is subject to GASB Statement No. 87, *Leases* and GASB Statement No. 96*, Subscription Based Information Technology Arrangements.*
- With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
  - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With regard to pensions and OPEB:
  - We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.

  - Increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation, or disclosed as a subsequent event.

- We have conducted a comprehensive risk assessment and disclosed all material concentrations and constraints in accordance with GASB Statement No. 102, *Certain Risk Disclosures*. These disclosures provide sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact associated with the concentration or constraint, if applicable.
- We have evaluated the concentrations and constraints, including those that occur subsequent to the statement of net position date but before the financial statements are issued and have been properly disclosed in the financial statements as subsequent events.
- With respect to preparation of the financial statements, we have performed the following:
  - Made all management decisions and performed all management functions;
  - Assigned a competent individual to oversee the services;
  - Evaluated the adequacy of the services performed;
  - Evaluated and accepted responsibility for the result of the service performed; and
  - Established and maintained internal controls, a process to monitor the system of internal controls.
- There have been no changes or updates to legal information disclosed to you by our attorney(s) since the date of such legal response and now.

Information Provided

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - A written acknowledgement of all the documents that we expect to issue that will be included in the annual report and the planned timing and method of issuance of that annual report;
- The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
- All information provided in electronic form are true representations of the original documents.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, concentrations and constraints, and we believe that our use of the going concern basis of accounting is appropriate.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other

instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), analysts, regulators, or others.

- We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- We have a process to track the status of audit findings and recommendations.
- We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62

  - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Use of a Specialist

- We agree with the findings of specialists in evaluating the entity's net pension and net other post-employment benefit liabilities and related deferred amounts and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

Cybersecurity

- There have been no cybersecurity breaches or other cyber events whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency, or otherwise considered when preparing the financial statements.

Supplementary Information in Relation to the Financial Statements as a Whole

With respect to supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America.
- We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
- When the supplementary information is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
- We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

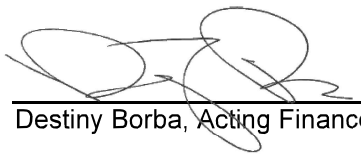
Required Supplementary Information

With respect to the required supplementary information accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
- We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

Accounting Estimates and Related Disclosures

- The significant judgments made in making the accounting estimates have taken into account all relevant information of which we are aware.
- We have consistently and appropriately selected and applied methods, assumptions, and data when making accounting estimates.
- The assumptions we used in making and disclosing accounting estimates appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity, when relevant to the accounting estimates and disclosures.
- The disclosures related to accounting estimates, including those disclosures describing estimation uncertainty, are complete and are reasonable in the context of the applicable financial reporting framework.
- We have obtained and applied appropriate specialized skills and expertise in making accounting estimates, if needed.
- We are not aware of any events subsequent to the date of the financial statements that require adjustment to our accounting estimates and related disclosures included in the financial statements.



Destiny Borba, Acting Finance Director

Attachment A

Adjusting Journal Entries JE # 101
PPA for POB reallocation from general fund

0340-0340-360000	FUND BALANCE AVAILABLE	311,549.89	
0340-0340-945000	TRANSFERS OUT		311,549.89
Total		**311,549.89**	**311,549.89**

Adjusting Journal Entries JE # 102
To reverse accrued interest in the General Fund

0001-0001-315000	INTEREST PAYABLE	77,501.00	
0001-0001-796000	INTEREST EXPENSE		77,501.00
Total		**77,501.00**	**77,501.00**

RAMS
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Honorable City Council
City of Hanford, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hanford (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 17, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Tel. 909-889-0871 | www.ramscpa.net | 735 E. Carnegie Dr. Suite 100, San Bernardino, CA 92408

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 17, 2025

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the Minutes of the October 21, 2025 Meeting

RECOMMENDATION:

Recommended: Approve the minutes of the October 21, 2025 meeting.

BACKGROUND:

FISCAL IMPACT:

ATTACHMENTS:
1. October 21, 2025 Meeting Minutes

City Council Regular Meeting
Minutes
October 21, 2025 7:00 PM
Council Chambers
400 N. Douty St.

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

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

ROLL CALL BY THE CITY CLERK:

Present:	Absent:
Council Member Mark Kairis Council Member Travis Paden Council Member Kimber Regan Council Member Nancy Howze	Council Member Lou Martinez

PUBLIC COMMENT:

Study Sessions are considered Special Meetings under the Brown Act. Accordingly, comments from the public are limited to items listed on the agenda (GC 54954.3a). Public Comment will be accepted during each agenda item. A maximum of ***three minutes*** *is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

Judy Scott commented on the softball complex and suggested raising only the out-of-town fees. She also commented on the Civic Park hardscape project and spoke in favor of hardscaping the area in question.

Bob Ramos suggested mimicking Visalia's fees for field usage. He also commented on the hardscape project and suggested artificial turf for the ice rink area in Civic Park.

Valerie Castles commented on the Civic Park ice rink area.

STUDY SESSION:

A. New Employee Introduction – Kaitlin Rowley, Associate Surveyor; Adrian Rubalcaba, Senior Engineer; and Stephan Haro, Senior Building Maintenance Technician

Utilities and Engineering Director Frank Senteno introduced new employees, Associate Surveyor Kaitlin Rowley, and Senior Engineer Adrian Rubalcaba. Public Works Director Russ Sterling provided a bio and background for Senior Building Technician Stephan Haro (he was not in attendance).

B. Hanford Softball Complex - Annual Report, facility usage, and tournament fee structure with proposed new tournament fees and sport field lighting fee feedback

The Parks and Community Services Director, Brad Albert, provided the background and overview for the Council's review and direction. Staff emphasized that Hanford High School remains a strong partner, and the City is continuing to work on an agreement. Final details are still being developed and will return to the Council for further review and input. Staff noted

that this solution will take some time to fully implement. The Council provided their feedback regarding the 10th Avenue fields and expressed concerns regarding parking. Council Members Howze and Kairis spoke in support of the proposed fees. Dir. Albert addressed the Council's questions and concerns. After much discussion, the Council agreed that the revenues generated should be reinvested into the fields. Staff reassured the Council that the discussion regarding revenues would be brought back during the mid-year budget review. The Council then provided direction and voted on the proposed fees.

Motion to adopt the proposed tournament fees for the Hanford Softball Complex.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Mark Kairis
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Kimber Regan, Nancy Howze

C. Results of Civic Park Hardscaping Project Community Survey

Parks and Community Services Director Albert and Community Relations Manager Brian Johnson presented the project and community survey for the Council's review and direction. Council Members Howze and Regan spoke in favor of keeping the grass, and Mayor Paden shared feedback he received from constituents. The Council reached a consensus to keep the project as is for now and bring it back at a future meeting for further discussion.

Mayor Paden adjourned the study session at 6:03 p.m.

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (GC 54956.9)(d)(1))

Celis v. City of Hanford
Kings County Case No. 24CU0409

B. CONFERENCE WITH LABOR NEGOTIATOR (GC 54957.6)

Agency designated representatives: Chris Tavarez and Destiny Borba
Employee Organization(s): SEIU

C. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (GC 54957)

Title: City Attorney

CALL TO ORDER REGULAR SESSION:

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

ROLL CALL:

Present:	Absent:
Council Member Mark Kairis Council Member Travis Paden Council Member Kimber Regan Council Member Nancy Howze	Council Member Lou Martinez

INVOCATION:

Andrea Lott

The invocation was led by Andrea Lott.

FLAG SALUTE:

The flag salute was led by Mayor Paden.

CLOSED SESSION ACTION REPORT:

None.

RECOGNITION:

A. Badge Pinning Ceremony and Oath of Office for Officer Steven Sitter and Eric Magana

Police Chief Stephanie Huddleston introduced new Officers Steven Sitter and Eric Magana and the City Clerk, Natalie Corral administered the oath of office.

PUBLIC COMMENT:

This is the time for citizens to comment on subject matters 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. State law does not allow the Council to discuss or take action on issues not on the agenda, except that members of the Council or staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights (Gov. Code sec. 54954.2). A maximum of three minutes is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.

Larry Faria commented on the city attorney contract and spoke in opposition to the new agreement.

Bob Ramos commented on the city attorney contract and questioned the RFP that was requested by the Council on March 18. He also commented on the Helena lawsuite.

Noor Memoon expressed his concerns about the kiosk in the park and asked why they were torn down.

Art Brieno commented on California's water use and the RFP proposals in 2022 for the city attorney services.

Francisco Ramirez shared concerns about hot-topic issues being brought before the Council while an Interim City Manager is in place. He also commented on the Helena lawsuit and suggested issuing a RFP for city attorney services.

Patricia Mathews asked the Council Members to fill out the League of Cal Cities questionnaire.

Jay Rubalcava commented on the setbacks requirements. He also stated that he supports a salary increase for the City Council Members.

Amy Wilkinson commented on the “No Kings” rally and requested a resolution in support of keeping the immigrant population safe. She also shared her concerns about law enforcement drones. The City Attorney addressed her comments.

Whitney (last name not stated) commented on ICE and expressed concerns about keeping them out of the community. She also shared concerns about drones and potential privacy violations. She emphasized the importance of community privacy.

Susan Davis asked when Hanford will get an Olive Garden.

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.

Item B was pulled by Interim City Manager Tavarez to be tabled until November 4. Motion to approve the consent calendar except for the items pulled for separate discussion.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Nancy Howze
SECONDER:	Council Member Kimber Regan
AYES:	Mark Kairis, Travis Paden, Kimber Regan, Nancy Howze

A. Waive reading in full of resolutions and ordinances and approval and adoption of same by reading the title only.

B. Human Resources: Approval of the Memorandum of Understanding (MOU) with the Service Employees International Union Local 521 (SEIU) with changes to wages, benefits, and other working conditions, effective July 1, 2025 through June 30, 2027.

C. Public Works: Approval of the purchase of two (2) 2026 Ford F-250 trucks and related upfitting from Keller Ford of Hanford, CA in the total amount of $120,000 fully funded by Measure H.

D. Utilities and Engineering: Approval of the Notice of Completion for Tract No. 927 Unit, at the Northeast corner of 13 Ave and Grangeville Blvd., in the City of Hanford

E. Utilities and Engineering: Approval of the Notice of Completion for Tract No. 928 Unit 4 Unit, at the Southeast corner of Fargo Ave and Centennial Dr., in the City of Hanford.

F. Utilities and Engineering: Authorization for staff to record the final subdivision map for Lunaria Tract No. 938 Unit 1B, a 58-lot subdivision located at the southeast corner of Hanford-Armona Road and 10½ Avenue.

G. Police: Adoption of Resolution No. 25-56-R to authorize the acceptance of an award of $29,000 in grant funding from the Department of Alcohol Beverage Control (ABC) for alcohol enforcement, amend the budget to recognize the grant, appropriate this amount in the General Fund for the Police Department, and authorize the Police Chief to execute the Agreement.

PULLED CONSENT ITEMS:

A. Administration: Approval of the City Hanford Full-time and Part-time Salary Schedule

[Item B]

Pulled by Interim City Manager Tavarez to be tabled.

PUBLIC HEARING:

A. Utilities and Engineering: Resolution No. 2025-57-R of the City Council of the City of Hanford Annexing Territory (Stonehaven Subdivision) to Community Facilities No. 2025-1 (Public Safety Services), as Annexation No. 1, Authorizing the Levy of a Special Tax Within the Annexed Territory, and Submitting Levy of a Special Tax to Qualified Electors Thereof; and

Resolution No. 2025-58-R of the City Council of the City of Hanford Declaring the Results of a Special Annexation Election in Territory Annexed to Community Facilities District No. 2025-1 (Public Safety Services), Determining the Validity of Prior Proceedings, and Directing Recording of Amended Notice of Special Tax Lien for City of Hanford Community Facilities District No. 2025-1 (Public Safety Services) Annexation No. 1 (Stonehaven Subdivision).

Mayor Paden opened the public hearing at 7:50 p.m. and called for the staff report. Susan Hernandez, Willdan Senior Project Manager, presented the report for the Council's review and approval. The results of a two-thirds majority vote in favor of the ballot measure was confirmed by the City Clerk. The public hearing was closed at 8:00 p.m.

Public Comment:
Art Brieno questioned the process of the CFD.

Motion to adopt resolutions 25-57-R and 2025-28-R.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Mark Kairis
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Kimber Regan, Nancy Howze

B. Utilities and Engineering: Resolution No. 2025-59-R of the City Council of the City of Hanford Annexing Territory (Stonehaven Subdivision) to Community Facilities No. 2025-2 (Public Maintenance Services), as Annexation No. 1, Authorizing the Levy of a Special Tax Within the Annexed Territory, and Submitting Levy of a Special Tax to Qualified Electors Thereof; and

Resolution No. 2025-60-R of the City Council of the City of Hanford Declaring the Results of a Special Annexation Election in Territory Annexed to Community Facilities District No. 2025-2 (Public Maintenance Services), Determining the Validity of Prior Proceedings, and Directing Recording of Amended Notice of Special Tax Lien for City of Hanford Community Facilities District No. 2025-2 (Public Maintenance Services) Annexation No. 1 (Stonehaven Subdivision).

Mayor Paden opened the public hearing at 8:00 p.m. anc called for the staff report. Susan Hernandez, Willdan Senior Project Manager, presented the report for Council review and approval. The City Clerk confirmed that the ballot measure received a two-thirds majority vote in favor. The public hearing was closed at 8:09 p.m.

Public Comment:
None.

Motion to adopt resolutions 25-59-R and 2025-60-R.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Nancy Howze
SECONDER:	Council Member Mark Kairis
AYES:	Mark Kairis, Travis Paden, Kimber Regan, Nancy Howze

C. Community Development: Public Hearing to receive comments on the proposed Zone Text Amendment No. 2025-13, a request to amend Table 17.08.030 Commercial, Office, and Industrial Use Table and 17.96.020 Land use definitions in order to allow Banks or Credit Unions in the C-N, C-R, MX-D, MX-C and MX-N Zones and Introduction of Ordinance 2025-10, approving the zone text amendment.

Mayor Paden opened the public hearing at 8:10 p.m. and called for the staff report. Deputy City Manager Jason Waters presented the Zone Text Amendment for the Council review and input. Council Member Regan suggested tabling for additional research. After discussion, the Council reached a consensus to approve the ordinance as presented. The public hearing was closed at 8:14 p.m.

Pubic Commnets:

Larry Faria commented on the current banks and locations.
Bob Ramos commented on the downtown locations and expressed concerns about banks leaving the downtown area.

Motion to Approve.

RESULT:	**Passed**
MOVER:	Council Member Nancy Howze
SECONDER:	Council Member Kairis
AYES:	Mark Kairis, Travis Paden, Nancy Howze
ABSTAIN:	Kimber Regan

GENERAL BUSINESS:

A. Administration: Consider approval of an updated City Attorney Legal Services Contract with Griswold, LaSalle, Cobb, Dowd & Gin, L.L.P. and the City of Hanford and authorize the Mayor to execute an updated agreement for a flat monthly fee of $52,000

Interim City Manager Chris Tavarez provided a brief overview and highlighted key points. Mayor Paden questioned staff's recommendation. Council Member Regan stated she was not comfortable making a decision in the absence of Council Member Martinez and requested that the item be tabled until the full Council was present. The Council expressed concerns regarding the terminating vote. Council Member Regan recommended issuing a Request for Proposals (RFP) and stated she could not support approval of the contract as presented.

City Attorneys Ty Mizote and Mario Zamora introduced themselves, provided background information and an overview of their firm, and answered questions from the Council. Mr. Mizote and Mr. Zamora then excused themselves while the Council deliberated.

Vice Mayor Howze spoke in support of the contract and referenced the March 18 meeting discussion regarding an RFP. After discussion, the Council reached a consensus to table the item until the next meeting when the full Council is in attendance.

Motion to table.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Travis Paden
SECONDER:	Council Member Kimber Regan
AYES:	Mark Kairis, Travis Paden, Kimber Regan, Nancy Howze

B. Administration: Presentation and Discussion of future changes to Council Compensation as allowed under SB329

During this time, the Council approved to extend the meeting to 9:30 p.m.

Before the presentation, Council Member Regan motioned to the table. The item was not seconded and the motion failed.

Interim City Manager Tavarez presented the Council's options for any changes and increase to the Council's salary. Council Member Kairis stated he supports an increase but is content with the current amount and suggests an annual escalator. Council Members Paden and Howze are not in favor of an increase at this time.

Motion to Approve to keep the Council salary at $500 a month.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Travis Paden
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Kimber Regan, Nancy Howze

COUNCIL REPORTS/GENERAL REPORTS:

Brief information-only reports from City Council and/or Staff, including committee reports and reports by City Council related to meetings attended at City expenses (AB1234).

The Council discussed the meetings and events they attended but shared upcoming events.

ITEMS FOR FUTURE AGENDAS:

At this time, any Council Member may ask a question for clarification or may request a matter, which is not otherwise scheduled on a City Council agenda, to be placed on a future agenda. The Council Member referring the item shall provide sufficient information as to the nature of the item. The City Council, by concurrence of a majority, may direct the City Manager to put the item on a future agenda. (GOV. CODE SEC. 54954.2)

A. Council Future Agenda Items

B. Upcoming Events and Important Dates:

October 22: Open House Event for the East Lacey Project, 6:00 pm in City Hall Training Room 319 N. Douty St.
October 27: Trunk or Treat at Longfield Center 5:00 pm - 7:00 pm
October 29: Hanford Branch Library Renovation Groundbreaking Ceremony 10:00 am - 11:30 am 401 N. Douty Street
November 4: Regular City Council Meeting
November 18: Regular City Council Meeting

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}

Mayor Paden adjourned the meeting at 9:15 p.m.

Respectfully submitted,

Natalie Corral
City Clerk

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the Minutes of the November 4, 2025 Meeting

RECOMMENDATION:

Recommendation: Approve the minutes of the November 4, 2025 meeting.

BACKGROUND:

FISCAL IMPACT:

ATTACHMENTS:
1. November 4, 2025 Meeting Minutes

City Council Regular Meeting
Minutes
November 4, 2025 7:00 PM
Council Chambers
400 N. Douty St.

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

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

ROLL CALL BY THE CITY CLERK:

Present:	Absent:
Council Member Mark Kairis Council Member Travis Paden Council Member Lou Martinez Council Member Nancy Howze	Council Member Kimber Regan

PUBLIC COMMENT:

Study Sessions are considered Special Meetings under the Brown Act. Accordingly, comments from the public are limited to items listed on the agenda (GC 54954.3a). Public Comment will be accepted during each agenda item. A maximum of ***three minutes*** *is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

Michelle King provided a list of questions to the City Clerk. She also commented on the Kings–Tulare HSR Station Transit-Oriented Development (TOD) and Connectivity Plan and Cross Valley Corridor (CVC) Rail Service Planning Project, and she questioned how the school district will be affected. She also asked that Kit Carson be included in the working groups for the project.

Andrea Barone commented on the planning of the Kings–Tulare HSR Station Transit-Oriented Development (TOD) and Connectivity Plan and Cross Valley Corridor (CVC) Rail Service Planning Project. He also expressed concerns about the lack of connection between the city and the public. He sated he would like to see a large college campus in the city.

Rick Telegan spoke in support of the planning efforts for the Kings–Tulare HSR Station Transit-Oriented Development (TOD) and Connectivity Plan and Cross Valley Corridor (CVC) Rail Service Planning Project. He also expressed concerns regarding the cost of the project.

Bob Ramos commented on the 2035 general plan.

STUDY SESSION:

A. Kings County Farm Bureau presentation

Kings County Farm Bureau Executive Director, Dusty Ference, discussed their lawsuit against the State Water Resource Control Board and answered questions from the Council. The presentation was for informational purposes only.

B. Carnegie Museum of Kings County annual report/update to the Hanford City Council

Carnegie Museum of Kings County President, Rob Bently, presented the annual report and answered questions from the Council. The Council thanked Mr. Bently for their participation and contribution to the community. The Mayor suggested possibilities to assist the organization financially.

C. Kings–Tulare HSR Station Transit-Oriented Development (TOD) and Connectivity Plan and Cross Valley Corridor (CVC) Rail Service Planning Project Presentation

Deputy City Manager Jason Waters and Senior Planner Gabrielle Meyrs presented the Kings Tulare HSR Station-Oriented Development (TOD) and Connectivity and Cross Valley Corridor (CVC) Rail Service Planning Project for the Council's feedback. Staff outlined the planning process and clarified the roles of the Planning Commission and the City Council, and responded to questions from the Council. Mayor Paden requested that local school districts and residents in the project area be kept informed and emphasized the importance of public and homeowner outreach.

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (GC 54957)

Title: City Attorney

CALL TO ORDER REGULAR SESSION:

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

ROLL CALL:

Present:	Absent:
Council Member Mark Kairis Council Member Travis Paden Council Member Lou Martinez Council Member Nancy Howze	Council Member Kimber Regan

INVOCATION:

The invocation was led by Mayor Paden.

FLAG SALUTE:

The flag salute was led by Mayor Paden.

CLOSED SESSION ACTION REPORT:

None.

RECOGNITION:

A. Recognition of Retired Teachers Week Proclamation (November 2–8) Presented to California Retired Teachers Association, Kings County Division 30

Mayor Paden presented the proclamation to Georgina Snyder.

PUBLIC COMMENT:

This is the time for citizens to comment on subject matters 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. State law does not allow the Council to discuss or take action on issues not on the agenda, except that members of the Council or staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights (Gov. Code sec. 54954.2). A maximum of three minutes is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.

Mr. Bishop commented on an RV in his neighborhood and expressed concerns regarding bonfires on the neighbor's property.

Judy Waytt commented on an RV located at a neighboring property behind her residence and expressed concerns regarding the tenants and the bonfires occurring there. She requested that the City take action to remove the RV due to multiple complaints from neighboring residents.

Jason Reismile commented on a neighboring RV and expressed concerns regarding bonfires on the property, requesting that the City address the matter.

Bob Ramos commented on bonfires occurring on Reddington Street and suggested that the Fire Department follow up. He also commented on the City Attorney agreement and requested that the Council issue a RFP for city attorney services.

Nick Wagner commented on the March 18 meeting and the direction provided by the Council regarding city attorney services.

Mark Pratter commented on the Griswold LaSalle and its representation of the City. He also shared his experience with the firm and expressed concerns regarding the professionalism and courtesy of the city attorneys.

Larry Faria expressed support for issuing an RFP for city attorney services.

Cheyne Strawn spoke in support of an RFP for city attorney services and shared feedback he received from other cities regarding their processes for selecting a city attorney.

Rusty Brookshier expressed support for issuing an RFP for city attorney services.

Francisco Ramirez shared his experience with the city attorney during his time on the City Council.

Andrea Barone spoke in favor of an RFP for city attorney services. He also commented on the illegal activity in the area he lives in and Champions' new facility.

Whitney commented on ICE being in the surrounding cities in Kings County. She expressed her concerns about profiling, privacy and public safety. She asked that the City Council support the safety and privacy of the Hanford community.

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.

Council Member Martinez requested to pull Items F and G. Motion to approve the consent calendar except for the items pulled for separate discussion.

A. Waive reading in full of resolutions and ordinances and approval and adoption of same by reading the title only.

B. Administration: Approval of Amendment No. 5 of the License Agreement between the Carnegie Museum of Kings County and the City of Hanford to extend the term of the agreement until December 31, 2026.

C. City Attorney: Approval of Settlement and Release Agreement with Guadalupe Celis

D. Community Development: Approval of Revised Resolution No. 20-18-R Amending the

Previously Approved Resolution Supporting an Application for Funding under the Permanent Local Housing Allocation (PLHA) Program.

E. Community Development: Approval of the second reading and adoption of Ordinance 2025-10, approving Zone Text Amendment No. 2025-13, a request to amend Table 17.08.030 Commercial, Office, and Industrial Use Table and 17.96.020 Land use definitions in order to allow Banks or Credit Unions in the C-N, C-R, MX-D, MX-C and MX-N Zones.

F. Public Works: Approval of an approriation of $449,237.50 from fleet reserve fund 0448 and sole source procurement, using Sourcewell Contract #110223 for one (1) side load refuse truck from Haaker Refuse of Hayward, CA in the amount of $449,237.50 and declare refuse truck #341 surplus and authorize the sale of truck #341.

G. Police: Approval of the purchase of an animal control transport body from Diamond Truck Body Manufacturing Inc. (Stockton, CA) and upfitting of unit #119 in the amount of $52,200.90, and appropriation of the total amount from the Fleet Replacement Reserve to cover the cost.

H. Finance: Acceptance and authorization for staff to File the City of Hanford's Quarterly Investment Portfolio and Transactions Reports as of 09/30/25.

PULLED CONSENT ITEMS:

A. Parks and Community Services: Approval to award the on-call Arborist services to West Coast Arborist and Arboreal at a cost not to exceed $120,000

[Item F]

Pulled by Council Member Martinez.

Parks and Community Services Brad Albert provided a brief summary and answered questions from the Council.

Motion to Approve.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Lou Martinez
SECONDER:	Council Member Travis Paden
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

B. Parks and Community Services: Approval to award the tree procurement and delivery bid to Fonseca Nursery (Hanford, CA) to provide the 600 trees to be planted in conjunction with the City's Urban and Community Forestry grant in the amount of $76,175.95.

[Item G]

Pulled by Council Member Martinez.

Parks and Community Services Brad Albert provided a brief summary and answered questions from the Council.

Motion to Approve.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Lou Martinez

SECONDER:	Council Member Travis Paden
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

GENERAL BUSINESS:

A. Administration: Adoption of Limited Public Forum Social Media Policy and adoption of Resolution 25-63-R, amending the Handbook of Rules and Procedures to include the addition of personal social media usage for elected and appointed officials.

Community Relations Services Manager Brian Johnson provided a background and the updates for the Council's review and approval. The Council spoke in support of staff's recommendation.

Motion to adopt the Limited Public Forum Social Media Policy.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Travis Paden
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

Motion to adopt Resolution 25-63-R.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Nancy Howze
SECONDER:	Council Member Lou Martinez
AYES:	Travis Paden, Lou Martinez, Nancy Howze
NAYS:	Mark Kairis

B. Administration: Consider approval of an updated City Attorney Legal Services Contract with Griswold, LaSalle, Cobb, Dowd & Gin, L.L.P. and the City of Hanford and authorize the Mayor to execute an updated agreement for a flat monthly fee of $52,000 or consider alternatives, including issuance of a Request for Proposals.

There was a consensus to table the item until the next meeting, when the full Council is present.

COUNCIL REPORTS/GENERAL REPORTS:

Brief information-only reports from City Council and/or Staff, including committee reports and reports by City Council related to meetings attended at City expenses (AB1234).

- Public Works Director Russ Sterling provided an update on signal lights, crosswalk signs, and the stripping project.
- Parks and Community Services Director Brad Albert provided a Winter Wonderland update.
- The Council discussed the events and meetings they attended.

ITEMS FOR FUTURE AGENDAS:

At this time, any Council Member may ask a question for clarification or may request a matter, which is not otherwise scheduled on a City Council agenda, to be placed on a future agenda. The Council Member referring the item shall provide sufficient information as to the nature of the item. The City Council, by concurrence of a majority, may direct the City Manager to put the item on a future agenda. (GOV. CODE SEC. 54954.2)

A. Council Future Agenda Items

The Council directed staff to prepare a future agenda item for discussion on the implementation of an AI policy. Staff will also return with an item for Council approval of an amicus brief in support of the Kings County Farm Bureau.

B. Upcoming Events and Important Dates:

November 18: Regular City Council Meeting
November 22: Winter Wonderland opens through January 11, 2025, Tickets and

Information

November 28: Hanford Christmas Parade 6:00 pm
November 27 & 28: City Offices will be closed in observance of Thanksgiving.

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}

Mayor Paden adjourned the meeting at 8:35 p. m.

Respectfully submitted,

Natalie Corral
City Clerk

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the Minutes of the November 18, 2025 Meeting

RECOMMENDATION:

Recommendation: Approve the minutes of the November 18, 2025 meeting.

BACKGROUND:

FISCAL IMPACT:

ATTACHMENTS:
1. November 18, 2025 Meeting Minutes

City Council Regular Meeting
Minutes
November 18, 2025 7:00 PM
Council Chambers
400 N. Douty St.

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

Mayor Paden called the study session and closed session to order at 4:02 p.m.

ROLL CALL BY THE CITY CLERK:

Present:	Absent:
Council Member Mark Kairis Council Member Travis Paden Council Member Lou Martinez Council Member Kimber Regan Council Member Nancy Howze	

PUBLIC COMMENT:

Study Sessions are considered Special Meetings under the Brown Act. Accordingly, comments from the public are limited to items listed on the agenda (GC 54954.3a). Public Comment will be accepted during each agenda item. A maximum of ***three minutes*** *is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

None.

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

The Council adjourned to closed session at 4:03 p.m.

A. PUBLIC EMPLOYMENT (GC 54957(b)(1)):

Title: City Manager

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (GC 54957)

Title: City Attorney

STUDY SESSION:

The Council reconvened the study session at 5:59 p.m.

A. Update and Presentation to the City Council for the East Lacey Corridor Project

Utilities and Engineering Director Frank Senteno, Associate Engineer Jaklin Hart, and City Engineer Lisa Dock provided updates and outlined next steps for the Council's review and input. Angie Dow, Executive Director of KCAPTA, discussed the grant, spoke in support of the project, and answered questions from the Council. Council Member Regan spoke in opposition to the project design and expressed concerns about how the project would affect local businesses. The Council provided feedback.

Mayor Paden adjourned the study session 6:52 p.m.

CALL TO ORDER REGULAR SESSION:

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

ROLL CALL:

Present:	Absent:
Council Member Mark Kairis Council Member Travis Paden Council Member Lou Martinez Council Member Kimber Regan Council Member Nancy Howze	

INVOCATION:

The invocation was led by Pastor Mark Curts.

FLAG SALUTE:

The flag salute was led by Mayor Paden.

CLOSED SESSION ACTION REPORT:

None.

RECOGNITION:

A. Recognition of the Hanford Police Department Explorers for Earning Top Placements at the CHP Bakersfield Competition:

- Lt. Explorer Armando Ornelas
- Sgt. Explorer Parker Halsey
- Sgt. Explorer Delila Izquierdo
- Cpl. Explorer Jasiah Zamaripa
- Explorer Inocente Luviano
- Explorer Issac Rosa
- Explorer Anthony Hernandez

Police Chief Huddleston introduced the Explorers and congratulated them for their performance.

B. Recognition of the founders of the Cinderella Project: Rachel Pepe, Gina Young, and Amy Leslie

Vice Mayor Howze presented Ms. Pepe, Ms. Young, and Ms. Leslie with certificates of recognition.

PUBLIC COMMENT:

This is the time for citizens to comment on subject matters 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. State law does not allow the Council to discuss or take action on issues not on the agenda, except that members of the Council or staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights (Gov. Code sec. 54954.2). A maximum of three minutes is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.

Paula Massey announced an upcoming event in January for the Martin Luther King Day celebration.

Carolyn Hudgins asked for a fee waiver for the Civic Auditorium.

Carla Bodey commented on the flooding in her front yard. She asked for city assistance.

Nick Wagner commented on the Veterans Day event and stated that he was disappointed by the city's absence.

Bob Ramos commented on the general business item about the city attorney agreement. He asked the Council to approve an RFP.

Rusty Brookshier commented on the city attorney's fees and spoke in favor of an RFP.

Chris Jordan commented on the city attorney services. He spoke in favor of an RFP.

Anna Brookshier asked for a city manager recruitment update.

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.

Motion to Approve.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Mark Kairis
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Kimber Regan, Nancy Howze

A. Waive reading in full of resolutions and ordinances and approval and adoption of same by reading the title only.

B. Administration: Approval of the City of Hanford Full-time and Part-time Salary Schedule

C. Utilities and Engineering: Approval of the Notice of Completion for Tract No. 902, near the Northwest corner of 12 Ave and Hume Ave., in the City of Hanford

D. Utilities and Engineering: Adoption of Resolution No. 25-64-R Supporting a Joint Transit Grant for the Intercity Rail Capital Program (TIRCP) Grant Application for the East Lacey Corridor Improvement Project

E. Utilities and Engineering: Adopt Resolution No. 25-65-R authorizing the City Manager or his designee to issue Limited Notice to Proceed #2 (LNTP2) to Opterra Energy Services in the amount of $390,000 to continue the procurement of solar equipment and start of Solar Generation construction activities at the City of Hanford Wastewater Treatment Facility and appropriation in the amount of $590,000 from Wastewater Fund Balance (Funds 0361 & 362) to fund LNTP's 1 and 2.

GENERAL BUSINESS:

A. Utilities and Engineering: Youth Athletic Complex (Bob Hill Complex) Project Update and Approval of Additional Appropriations in the Amount of $35,000 for Concession Stand Interior Furnishings and Equipment and $75,000 for Additional Project Contingency

Associate Engineer Jaklin Hart provided an update for the Council's review and approval. Ms. Hart answered questions from the Council. The Council thanked staff for their work on the project.

Motion to Approve.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Mark Kairis
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Kimber Regan, Nancy Howze

B. Administration: Consider approval of an updated City Attorney Legal Services Contract with Griswold, LaSalle, Cobb, Dowd & Gin, L.L.P. and the City of Hanford and authorize the Mayor to execute an updated agreement for a flat monthly fee of $52,000 or consider alternatives, including issuance of a Request for Proposals.

Before stepping out of the Council Chambers during deliberations, City Attorney Ty Miozote responded to several public comments and provided clarification regarding the rates for legal services. He also highlighted the law firm's skill set, commitment, and long-standing dedication of Griswold LaSalle, Cobb, Dowd & Gin, LLP to serving the City and the community. The Council discussed the option of placing the RFP on hold due to the ongoing City Manager recruitment and waiting until the process is complete before moving forward with an RFP. The Council also discussed a potential five-year agreement cycle and the possibility of separating litigation services, HR legal services, and basic legal services. Deputy City Manager Jason Waters responded to questions and provided clarification regarding the RFP process.

Motion to continue services with Griswold LaSalle, Cobb, Dowd, & Gin, LLP at the new rate until July 2027.

RESULT:	**Passed**
MOVER:	Council Member Travis Paden
SECONDER:	Council Member Mark Kairis
AYES:	Mark Kairis, Travis Paden, Kimber Regan, Nancy Howze
NAYS:	Lou Martinez

Mayor Paden made the motion to issue an RFP for legal services every 5 years beginning in 2027. (No Second)

Substitute Motion to move forward with an RFP for legal services, one each for basic services and litigation services, every 5 years at the conclusion of the expiration of each agreement.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Mark Kairis
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Kimber Regan, Nancy Howze, Lou Martinez

COUNCIL REPORTS/GENERAL REPORTS:

Brief information-only reports from City Council and/or Staff, including committee reports and reports by City Council related to meetings attended at City expenses (AB1234).

- Mayor Paden provided an update on the city manager recruitment and announced the upcoming Meet-and-Greet event.
- The Council discussed events and meetings they attended.

A. INFORMATION REPORT - OCTOBER WARRANT REGISTER

ITEMS FOR FUTURE AGENDAS:

At this time, any Council Member may ask a question for clarification or may request a matter, which is not otherwise scheduled on a City Council agenda, to be placed on a future agenda. The Council Member referring the item shall provide sufficient information as to the nature of the item. The City Council, by concurrence of a majority, may direct the City Manager to put the item on a future agenda. (GOV. CODE SEC. 54954.2)

A. Council Future Agenda Items

The Council asked staff to add the RFP for legal services to the list of items for future agendas.

B. Upcoming Events and Important Dates:

November 22: Winter Wonderland opens through January 11, 2026 Tickets and Information Tickets and Information
November 28: Hanford Christmas Parade 6:00 pm
November 27 & 28: City Offices will be closed in observance of Thanksgiving.
December 2: Regular City Council Meeting
December 16: Regular City Council Meeting
December 19: Hanford Police Department and Central California Blood Center's 2025 South Valley Battle of the Badges — 425 N. Irwin Street, 10 am to 2:00 pm

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}

Mayor Paden adjourned the meeting at 8:51 p.m.

Respectfully submitted,

Natalie Corral
City Clerk

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the Minutes of the December 2, 2025 Meeting

RECOMMENDATION:

Recommendation: Motion to approve the minutes of the December 2, 2025 meeting.

BACKGROUND:

FISCAL IMPACT:

ATTACHMENTS:
1. December 2, 2025 Meeting Minutes

City Council Regular Meeting
Minutes
December 2, 2025 7:00 PM
Council Chambers
400 N. Douty St.

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

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

ROLL CALL BY THE CITY CLERK:

Present:	Absent:
Council Member Mark Kairis Council Member Travis Paden Council Member Lou Martinez Council Member Nancy Howze	Council Member Kimber Regan

PUBLIC COMMENT:

Study Sessions are considered Special Meetings under the Brown Act. Accordingly, comments from the public are limited to items listed on the agenda (GC 54954.3a). Public Comment will be accepted during each agenda item. A maximum of ***three minutes*** *is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

None.

STUDY SESSION:

A. GIS System Modernization Update and Demonstration of New Capabilities

Deputy City Manager Jason Waters provided a brief overview and introduced Brock Sylor, Senior Consultant/Senior Project Manager of Lagon and Assistant Planner, Maddison Faria. Mr. Sylor provided a project update and showed how the program could be used by staff and the public, and answered questions from the Council.

B. Presentation from R3 Consultants on the Prop 218 Rate Study for the Refuse Division and set a hearing date for consideration for approval

Public Works Director Russ Sterling introduced staff and the consultant and presented the rate study. Council Member Kairis discussed KWRA and the need for a future fee increase and expressed support for proceeding with a rate increase. The Council provided direction to move forward with Scenario number 2, a 5-year rate adjustment and advised city staff to issue Prop 218 notices to the public and begin the 45-day review period and, following the review period, adopt a resolution accepting the 2025 Solid Waste Rate Study and approve the new solid waste rates effective April 1, 2026. The Council also directed staff to conduct community education and outreach.

Mayor Paden adjourned the study session at 5:32 p.m.

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

A. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION (54956.9 (d)(2))
2 Potential cases.

CALL TO ORDER REGULAR SESSION:

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

ROLL CALL:

Present:	Absent:
Council Member Mark Kairis Council Member Travis Paden Council Member Lou Martinez Council Member Nancy Howze	Council Member Kimber Regan

INVOCATION:

Roger McCort (Captain)

The invocation was led by Roger McCort.

FLAG SALUTE:

Flag Salute was led Bri Abell.

CLOSED SESSION ACTION REPORT:

None.

RECOGNITION:

A. Badge Pinning Ceremony and Oath of Office for Police Department Promotions for Lieutenant Chad Allen, Sergeant Larry Leeds, Corporal Daniel Todd, Corporal Kevin Wheat, and Corporal Sean Paul Crain.

Chief Huddleston introduced the officers and City Clerk Natalie Corral administered the oath of office.

B. Recognition of the Sierra Pacific High School Girls' Water Polo Team for Winning Their First Central Section Championship

Mayor Paden presented certificates to the students in attendance.

PUBLIC COMMENT:

This is the time for citizens to comment on subject matters 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. State law does not allow the Council to discuss or take action on issues not on the agenda, except that members of the Council or staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights (Gov. Code sec. 54954.2). 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 Council's vote on the agreement for city attorney's services and expressed his disappointment of the decision.

Francisco Ramirez commented on business fraud happening in the city.

Several people, including Cynthia Martinez, and Claudia (who did not share her last name), brought forth their concerns about Cajitamex, claiming the business stole their money. The Police Chief addressed their comments.

Raymond Douglas Ibarra III commented on the Cajitamex matter.

REORGANIZATION OF THE CITY COUNCIL-SELECTION OF THE MAYOR AND VICE MAYOR:

City Attorney Ty Mizote explained the process of selecting a Mayor and Vice Mayor. Mr. Mizote called for nominations for Mayor and Vice Mayor. Council Member Martinez nominated Travis Paden for Mayor. Vice Mayor Howze nominated Mark Kairis for Mayor. Travis Paden asked to be withdrawn from the nomination. Council Member Paden nominated Nancy Howze for Vice Mayor.

Motion to approve Mark Kairis for Mayor.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Nancy Howze
SECONDER:	None
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

Motion to approve Nancy Howze for Vice Mayor.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Travis Paden
SECONDER:	None
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

RECESS:

7:54 p.m.- 8:00 p.m.

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.

Motion to Approve.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Travis Paden
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

A. Waive reading in full of resolutions and ordinances and approval and adoption of same by reading the title only.

B. City Clerk: Approval of the Minutes of the October 7, 2025 Meeting

C. Administration: Authorize the Mayor to Execute a Letter of Support in lieu of an Amicus Brief in support of Kings County Farm Bureau legal efforts related to water with the State

D. Community Development: Approval of the purchase of two (2) 2026 Ford Maverick vehicles for Code Compliance Division from Keller Ford of Hanford, CA in the total amount of $62,229.50 fully funded by Measure H.

E. Community Development: Waiver of second reading and adoption of Ordinance 2025-08, approving Zone Text Amendment No. 2025-12, a request to amend Title 17, Section 17.56.200, Property maintenance and add Chapter 9.12 – Graffiti: in order to establish regulations for abatement of graffiti on public and private property.

F. Community Development: Waiver of second reading and adoption of Ordinance 2025-

09, approving Zone Text Amendment No. 2025-11, a request to amend Title 17.56.050, 17.56.150, 17.56.155, and 17.56.310 Temporary and Portable Signs: in order to establish the placement, size and materials for portable signs.

G. Community Development: Waiver of second reading and adoption of Ordinance 2025-07, approving Zone Text Amendment No. 2025-10, a request to amend Title 17, Section 17.56.230, Wall mural placement and design criteria: in order to comply with free speech requirements.

H. Public Works: Approval and authorization for the City Manager to enter into a contract with BDM Inc. of Hanford, California in the amount of $133,811.25 for the supply and installation of twelve (12) HVAC units located at City Hall.

I. Utilities and Engineering: Utilities and Engineering: Approval to increase a current service contract with 4Creeks, Inc. in the total amount of $56,200.00 for the Preliminary Design of the intersection of Grangeville and 9th Avenue

J. Utilities and Engineering: Authorization for the City Manager to execute a “One Time Only Agreement for the Positive Location of Underground Utilities” with the California Department of Transportation (Caltrans).

K. Utilities and Engineering: Authorization for the City Manager to execute the purchase of an Internal Lift Screw Pump for installation at the Wastewater Treatment Facility from Evoqua Water Technologies LLC, in the amount of $1,325,000 and Appropriation of $450,000 from the Wastewater Fund (0362) to cover approximately 30% of the purchase price.

L. Finance: Review and Approval of the Annual Report for Development Impact Fees pertaining to City of Hanford Impact Fees for Parks, Circulation, Fire Protection, Police Protection, Storm Water System, Water System, Wastewater System, and Refuse/Recycling for fiscal year ending June 30, 2025.

PUBLIC HEARING:

A. Community Development: Adoption of the 2025 California Building Standards Code (Title 24) and Amendment to Title 15 of the Hanford Municipal Code.

Mayor Kairis opened the public hearing at 8:03 p.m and called for the staff report. Building Official Mitch Couch presented the staff report for the Council review and approval. Staff requested approval to continue the public hearing until December 16, 2025.

Public Comment:
Raymond Douglas Ibarra III stated he wants fewer regulations.

Motion to the Introduce and waive the first reading of Ordinance No. 25-12, adopting the 2025 California Building Standards Code.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Travis Paden
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

Motion to Approve to continue the public hearing to the December 16, 2025, Council Meeting.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Travis Paden
SECONDER:	Council Member Lou Martinez
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

GENERAL BUSINESS:

A. Fire: Proposed changes to the Hanford Municipal Code regarding illegal fireworks, definitions, and application of administrative citation fines.

Fire Chief Perkins provided a background and presented the proposed changes to the municipal code. The Council thanked the Chief and his staff for all their hard work.

Motion to Approve.

RESULT:	**Passed (UNANIMOUS)**
MOVER:	Council Member Mark Kairis
SECONDER:	Council Member Nancy Howze
AYES:	Mark Kairis, Travis Paden, Lou Martinez, Nancy Howze

B. Community Development: Direction on Advertising Planning Commission Vacancies and Appointment Procedures

Deputy City Manager Jason Waters presented options for advertising Planning Commission vacancies and outlined the appointment procedures for Council review and direction. The City Council directed staff to proceed with advertising three vacancies, and compile applications for a subcommittee that would include the Mayor, Vice Mayor and staff to select qualified applicants to be interviewed by the City Council at a future date.

COUNCIL REPORTS/GENERAL REPORTS:

Brief information-only reports from City Council and/or Staff, including committee reports and reports by City Council related to meetings attended at City expenses (AB1234).

The Council discussed the meetings and events they attended. They also commended the staff for an excellent Christmas parade and thanked them for their hard work.

ITEMS FOR FUTURE AGENDAS:

At this time, any Council Member may ask a question for clarification or may request a matter, which is not otherwise scheduled on a City Council agenda, to be placed on a future agenda. The Council Member referring the item shall provide sufficient information as to the nature of the item. The City Council, by concurrence of a majority, may direct the City Manager to put the item on a future agenda. (GOV. CODE SEC. 54954.2)

A. Council Future Agenda Items

None.

B. Upcoming Events and Important Dates:

December 16: Regular City Council Meeting
December 19: Hanford Police Department and Central California Blood Center's 2025 South Valley Battle of the Badges — 425 N. Irwin Street, 10 am to 2:00 pm
December 24 – January 1: City Offices Holiday Closure.

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}

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

Respectfully submitted,

Natalie Corral
City Clerk

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Waiver of second reading and adoption of Ordinance 2025-07, approving Zone Text Amendment No. 2025-10, a request to amend Title 17, Section 17.56.230, Wall mural placement and design criteria: in order to comply with free speech requirements.

RECOMMENDATION:

Recommendation: Waive second reading of Ordinance No. 2025-07 and adopt Zone Text Amendment 2025-10.
Recommended Motion: I move to waive the second reading of and adopt Ordinance No. 2025-24, approving Zone Text Amendment 2025-10.

BACKGROUND:

Following approval and adoption of Ordinance No. 25-07 on December 2, 2025, staff determined that the ordinance was not properly noticed in accordance with applicable noticing requirements. To correct this procedural issue, staff is requesting that the City Council waive the second reading of and adopt Ordinance No. 2025-07, approving Zone Text Amendment 2025-10, so that the ordinance may be properly noticed and brought into full compliance with legal requirements.

In 2024, the Hanford City Council directed staff to review the current mural ordinance and evaluate whether changes were necessary to comply with free speech requirements and to create a new application process. Staff review of the ordinance at that time revealed that several design guidelines in HMC 17.56 related to murals are not enforceable, due to content-based restrictions. Except for obscene content and commercial advertisements, the City is not able to deny a mural permit based on the content of the mural.

Zoning Text Amendment 2024-01 removed the content-based requirements from the City's mural ordinance and replaced it with criteria that outline the application process but, due to a procedural issue, it is necessary to readopt the ordinance language.
Since content-based restrictions are unenforceable, the mural policy has been revised to eliminate discretionary approval and allow for staff-level approval. Staff will review each application to ensure that the necessary information has been provided, as well as ensure that the application does not propose a mural which is obscene in nature, or proposes commercial speech/depictions.
The Hanford Planning Commission has recommended adoption of the updated ordinance but has requested that the City expand the zones so that murals may be placed in all zones within the City

instead of limiting their locations to the MX-D zone.
In taking action on a Zone Text Amendment, the City Council must make the appropriate findings, in accordance with Section 17.86.030 of the Hanford Municipal Code:
1. The amendment is internally consistent with the goals, objectives, and policies of the General Plan and this title;
ANALYSIS: That according to General Plan Policy E8, the City of Hanford shall support local arts and cultural activities that can contribute to the local economy, enrich residents' lives, and strengthen a sense of community. The revision of Section 17.56.230 of the Hanford Municipal Code is consistent with the policies of the General Plan, as it continues the support of local arts activities that may enrich residents' lives and strengthen a sense of community.
2. The amendment would not be detrimental to the public health, safety, or welfare of the community;
ANALYSIS: That the revision of Section 17.56.230 of the Hanford Municipal Code is not detrimental to the public health, safety, or welfare of the community.
3. The amendment would maintain the appropriate balance of land uses within the City;
ANALYSIS: That the amendment will not affect the balance of land uses within the City of Hanford. The zone text amendment pertains to mural regulations, only.
4. The anticipated land uses on the subject site would be compatible with existing and future surrounding uses;
ANALYSIS: That the zone text amendment applies to wall murals and will not propose a change in land uses.
The proposed mural policy and mural ordinance are attached. Pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) guidelines, the project is exempt from environmental review.

FISCAL IMPACT:

None

ATTACHMENTS:
1. Notice of Exemption
2. Ordinance 25-07
3. Proposed Mural Ordinance

Notice of Exemption 2025-XX

To: ☐ Office of Planning and Research
P.O. Box 3044, Room 212
Sacramento, CA 95812-3044

☒ County Clerk
County of Kings
Kings County Government Center
Hanford, CA 93230

From: City of Hanford
317 North Douty Street
Hanford, CA 93230

Project Title: Zone Text Amendment No. 2024-01

Project Location – City of Hanford

Project Location – City: Hanford **Project Location – County:** Kings County

Description of Nature, Purpose and Beneficiaries of Project: Zone Text Amendment No. 2024-01: a request to amend Title 17, Section 17.56.230 of the Hanford Municipal Code in order to remove content-based restrictions on murals and establish a policy for reviewing and approving murals in the City of Hanford

Name of Public Agency Approving Project: City of Hanford, Planning Division

Name of Person or Agency Carrying Out Project: City of Hanford

Exempt Status: **(check one)**

☐ Ministerial (Sec. 21080(b)(1); 152698);
☐ Declared Emergency (Sec. 21080(b)(3); 15269 (a));
☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
☐ Categorical Exemption: State type and section number:
☒ Statutory Exemption. State code number: 15061(b)(3) General Rule

Reasons why project is exempt:
The proposed ordinance is exempt under Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The proposed project is a text amendment that is not associated with a physical development; therefore, there are no physical impacts that will result from the project.

Lead Agency
Contact Person: Jason Waters Area Code/ Telephone: (559) 585-2590

Signature: _____ Date: September 9, 2025 Title: Deputy City Manager

☒ Signed by Lead Agency Date received for filing at OPR: _____
☐ Signed by Applicant

ORDINANCE NO. 25-07

AN ORDINANCE APPROVING ZONE TEXT AMENDMENT NO. 2025-10, A REQUEST BY THE CITY OF HANFORD TO APPROVE ZONE TEXT AMENDMENT NO. 2025-10 AND AMEND TITLE 17, SECTION TITLE 17, SECTION 17.56.230 WALL MURAL PLACEMENT AND DESIGN CRITERIA.

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

SECTION 1: The Hanford Municipal Code Title 17, the Zoning Ordinance contains regulations to ensure the public health, safety, peace, comfort, convenience, prosperity and general welfare of the citizens of Hanford, including zoning categories, allowed uses and development standards.

SECTION 2: The City Council has held a public hearing on the amendment to Title 17, to amend Title 17, Section 17.56.230 – Wall mural placement and design criteria of the Hanford Municipal Code by adding sections in order to remove the content-based requirements from the City's mural ordinance and replace it with criteria that outlines the application process, allows the City to adopt a mural policy, and prohibits murals that are obscene or classified as commercial advertisements. The proposed ordinance changes are attached as **Exhibit A.**

SECTION 3: The City Council finds that the adoption of this ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to the following section of the CEQA Guidelines, 14 Cal. Code of Regulations, Chapter 3.

a) The ordinance is exempt under Section 15061(b) (3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 4: The proposed amendment was evaluated for consistency with the General Plan and the Zoning Ordinance in accordance with Sections 17.86.030 and based on the following findings:

1. The amendment is internally consistent with the goals, objectives, and policies of the General Plan and this title;

   ANALYSIS: That according to General Plan Policy E8, the City of Hanford shall support local arts and cultural activities that can contribute to the local economy, enrich residents' lives, and strengthen a sense of community. The revision of Section 17.56.230 of the Hanford Municipal Code is consistent with the policies of the General Plan, as it continues the support of local arts activities that may enrich residents' lives and strengthen a sense of community.

2. The amendment would not be detrimental to the public health, safety, or welfare of the community;

   ANALYSIS: That the revision of Section 17.56.230 of the Hanford Municipal Code is not detrimental to the public health, safety, or welfare of the community.

3. The amendment would maintain the appropriate balance of land uses within the City;

   ANALYSIS: That the amendment will not affect the balance of land uses within the City of Hanford. The zone text amendment pertains to mural regulations, only.

4. The anticipated land uses on the subject site would be compatible with existing and future surrounding uses;

ANALYSIS: That the zone text amendment applies to wall murals and will not propose a change in land uses.

SECTION 5: The City Council of the City of Hanford does ordain that Title 17 is hereby amended, as shown in **Exhibit A.**

SECTION 6: That the ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage or a summary of this ordinance shall be published in the Hanford Sentinel in a manner consistent with the requirements of the California Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on November 2, 2025, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED

_____
Travis Paden
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 ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 7th day of October, 2025, and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the ____ day of ____, 2025.

_____
NATALIE CORRAL
CITY CLERK

17.56.230 Wall mural placement and design criteria.

The Community Development Director is authorized to implement and administer a city mural policy and application process for private structures, as adopted by the city council by resolution, which establishes requirements for murals on private structures.

A. Allowed Murals. An application which meets all of the following criteria, and which is not otherwise prohibited by this Chapter, will be allowed:

1. Submission of a complete mural application;

2. Compliance with all the requirements of the adopted mural policy and all requirements of this Code;

3. Located within the City's MX-D zone;

4. Payment of any fees required for a mural permit.

B. Prohibited Murals. The following murals are prohibited:

1. Murals containing statements, words, symbols, or characters of an obscene nature.

2. Murals that contain commercial advertisements or contain words and/or images which specifically identify or reflect the business, products and/or services provided by any business service or economic activity.

C. This ordinance shall not apply to spaces not visible from the street or other public or private property;

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Waiver of second reading and adoption of Ordinance 2025-08, approving Zone Text Amendment No. 2025-12, a request to amend Title 17, Section 17.56.200, Property maintenance and add Chapter 9.12 – Graffiti: in order to establish regulations for abatement of graffiti on public and private property.

RECOMMENDATION:

Recommendation: That the City Council, by motion, waive the second reading and adopt Ordinance No. 2025-08, approving Zone Text Amendment 2025-12.

BACKGROUND:

Following approval and adoption of Ordinance No. 25-08 on December 2, 2025, staff determined that the ordinance was not properly noticed in accordance with applicable noticing requirements. To correct this procedural issue, staff is requesting that the City Council waive the second reading of and adopt Ordinance No. 2025-08, approving Zone Text Amendment 2025-12, so that the ordinance may be properly noticed and brought into full compliance with legal requirements.

The proposed ordinance incorporates provisions from State Law concerning the sale and possession of graffiti implements. The notice and removal process requires the City to issue two notices before the City enforces the ordinance against a landowner. The first notice directs the property owner to remove graffiti within 10 business days. If the graffiti is not removed within that period, a second and final notice is issued, providing an additional 20 business days before the City may abate the graffiti. The ordinance also authorizes the City Manager, or designee, to enter into an agreement with a property owner or lessee to remove graffiti using City crews or contractors, subject to reimbursement or waiver conditions. If the City initiates abatement, the associated costs may be recovered through a lien or special assessment against the property.
The Hanford Planning Commission recommended approval of the Ordinance with a proposed changed to require graffiti to be removed from public property within the same timeframe as removal requirements for private property (30 business days) and that has been incorporated into the Ordinance.
In taking action on a Zone Text Amendment, the City Council must make the appropriate findings, in accordance with the Hanford Municipal Code:
1. The amendment is internally consistent with the goals, objectives, and policies of the General Plan and this title;
ANALYSIS: That according to General Plan Policy L121, Encourage the maintenance of private

property within the city’s neighborhoods, and actively enforce the City’s codes related to blight. The revision of the Hanford Municipal Code is consistent with the policies of the General Plan, as it encourages the maintenance of private property.

2. The amendment would not be detrimental to the public health, safety, or welfare of the community;

ANALYSIS: That the revision of Section 17.56.200 and the addition of CHAPTER 9.12 of the Hanford Municipal Code is not detrimental to the public health, safety, or welfare of the community as it encourages the maintenance of private property within the City's neighborhoods.

3. The amendment would maintain the appropriate balance of land uses within the City;

ANALYSIS: That the amendment will not affect the balance of land uses within the City of Hanford. The zone text amendment pertains to graffiti regulations, only.

4. The anticipated land uses on the subject site would be compatible with existing and future surrounding uses;

ANALYSIS: That the zone text amendment applies to graffiti and will not propose a change in land uses.

FISCAL IMPACT:

None with this action. Graffiti abatement performed by the city could be recovered.

ATTACHMENTS:

1. Notice of Exemption 2025
2. Ordinance 25-08
3. Graffiti Ordinance

Notice of Exemption 2025-XX

To: ☐ Office of Planning and Research
P.O. Box 3044, Room 212
Sacramento, CA 95812-3044

☒ County Clerk
County of Kings
Kings County Government Center
Hanford, CA 93230

From: City of Hanford
317 North Douty Street
Hanford, CA 93230

Project Title: Zone Text Amendment No. 2025-12

Project Location – City of Hanford

Project Location – City: Hanford **Project Location – County:** Kings County

Description of Nature, Purpose and Beneficiaries of Project: Zone Text Amendment No. 2025-12: 17.50.200 and 19.12: in order to establish graffiti abatement procedures on public and private property.

Name of Public Agency Approving Project: City of Hanford, Planning Division

Name of Person or Agency Carrying Out Project: City of Hanford

Exempt Status: **(check one)**

☐ Ministerial (Sec. 21080(b)(1); 152698);
☐ Declared Emergency (Sec. 21080(b)(3); 15269 (a));
☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
☐ Categorical Exemption: State type and section number:
☒ Statutory Exemption. State code number: 15061(b)(3) General Rule

Reasons why project is exempt:
The proposed ordinance is exempt under Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The proposed project is a text amendment that is not associated with a physical development; therefore, there are no physical impacts that will result from the project.

Lead Agency
Contact Person: Jason Waters Area Code/ Telephone: (559) 585-2590

Signature: _____ Date: September 9, 2025 Title: Deputy City Manager

☒ Signed by Lead Agency Date received for filing at OPR: _____
☐ Signed by Applicant

ORDINANCE NO. 25-08

AN ORDINANCE APPROVING ZONE TEXT AMENDMENT NO. 2025-12, A REQUEST BY THE CITY OF HANFORD TO APPROVE ZONE TEXT AMENDMENT NO. 2025-12 AND AMEND TITLE 17, SECTION TITLE 17, 17.56.200 PROPERTY MAINTENANCE AND CHAPTER 9.12 GRAFFITI

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

SECTION 1: The Hanford Municipal Code Title 17 the Zoning Ordinance and Code Title 9 contain regulations to ensure the public health, safety, peace, comfort, convenience, prosperity and general welfare of the citizens of Hanford, including zoning categories, allowed uses and development standards.

SECTION 2: The City Council has held a public hearing on the amendment to Title 17, to amend Title 17, 17.56.200 Property maintenance and add Chapter 9.12 – Graffiti in order to establish regulations for abatement of graffiti on public and private property. The proposed ordinance changes are attached as **Exhibit A.**

SECTION 3: The City Council finds that the adoption of this ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to the following section of the CEQA Guidelines, 14 Cal. Code of Regulations, Chapter 3.

a) The ordinance is exempt under Section 15061(b) (3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 4: The proposed amendment was evaluated for consistency with the General Plan and the Zoning Ordinance in accordance with Sections 17.86.030 and based on the following findings:

1. The amendment is internally consistent with the goals, objectives, and policies of the General Plan and this title;

   ANALYSIS: That according to General Plan Policy L121, Encourage the maintenance of private property within the city's neighborhoods, and actively enforce the City's codes related to blight. The revision of the Hanford Municipal Code is consistent with the policies of the General Plan, as it encourages the maintenance of private property.

2. The amendment would not be detrimental to the public health, safety, or welfare of the community;

   ANALYSIS: That the revision of Section 17.56.200 and the addition of CHAPTER 9.12 of the Hanford Municipal Code is not detrimental to the public health, safety, or welfare of the community.

3. The amendment would maintain the appropriate balance of land uses within the City;

   ANALYSIS: That the amendment will not affect the balance of land uses within the City of Hanford. The zone text amendment pertains to graffiti regulations, only.

4. The anticipated land uses on the subject site would be compatible with existing and future surrounding uses;

   ANALYSIS: That the zone text amendment applies to graffiti and will not propose a change in land uses.

SECTION 5: The City Council of the City of Hanford does ordain that Title 17 is hereby amended, as shown in **Exhibit A.**

SECTION 6: That the ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage or a summary of this ordinance shall be published in the Hanford Sentinel in a manner consistent with the requirements of the California Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on October 7, 2025, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED

_____
Travis Paden
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 ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 7th day of October, 2025, and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the ____ day of ____, 2025.

_____
NATALIE CORRAL
CITY CLERK

17.50.200 Property maintenance.

~~L. Failure to address graffiti for longer than 48 hours from the time that graffiti is placed on a surface;~~

Chapter 9.12 – Graffiti

9.12.010 Purpose

A. The purpose of this chapter is to provide for the prompt abatement of graffiti from public and private properties in the city; to provide for methods of controlling the sale to and the unauthorized use of aerosol paint containers and wide tipped marker pens by minors; and to encourage citizens to report occurrences of graffiti vandalism within the city.

B. Due to the increase of graffiti vandalism on both public and private property, a condition has arisen within the city which has resulted in a deterioration of property values and concern for the quality of life of the city's citizens. The city council finds and determines that graffiti constitutes a public nuisance which, left unabated, adversely affects the city's image, business development, retail sales, and residential housing costs. Allowing graffiti to remain on public or private property encourages additional occurrences of graffiti, fuels fear among the community, and depreciates the value of the affected property and surrounding properties.

C. The purpose of this chapter is, therefore, to minimize the impact graffiti has on the city's quality of life, economic stability, environmental image, and sense of safety and security. Because the existence of graffiti tends to breed community discontent and criminal or gang-related activities, this chapter will mitigate these problems through timely removal and control of graffiti vandalism.

9.12.020 Definitions.

"Abatement and related administrative costs" includes, but is not limited to, court costs, attorney's fees, cost of removal of the graffiti or other inscribed material and costs of repair and replacement of defaced property, and the enforcement costs incurred by the City.

"Graffiti" is defined as, but not limited to, an unauthorized inscription, word, figure, design, writing, or picture marked, etched, scratched, drawn, or painted upon any public or private property or any structure, wall, fence, sidewalk, sign, public utility box, or any structural component of any building, bridge, structure, or facility in public view within the city.

9.12.030 Sale of aerosol paint containers or wide tipped marker pens to minors

It is unlawful for any person to sell, offer to sell, or cause to be sold any aerosol or pressurized container of paint and/or any wide tipped marker pens exceeding four millimeters in width, containing anything other than a water-soluble solution, to any person under the age of eighteen (18) years who is not accompanied by a responsible adult.

9.12.040 Possession by minors

It is unlawful for any person under eighteen (18) years of age, in a public place or on private property without consent of the owner or operator and not accompanied by a responsible adult, to possess (1) an aerosol or pressurized container of paint, and/or (2) wide tipped marker pens with tips exceeding four millimeters in width that contain other than a water-soluble solution.

9.12.050 Control

Any retail commercial establishment selling aerosol containers or wide tipped marker pens exceeding four millimeters in width containing non-water-soluble substances shall store such items in an area viewable by but not directly accessible to the public without employee assistance.

9.12.060 Signs required

Retailers engaged in the sale of such aerosol containers or wide tipped marker pens shall display at the point of sale a clearly visible and legible sign stating:

"It is unlawful for any person to sell, lend, or give to any individual under the age of eighteen (18) years, who is not accompanied by a responsible adult, an aerosol or pressurized container of paint or wide tipped marker pens exceeding four (4) millimeters in width, containing anything other than a water-soluble solution."

9.12.070 Removal

A. **General.** It is unlawful for any person to apply graffiti to any public or private property located within the city. Any person applying graffiti within the city shall remove it within twenty-four (24) hours after notice by the city or property owner. Failure to do so constitutes an additional violation of this chapter. Consistent with Cal. Civil Code § 1714.1 where graffiti is applied by minors, the parent or guardian shall be responsible for such removal or payment of costs thereof.

B. **Public Property.** Graffiti on city property shall be removed within 30 business days. Graffiti on property of another public entity may only be removed by the city with written consent and waiver from that entity.

C. **Private Property – Notice and Removal.**

1. Where graffiti is located on private property visible from a public right-of-way, it is the property owner's duty to remove it. If not promptly removed, the city shall serve written notice of the location and description of graffiti and the owner's obligation to remove it.

2. First Notice: Property owner shall commence removal within 10 business days of service by mail or personal delivery.

3. Second Notice: If graffiti remains after the first period, a 20-business-day final notice shall be issued, requiring complete removal within that period.

4. Notices shall be served by one of the following methods:

   a. Personal service;

   b. First class mail, postage prepaid, to each person identified at the address as it appears on the last equalized assessment roll of the county, or as otherwise known to the Code Enforcement Officer. The address of the property owner shown on the assessment roll shall be conclusively deemed to be the property address for the purpose of service of the administrative citation. Service by mail in the manner described above shall be effective on the date of mailing.

   The failure of the person with an interest in the property to receive any notice in accordance with this section shall not affect the validity of any proceedings taken under this chapter. If the owner of record, after diligent search cannot be found, the notice may be served by posting a copy thereof in a conspicuous place upon the property for a period of ten (10) calendar days.

5. Proof of service of a notice served pursuant to this chapter shall be documented at the time of service by a declaration under penalty of perjury executed by the person effecting service, declaring the date and manner in which service was made.

6. If the owner fails to act after both notices, the city may abate graffiti and recover abatement and related administrative costs.

7. Alternative Abatement Agreement. The City Manager or designee may enter into an agreement with the property owner to abate graffiti using city crews or contractors, subject to reimbursement or waiver conditions.

8. City's Release From Liability. Any abatement by the City at an owner's consent requires a release of liability signed by the property owner.

9. Failure to Remove. If the owner fails to remove graffiti after both notices or fails to request abatement assistance, the City may abate the graffiti and assess abatement and administrative costs as a lien or special assessment against the affected property. Abatement and administrative costs not paid by a landowner

within thirty (30) calendar days of receipt of a request for payment from City shall be deemed delinquent and will be subject to a ten percent (10%) late fee and interest on delinquent abatement and administrative costs will incur interest at the rate of ten percent (10%) per annum.

10. The Code Enforcement Officer shall keep an itemized account of the expenses and costs incurred by the City in the work and abatement of any graffiti on private property. Upon completion of the work and abatement, the Code Enforcement Officer shall prepare a report specifying the work and abatement performed, the itemized costs of the work on the property, including direct and indirect costs, a description of the property, and the names and addresses of the persons entitled to service pursuant to this Chapter 9.12. Each person named in the notice shall be jointly and severally liable for such work and abatement costs and administrative expenses, and the amount of such costs and expenses shall be a debt owed to the city. Such report shall be served upon the responsible persons identified therein, together with a demand that the amount identified therein be paid within thirty (30) calendar days of receipt of the report.

9.12.080 Notice of Lien and Collection of Confirmed Assessment

A. If an owner fails to pay the city's costs of graffiti abatement within ten (10) calendar days of the owner's receipt of the city's written request for payment or within ten (10) calendar days after the date of the decision of the hearing officer should the hearing officer affirm the costs of abatement, the city's Code Enforcement Officer may execute and file in the office of the county recorder a notice of lien of substantially the following form:

NOTICE OF LIEN

Pursuant to the authority vested in the Code Enforcement Officer by the City of Hanford Municipal Code, said Code Enforcement Officer, by the provisions of the City of Hanford Municipal Code, and on or about _____, said Code Enforcement Officer did assess an amount comprised of administrative expenses and abatement costs upon that certain real property commonly known as _____ Hanford, California, and more particularly described in Exhibit "A", which is attached hereto and made a part hereof ("Real Property"), and the assessed amount has not been paid. The City of Hanford hereby claims a lien on the Real Property for said administrative expenses and abatement costs in the amount of $ _____. This amount shall be a lien upon the Real Property until the sum has been paid in full and discharged of record.

Dated: This _____ day of _____, 20__.

CODE ENFORCEMENT OFFICER OF THE CITY OF HANFORD (ACKNOWLEDGMENT)

B. Immediately upon the recording of the notice of lien, the assessment shall constitute a lien on the real property assessed. Such lien shall, for all purposes, be upon a parity with the lien of state and local taxes.

C. The notice of lien, after recording, shall be delivered to the tax assessor of Kings County, who shall enter the amount on the county assessment book opposite the description of the real

property, and the amount shall be collected together with all other taxes levied thereon against the real property.

D. Thereafter, the amount set forth in the notice of lien shall be collected at the same time and in the same manner as ordinary county real property taxes are collected and shall be subject to the same penalties and interest and to the same procedure under foreclosure and sale in case of delinquency as provided for ordinary county taxes. All laws applicable to the levy, collection and enforcement of county taxes are made applicable to such assessment. The amount set forth in the notice of lien shall be returned to the City to the fund designated for code enforcement activities.

9.12.090 Appeals

A. Any person receiving a notice pursuant to this Chapter 9.12 may appeal to the City Manager. A notice of appeal must be submitted on an appeal form provided by the City's Community Development Director, must specify the basis for the appeal in detail, and must be filed with the Community Development Director within ten (10) calendar days after the date of service of the notice that the party wishes to appeal. If the deadline falls on a weekend or city holiday, then the deadline shall be extended until the next regular business day. Except as otherwise provided herein, no appeal hearing shall be held unless the appealing party pays the required appeal fee established by resolution of the City Council. Notwithstanding such requirement, the payment of an appeal fee shall be waived if the City Manager determines that the appealing party is financially unable to pay such amount. A waiver request must be submitted to the Community Development Director with the person's request for appeal, along with a sworn declaration and other supporting documents and materials showing the person's actual financial inability to pay the appeal fee. The appealing party bears the burden of demonstrating financial hardship to the satisfaction of the City Manager. If the City Manager determines that a waiver is warranted, the appeal fee will be waived or partially waived. If the City Manager finds that a waiver is not warranted, the appealing party must, within three (3) business days of the party's receipt of the City Manager's written decision, pay the appeal fee to the City for the person's appeal to be processed.

B. When an appeal is filed, unless the Code Enforcement Officer determines that the violation identified in the notice constitutes an immediate threat to the health or safety of any person, the enforcement of the violations identified in the notice of violation shall be stayed until the date that the appeal hearing is held.

C. As soon as practicable after receiving the written notice of appeal, the City Manager shall fix a date, time, and place for the hearing. Written notice of the date, time, and place for the hearing shall be served at least ten (10) calendar days prior to the date of the hearing to the appealing party by any one of the following means:

1. Personal service; or

2. First class mail and posting the notice of hearing conspicuously on or in front of

the property on which the violation is located.

D. The failure of any person with an interest in the property to receive such notice of hearing shall not affect the validity of any proceedings taken under this chapter. Service by mail in the manner described above shall be deemed effective on the date of mailing.

E. Failure of any person to file an appeal in accordance with the provisions of this section shall constitute a failure to exhaust administrative remedies and will be waiver of that person's rights to administrative determination of the merits of the notice of violation and any amount assessed for the City's abatement and administrative costs.

F. The City Council shall designate or appoint a hearing officer, and in no event shall the Code Enforcement Officer, nor any other officer or employee in his or her department, be the hearing officer for appeals occurring under this Chapter 9.12.

G. Hearing Procedure.

1. Except as otherwise provided herein, no hearing to contest a notice of violation or an amount assessed for the City's abatement and administrative costs shall be held unless the appealing party pays the applicable appeal fee to the City.

2. A hearing shall be set for a date that is not less than fifteen (15) calendar days and not more than sixty (60) calendar days from the date that the request for hearing is filed in accordance with the provisions of this chapter.

3. At the hearing, the party contesting the notice of violation or the abatement and related administrative costs levied by the city shall be given the opportunity to testify and to present evidence supporting his/her/their appeal.

4. The failure of an appealing party to appear at the appeal hearing shall constitute a failure to exhaust his/her/their administrative remedies.

5. The notice of violation and any additional report submitted by the Code Enforcement Officer shall constitute prima facie evidence of the respective facts contained in those documents.

6. The hearing officer may continue the hearing and request additional information from the Code Enforcement Officer or the appealing party prior to issuing a written decision.

H. After considering all of the testimony and evidence submitted at the hearing, the hearing officer shall issue a written decision to uphold, modify, or cancel the notice of violation and/or the amount levied for abatement and related administrative costs and shall list in the decision the reasons for the decision. The decision of the hearing officer shall be final.

9.12.100 Violation and Responsibility

A. It is unlawful for a person to violate any provision or to fail to comply with any of the

requirements of this chapter.

B. Violations of this chapter are hereby declared a public nuisance and are subject to abatement by the city.

C. Any individual guilty of violating §9.12.070.A. shall pay restitution to the property owner in addition to penalties to the city. Parents or guardians of minors shall be liable.

D. The city may assess abatement and administrative costs as a special assessment or lien per § 9.12.080 against the violator's property or against the property of the parent/guardian of a minor violator.

E. The remedies under this chapter are cumulative and in addition to other civil or criminal actions available at law or in equity.

9.12.110 Penalties

A. It is unlawful to apply graffiti on any premises.

B. It is unlawful and an infraction for a minor to unlawfully possess aerosol paint or wide tipped markers.

C. Penalties:

1. Misdemeanor: Up to $500 fine and/or 30 days jail (first offense); up to $1,000 fine and/or 90 days jail (second offense within one year); up to $2,500 fine and/or 6 months jail (subsequent within one year).
2. Infraction: $50 (first offense); $100 (second offense within one year); $250 (subsequent within one year).

9.12.110 Alternatives

Nothing in this chapter prevents the city from commencing alternative civil or criminal nuisance abatement proceedings.

9.12.120 Severability

If any provision of this chapter is found invalid or unenforceable, such determination shall not affect remaining provisions, which shall remain in full force and effect.

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Waiver of second reading and adoption of Ordinance 2025-09, approving Zone Text Amendment No. 2025-11, a request to amend Title 17.56.050, 17.56.150, 17.56.155, and 17.56.310 Temporary and Portable Signs: in order to establish the placement, size and materials for portable signs.

RECOMMENDATION:

Recommendation: That the City Council, by motion, waive the second reading of and adopt Ordinance No. 2025-09, approving Zone Text Amendment 2025-11.

BACKGROUND:

Following approval and adoption of Ordinance No. 25-09 on December 2, 2025, staff determined that the ordinance was not properly noticed in accordance with applicable noticing requirements. To correct this procedural issue, staff is requesting that the City Council waive the second reading of and adopt Ordinance No. 2025-09, approving Zone Text Amendment 2025-11, so that the ordinance may be properly noticed and brought into full compliance with legal requirements.

The proposed ordinance provides an alternative approach that would allow feather flags under specified restrictions to balance business visibility needs with community aesthetics and safety. A summary of the proposed changes is provided below:

Location Restrictions

- Prohibited in rights-of-way, drive aisles/parking spaces, multiuse trails, or sidewalks that block a 4-foot pedestrian path.
- Cannot block pedestrian access or be placed within:
    - 10 feet of a permanent freestanding sign,
    - 10 feet of another portable/temporary freestanding sign,
    - 30 feet of a street intersection.

Placement & Size Standards

- Must be located on the same private property as the business using the sign.
- Maximum size: **16 sq. ft.**; Maximum height: **10 ft.**
- Must be at least **7 ft.** from the curb or pavement edge.
- Cannot obstruct sight distance or view corridors

Design & Materials

- Constructed of durable, professional-quality materials (vinyl, polyethylene, fabric, etc.).
- Must be well-maintained, free of fading, damage, and wear.

Quantity & Timing

- Minimum of **1 portable sign per parcel** is allowed.
- Maximum of **1 sign per 30 linear feet** of street frontage.
- May only be displayed during business hours (½ hour before opening to ½ hour after closing).

Special Restrictions

- **Feather flags are prohibited** in the Downtown Mixed Use (MX-D) zone.

The Hanford Planning Commission recommended approval of the Ordinance.
In taking action on a Zone Text Amendment, the City Council must make the appropriate findings, in accordance with the Hanford Municipal Code:
1. The amendment is internally consistent with the goals, objectives, and policies of the General Plan and this title;
ANALYSIS: That according to General Plan Policy E11, the City of Hanford shall Strengthen the reputation of Hanford's city government as one that is service-oriented and business friendly. The revision of Section 17.56.230 of the Hanford Municipal Code is consistent with the policies of the General Plan, as it continues the support of local businesses to advertise on their property.
2. The amendment would not be detrimental to the public health, safety, or welfare of the community;
ANALYSIS: That the revision of Section 17.56.050, 17.56.150, 17.56.155, AND 17.56.310 of the Hanford Municipal Code is not detrimental to the public health, safety, or welfare of the community.
3. The amendment would maintain the appropriate balance of land uses within the City;
ANALYSIS: That the amendment will not affect the balance of land uses within the City of Hanford. The zone text amendment pertains to sign regulations, only.
4. The anticipated land uses on the subject site would be compatible with existing and future

surrounding uses;
ANALYSIS: That the zone text amendment applies to signs and does not propose a change in land uses.

FISCAL IMPACT:

Not applicable

ATTACHMENTS:

1. Notice of Exemption
2. Ordinance 25-09
3. Temporary Sign Ordinance

Notice of Exemption 2025-XX

To: ☐ Office of Planning and Research
P.O. Box 3044, Room 212
Sacramento, CA 95812-3044

☒ County Clerk
County of Kings
Kings County Government Center
Hanford, CA 93230

From: City of Hanford
317 North Douty Street
Hanford, CA 93230

Project Title: Zone Text Amendment No. 2025-11

Project Location – City of Hanford

Project Location – City: Hanford **Project Location – County:** Kings County

Description of Nature, Purpose and Beneficiaries of Project: Zone Text Amendment No. 2025-11: 17.56.050, 17.56.150, 17.56.155, and 17.56.310 Temporary and Portable Signs: in order to establish the placement, size and materials for portable signs.

Name of Public Agency Approving Project: City of Hanford, Planning Division

Name of Person or Agency Carrying Out Project: City of Hanford

Exempt Status: **(check one)**

☐ Ministerial (Sec. 21080(b)(1); 152698);
☐ Declared Emergency (Sec. 21080(b)(3); 15269 (a));
☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
☐ Categorical Exemption: State type and section number:
☒ Statutory Exemption. State code number: 15061(b)(3) General Rule

Reasons why project is exempt:
The proposed ordinance is exempt under Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The proposed project is a text amendment that is not associated with a physical development; therefore, there are no physical impacts that will result from the project.

Lead Agency
Contact Person: Jason Waters Area Code/ Telephone: (559) 585-2590

Signature: _____ Date: September 9, 2025 Title: Deputy City Manager

☒ Signed by Lead Agency Date received for filing at OPR: _____
☐ Signed by Applicant

ORDINANCE NO. 25-09

AN ORDINANCE APPROVING ZONE TEXT AMENDMENT NO. 2025-11, A REQUEST BY THE CITY OF HANFORD TO APPROVE ZONE TEXT AMENDMENT NO. 2025-11, 17.56.050, 17.56.150, 17.56.155, AND 17.56.310 TEMPORARY AND PORTABLE SIGNS

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

SECTION 1: The Hanford Municipal Code Title 17 the Zoning Ordinance contain regulations to ensure the public health, safety, peace, comfort, convenience, prosperity and general welfare of the citizens of Hanford, including zoning categories, allowed uses and development standards.

SECTION 2: The City Council has held a public hearing on the amendment 17.56.050, 17.56.150, 17.56.155, and 17.56.310 Temporary and Portable Signs by adding sections in order to establish the placement, size and materials for portable signs. The proposed ordinance changes are attached as **Exhibit A.**

SECTION 3: The City Council finds that the adoption of this ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to the following section of the CEQA Guidelines, 14 Cal. Code of Regulations, Chapter 3.

a) The ordinance is exempt under Section 15061(b) (3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 4: The proposed amendment was evaluated for consistency with the General Plan and the Zoning Ordinance in accordance with Sections 17.86.030 and based on the following findings:

1. The amendment is internally consistent with the goals, objectives, and policies of the General Plan and this title;

ANALYSIS: That according to General Plan Policy E11, the City of Hanford shall Strengthen the reputation of Hanford's city government as one that is service-oriented and business friendly. The revision of Section 17.56.230 of the Hanford Municipal Code is consistent with the policies of the General Plan, as it continues the support of local businesses to advertise on their property.

2. The amendment would not be detrimental to the public health, safety, or welfare of the community;

ANALYSIS: That the revision of Section 17.56.050, 17.56.150, 17.56.155, AND 17.56.310 of the Hanford Municipal Code is not detrimental to the public health, safety, or welfare of the community.

3. The amendment would maintain the appropriate balance of land uses within the City;

ANALYSIS: That the amendment will not affect the balance of land uses within the City of Hanford. The zone text amendment pertains to sign regulations, only.

4. The anticipated land uses on the subject site would be compatible with existing and future surrounding uses;

ANALYSIS: That the zone text amendment applies signs in all zone districts and will not propose a change in land uses.

SECTION 5: The City Council of the City of Hanford does ordain that Title 17 is hereby amended, as shown in **Exhibit A.**

SECTION 6: That the ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage or a summary of this ordinance shall be published in the Hanford Sentinel in a manner consistent with the requirements of the California Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on December 2, 2025, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED

_____
Travis Paden
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 ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 7th day of October, 2025, and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the ____ day of ____, 2025.

_____
NATALIE CORRAL
CITY CLERK

17.56.050 Prohibited signs.

~~S. Feather signs.~~

17.56.150 Temporary sign standards.

E. Temporary freestanding signs shall be affixed to supporting structures made of a durable, rigid material such as, without limitation, wood, plastic or metal. ~~Feather banners must be secured and stabilized so as to withstand wind gusts, or be removed during windy conditions. Freestanding signs placed on sidewalks in conformance with this chapter are exempt from this subsection if they have a weight and mass that makes them not inadvertently movable.~~

17.56.155 Portable signs

A. Portable Signs in nonresidential zones shall not be located:

1. In any public right-of-way;
2. In parking lot driving lanes, aisles or spaces;
3. On multiuse trails or sidewalks if they would block a four-foot wide pedestrian path of travel;
4. At any location where they would block pedestrian access;
5. Within 10 feet on either side, or in front of, a permanent freestanding sign, portable sign, or temporary sign;
6. Within 30 feet from an intersection of two streets.

B. Portable signs are subject to the following standards:

1. Portable signs shall be placed on private property on the same lot or development site as the establishment that qualifies for such sign.
2. The total sign area for a portable sign may not exceed 16 square feet.
3. Portable signs must not exceed a height of 10 feet above the ground level.
4. Portable signs must be a minimum of seven feet from the back of the curb, or edge of pavement where no curb exists.

5. Portable signs shall not interfere with either pedestrian or vehicular sight distance, any view corridor, obstruct views to any existing business or existing permanent sign.
6. Portable signs shall be constructed of acceptable materials such as vinyl, nylon reinforced vinyl, polyethylene or polyester-like materials, durable fabric, or similar materials.
7. A minimum of one portable sign shall be allowed per parcel, regardless of frontage length.
8. The number of portable signs allowed on a site shall not exceed one (1) for every thirty (30) lineal feet of frontage along the adjacent public street.
9. Portable signs are permitted during the hours a business is open for business and one-half hour before opening and one-half hour after closing. They must be removed during hours when the establishment is not open to the public
10. Feather flags are prohibited in the Downtown Mixed Use (MX-D) zone.
11. Portable signs shall be constructed of durable materials, not subject to rapid deterioration or fading, and shall be professional in appearance. Signs must be maintained in good condition, free from damage, fading, or wear that impairs legibility or aesthetic quality.

17.56.310 Definitions.

~~"Temporary sign" means a sign that is easily moveable and which is not attached to a building, structure, or the ground in such a manner as to be rendered a permanent sign.~~

"Temporary sign" means a sign or advertising display constructed of fabric, cardboard, plywood, or other light material, with or without a frame that is not designed for permanent display. Temporary signs do not include portable signs such as A-frame signs or feather flags that are required to be removed during non-business hours.

“Portable Sign**”** means a freestanding sign that is not permanently affixed, anchored or secured to either the ground or a structure on the property it occupies including A-frame signs and feather flags.

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:

Youth Athletic Complex (YAC) Facility Use Agreement with Hanford Youth Baseball, pending modifications, which are approved by the City Attorney, that are consistent with provisions contained in the draft.

RECOMMENDATION:

Recommendation: Council approves this Facility Use Agreement with Hanford Youth Baseball (HYB) for the use of the Youth Athletic Complex (YAC) pending modifications, which are approved by the City Attorney, that are consistent with provisions contained in the draft.

Recommended Motion: I motion to approve this Facility Use Agreement with Hanford Youth Baseball (HYB) for the use of the Youth Athletic Complex (YAC) pending modifications, which are approved by the City Attorney, that are consistent with provisions contained in the draft.

BACKGROUND:

During the June 3, 2025 City Council meeting, the Council created an ad-hoc committee to develop an agreement between the City of Hanford and Hanford Youth Baseball (HYB) for the use of the Youth Athletic Complex (YAC). The ad-hoc committee consisted of two City Council members, the City Manager, and the Parks and Community Services Director. From August through December 2025, the ad hoc committee met with HYB leadership to negotiate a Facility Use Agreement that benefits both parties.

The overriding goal is to provide safe, clean, and well-managed youth baseball opportunities for the community. Both parties recognize the importance of well-maintained sports fields and ongoing reinvestment in the YAC, while assisting the City in improving cost recovery.

The Summary of the Final Agreement Principles are as follows:

1. Length of the Agreement: Three years with 2 one-year extensions
2. Field Maintenance — HYB will maintain the four Bob Hill baseball fields year-round. The City will maintain the internal common areas, Rotary Field, and the Basin year-round
3. The year is divided into two timeframes: in-season (1/1 to 5/31) and off-season (6/1 to 11/30). December will be reserved for field recovery.
4. The annual field permit fee will be waived in lieu of year-round maintenance of the Bob Hill baseball fields
5. HYB will pay the City $50 per day of use of the concession stand
6. The City will provide the minor and major repairs to the YAC

7. During the off-season, the City may manage two baseball tournaments per month. All tournament and concession revenue is retained by the City

FISCAL IMPACT:

The City will receive the lighting fee to be established in the future. The City will also generate revenue from the off-season from tournaments and concessions.

ATTACHMENTS:

1. Draft Agreement

FACILITY USE AGREEMENT BETWEEN THE CITY OF HANFORD AND HANFORD YOUTH BASEBALL (HYB)

THIS LEASE AGREEMENT made and entered into as of the _____ by and between the CITY OF HANFORD, a Municipal Corporation, hereinafter referred to as "CITY" and HANFORD YOUTH BASEBALL, hereinafter referred to as "HYB";

WITNESSETH:
For and in consideration of the covenants and agreements hereinafter contained on the part of HYB to be kept and performed, and in consideration of the usage costs to be paid to CITY as hereinafter set forth, CITY hereby agrees to enter into a Facility Use Agreement with HYB for priority use of Hanford Youth Athletic Complex (YAC), including the use of four (4) baseball fields (Bob Hill Baseball Complex), Rotary Field, the basin, and the shared use of the concession stand and restroom facilities. (See Attachment A for facility map)

DEFINITION OF TERMS

Within the agreement, the following date period and terminology are defined as follows:

In-Season – January 1 to May 31 (Annually). HYB has exclusive use of the YAC.
Off-Season – June 1 to November 30 (Annually)
Field Recovery – The month of December

1. TERM

The term of this FACILITY USE AGREEMENT is three (3) years with two (2) one (1) year extensions, inclusive only of years in which HYB commences its game season, beginning on January 1, 2026, and ending on June 30, 2029.

2. FEES AND CHARGES

Field Permit Fees
The CITY will waive the established field permit fees, and, in exchange, HYB shall provide in-kind maintenance and improvements to the four Bob Hill baseball fields and provide other services described in this AGREEMENT.

Field Light Fees
Field light use shall be charged at the Council-approved established light fee per field, per hour, plus a $0.50 annual escalator.

Concession Stand Usage
Concession stand usage shall be charged at $50 per day of use.

Payment of Fees
The City shall invoice HYB monthly for all fees as described above. Payment is due within thirty (30) days of the invoice date. All payments not received by the due date shall be subject to a two percent (2%) late fee penalty of the amount owing.

3. FACILITY USE

For this Agreement, facility use will be designated during two time periods:

HYB In-Season January 1 to May 31 annually. (All-Star teams may practice during July and August, if needed)

HYB Off-Season June 1 to November 30 annually

In-Season Roles and Responsibilities

Hanford Youth Baseball (HYB) will:

1. Acquire field permits for the four Bob Hill baseball fields, Rotary Field, and the Basin fields for practices and games. The field permitting process includes completion of a field permit application, submission of the insurance documentation identified below, and payment of a $250 deposit.
2. Pay $0 per field per hour without lights.
3. Pay the established light usage fee, per hour, when the lights are turned on, as recorded by the Musco Lighting program.
4. Stock and operate concessions at a rental fee of $50 per day of use (approximately 60 days)
5. Retain all revenue from concession operations.
6. Be responsible for restroom janitorial services and supplies.
7. Be responsible for litter cleanup of the entire facility (Bob Hill, Rotary Field, Basin, and the parking lot.
8. Maintain and repair the batting cages
9. Be responsible for the maintenance, mowing, and game preparation of the four Bob Hill diamonds.
10. Pay 50% of the concession equipment repair/replacement costs
11. Be able to host Cal Ripken-sanctioned tournaments and keep 100% of the revenue
12. Not to sub-permit any field.
13. Be able to host Cal Ripken-sanctioned tournaments and keep 100% of the revenue and expenses.
14. Reinvest into the facility to ensure continued operation, extend the asset's service life, and protect prior public investments. May include capital improvements, deferred maintenance, operational upgrades, and technology enhancements.

City of Hanford will:

1. Maintain the Rotary Field, the Basin, and the Bob Hill internal common areas.
2. Provide minor and major repairs to all areas of the YAC
3. Provide the concession equipment
4. Pay 50% of the concession repair/replacement costs
5. Provide electrical, water, and sewer utilities to the entire YAC
6. Ensure proper operation of the lighting
7. Reinvest into the facility to ensure continued operation, extend the asset's service life, and protect prior public investments. May include capital improvements, deferred maintenance, operational upgrades, and technology enhancements

Off-Season Roles and Responsibilities

Hanford Youth Baseball will:

1. Be responsible for the maintenance and mowing of the four Bob Hill diamonds.
2. Maintain and repair batting cages
3. Pay 50% of the concession equipment repair/replacement
4. Reinvest into the facility to ensure continued operation, extend the asset's service life, and protect prior public investments. May include capital improvements, deferred maintenance, operational upgrades, and technology enhancements

City of Hanford will:

1. Permit Rotary Field and the Basin
2. Provide minor and major repairs to all areas of the YAC
3. Be responsible for restroom janitorial services and supplies.
4. Be responsible for litter cleanup of the entire facility (Bob Hill, Rotary Field, Basin, and the parking lot.
5. Retain all revenue from the concession operations
6. Host up to two baseball tournaments per month (July through November)
7. Retain all tournament revenue
8. Supply all equipment and prepare the fields for play
9. Waive tournament entry fees to three HYB travel-ball teams per tournament.
10. Reinvest into the facility to ensure continued operation, extend the asset's service life, and protect prior public investments. May include capital improvements, deferred maintenance, operational upgrades, and technology enhancements

HYB shall submit a request for field use in accordance with the City's field permit application process. HYB may request only the field space necessary to accommodate regular-season games. Any time and/or field not being utilized by HYB shall be allocated to other facility users, provided that said use does not conflict with HYB's use of the premises. CITY shall have the right of access to the subject premises at all times. HYB agrees to use the premises and property which is the subject of this FACILITY USE AGREEMENT, exclusively in

connection with the operation of HYB's recreational league.

CITY agrees that HYB shall have exclusive use of the YAC and concession stand during the in-season timeframe (January 1 to May 31, annually).

4. CITY reserves the right to cancel any scheduled use by HYB in the case of excessive rain before or during the event. CITY has a vested interest in protecting the park turf from damage and in protecting the public interest by preventing potential injuries arising from excessive moisture on the park grounds. Representatives from CITY and HYB will, if feasible, meet before an event to assess the park's condition and determine measures to protect the turf and/or the public interest. The final decision to cancel an event will be determined by the City's Director of Community Services or their designee. Game schedules shall be provided to the City of Hanford before the start of each season (Spring and Fall). CONCESSION STAND

   During the In-Season, HYB is exclusively responsible for the operation of the Bob Hill Complex concession stand and for the direction and control of all volunteers and employees employed in such concession operations during HYB's in-season dates. Both HYB and CITY shall ensure that the concession stand is left clean and in good repair after each use. In the operation of said concession stand, HYB shall comply with all applicable permits and requirements set forth by the Kings County Health and Human Services Agency, City of Hanford, and State of California, including a valid Business Tax Certificate and Health permits.

   The CITY shall not be responsible for damage and/or theft of personal property of HYB. HYB shall remove all perishable items no later than one week from the conclusion of their in-season permit.

5. ADDITIONAL SERVICES

Due to the size and nature of HYB's program, additional services, in addition to regular operational services provided by the City, are required.

a. Refuse – During the In-Season HYB shall be responsible for collecting any trash/litter and dumping the trash cans throughout the YAC, including spectator areas, bleachers, dugouts, restrooms, playing fields, and parking lot adjacent to the YAC during the in-season time period.

   During the off-season, the City shall be responsible for collecting trash/litter and for dumping trash cans throughout the YAC, including spectator areas, bleachers, dugouts, restrooms, playing fields, and the parking lot adjacent to the YAC.

6. INSTALLATION OF SIGNS AND/OR BANNERS

During the term of this FACILITY USE AGREEMENT, HYB shall, subject to the City's sign regulations contained in Hanford Municipal Code Chapter 17.56, have the following rights regarding installation and removal of signs and/or banners:

Signs and/or banners must be placed upon designated areas within the Bob Hill fields only and must face the interior of the premises. No signage shall be permitted to be displayed outside the facility.

HYB shall be allowed to display signs and/or banners within the Bob Hill fields. The signs and/or banners must be placed in designated areas only and must face the interior of the Bob Hill fields. No signage shall be permitted to be displaced facing outward from the complex. Any sign and/or banner installed, operated, and maintained by HYB will be HYB's total financial responsibility.

Before installation of any signs and/or banners, HYB shall obtain written approval of the CITY as to the banner size, design, and location. Signs and/or flags may be displayed seasonally, and may be installed on the first day of each season and removed by the last day of each season. Signs and/or banners may be installed for scheduled tournaments. They may be installed on the first day of the tournament and removed by the last day of the tournament.

HYB shall obtain all necessary permits from the City Planning Division in compliance with the City of Hanford Municipal Code.

7. FACILITY AND GROUNDS MAINTENANCE AND IMPROVEMENTS

HYB shall maintain and make specific improvements to the premises and property which is the subject of this FACILITY USE AGREEMENT, provided that HYB obtains the prior written approval of CITY for any such improvements. Upon the expiration of this FACILITY USE AGREEMENT, and any extension thereof, all such improvements shall automatically transfer to the CITY'S ownership. Should the CITY elect to require the HYB to remove said improvements, HYB shall do so and return the property to its original condition, subject to reasonable and normal wear and tear.

City shall, except as otherwise provided herein, assume responsibility for all minor maintenance, damage, repair, and upkeep of the premises as mentioned earlier during in-season HYB use. HYB agrees to immediately notify CITY (within 48 hours) of any damage to the premises including such items as the concession stand, restrooms, fixtures, equipment, grounds, landscaping, sprinklers and irrigation, to allow the CITY the ability to determine who shall be held responsible for the repair and/or replacement and determine the manner in which the repair and/or replacement is to be completed. Furthermore, CITY shall have the sole discretion in determining whether the damage or destruction mentioned above resulted from or in connection with HYB.

HYB shall assume responsibility for the preparation of playing fields (field lines, bases, dragging of fields, etc.) before games. Throughout the duration of this FACILITY USE AGREEMENT, HYB shall maintain its personal property (portable equipment, storage units, etc.) in a manner agreeable to CITY. HYB shall be responsible for picking up and disposing of trash and litter after each use as outlined in section 5. HYB shall also be responsible for any repair and/or maintenance resulting from vandalism and/or graffiti on equipment or structures that HYB owns. Said graffiti removal shall be completed in accordance with the

City of Hanford Municipal Code Chapter 9.16, sections 9.16.070 Removal.

CITY shall, except as otherwise provided herein, also be responsible for minor and major structural repairs and/or capital improvements to the premises which are the subject of this FACILITY USE AGREEMENT. CITY shall have the sole discretion of determining what constitutes significant structural and/or capital improvements.

HYB will be responsible for the mowing, detailed trimming, grooming, field prep, and filling of holes of the four infield areas of the Bob Hill fields during the in-season time period

Examples of in-kind maintenance include, but are not limited to:

- Mowing and edging
- Infield grading
- Fertilizer
- Gasoline
- Chalk

Examples of facility improvements include, but are not limited to:

- Bleacher repair/replacement
- Batting cages
- Safety netting
- Hardscape
- Fencing repair/replacement
- Bases

Repairs - Any facilities that are subject to this AGREEMENT that are damaged by HYB, or in any way as a result of work performed by HYB, must be repaired or replaced in kind and in a City-approved manner by HYB. Repairs must be made immediately after damage occurs, unless otherwise directed by the City.

Vandalism - If the City deems it appropriate, reimbursement for materials utilized by HYB to fix the vandalism may be provided. Vandalism of the YAC, as identified by HYB, will be documented by HYB using digital photographs or video and submitted to the Community Services Department as evidence of the vandalism. The preferred method of transmitting photos is email. Failure to provide such documentation may result in no reimbursement of corrective expenses to HYB. HYB shall keep an itemized list of materials used to repair vandalism damage and submit it to the Community Services Department for reimbursement of materials only.

8. STORAGE

HYB shall be allowed to maintain storage containers (seatrains) subject to CITY approval in an area designated by the CITY for such use within the YAC. Containers may not exceed 20'x8' and must comply with CITY standards as to size, location, maintenance/condition, and color of such storage container(s). The CITY is not responsible for any damage to or theft of HYB property while stored at the facility.

HYB shall be allowed to store infield mix within the designated areas of the YAC. The area must be kept clear of debris.

The City shall secure an on-site storage unit for off-season equipment and maintenance.

9. PARKING/ USE OF MOTORIZED VEHICLES

Vehicles must be parked in designated parking areas. HYB may not charge for parking without the CITY's written consent. HYB may not reserve parking spots without written consent from the CITY. Overnight camping is not allowed.

The use of motorized utility vehicles, including but not limited to golf carts, GEM cars, and Gator vehicles, is restricted to licensed drivers, and use of vehicles must be in conjunction with program functions and/or duties.

10. OUTSIDE VENDORS

Only HYB is permitted to provide goods and/or services under the Agreement. If HYB desires an outside vendor to provide food, entertainment, goods, or other services, such vendor must be pre-approved in writing by the City of Hanford. Only vendors with a valid City of Hanford Business Tax Certificate and other permits as required by Kings County and/or the State of California will be considered. Authorized vendors shall satisfy the insurance requirements identified below.

11. SECURITY

HYB shall provide security and supervision at all scheduled in-season activities, including crowd control, at a level satisfactory to CITY, sufficient to ensure adequate protection of the premises that are the subject of this FACILITY USE AGREEMENT. This shall include the presence of HYB Board Members while games are in progress.

12. ASSIGNMENT

HYB shall not assign, mortgage, sublet, or otherwise transfer any interest in this FACILITY USE AGREEMENT to any person, firm, or corporation during the term of this FACILITY USE AGREEMENT or any extension thereof without the written consent of CITY first had and obtained.

INSURANCE REQUIREMENTS.

a. HYB and other parties required to maintain insurance under this AGREEMENT will, during the term of this Agreement, maintain insurance coverage which shall be at least as broad as:

(1) Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than ONE MILLION AND NO/100 DOLLARS ($1,000,000) per accident for bodily injury or disease.

(2) Commercial General Liability (CGL) – Insurance Services Office (ISO) Form CG 0001, including products and completed operations, property damage, bodily injury, and personal & advertising injury with a limit of no less than TWO MILLION AND NO/100 DOLLARS ($2,000,000) per occurrence for bodily injury, personal injury, and property damage, and a general aggregate limit of no less than FOUR MILLION AND NO/100 DOLLARS ($4,000,000).

(3) Automobile Liability Coverage. If HYB will utilize one or more automobiles in association with HYB's use or occupation of the facility, HYB will maintain automobile liability coverage written on ISO Form Number CA 0001 covering any auto (Code 1), or if HYB has no owned autos, Code 8 (hired) and 9 (non-owned), with a limit no less than ONE MILLION AND NO/100 DOLLARS ($1,000,000) per accident for bodily injury and property damage.

If an insured maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the insured.

Insurance policies shall be "occurrence" policies and not "claims-made."

An insured may use Umbrella or Excess Policies to provide the liability limits as required in this Agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, deductibles and self-insured retentions, indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a proper "following form" or broader coverage basis, with coverage at least as wide as provided on the underlying insurance. No insurance policies maintained by any additional insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the insured's primary and excess liability policies are exhausted.

b. Any deductibles or self-insured retentions must be declared to and approved by the City.

c. The policies are to contain, or be endorsed to contain, the following provisions:

(1) City and its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL and automobile liability policies. General liability coverage can be provided in the form of an endorsement to Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33 or CG 20 38 ***and*** CG 20 37 if a later edition is used. The coverage shall contain no special limitations on the scope of protection afforded to the City and its officers, officials, employees, or volunteers.

(2) For any claims related to this Agreement, the insured's insurance coverage shall be primary insurance as to the City and its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City or its officers, officials, employees, or volunteers shall be in excess of the insured's insurance and shall be non-contributory.

(3) Each insurance policy required above shall provide that coverage shall not be canceled, except upon thirty days' prior written notice to the City.

d. insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII.

e. HYB shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language affecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before HYB's use of the facility. However, failure to obtain the required documents before HYB's use of the facility shall not constitute a waiver of HYB's obligation to provide them. The City reserves the right to require complete, certified copies of all the necessary insurance policies, including endorsements required by these specifications, at any time.

f. HYB and other parties required to maintain insurance under this Agreement shall grant to City and its officers, officials, employees, and volunteers a waiver of any right to subrogation which any insurer may acquire against the City or its officers, officials, employees, or volunteers by virtue of the payment of any loss under such insurance. Insured parties shall obtain the endorsements necessary to effect this waiver of subrogation. Still, this provision applies regardless of whether the City has received a waiver of subrogation endorsement from the insurer.

13. INDEMNIFICATION

a. The City and its officers, officials, employees, and volunteers shall not be liable to HYB for any injury or damage that may result to any person or property by or from any cause whatsoever, including, without limitation, the condition of the facility; provided however, such waiver and release will not apply to any condition arising from the gross negligence or willful misconduct of the City or its officials, officers, employees or volunteers.

b. HYB shall indemnify, defend and hold the City and its officers, officials, employees, and volunteers harmless from and against any liability, injuries, claims, losses, costs, damages, attorney's fees, and other amounts in any way associated with, related to, or arising from: (i) HYB's use or occupancy of the facility, including, without limitation, any HYB activity, or thing done, permitted or suffered to be done in, about or around the facility; (ii) any breach or default in the performance of any obligation on HYB's part to be performed under the terms and conditions of this Agreement; or (iii) any act, negligence, fault, or omission of HYB or of HYB's directors, officers, agents, representatives, employees, volunteers, invitees, participants, spectators, or contractors. HYB shall also indemnify, defend, and hold the City and its officers, officials, employees, and volunteers harmless from and against any injuries, losses, costs, and damages incurred by HYB or its directors, officers, agents, representatives, employees, volunteers, invitees, participants, spectators, or contractors as a result of the condition of the facility or surrounding area.

c. In case any action or proceeding is brought against the City or its officers, officials, employees, or volunteers for which HYB is obligated to defend hereunder, HYB, upon demand from the City, shall defend the same at HYB's sole cost by counsel satisfactory to the City.

d. Notwithstanding the foregoing, the City and its officers, officials, employees, and volunteers shall not be liable to HYB for loss or damage to any property by theft or otherwise, nor for any injury or damage to persons or property occurring at the facility or resulting from any condition affecting the facility.

14. DISCRIMINATION

HYB as an organization, including personal representatives, successors in interest, and assignors, as a part of the consideration hereof, does hereby covenant and agree that no person on the grounds of race, color, sex, handicap, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said premises.

15. TERMINATION

In addition to any other provision in this FACILITY USE AGREEMENT, this AGREEMENT may be canceled or terminated upon the following:

a. This AGREEMENT and the tenancy hereby granted may be terminated or canceled at any time by either party hereto by giving to the other party not less than sixty (60) days' written notice.

b. This AGREEMENT shall terminate automatically if either party hereto fails to remedy any breach or any term or condition of this AGREEMENT within thirty (30) days after receiving written demand from the other party to do so. If, however, either party is diligently proceeding in good faith to eliminate such default, which does not involve the payment of money hereunder, then the period for correction shall be extended for such length of time as is reasonably necessary to complete such correction.

c. HYB agrees at the end of the AGREEMENT term or in the event of an early termination, as provided for herein, to quit and deliver up said premises in as good condition as they are now, ordinary wear and tear excepted.

16. Good Neighbor Practices

The City and HYB agree to:

- Adhere to the noise regulations established in the Hanford Municipal Code, Chapter 9.10. Refrain from excessive noise or the use of whistles before 7:00 am and after 10:00 pm.
- Playing fields are to be used for the purposes identified in this agreement
- Tobacco and alcohol use are not allowed on the premises
- All participants must adhere to the City of Hanford's parking laws and regulations, including, without limitation, not blocking residential driveways, public alleys, or sidewalks.

17. AMENDMENT

This AGREEMENT may be amended at any time by mutual Agreement of the parties in writing.

18. NOTICE

All notices to be given to CITY pursuant to this FACILITY USE AGREEMENT shall be mailed to City of Hanford, Community Services Department, 321 North Douty, Hanford, California 93230. All notices to be given to HYB pursuant to this FACILITY USE AGREEMENT shall be mailed to HYB c/o League President at P.0 Box 1968, Hanford, CA 93230.

ENTIRE AGREEMENT

This FACILITY USE AGREEMENT contains the entire AGREEMENT between the parties. No promise, representation, warranty, or covenant not included in this AGREEMENT has been or is relied on by either party. Each party has relied on his/her own examination of this AGREEMENT, counsel of its own advisors, and warranties, representations, or covenants in the AGREEMENT itself. The failure or refusal of either party to inspect the premises or improvements, to read the AGREEMENT or other documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

If there is litigation between the parties, the prevailing party will be entitled to its reasonable attorney's fees and costs.

IN WITNESS WHEREOF, the parties have executed this FACILITY USE AGREEMENT as of the date first above written.

CITY OF HANFORD

_____ _____

City Manager Date

HANFORD YOUTH BASEBALL

_____ _____

Hanford Youth Baseball League President Date

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Authorization for the City to accept and appropriate funding for an FAA Airport Improvement Program grant (AIP), once the grant offer is received, for the Hanford Municipal Airport, in the amount of $857,000 for reconstruction of the south transient ramp, phase 1 and removal of Taxiway B and a segment of Taxiway D and authorization for the City Manager to execute the Grant Agreement. A total appropriation in the Airport Fund of $857,000. $96,907 of local matching funds will be required contingent on the grant award.

RECOMMENDATION:

Recommendation:
That the City Council, authorize the acceptance and appropriation of an FAA Airport Improvement Program (AIP), once a grant offer is received for the Hanford Municipal Airport for the Hanford Municipal Airport, in the amount of $857,000 for reconstruction of the south transient ramp, phase 1 and removal of Taxiway B and a segment of Taxiway D and authorization for the City Manager to execute the Grant Agreement. A total appropriation in the Airport Fund of $857,000 ($724,850 FAA AIP, $36,243 State AIP, $95,907 local match) is required, contingent on the grant award.

Recommended Motion:
That the City Council, by motion, authorize the acceptance and appropriation of an FAA Airport Improvement Program (AIP), once a grant offer is received for the Hanford Municipal Airport for the Hanford Municipal Airport, in the amount of $857,000 for reconstruction of the south transient ramp, phase 1 and removal of Taxiway B and a segment of Taxiway D and authorization for the City Manager to execute the Grant Agreement. A total appropriation in the Airport Fund of $857,000 ($724,850 FAA AIP, $36,243 State AIP, $95,907 local match) is required, contingent on the grant award.

BACKGROUND:

An Application for Federal Aviation Administration Airport Improvement Program has been prepared for the construction of the Phase 1 Reconstruct South Transient Ramp and Remove Taxiway B and Segment of Taxiway D, proposed to be included in the 2026 Airport Improvement Program (AIP) at the Hanford Municipal Airport. The project description is as follows:

The pavements on the existing South Transient Ramp are highly degraded with severe cracking and are over 20 years old. The PCI of the pavements on this ramp is 36. It is considered important to rehabilitate these pavements as soon as possible so that the surface does not deteriorate further and create surface failure.

It is proposed that the South Transient Ramp Phase 1 (3,500 sq. yd. eligible, 550 sq. yd. ineligible) reconstruction will consist of pulverizing and recompacting existing AC and AB as ASB, placing a new aggregate base course, and placing a new asphalt surface course. New drainage will be installed for the ramp. New markings and tie downs will be installed.

Remove Taxiway B (75' x 200') – The existing Taxiway B will be removed to eliminate direct access from the apron to the runway. The existing taxiway pavement will be pulverized and removed and reused as aggregate subbase course in the new South Transient Ramp pavement section. The existing taxiway lights, light cans, signs and sign pads will be removed. The area will be graded to drain and match existing topography.

Remove Taxiway D (55' x 43') – The existing segment of Taxiway D will be removed to eliminate direct access from the apron to the runway. The segment of Taxiway D between Taxiway A and the apron will be pulverized and removed and reused as an aggregate subbase course in the new South Transient Ramp pavement section. The existing taxiway light cans would be removed. The area would be graded to drain and match existing topography.

This project consists of the construction of the project and engineering support during bidding and contract award, engineering design services during construction and project closeout, and construction management including resident engineering, testing and inspection.

FISCAL IMPACT:

At this time, there is no fiscal impact. If awarded the AIP grant, the City will be required to match a total of $95,907 ouf of the Airport Fund, contingent on grant approval.

ATTACHMENTS:

1. 2026 AIP Application

APPLICATION FOR FEDERAL ASSISTANCE

HANFORD MUNICIPAL AIRPORT
HANFORD, CALIFORNIA

2026 AIRPORT IMPROVEMENT PROGRAM (AIP)

RECONSTRUCT SOUTH TRANSIENT RAMP PHASE 1 AND REMOVE TAXIWAY B AND SEGMENT OF TAXIWAY D CONSTRUCTION

December 2025

This application is based on ESTIMATED costs.
A revised application will be submitted based on bids in April 2026

APPLICATION FOR FEDERAL ASSISTANCE

HANFORD MUNICIPAL AIRPORT
HANFORD, CALIFORNIA

2026 AIRPORT IMPROVEMENT PROGRAM (AIP)

RECONSTRUCT SOUTH TRANSIENT RAMP PHASE 1 AND REMOVE TAXIWAY B AND SEGMENT OF TAXIWAY D CONSTRUCTION

The City of Hanford has prepared and submits herewith an Application for Federal Assistance for a grant under the Airport Improvement Program (AIP) for construction of the Phase 1 Reconstruct South Transient Ramp and Remove Taxiway B and Segment of Taxiway D at the Hanford Municipal Airport.

This application includes the following documents: FY26 Airport Project Schedule, Standard Form 424, FAA Form 5100-100, Program Narrative (Justification), project sketch, project costs, NEPA Compliance document, Exhibit "A", Standard DOT Title VI Assurances, SAM certificate, and sponsor certifications.

FY26 AIRPORT PROJECT SCHEDULE - AIP
CONSTRUCTION PROJECTS

Airport: Hanford Municipal Airport, Kings County, California

Project: Reconstruct South Transient Ramp - Construct Phase 1
and Remove Taxiway B and Segment of Taxiway D

No.	Item	Date		Comments
		SFO ADO Due	Anticipated Submission	
1	Submission of Updated ACIP to SFO-ADO	11/14/25	11/15/25	Submitted 10-25-2025
2	Submission NEPA docs for SFO-SDO review by	8/31/25		
3	Completion of NEPA no later than	12/30/25		Approved 11-8-2024
4	Notification of Use of Entitlement Funds	12/30/25		Submitted 12-24-2025
5	Submission of SF424 - Preapplication	12/30/25		Submitted 12-24-2025
6	Submission of Draft CSPP	12/20/25		
7	Sponsor opens Bids, evaluation by	1/18 to 4/17/26		
8	Final Application with Amount Based on Bids	1/18 to 4/17/26		

OMB Number: 4040-0004
Expiration Date: 11/30/2025

Application for Federal Assistance SF-424

*1. Type of Submission:
☐ Preapplication
☒ Application
☐ Changed/Corrected Application

*2. Type of Application
☒ New
☐ Continuation
☐ Revision

* If Revision, select appropriate letter(s):

* Other (Specify)

*3. Date Received:

4. Applicant Identifier:
HJO

5a. Federal Entity Identifier:
HJO - 3-06-0098

5b. Federal Award Identifier:

State Use Only:

6. Date Received by **State**:

7. **State** Application Identifier:

8. APPLICANT INFORMATION:

*a. Legal Name: City of Hanford

*b. Employer/Taxpayer Identification Number (EIN/TIN):
94-6000345

*c. UEI:
DJUXR18MN678

d. Address:

*Street 1: 319 N. Douty Street
Street 2:
*City: Hanford
County/Parish: Kings
*State: Province: CA
*Country: USA: United States
*Zip / Postal Code 93230-9998

e. Organizational Unit:

Department Name:
Airport

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr. *First Name: Robert
Middle Name:
*Last Name: Loogman
Suffix:

Title: Airport Manager

Organizational Affiliation:
Hanford Municipal Airport

*Telephone Number: 559-585-2589 Fax Number:

*Email: rloogman@hanford.city

Application for Federal Assistance SF-424

***9. Type of Applicant 1: Select Applicant Type:**

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Pick an applicant type

Type of Applicant 3: Select Applicant Type:

Pick an applicant type

*Other (Specify)

***10. Name of Federal Agency:**

11. Catalog of Federal Domestic Assistance Number:

20.106

CFDA Title:

Airport Improvement Program

***12. Funding Opportunity Number**:

*Title:

N/A

13. Competition Identification Number:

Title:

N/A

14. Areas Affected by Project (Cities, Counties, States, etc.):

***15. Descriptive Title of Applicant's Project**:

Hanford Municipal Airport, Kings County, California: Reconstruct South Transient Ramp - Construct Phase 1 (3,500 sq. yd. eligible, 550 sq. yd. ineligible). Remove Taxiway B (75' x 200') and Segment of Taxiway D (55' x 43').

Attach supporting documents as specified in agency instructions.

Application for Federal Assistance SF-424

16. Congressional Districts Of:

*a. Applicant: 022 *b. Program/Project: 022

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

*a. Start Date: 06/01/2026 *b. End Date: 06/30/2028

18. Estimated Funding ($):

*a. Federal	$ 724,850
*b. Applicant	$ 95,907
*c. State	$ 36,243
*d. Local	$ 0
*e. Other	$ 0
*f. Program Income	
*g. TOTAL	$ 857,000

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☒ a. This application was made available to the State under the Executive Order 12372 Process for review on 12/24/2025.

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☐ c. Program is not covered by E.O. 12372.

***20. Is the Applicant Delinquent On Any Federal Debt?**

☐ Yes ☒ No

If "Yes", explain:

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr. *First Name: Robert

Middle Name:

*Last Name: Loogman

Suffix:

*Title: Airport Manager

*Telephone Number: 559-585-2589 Fax Number:

* Email: rloogman@hanford.city

*Signature of Authorized Representative: Robert Loogman Digitally signed by Robert Loogman Date: 2025.12.29 11:14:40 -08'00' *Date Signed: 12/29/2025

Application for Federal Assistance (Development and Equipment Projects)

PART II – PROJECT APPROVAL INFORMATION

Part II - SECTION A

The term "Sponsor" refers to the applicant name provided in box 8 of the associated SF-424 form.

Item 1.
Does Sponsor maintain an active registration in the System for Award Management (www.SAM.gov)? ☒ Yes ☐ No

Item 2.
Can Sponsor commence the work identified in the application in the fiscal year the grant is made or within six months after the grant is made, whichever is later? ☒ Yes ☐ No ☐ N/A

Item 3.
Are there any foreseeable events that would delay completion of the project? If yes, provide attachment to this form that lists the events. ☐ Yes ☒ No ☐ N/A

Item 4.
Will the project(s) covered by this request have impacts or effects on the environment that require mitigating measures? If yes, attach a summary listing of mitigating measures to this application and identify the name and date of the environmental document(s). ☐ Yes ☒ No ☐ N/A

Item 5.
Is the project covered by this request included in an approved Passenger Facility Charge (PFC) application or other Federal assistance program? If yes, please identify other funding sources by checking all applicable boxes. ☐ Yes ☒ No ☐ N/A

☐ The project is included in an *approved* PFC application.
If included in an approved PFC application,
does the application *only* address AIP matching share? ☐ Yes ☐ No

☐ The project is included in another Federal Assistance program. Its CFDA number is below.

Item 6.
Will the requested Federal assistance include Sponsor indirect costs as described in 2 CFR Appendix VII to Part 200, States and Local Government and Indian Tribe Indirect Cost Proposals? ☐ Yes ☒ No ☐ N/A

If the request for Federal assistance includes a claim for allowable indirect costs, select the applicable indirect cost rate the Sponsor proposes to apply:

☐ De Minimis rate of 10% as permitted by 2 CFR § 200.414.

☐ Negotiated Rate equal to % as approved by (the Cognizant Agency) on (Date) (2 CFR part 200, appendix VII).

Note: Refer to the instructions for limitations of application associated with claiming Sponsor indirect costs.

PART II - SECTION B

Certification Regarding Lobbying

The declarations made on this page are under the signature of the authorized representative as identified in box 21 of form SF-424, to which this form is attached. The term "Sponsor" refers to the applicant name provided in box 8 of the associated SF-424 form.

The Authorized Representative certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Sponsor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Authorized Representative shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The Authorized Representative shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

PART II – SECTION C

The Sponsor hereby represents and certifies as follows:

1. Compatible Land Use – The Sponsor has taken the following actions to assure compatible usage of land adjacent to or in the vicinity of the airport:

The City's General Plan was updated in 2017 and the appropriate land use zoning was adopted around the airport to ensure compatible uses.

2. Defaults – The Sponsor is not in default on any obligation to the United States or any agency of the United States Government relative to the development, operation, or maintenance of any airport, except as stated herewith:

None

3. Possible Disabilities – There are no facts or circumstances (including the existence of effective or proposed leases, use agreements or other legal instruments affecting use of the Airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project or carry out the provisions of the Grant Assurances, either by limiting its legal or financial ability or otherwise, except as follows:

None

4. Consistency with Local Plans – The project is reasonably consistent with plans existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

Yes

5. Consideration of Local Interest – It has given fair consideration to the interest of communities in or near where the project may be located.

Yes

6. Consultation with Users – In making a decision to undertake an airport development project under Title 49, United States Code, it has consulted with airport users that will potentially be affected by the project (§ 47105(a)(2)).

Yes

7. Public Hearings – In projects involving the location of an airport, an airport runway or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

N/A

8. Air and Water Quality Standards – In projects involving airport location, a major runway extension, or runway location it will provide for the Governor of the state in which the project is located to certify in writing to the Secretary that the project will be located, designed, constructed, and operated so as to comply with applicable and air and water quality standards. In any case where such standards have not been approved and where applicable air and water quality standards have been promulgated by the Administrator of the Environmental Protection Agency, certification shall be obtained from such Administrator. Notice of certification or refusal to certify shall be provided within sixty days after the project application has been received by the Secretary.

N/A

PART II – SECTION C (Continued)

9. **Exclusive Rights** – There is no grant of an exclusive right for the conduct of any aeronautical activity at any airport owned or controlled by the Sponsor except as follows:

None

10. **Land** – (a) The sponsor holds the following property interest in the following areas of land, which are to be developed or used as part of or in connection with the Airport subject to the following exceptions, encumbrances, and adverse interests, all of which areas are identified on the aforementioned property map designated as Exhibit "A". [1]

The airport is located on land owened by the City of Hanford as shown on the attached Exhibit "A" dated July 2016 (approved 1/25/2017). There are no exceptions, encumbrances, or adverse interests.

The Sponsor further certifies that the above is based on a title examination by a qualified attorney or title company and that such attorney or title company has determined that the Sponsor holds the above property interests.

(b) The Sponsor will acquire within a reasonable time, but in any event prior to the start of any construction work under the Project, the following property interest in the following areas of land on which such construction work is to be performed, all of which areas are identified on the aforementioned property map designated as Exhibit "A". [1]

N/A

(c) The Sponsor will acquire within a reasonable time, and if feasible prior to the completion of all construction work under the Project, the following property interest in the following areas of land which are to be developed or used as part of or in connection with the Airport as it will be upon completion of the Project, all of which areas are identified on the aforementioned property map designated as Exhibit "A". [1]

N/A

[1] State the character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interests of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by the area numbers shown on the property map.

PART III – BUDGET INFORMATION – CONSTRUCTION

SECTION A – GENERAL	
1. Assistance Listing Number:	20.106
2. Functional or Other Breakout:	

SECTION B – CALCULATION OF FEDERAL GRANT			
Cost Classification	**Latest Approved Amount (Use only for revisions)**	**Adjustment + or (-) Amount (Use only for revisions)**	**Total Amount Required**
1. Administration expense			$ 8,000
2. Preliminary expense			
3. Land, structures, right-of-way			0
4. Architectural engineering basic fees			74,000
5. Other Architectural engineering fees			0
6. Project inspection fees			86,000
7. Land development			0
8. Relocation Expenses			0
9. Relocation payments to Individuals and Businesses			0
10. Demolition and removal			0
11. Construction and project improvement			689,000
12. Equipment			0
13. Miscellaneous			0
14. **Subtotal** (Lines 1 through 13)			$ 857,000
15. Estimated Income (if applicable)			0
16. Net Project Amount (Line 14 minus 15)			857,000
17. **Less**: Ineligible Exclusions (Section C, line 23 g.)			-94,000
18. **Subtotal** (Lines 16 through 17)			$ 763,000
19. Federal Share requested of Line 18			724,850
20. Grantee share			95,907
21. Other shares			36,243
22. **TOTAL PROJECT** (Lines 19, 20 & 21)			$ 857,000

SECTION C – EXCLUSIONS	
23. Classification (Description of non-participating work)	**Amount Ineligible for Participation**
a. FAA Ineligible - pavement that is 50' in front of a hangar that opens directly to an apron	$ 94,000
b.	
c.	
d.	
e.	
f.	
g. **Total**	$ 94,000

SECTION D – PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE	
24. Grantee Share – Fund Categories	**Amount**
a. Securities	$ 0
b. Mortgages	0
c. Appropriations (by Applicant)	95,907
d. Bonds	0
e. Tax Levies	0
f. Non-Cash	0
g. Other (Explain):	0
h. **TOTAL** - Grantee share	$ 95,907
25. Other Shares	**Amount**
a. State	36,243
b. Other	0
c. **TOTAL** - Other Shares	$ 36,243
26. TOTAL NON-FEDERAL FINANCING	$ 132,150

SECTION E – REMARKS
(Attach sheets if additional space is required)

Plans and specifications for this project are incorporated by reference.
The Construction Safety and Phasing Plan (CSPP) for this project is incorporated by reference.
The Construction Management Plan for this project is incorporated by reference.

HANFORD MUNICIPAL AIRPORT – HANFORD, KINGS COUNTY, CALIFORNIA
APPLICATION FOR FEDERAL ASSISTANCE
2026 AIRPORT IMPROVEMENT PROGRAM (AIP)
RECONSTRUCT SOUTH TRANSIENT RAMP
CONSTRUCT - PHASE 1 AND REMOVE TAXIWAY B
AND SEGMENT OF TAXIWAY D

PART IV
PROGRAM NARRATIVE

1. OBJECTIVES

An Application for Federal Aviation Administration Airport Improvement Program has been prepared for the construction of the Phase 1 Reconstruct South Transient Ramp and Remove Taxiway B and Segment of Taxiway D, proposed to be included in the 2026 Airport Improvement Program (AIP) at the Hanford Municipal Airport. The project description is as follows:

The pavements on the existing South Transient Ramp are highly degraded with severe cracking and are over 20 years old. The PCI of the pavements on this ramp is 36. It is considered important to rehabilitate these pavements as soon as possible so that the surface does not deteriorate further and create surface failure.

It is proposed that the South Transient Ramp Phase 1 (3,500 sq. yd. eligible, 550 sq. yd. ineligible) reconstruction will consist of pulverizing and recompacting existing AC and AB as ASB, placing new aggregate base course, and placing new asphalt surface course. New drainage will be installed for the ramp. New markings and tie downs will be installed.

Remove Taxiway B (75' x 200') – The existing Taxiway B will be removed to eliminate direct access from the apron to the runway. The existing taxiway pavement will be pulverized and removed and reused as aggregate subbase course in the new South Transient Ramp pavement section. The existing taxiway lights, light cans, signs and sign pads will be removed. The area will be graded to drain and match existing topography. The ground surface will be left to revegetate.

Remove Taxiway D (55' x 43') – The existing segment of Taxiway D will be removed to eliminate direct access from the apron to the runway. The segment of Taxiway D between Taxiway A and the apron will be pulverized and removed and reused as aggregate subbase course in the new South Transient Ramp pavement section. The existing taxiway light cans would be removed. The area would be graded to drain and match existing topography. The ground surface would be left to revegetate.

This project consists of the construction of the project and engineering support during bidding and contract award, engineering design services during construction and project closeout, and construction management including resident engineering, testing and inspection.

2. *RESULTS OR BENEFITS EXPECTED*

The reconstruction of the apron pavements will provide a safe and functional apron pavement for operations at the airport, which will have a remaining life so far as deep-seated distress is concerned of 20+ years.

3. *APPROACH*

Plan of Action - All airport design conforms to Advisory Circular 150/5300-13B, *Airport Design*. Specifications are being prepared based on Advisory Circular 150/5370-10H, *Standards for Specifying Construction of Airports.* All safety requirements as outlined in Advisory Circular 150/5370-2G, *Operational Safety on Airports During Construction* will be included in the Construction Safety and Phasing Plan prepared for this project.

The engineering will be performed as follows:

Engineering Support During Bidding and Contract Award

1) Assist City in distributing final plans and specifications to prospective contractors.

2) Participate in a pre-bid meeting for all prospective contractors.

3) Respond to any questions and comments from prospective contractors.

4) Preparation of required addenda.

5) Assist City in awarding contract including preparation of Abstract of Bids, evaluation of bids, and preparation of application for AIP funding.

Engineering Design Services During Construction and Project Closeout

1) Participate in a pre-construction conference.

2) Provide engineering surveillance of all construction operations, including attendance at weekly construction meetings, preparation of any change orders required, preparation of contractor pay estimates, preparation of F.A.A. reimbursement requests, review of all contractor submittals, preparation of final as-constructed drawings and final engineer's report, and updating the ALP to show as constructed conditions.

Construction Management - The Contractor will be required to furnish material submittals for all materials proposed for use on the project, provide all Quality Control Testing and Inspection during the construction of this project, and meet all requirements of the plans and specifications.

The Engineer will provide all Quality Assurance Inspection, which will include the following:

1) Furnish qualified Resident Engineer to review and monitor all construction activities.
2) Provide all inspection required as included in the quality assurance program including providing technicians and inspectors as required.
3) Provide surveying services as required.
4) Provide traffic safety inspectors and Safety Plan implementation.
5) Review and approve all contractor's quality control testing and inspection.

b. *Consultant* – The consultant who will work on the project will be Brandley Engineering. Brandley Engineering will perform the construction management for this project.

4. ***GEOGRAPHIC LOCATION***

The project included in this application will be at the Hanford Municipal Airport located in Hanford, California. The areas to be served will be the Hanford Municipal Airport and areas of Kings County that will be served by the airport improvements.

The location and dimensions of the project are shown on the project sketch included as part of this Program Narrative.

5. ***SPONSOR'S REPRESENTATIVES***

Robert Loogman, Airport Manager, Hanford Municipal Airport, City of Hanford, 954 E Hanford Armona Road, Hanford, CA 93230. Telephone: 559-585-2589, Email: rloogman@hanford.city

Russ Stirling, Public Works Director, City of Hanford, Telephone" 559-585-2565, email: rsterling@hanfordca.gov

6. ***ATTACHMENTS***

Also included in this application are the following attachments:

- Attachment 1 – Cost Estimates
- Attachment 2 – NEPA Compliance
- Attachment 3 – Exhibit A, Property Map
- Attachment 4 – Standard DOT Title VI Assurances
- Attachment 5 – System for Award Management (SAM)
- Attachment 6 – Sponsor Certifications



BRANDLEY ENGINEERING

HANFORD MUNICIPAL AIRPORT

HANFORD, CALIFORNIA

AIRPORT IMPROVEMENT PROGRAM
2026 PROJECT SKETCH MAP

DATE
DRAWN
CHECKED
PROJECT No.
PLATE No. 1

ATTACHMENT 1
COST ESTIMATES

HANFORD MUNICIPAL AIRPORT
HANFORD, KINGS COUNTY, CALIFORNIA

Cost Estimates of the projects are included in this attachment as follows:

Attachment 1A – Breakdown of Construction Costs
Attachment 1B– Breakdown of Engineering Costs
Attachment 1C – Breakdown of Administration Costs
Attachment 1D - Summary of Project Costs

HANFORD MUNICIPAL AIRPORT
HANFORD, CALIFORNIA

2026 AIRPORT IMPROVEMENT PROGRAM - CONSTRUCTION

BREAKDOWN OF CONSTRUCTION COSTS

Reconstruct South Transient Ramp Phase 1 and
Remove Taxiway B and Segment of Taxiway D - Construction

Item No.	Description	Unit	Quantity	Unit Cost	Total Cost
Remove Taxiway B (75' x 200')					
1	Mobilization (C-105)	LS	1.0	LS	$ 6,000.00
2	Marking and Lighting of Closed Airport Facilities (C-106)	LS	1.0	LS	1,000.00
3	Pavement FDR Pulverize	Sq Yd	2,200.0	$ 5.00	11,000.00
4	Regrade Removed Taxiway	Sq Yd	2,200.0	5.00	11,000.00
5	FDR Excavate Stockpile and Place as Fill or Export	Cu. Yd.	490.0	30.00	14,700.00
6	Remove Airfield Marking	Sq. Ft.	250.0	10.00	2,500.00
7	Electrical Removal including Signs, Sign pads, Taxiway Lights, Bases and wiring	L.S.	L.S.	L.S.	15,000.00
8	2" Non-encased Electrical Conduiit	Ln. Ft.	190.0	40.00	7,600.00
9	L867B Light Base	Each	5.0	200.00	1,000.00
	Total - Remove Taxiway B				$ 69,800.00
	Total - Remove Taxiway B - Use				$ 70,000.00
Remove Segement of Taxiway D (55' x 43')					
1	Mobilization (C-105)	LS	1.0	LS	$ 1,600.00
2	Marking and Lighting of Closed Airport Facilities (C-106)	LS	1.0	LS	400.00
3	Pavement FDR Pulverize	Sq Yd	400.0	$ 5.00	2,000.00
4	Regrade Removed Taxiway	Sq Yd	400.0	5.00	2,000.00
5	FDR Excavate Stockpile and Place as Fill or Export	Cu. Yd.	100.0	30.00	3,000.00
6	Remove Airfield Marking	Sq. Ft.	250.0	10.00	2,500.00
7	2" Non-encased Electrical Conduiit	Ln. Ft.	160.0	40.00	6,400.00
8	Furnish and Install Steel cover on Existing L867B Light Base	Each	2.0	200.00	400.00
	Total - Remove Taxiway B				$ 18,300.00
	Total - Remove Segment Taxiway D - Use				$ 19,000.00

HANFORD MUNICIPAL AIRPORT
HANFORD, CALIFORNIA

2026 AIRPORT IMPROVEMENT PROGRAM - CONSTRUCTION

BREAKDOWN OF CONSTRUCTION COSTS

Reconstruct South Transient Ramp Phase 1 and
Remove Taxiway B and Segment of Taxiway D - Construction

Item No.	Description	Unit	Quantity	Unit Cost	Total Cost
Reconstruct South Transient Ramp Phase 1					
1	SWPPP Prepared by Qualified SWPPP Developer (QSD) and SWPPP Implementation and Monitoring (C-103)	LS	1.0	LS	$ 15,000.00
2	Mobilization (C-105)	LS	1.0	LS	60,000.00
3	Marking and Lighting of Closed Airport Facilities (C-106)	LS	1.0	LS	15,000.00
4	Clearing and Grubbing	AC	1.0	$ 1,000.00	1,000.00
5	Pavement FDR Pulverize	Sq Yd	4,000.0	5.00	20,000.00
6	FDR Excavate, Stockpile, Place and Recompact (ASB or Muck ASB)	Cu. Yd.	950.0	35.00	33,250.00
7	FDR Excavate Stockpile and Export	Cu. Yd.	-	30.00	-
8	Excavation	Cu. Yd.	450.0	40.00	18,000.00
9	Muck Excavation	Cu. Yd.	280.0	50.00	14,000.00
10	Geogrid	Sq Yd	400.0	7.00	2,800.00
11	Scarify and Recompact Subgrade	Sq. Yd.	4,000.0	5.00	20,000.00
12	Aggregate Subbase Course	Cu. Yd.	-	120.00	-
13	Crushed Aggregate Base Course	Cu. Yd.	670.0	180.00	120,600.00
14	Bituminous Prime Coat	Ton	3.0	1,500.00	4,500.00
15	Bituminous Tack Coat	Ton	1.5	1,500.00	2,250.00
16	Bituminous Surface Course - 4"	Ton	850.0	250.00	212,500.00
17	Airfield Marking	Sq. Ft.	1,250.0	5.00	6,250.00
18	Reflective Media	Lbs	110.0	10.00	1,100.00
19	Drainage (Allowance)	L.S.	L.S.	L.S.	50,000.00
	Total - Reconstruct South Transient Ramp				$ 596,250.00
	Total - Reconstruct South Transient Ramp - Use				$ 600,000.00
	Total Construction Cost				$ 689,000.00

HANFORD MUNICIPAL AIRPORT
CITY OF HANFORD, CALIFORNIA

2026 AIRPORT IMPROVEMENT PROGRAM (AIP)

BREAKDOWN OF ENGINEERING COSTS

Reconstruct South Transient Ramp Phase 1 and
Remove Taxiway B and Segment of Taxiway D - Construction

Engineering During Bid and Award of Contract					
Principal Engineer	25.0	Hrs. @	$ 300.00	$ 7,500.00	
Senior Engineer	13.0	Hrs. @	180.00	2,340.00	
Project Administrator	12.0	Hrs. @	100.00	1,200.00	
Clerical	8.0	Hrs. @	85.00	680.00	
Mileage	500.0	Miles @	0.700	350.00	
Total Engineering During Bid & Award				$ 12,070.00	
				Use	$ 12,000.00
Engineering During Construction and Final Project Closeout					
Principal Engineer	125.0	Hrs. @	$ 300.00	$ 37,500.00	
Senior Design Engineer	40.0	Hrs. @	180.00	7,200.00	
Junior Engineer	40.0	Hrs. @	120.00	4,800.00	
Project Administrator	53.0	Hrs. @	100.00	5,300.00	
Clerical	53.0	Hrs. @	85.00	4,505.00	
Mileage	3,000.0	Miles @	0.700	2,100.00	
Total Engineering During Construction				$ 61,405.00	
				Use	62,000.00
Resident Engineering, Testing, and Inspection					
Resident Engineer					
Regular Hours	237.5	Hrs @	$ 190.00	$ 45,125.00	
Overtime Hours	50.0	Hrs @	285.00	14,250.00	
Apprentice					
Regular Hours	40.0	Hrs @	95.00	3,800.00	
Overtime Hours	10.0	Hrs @	142.50	1,425.00	
Certified Asphalt Testing Lab		Standard Rates		10,000.00	
Certified Concrete Testing Lab		Standard Rates		4,000.00	
Vehicle Rental	25.0	Days @	50.00	1,250.00	
Mileage	2,230.0	Miles @	0.700	1,561.00	
Per Diem	20.0	Days @	200.00	4,000.00	
Total - Resident Engineering				$ 85,411.00	
				Use	86,000.00
Total Engineering Fees					$ 160,000.00

HANFORD MUNICIPAL AIRPORT
CITY OF HANFORD, CALIFORNIA

2026 AIRPORT IMPROVEMENT PROGRAM (AIP)

BREAKDOWN OF ADMINISTRATION COSTS

Reconstruct South Transient Ramp Phase 1 and
Remove Taxiway B and Segment of Taxiway D - Construction

City of Hanford Salaries	$ 6,000.00	
Expenses - Mailing, Printing, etc.	2,000.00	
Total Administration Costs		$ 8,000.00

HANFORD MUNICIPAL AIRPORT
CITY OF HANFORD, CALIFORNIA

2026 AIRPORT IMPROVEMENT PROGRAM (AIP)

SUMMARY OF PROJECT COSTS

Reconstruct South Transient Ramp Phase 1 and
Remove Taxiway B and Segment of Taxiway D - Construction

Construction Costs		
Remove Taxiway B	$ 70,000.00	
Remove Segment of Taxiway D	19,000.00	
Reconstruct South Transient Ramp Phase 1	600,000.00	
Total Construction Costs		$ 689,000.00
Total FAA Eligible Construction Costs		
Engineering Costs:		
Engineering During Bid and Contract Award	$ 12,000.00	
Engineering During Construction	62,000.00	
Resident Engineering, Testing, and Inspection	86,000.00	
		160,000.00
Administration		8,000.00
Total Project Cost		$ 857,000.00
Less: FAA Ineligible		(94,000.00)
Total FAA Eligible Project Costs		$ 763,000
F.A.A. Participation - 95%		$ 724,850
Sponsor Participation		$ 95,907
State Participation		$ 36,243

ATTACHMENT 2
NEPA COMPLIANCE

HANFORD MUNICIPAL AIRPORT
HANFORD, KINGS COUNTY, CALIFORNIA

U.S. Department
of Transportation
Federal Aviation Administration

Airports Division
Western-Pacific Region
California

San Francisco Airports District Office
2999 Oak Road, Suite 200
Walnut Creek, CA 94597

November 8, 2024

Bob Loogman
Airport Manager
City of Hanford
900 South 10th Avenue
Hanford, CA 93230

Subject: Hanford Municipal Airport Proposed Reconstruct South Transient Ramp, Remove Taxiway B and a Segment of Taxiway D Project Categorical Exclusion

Dear Mr. Loogman:

The Federal Aviation Administration (FAA) has reviewed the environmental information you submitted for the Proposed Reconstruct South Transient Ramp, Remove Taxiway B and a Segment of Taxiway D Project at Hanford Municipal Airport, Hanford, California. A depiction of the proposed project is enclosed. The FAA has determined the proposed project is Categorically Excluded pursuant to FAA Order 1050.1F as it relates to the National Environmental Policy Act of 1969, as amended (NEPA). Therefore, no further federal environmental disclosure documentation for this project is necessary for NEPA purposes.

This letter notifies you the proposed project has complied with NEPA only. This is not a notice of final project approval of funding availability.

Please feel free to give me a call if you have any questions regarding this matter, I can be reached at (925) 546-6434 or by email at Nani.M.Jacobson@faa.gov.

Sincerely,

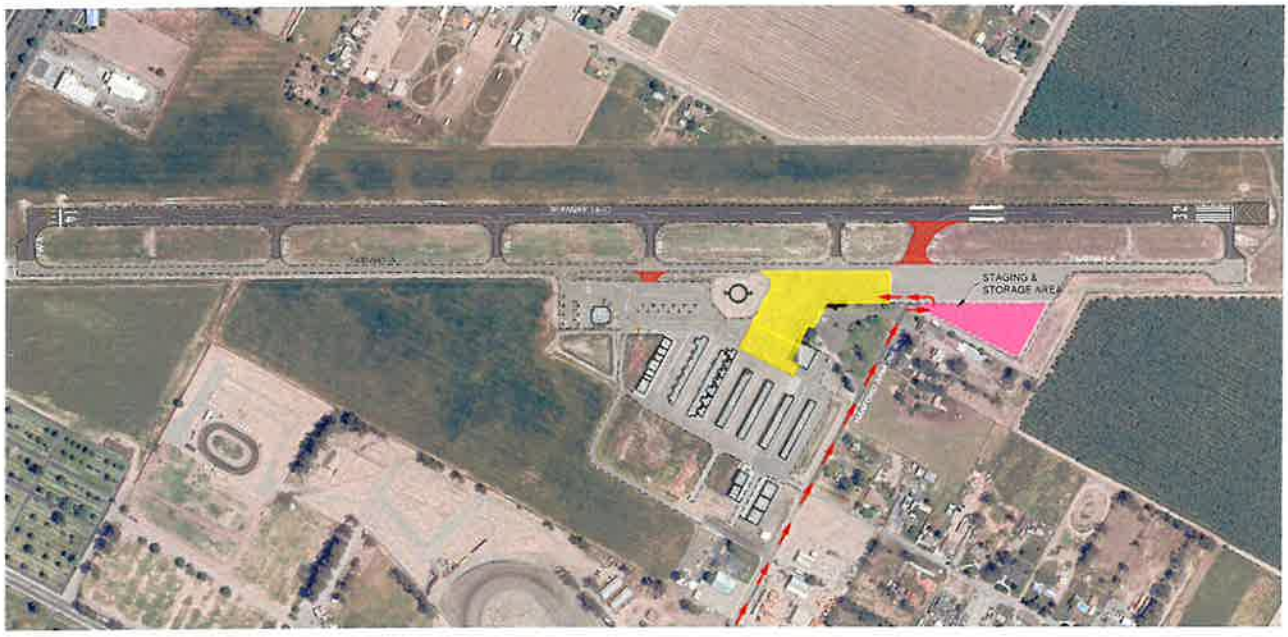
NANI MICHELLE JACOBSON

Digitally signed by NANI MICHELLE JACOBSON
Date: 2024.11.08 11:58:06 -08'00'

Nani Jacobson
Environmental Protection Specialist

Enclosure

cc: Joanne Manson, Planner, SFO ADO
Lemuel del Castillo, Lead Engineer, SFO ADO



LEGEND

- RECONSTRUCT SOUTH TRANSIENT RAMP
- REMOVE TAXIWAY B & PORTION OF TAXIWAY D
- CONTRACTOR'S STAGING AND STORAGE AREA
- CONTRACTOR'S HAUL ROUTE

0 200 400
SCALE: 1"=400'

EXHIBIT 2

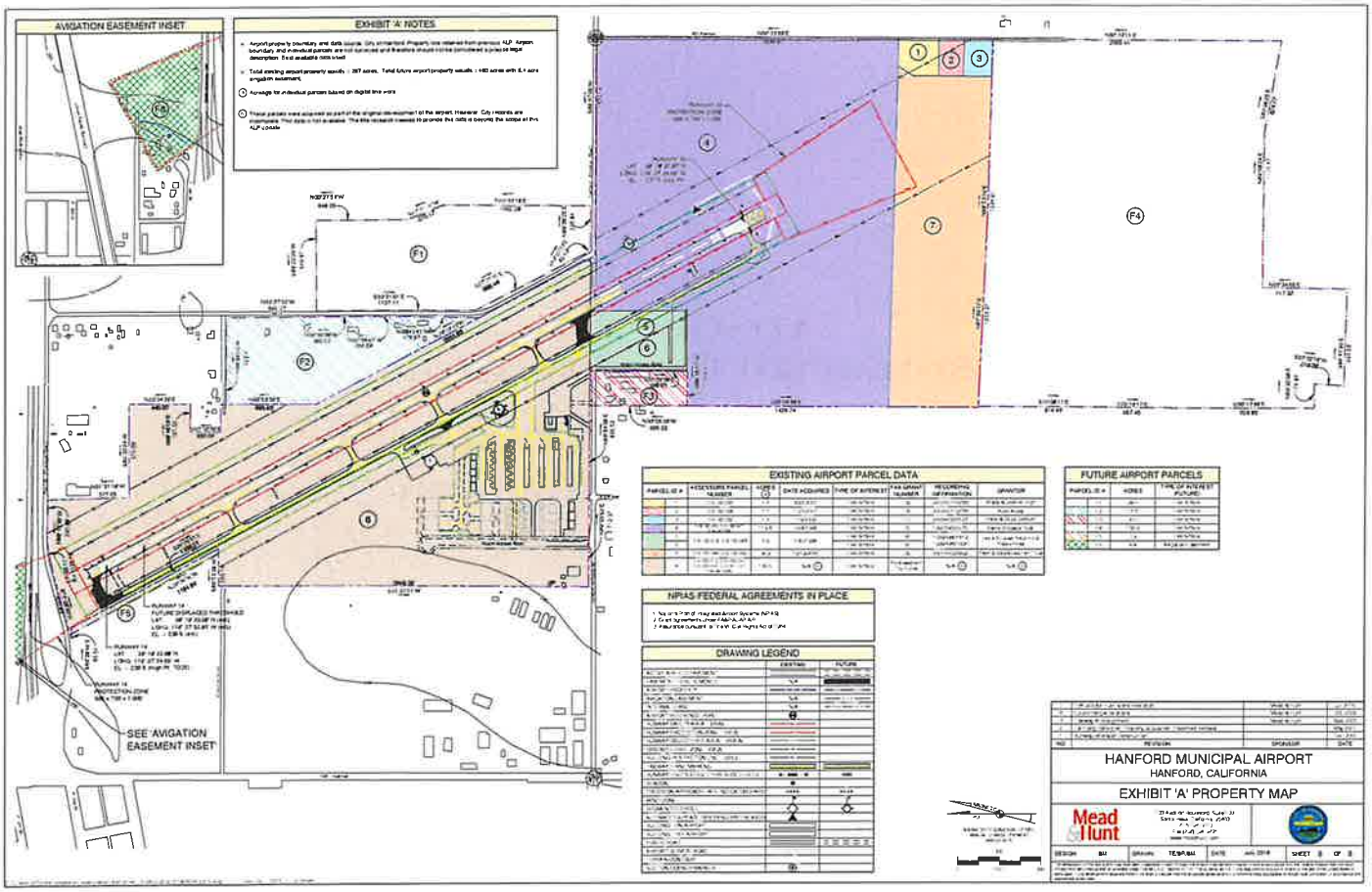
BRANDLEY ENGINEERING

HANFORD MUNICIPAL AIRPORT
HANFORD, CALIFORNIA
RECONSTRUCT SOUTH TRANSIENT RAMP
PROJECT SKETCH MAP

DATE
DRAWN KDC
CHECKED MB
PROJECT No. 19-22
PLATE No. 1

ATTACHMENT 3
EXHIBIT "A", PROPERTY MAP

HANFORD MUNICIPAL AIRPORT
HANFORD, KINGS COUNTY, CALIFORNIA


AVIGATION EASEMENT INSET
EXHIBIT 'A' NOTES
SEE 'AVIGATION EASEMENT INSET'
EXISTING AIRPORT PARCEL DATA
FUTURE AIRPORT PARCELS
NPIAS FEDERAL AGREEMENTS IN PLACE
DRAWING LEGEND
HANFORD MUNICIPAL AIRPORT
HANFORD, CALIFORNIA
EXHIBIT 'A' PROPERTY MAP
Mead & Hunt

ATTACHMENT 4
STANDARD DOT TITLE VI ASSURANCES

HANFORD MUNICIPAL AIRPORT
HANFORD, KINGS COUNTY, CALIFORNIA

ATTACHMENT NO. 4

STANDARD DOT TITLE VI ASSURANCES

The City of Hanford (hereinafter referred to as the Sponsor) hereby agrees that as a condition to receiving Federal financial assistance from the Department of Transportation (DOT), it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and all requirements imposed by 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation -- Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") to the end that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this agreement. Without limiting the above general assurance, the Sponsor agrees concerning this grant that:

1. Each "program" and "facility" (as defined in Sections 21.23(e) and 21.23(b)) will be conducted or operated in compliance with all requirements of the Regulations.

2. It will insert the clauses of Attachment 1 of this assurance in every contract subject to the Act and the Regulations.

3. Where Federal financial assistance is received to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.

4. Where Federal financial assistance is in the form or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over, or under such property.

5. It will include the appropriate clauses set forth in Attachment 2 of this assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the Sponsor with other parties:

(a) for the subsequent transfer of real property acquired or improved with Federal financial assistance under this Project; and

(b) for the construction or use of or access to space on, over, or under real property acquired or improved with Federal financial assistance under this Project.

6. This assurance obligates the Sponsor for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon, in which case the assurance obligates the sponsor or any transferee for the longer of the following periods:

(a) The period during which the property is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or

(b) The period during which the Sponsor retains ownership or possession of the property.

7. It will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other sponsors, subgrantees, contractors, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations, and this assurance.

8. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining Federal financial assistance for this Project and is binding on its contractors, the sponsor, subcontractors, transferees, successors in interest and other participants in the Project. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Sponsor.

DATED 12/29/2025

CITY OF HANFORD
(Sponsor)

By Robert Loogman
Robert Loogman, Airport Manager

CONTRACTOR CONTRACTUAL REQUIREMENTS

ATTACHMENT 1

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations. The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance. In the event of the contractor's non-compliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

   a. Withholding of payments to the contractor under the contract until the contractor complies, and/or

   b. Cancellation, termination, or suspension of the contract, in whole or in part.

6. Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

CLAUSES FOR DEEDS, LICENSES, LEASES, PERMITS OR SIMILAR INSTRUMENTS

ATTACHMENT 2

The following clauses shall be included in deeds, licenses, leases, permits, or similar instruments entered into by the Sponsor pursuant to the provisions of Assurances 5(a) and 5(b).

1. The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

2. The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

ATTACHMENT 5
SYSTEM FOR AWARD MANAGEMENT (SAM)

HANFORD MUNICIPAL AIRPORT
HANFORD, KINGS COUNTY, CALIFORNIA

SAM.GOV®

CITY OF HANFORD

Unique Entity ID	CAGE / NCAGE	Purpose of Registration
DJUXR18MN678	**5HPF3**	**All Awards**
Registration Status	Expiration Date	
Active Registration	**Feb 26, 2026**	
Physical Address	Mailing Address	
319 N Douty ST **Hanford, California 93230-3951** **United States**	**317 N Douty ST** **Hanford, California 93230-3951** **United States**	

Business Information

Doing Business as	Division Name	Division Number
CITY OF HANFORD	**City Of Hanford**	**(blank)**
Congressional District	State / Country of Incorporation	URL
California 22	**(blank) / (blank)**	**https://www.ci.hanford.ca.us**

Registration Dates

Activation Date	Submission Date	Initial Registration Date
Feb 28, 2025	**Feb 26, 2025**	**Jun 8, 2009**

Entity Dates

Entity Start Date	Fiscal Year End Close Date
Jan 1, 1898	**Jun 30**

Immediate Owner

CAGE	Legal Business Name
(blank)	**(blank)**

Highest Level Owner

CAGE	Legal Business Name
(blank)	**(blank)**

Executive Compensation

Registrants in the System for Award Management (SAM) respond to the Executive Compensation questions in accordance with Section 6202 of P.L. 110-252, amending the Federal Funding Accountability and Transparency Act (P.L. 109-282). This information is not displayed in SAM. It is sent to USAspending.gov for display in association with an eligible award. Maintaining an active registration in SAM demonstrates the registrant responded to the questions.

Proceedings Questions

Registrants in the System for Award Management (SAM.gov) respond to proceedings questions in accordance with FAR 52.209-7, FAR 52.209-9, or 2. C.F.R. 200 Appendix XII. Their responses are displayed in the responsibility/qualification section of SAM.gov. Maintaining an active registration in SAM.gov demonstrates the registrant responded to the proceedings questions.

Exclusion Summary

Active Exclusions Records?

No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

Yes

Entity Types

Business Types

Entity Structure	Entity Type	Organization Factors
U.S. Government Entity	**US Local Government**	**(blank)**
Profit Structure		
(blank)		

Socio-Economic Types

Check the registrant's Reps & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Government Types

U.S. Local Government
City

Other Government Entities

Housing Authorities Public/Tribal
Planning Commission

Financial Information

Accepts Credit Card Payments	Debt Subject To Offset
No	**No**
EFT Indicator	CAGE Code
0000	**5HPF3**

Points of Contact

Electronic Business

SANDRA LERMA	**317 N Douty ST** **Hanford, California 93230** **United States**
Erik Brotemarkle, Battalion Chief	350 West Grangeville BLVD. Hanford, California 93230 United States

Government Business

Mario Cifuentez II, City Manager	**319 N. Douty ST** **Hanford, California 93230** **United States**
SANDRA LERMA	317 N Douty ST Hanford, California 93230 United States

Past Performance

ERIK BROTEMARKLE, BATTALION CHIEF	**350 W. Grangeville BLVD** **Hanford , California 93230** **United States**
BARBARA MARTY	317 N Douty ST Hanford, California 93230 United States

Service Classifications

NAICS Codes

Primary	NAICS Codes	NAICS Title
Yes	**921110**	**Executive Offices**

Disaster Response

This entity does not appear in the disaster response registry.

ATTACHMENT 6
SPONSOR CERTIFICATIONS

HANFORD MUNICIPAL AIRPORT
HANFORD, KINGS COUNTY, CALIFORNIA

This attachment consists of the following Sponsor Certifications:
Drug-Free Workplace
Selection of Consultants
Project Plans and Specifications
Equipment and Construction Projects
Construction Project Final Acceptance
Potential Conflicts of Interest

U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-130, Drug-Free Workplace – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Drug-Free Workplace
Airport Improvement Program Sponsor Certification

Sponsor: City of Hanford

Airport: Hanford Municipal Airport

Project Number: AIP 3-06-0098__-2026

Description of Work: Reconstruct South Transient Ramp - Construct Phase 1 (3,500 sq. yd.) and Remove Taxiway B (75' x 200') and Segment of Taxiway D (55' x 43')

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on the drug-free workplace within federal grant programs are described in 2 CFR part 182. Sponsors are required to certify they will be, or will continue to provide, a drug-free workplace in accordance with the regulation. The AIP project grant agreement contains specific assurances on the Drug-Free Workplace Act of 1988.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A statement has been or will be published prior to commencement of project notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the sponsor's workplace, and specifying the actions to be taken against employees for violation of such prohibition (2 CFR § 182.205).

   ☒ Yes ☐ No ☐ N/A

2. An ongoing drug-free awareness program (2 CFR § 182.215) has been or will be established prior to commencement of project to inform employees about:

   a. The dangers of drug abuse in the workplace;

   b. The sponsor's policy of maintaining a drug-free workplace;

   c. Any available drug counseling, rehabilitation, and employee assistance programs; and

   d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

   ☒ Yes ☐ No ☐ N/A

3. Each employee to be engaged in the performance of the work has been or will be given a copy of the statement required within item 1 above prior to commencement of project (2 CFR § 182.210).

   ☒ Yes ☐ No ☐ N/A

4. Employees have been or will be notified in the statement required by item 1 above that, as a condition employment under the grant (2 CFR § 182.205(c)), the employee will:

   a. Abide by the terms of the statement; and

   b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

   ☒ Yes ☐ No ☐ N/A

5. The Federal Aviation Administration (FAA) will be notified in writing within 10 calendar days after receiving notice under item 4b above from an employee or otherwise receiving actual notice of such conviction (2 CFR § 182.225). Employers of convicted employees must provide notice, including position title of the employee, to the FAA (2 CFR § 182.300).

   ☒ Yes ☐ No ☐ N/A

6. One of the following actions (2 CFR § 182.225(b)) will be taken within 30 calendar days of receiving a notice under item 4b above with respect to any employee who is so convicted:

   a. Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; and

   b. Require such employee to participate satisfactorily in drug abuse assistance or rehabilitation programs approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

   ☒ Yes ☐ No ☐ N/A

7. A good faith effort will be made, on a continuous basis, to maintain a drug-free workplace through implementation of items 1 through 6 above (2 CFR § 182.200).

   ☒ Yes ☐ No ☐ N/A

Site(s) of performance of work (2 CFR § 182.230):

Location 1
Name of Location: Hanford Municipal Airport
Address: 954 E. Hanford Armonda Road, Hanford, CA 93230

Location 2 (if applicable)
Name of Location: City of Hanford
Address: 315-321 North Douty Street, Hanford, CA 93230

Location 3 (if applicable)
Name of Location:
Address:

Attach documentation clarifying any above item marked with a "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this 29th day of December 2025.

Name of Sponsor: City of Hanford

Name of Sponsor's Authorized Official: Robert Loogman

Title of Sponsor's Authorized Official: Airport Manager

Signature of Sponsor's Authorized Official: Robert Loogman

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-134, Selection of Consultants – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Selection of Consultants
Airport Improvement Program Sponsor Certification

Sponsor: City of Hanford

Airport: Hanford Municipal Airport

Project Number: AIP 3-06-0098__-2026

Description of Work: Reconstruct South Transient Ramp - Construct Phase 1 (3,500 sq. yd.) and Remove Taxiway B (75' x 200') and Segment of Taxiway D (55' x 43')

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements for selection of consultant services within federal grant programs are described in 2 CFR §§ 200.317-200.326. Sponsors may use other qualifications-based procedures provided they are equivalent to standards of Title 40 chapter 11 and FAA Advisory Circular 150/5100-14, Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. Sponsor acknowledges their responsibility for the settlement of all contractual and administrative issues arising out of their procurement actions (2 CFR § 200.318(k)).

   ☒ Yes ☐ No ☐ N/A

2. Sponsor procurement actions ensure or will ensure full and open competition that does not unduly limit competition (2 CFR § 200.319).

   ☒ Yes ☐ No ☐ N/A

3. Sponsor has excluded or will exclude any entity that develops or drafts specifications, requirements, or statements of work associated with the development of a request-for-qualifications (RFQ) from competing for the advertised services (2 CFR § 200.319).

   ☒ Yes ☐ No ☐ N/A

4. The advertisement describes or will describe specific project statements-of-work that provide clear detail of required services without unduly restricting competition (2 CFR § 200.319).

   ☒ Yes ☐ No ☐ N/A

5. Sponsor has publicized or will publicize a RFQ that:

   a. Solicits an adequate number of qualified sources (2 CFR § 200.320(d)); and

   b. Identifies all evaluation criteria and relative importance (2 CFR § 200.320(d)).

   ☒ Yes ☐ No ☐ N/A

6. Sponsor has based or will base selection on qualifications, experience, and disadvantaged business enterprise participation with price not being a selection factor (2 CFR § 200.320(d)).

   ☒ Yes ☐ No ☐ N/A

7. Sponsor has verified or will verify that agreements exceeding $25,000 are not awarded to individuals or firms suspended, debarred or otherwise excluded from participating in federally assisted projects (2 CFR §180.300).

   ☒ Yes ☐ No ☐ N/A

8. A/E services covering multiple projects: Sponsor has agreed to or will agree to:

   a. Refrain from initiating work covered by this procurement beyond five years from the date of selection (AC 150/5100-14); and

   b. Retain the right to conduct new procurement actions for projects identified or not identified in the RFQ (AC 150/5100-14).

   ☒ Yes ☐ No ☐ N/A

9. Sponsor has negotiated or will negotiate a fair and reasonable fee with the firm they select as most qualified for the services identified in the RFQ (2 CFR § 200.323).

   ☒ Yes ☐ No ☐ N/A

10. The Sponsor's contract identifies or will identify costs associated with ineligible work separately from costs associated with eligible work (2 CFR § 200.302).

    ☒ Yes ☐ No ☐ N/A

11. Sponsor has prepared or will prepare a record of negotiations detailing the history of the procurement action, rationale for contract type and basis for contract fees (2 CFR §200.318(i)).

    ☒ Yes ☐ No ☐ N/A

12. Sponsor has incorporated or will incorporate mandatory contact provisions in the consultant contract for AIP-assisted work (49 U.S.C. Chapter 471 and 2 CFR part 200 Appendix II)

    ☒ Yes ☐ No ☐ N/A

13. For contracts that apply a time-and-material payment provision (also known as hourly rates, specific rates of compensation, and labor rates), the Sponsor has established or will establish:

    a. Justification that there is no other suitable contract method for the services (2 CFR §200.318(j));

    b. A ceiling price that the consultant exceeds at their risk (2 CFR §200.318(j)); and

    c. A high degree of oversight that assures consultant is performing work in an efficient manner with effective cost controls in place 2 CFR §200.318(j)).

    ☒ Yes ☐ No ☐ N/A

14. Sponsor is not using or will not use the prohibited cost-plus-percentage-of-cost (CPPC) contract method. (2 CFR § 200.323(d)).

    ☒ Yes ☐ No ☐ N/A

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this 29th day of December 2025,

Name of Sponsor: City of Hanford

Name of Sponsor's Authorized Official: Robert Loogman

Title of Sponsor's Authorized Official: Airport Manager

Signature of Sponsor's Authorized Official: Robert Loogman

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-132, Project Plans and Specifications – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Project Plans and Specifications
Airport Improvement Program Sponsor Certification

Sponsor: City of Hanford

Airport: Hanford Municipal Airport

Project Number: AIP 3-06-0098-__-2026

Description of Work: Reconstruct South Transient Ramp - Construct Phase 1 (3,500 sq. yd.) and Remove Taxiway B (75' x 200') and Segment of Taxiway D (55' x 43')

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). Labor and civil rights standards applicable to AIP are established by the Department of Labor (www.dol.gov/). AIP Grant Assurance C.1—General Federal Requirements identifies applicable federal laws, regulations, executive orders, policies, guidelines and requirements for assistance under AIP. A list of current advisory circulars with specific standards for procurement, design or construction of airports, and installation of equipment and facilities is referenced in standard airport sponsor Grant Assurance 34 contained in the grant agreement.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The plans and specifications were or will be prepared in accordance with applicable federal standards and requirements, so that no deviation or modification to standards set forth in the advisory circulars, or FAA-accepted state standard, is necessary other than those explicitly approved by the Federal Aviation Administration (FAA) (14 USC § 47105).

   ☒ Yes ☐ No ☐ N/A

2. Specifications incorporate or will incorporate a clear and accurate description of the technical requirement for the material or product that does not contain limiting or proprietary features that unduly restrict competition (2 CFR §200.319).

   ☒ Yes ☐ No ☐ N/A

3. The development that is included or will be included in the plans is depicted on the current airport layout plan as approved by the FAA (14 USC § 47107).

   ☒ Yes ☐ No ☐ N/A

4. Development and features that are ineligible or unallowable for AIP funding have been or will be omitted from the plans and specifications (FAA Order 5100.38, par. 3-43).

   ☐ Yes ☐ No ☒ N/A

5. The specification does not use or will not use "brand name" or equal to convey requirements unless sponsor requests and receives approval from the FAA to use brand name (FAA Order 5100.38, Table U-5).

   ☒ Yes ☐ No ☐ N/A

6. The specification does not impose or will not impose geographical preference in their procurement requirements (2 CFR §200.319(b) and FAA Order 5100.38, Table U-5).

   ☒ Yes ☐ No ☐ N/A

7. The use of prequalified lists of individuals, firms or products include or will include sufficient qualified sources that ensure open and free competition and that does not preclude potential entities from qualifying during the solicitation period (2 CFR §319(d)).

   ☒ Yes ☐ No ☐ N/A

8. Solicitations with bid alternates include or will include explicit information that establish a basis for award of contract that is free of arbitrary decisions by the sponsor (2 CFR § 200.319(a)(7)).

   ☒ Yes ☐ No ☐ N/A

9. Concurrence was or will be obtained from the FAA if Sponsor incorporates a value engineering clause into the contract (FAA Order 5100.38, par. 3-57).

   ☒ Yes ☐ No ☐ N/A

10. The plans and specifications incorporate or will incorporate applicable requirements and recommendations set forth in the federally approved environmental finding (49 USC §47106(c)).

    ☒ Yes ☐ No ☐ N/A

11. The design of all buildings comply or will comply with the seismic design requirements of 49 CFR § 41.120. (FAA Order 5100.38d, par. 3-92)

    ☐ Yes ☐ No ☒ N/A

12. The project specification include or will include process control and acceptance tests required for the project by as per the applicable standard:

    a. Construction and installation as contained in Advisory Circular (AC) 150/5370-10.

       ☒ Yes ☐ No ☐ N/A

b. Snow Removal Equipment as contained in AC 150/5220-20.

☐ Yes ☐ No ☒ N/A

c. Aircraft Rescue and Fire Fighting (ARFF) vehicles as contained in AC 150/5220-10.

☐ Yes ☐ No ☒ N/A

13. For construction activities within or near aircraft operational areas(AOA):

a. The Sponsor has or will prepare a construction safety and phasing plan (CSPP) conforming to Advisory Circular 150/5370-2.

b. Compliance with CSPP safety provisions has been or will be incorporated into the plans and specifications as a contractor requirement.

c. Sponsor will not initiate work until receiving FAA's concurrence with the CSPP (FAA Order 5100.38, Par. 5-29).

☒ Yes ☐ No ☐ N/A

14. The project was or will be physically completed without federal participation in costs due to errors and omissions in the plans and specifications that were foreseeable at the time of project design (49 USC §47110(b)(1) and FAA Order 5100.38d, par. 3-100).

☒ Yes ☐ No ☐ N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this 29th day of December 2025.

Name of Sponsor: City of Hanford

Name of Sponsor's Authorized Official: Robert Loogman

Title of Sponsor's Authorized Official: Airport Manager

Signature of Sponsor's Authorized Official: Robert Loogman

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-131, Equipment and Construction Contracts – Airport Improvement Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Equipment and Construction Contracts
Airport Improvement Sponsor Certification

Sponsor: City of Hanford

Airport: Hanford Municipal Airport

Project Number: AIP 3-06-0098__-2026

Description of Work: Reconstruct South Transient Ramp - Construct Phase 1 (3,500 sq. yd.) and Remove Taxiway B (75' x 200') and Segment of Taxiway D (55' x 43')

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General procurement standards for equipment and construction contracts within Federal grant programs are described in 2 CFR §§ 200.317-200.326. Labor and Civil Rights Standards applicable to the AIP are established by the Department of Labor (www.dol.gov) AIP Grant Assurance C.1—General Federal Requirements identifies all applicable Federal Laws, regulations, executive orders, policies, guidelines and requirements for assistance under the AIP. Sponsors may use state and local procedures provided the procurement conforms to these federal standards.

This certification applies to all equipment and construction projects. Equipment projects may or may not employ laborers and mechanics that qualify the project as a "covered contract" under requirements established by the Department of Labor requirements. Sponsor shall provide appropriate responses to the certification statements that reflect the character of the project regardless of whether the contract is for a construction project or an equipment project.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A written code or standard of conduct is or will be in effect prior to commencement of the project that governs the performance of the sponsor's officers, employees, or agents in soliciting, awarding and administering procurement contracts (2 CFR § 200.318).

   ☒ Yes ☐ No ☐ N/A

2. For all contracts, qualified and competent personnel are or will be engaged to perform contract administration, engineering supervision, construction inspection, and testing (Grant Assurance C.17).

   ☒ Yes ☐ No ☐ N/A

3. Sponsors that are required to have a Disadvantage Business Enterprise (DBE) program on file with the FAA have included or will include clauses required by Title VI of the Civil Rights Act and 49 CFR Part 26 for Disadvantaged Business Enterprises in all contracts and subcontracts.

   ☒ Yes ☐ No ☐ N/A

4. Sponsors required to have a DBE program on file with the FAA have implemented or will implement monitoring and enforcement measures that:

   a. Ensure work committed to Disadvantaged Business Enterprises at contract award is actually performed by the named DBEs (49 CFR § 26.37(b));

   b. Include written certification that the sponsor has reviewed contract records and has monitored work sites for performance by DBE firms (49 CFR § 26.37(b)); and

   c. Provides for a running tally of payments made to DBE firms and a means for comparing actual attainments (i.e. payments) to original commitments (49 CFR § 26.37(c)).

   ☒ Yes ☐ No ☐ N/A

5. Sponsor procurement actions using the competitive sealed bid method (2 CFR § 200.320(c)). was or will be:

   a. Publicly advertised, allowing a sufficient response time to solicit an adequate number of interested contractors or vendors;

   b. Prepared to include a complete, adequate and realistic specification that defines the items or services in sufficient detail to allow prospective bidders to respond;

   c. Publicly opened at a time and place prescribed in the invitation for bids; and

   d. Prepared in a manner that result in a firm fixed price contract award to the lowest responsive and responsible bidder.

   ☒ Yes ☐ No ☐ N/A

6. For projects the Sponsor proposes to use the competitive proposal procurement method (2 CFR § 200.320(d)), Sponsor has requested or will request FAA approval prior to proceeding with a competitive proposal procurement by submitting to the FAA the following:

   a. Written justification that supports use of competitive proposal method in lieu of the preferred sealed bid procurement method;

   b. Plan for publicizing and soliciting an adequate number of qualified sources; and

   c. Listing of evaluation factors along with relative importance of the factors.

   ☒ Yes ☐ No ☐ N/A

7. For construction and equipment installation projects, the bid solicitation includes or will include the current federal wage rate schedule(s) for the appropriate type of work classifications (2 CFR Part 200, Appendix II).

   ☒ Yes ☐ No ☐ N/A

8. Concurrence was or will be obtained from the Federal Aviation Administration (FAA) prior to contract award under any of the following circumstances (Order 5100.38D):
    a. Only one qualified person/firm submits a responsive bid;
    b. Award is to be made to other than the lowest responsible bidder; and
    c. Life cycle costing is a factor in selecting the lowest responsive bidder.

    ☒ Yes ☐ No ☐ N/A

9. All construction and equipment installation contracts contain or will contain provisions for:
    a. Access to Records (§ 200.336)
    b. Buy American Preferences (Title 49 U.S.C. § 50101)
    c. Civil Rights - General Provisions and Title VI Assurances(41 CFR part 60)
    d. Federal Fair Labor Standards (29 U.S.C. § 201, et seq)
    e. Occupational Safety and Health Act requirements (20 CFR part 1920)
    f. Seismic Safety – building construction (49 CFR part 41)
    g. State Energy Conservation Requirements - as applicable(2 CFR part 200, Appendix II)
    h. U.S. Trade Restriction (49 CFR part 30)
    i. Veterans Preference (49 USC § 47112(c))

    ☒ Yes ☐ No ☐ N/A

10. All construction and equipment installation contracts exceeding $2,000 contain or will contain the provisions established by:
    a. Davis-Bacon and Related Acts (29 CFR part 5)
    b. Copeland "Anti-Kickback" Act (29 CFR parts 3 and 5)

    ☒ Yes ☐ No ☐ N/A

11. All construction and equipment installation contracts exceeding $3,000 contain or will contain a contract provision that discourages distracted driving (E.O. 13513).

    ☒ Yes ☐ No ☐ N/A

12. All contracts exceeding $10,000 contain or will contain the following provisions as applicable:
    a. Construction and equipment installation projects - Applicable clauses from 41 CFR Part 60 for compliance with Executive Orders 11246 and 11375 on Equal Employment Opportunity;
    b. Construction and equipment installation - Contract Clause prohibiting segregated facilities in accordance with 41 CFR part 60-1.8;
    c. Requirement to maximize use of products containing recovered materials in accordance with 2 CFR § 200.322 and 40 CFR part 247; and
    d. Provisions that address termination for cause and termination for convenience (2 CFR Part 200, Appendix II).

    ☒ Yes ☐ No ☐ N/A

13. All contracts and subcontracts exceeding $25,000: Measures are in place or will be in place (e.g. checking the System for Award Management) that ensure contracts and subcontracts are not awarded to individuals or firms suspended, debarred, or excluded from participating in federally assisted projects (2 CFR parts 180 and 1200).

    ☒ Yes ☐ No ☐ N/A

14. Contracts exceeding the simplified acquisition threshold (currently $250,000) include or will include provisions, as applicable, that address the following:

    a. Construction and equipment installation contracts - a bid guarantee of 5%, a performance bond of 100%, and a payment bond of 100% (2 CFR § 200.325);

    b. Construction and equipment installation contracts - requirements of the Contract Work Hours and Safety Standards Act (40 USC 3701-3708, Sections 103 and 107);

    c. Restrictions on Lobbying and Influencing (2 CFR part 200, Appendix II);

    d. Conditions specifying administrative, contractual and legal remedies for instances where contractor of vendor violate or breach the terms and conditions of the contract (2 CFR §200, Appendix II); and

    e. All Contracts - Applicable standards and requirements issued under Section 306 of the Clean Air Act (42 USC 7401-7671q), Section 508 of the Clean Water Act (33 USC 1251-1387, and Executive Order 11738.

    ☒ Yes ☐ No ☐ N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this 29th day of December 2025.

Name of Sponsor: City of Hanford

Name of Sponsor's Authorized Official: Robert Loogman

Title of Sponsor's Authorized Official: Airport Manager

Signature of Sponsor's Authorized Official: Robert Loogman

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-129, Construction Project Final Acceptance – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Construction Project Final Acceptance
Airport Improvement Program Sponsor Certification

Sponsor: City of Hanford

Airport: Hanford Municipal Airport

Project Number: AIP 3-06-0098-__-2026

Description of Work: Reconstruct South Transient Ramp - Construct Phase 1 (3,500 sq. yd.) and Remove Taxiway B (75' x 200') and Segment of Taxiway D (55' x 43')

Application

49 USC § 47105(d), authorizes the Secretary to require me certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program. General standards for final acceptance and close out of federally funded construction projects are in 2 CFR § 200.343 – Closeout and supplemented by FAA Order 5100.38. The sponsor must determine that project costs are accurate and proper in accordance with specific requirements of the grant agreement and contract documents.

Certification Statements

Except for certification statements below marked not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgment and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The personnel engaged in project administration, engineering supervision, project inspection, and acceptance testing were or will be determined to be qualified and competent to perform the work (Grant Assurance).
   ☒ Yes ☐ No ☐ N/A
2. Construction records, including daily logs, were or will be kept by the resident engineer/construction inspector that fully document contractor's performance in complying with:
   a. Technical standards (Advisory Circular (AC) 150/5370-12);
   b. Contract requirements (2 CFR part 200 and FAA Order 5100.38); and
   c. Construction safety and phasing plan measures (AC 150/5370-2).
   ☒ Yes ☐ No ☐ N/A
3. All acceptance tests specified in the project specifications were or will be performed and documented. (AC 150/5370-12).
   ☒ Yes ☐ No ☐ N/A

4. Sponsor has taken or will take appropriate corrective action for any test result outside of allowable tolerances (AC 150/5370-12).

   ☒ Yes ☐ No ☐ N/A

5. Pay reduction factors required by the specifications were applied or will be applied in computing final payments with a summary made available to the FAA (AC 150/5370-10).

   ☒ Yes ☐ No ☐ N/A

6. Sponsor has notified, or will promptly notify the Federal Aviation Administration (FAA) of the following occurrences:

   a. Violations of any federal requirements set forth or included by reference in the contract documents (2 CFR part 200);

   b. Disputes or complaints concerning federal labor standards (29 CFR part 5); and

   c. Violations of or complaints addressing conformance with Equal Employment Opportunity or Disadvantaged Business Enterprise requirements (41 CFR Chapter 60 and 49 CFR part 26).

   ☒ Yes ☐ No ☐ N/A

7. Weekly payroll records and statements of compliance were or will be submitted by the prime contractor and reviewed by the sponsor for conformance with federal labor and civil rights requirements as required by FAA and U.S. Department of Labor (29 CFR Part 5).

   ☒ Yes ☐ No ☐ N/A

8. Payments to the contractor were or will be made in conformance with federal requirements and contract provisions using sponsor internal controls that include:

   a. Retaining source documentation of payments and verifying contractor billing statements against actual performance (2 CFR § 200.302 and FAA Order 5100.38);

   b. Prompt payment of subcontractors for satisfactory performance of work (49 CFR § 26.29);

   c. Release of applicable retainage upon satisfactory performance of work (49 CFR § 26.29); and

   d. Verification that payments to DBEs represent work the DBE performed by carrying out a commercially useful function (49 CFR §26.55).

   ☒ Yes ☐ No ☐ N/A

9. A final project inspection was or will be conducted with representatives of the sponsor and the contractor present that ensure:

   a. Physical completion of project work in conformance with approved plans and specifications (Order 5100.38);

   b. Necessary actions to correct punch list items identified during final inspection are complete (Order 5100.38); and

   c. Preparation of a record of final inspection and distribution to parties to the contract (Order 5100.38);

   ☒ Yes ☐ No ☐ N/A

10. The project was or will be accomplished without material deviations, changes, or modifications from approved plans and specifications, except as approved by the FAA (Order 5100.38).

    ☒ Yes ☐ No ☐ N/A

11. The construction of all buildings have complied or will comply with the seismic construction requirements of 49 CFR § 41.120.

☐ Yes ☐ No ☒ N/A

12. For development projects, sponsor has taken or will take the following close-out actions:

    a. Submit to the FAA a final test and quality assurance report summarizing acceptance test results, as applicable (Grant Condition);

    b. Complete all environmental requirements as established within the project environmental determination (Oder 5100.38); and

    c. Prepare and retain as-built plans (Order 5100.38).

☒ Yes ☐ No ☐ N/A

13. Sponsor has revised or will revise their airport layout plan (ALP) that reflects improvements made and has submitted or will submit an updated ALP to the FAA no later than 90 days from the period of performance end date. (49 USC § 47107 and Order 5100.38).

☒ Yes ☐ No ☐ N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this 29th day of December 2025.

Name of Sponsor: TCity of Hanford

Name of Sponsor's Authorized Official: Robert Loogman

Title of Sponsor's Authorized Official: Airport Manager

Signature of Sponsor's Authorized Official: Robert Loogman

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-135, Certification and Disclosure Regarding Potential Conflicts of Interest – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.

Certification and Disclosure Regarding Potential Conflicts of Interest
Airport Improvement Program Sponsor Certification

Sponsor: City of Hanford

Airport: Hanford Municipal Airport

Project Number: AIP 3-06-0098-___-2026

Description of Work: Reconstruct South Transient Ramp - Construct Phase 1 (3,500 sq. yd.) and Remove Taxiway B (75' x 200') and Segment of Taxiway D (55' x 43')

Application

Title 2 CFR § 200.112 and § 1201.112 address Federal Aviation Administration (FAA) requirements for conflict of interest. As a condition of eligibility under the Airport Improvement Program (AIP), sponsors must comply with FAA policy on conflict of interest. Such a conflict would arise when any of the following have a financial or other interest in the firm selected for award:

a) The employee, officer or agent,

b) Any member of his immediate family,

c) His or her partner, or

d) An organization which employs, or is about to employ, any of the above.

Selecting "Yes" represents sponsor or sub-recipient acknowledgement and confirmation of the certification statement. Selecting "No" represents sponsor or sub-recipient disclosure that it cannot fully comply with the certification statement. If "No" is selected, provide support information explaining the negative response as an attachment to this form. This includes whether the sponsor has established standards for financial interest that are not substantial or unsolicited gifts are of nominal value (2 CFR § 200.318(c)). The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance.

Certification Statements

1. The sponsor or sub-recipient maintains a written standards of conduct governing conflict of interest and the performance of their employees engaged in the award and administration of contracts (2 CFR § 200.318(c)). To the extent permitted by state or local law or regulations, such standards of conduct provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sponsor's and sub-recipient's officers, employees, or agents, or by contractors or their agents.

   ☒ Yes ☐ No

2. The sponsor's or sub-recipient's officers, employees or agents have not and will not solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements (2 CFR § 200.318(c)).

   ☒ Yes ☐ No

3. The sponsor or sub-recipient certifies that is has disclosed and will disclose to the FAA any known potential conflict of interest (2 CFR § 1200.112).

   ☒ Yes ☐ No

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have the explanation for any item marked "no" is correct and complete.

Executed on this 29th day of December 2025

Name of Sponsor: City of Hanford

Name of Sponsor's Authorized Official: Robert Loogman

Title of Sponsor's Authorized Official: Airport Manager

Signature of Sponsor's Authorized Official: Robert Loogman

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Affirm approval and appropriation from the General Fund reserve for emergency repairs on Fire Engine #164 in the amount of $63,712.72 from Betts Truck Parts and Service of Fresno CA.

RECOMMENDATION:

Recommendation:
That the City Council, by motion, affirm approval and appropriate from the General Fund reserve $63,712.72 for the sole source repair of Fire Engine #164 from Betts Truck Parts and Service of Fresno, CA.

Recommended Motion:
I move, to affirm approval and appropriate from the General Fund reserve $63,712.72 for the sole source repair of Fire Engine #164 from Betts Truck Parts and Service of Fresno, CA.

BACKGROUND:

Fire Engine #164 was purchased in 2014 and has a current life cost of $233,443 and has accumulated 103,286 miles as of the date of this report. In 2024, the engine required an emergency engine replacement due to failure. The City Manager authorized to begin this repair under emergency powers authorization in alignment with the City's Purchasing Policy to get the Fire Engine in service as soon as possible for the City's Health and Safety of the public. As this is over a $50,000 cost, it is being brought to City Council for affirmation and appropriation of funds.

Recently, Fire Engine #164 has developed severe issues with the steering function on the vehicle. City staff investigated the issue and determined that both lower and upper control arms are in need of immediate replacement, along with the front suspension on the vehicle.

Although City staff has received fire-specific training on equipment, this is not a task that City staff is either equipped for nor have the qualified experience for such an endeavor. Staff then reached out to Betts Truck and Service to obtain a quote on parts and labor for repairs. Staff is recommended a sole source procurement for the repairs of Fire Engine #164 due to the size of the vehicles, repairs needed, availability of parts and expertise working on large-scale fire vehicles.

Fire Engine #164 has a replacement truck ordered. However, that vehicle will not be complete until 2027. Once the replacement truck arrives and is put into service, the existing truck #164 will be placed in the City's Reserve Fleet and be available on an as-needed basis.

FISCAL IMPACT:

As these are emergency repairs, they were not budgeted for nor currently offset and therefore, would be funded by the General Fund Reserve balance.

ATTACHMENTS:

1. Betts Quote
2. Bett's Sole Source Justification

Betts®
TRUCK PARTS & SERVICE
Corporate Office:
2843 South Maple Ave
Fresno, CA 93725
Fresno:
2867 South Maple Ave
Fresno, CA 93725
Phone: 559-498-8624
www.bettstruckparts.com
AR: 559-498-3304 x5202

*** Customer Review ***
Date / Time: 1/12/2026 12:54:41PM
Repair Order: 7583
Customer: HAN0007
Branch: 08
Invoice Total: $63,712.72

Charge

UNIT# 164 Fire TRK.

Bill To: HANFORD, CITY OF
315 N DOUTY ST

HANFORD, CA 93230
Shop: 559-585-2553 Fax: 559-582-1152

Ship To: HANFORD, CITY OF
City Of Hanford
315 N Douty St
Hanford, CA 93230-3951

Customer P/O	Created By	Completion Date
22600290	SJohal	

Unit Number: 164 **Model Year: 2026** **Make/Model: PIERCE RESCUES**
Type: Fire Emergency **VIN: 4P1CJ01A1EA013961** **Meter: 1 Miles**

Task: 1 016-023 Replace/Repair Failed Suspension Components **Department: Service**

Complaint: REPLACE ROADSIDE UPPER AND LOWER CONTROL ARMS WITH NEW UPDATED DESIGN. REPLACE SHOCK.

Supp.	Part	Description / Ref Number		U/M	Quantity	Price	Ext Price
MIS	CS-PNT-0079	UPPER CONTROL ARM D/S	Part	EA	1.00	7,584.34	7,584.34
EVG	CS-PNT0078	CONTROL ARM ASSY,TAK4,LOWER	Part	EA	1.00	15,486.94	15,486.94
EVG	3305443	SHOCK ABSORBER,FR,91-SERIES,TAK-4, KONI,RBR BUSHING	Part	EA	1.00	1,406.12	1,406.12

CUSTOMER REVIEW

Task 1 Subtotals:	Parts:	$24,477.40
	Labor:	$2,784.00
	Task 1 Totals:	$27,261.40

Task: 2 016-023 Replace/Repair Failed Suspension Components **Department: Service**

Complaint: REPLACE CURBSIDE UPPER AND LOWER CONTROL ARMS WITH NEW UPDATED DESIGN. REPLACE SHOCK.

Supp.	Part	Description / Ref Number		U/M	Quantity	Price	Ext Price
EVG	CS-PNT0078	CONTROL ARM ASSY,TAK4,LOWER	Part	EA	1.00	15,486.94	15,486.94
EVG	3305443	SHOCK ABSORBER,FR,91-SERIES,TAK-4, KONI,RBR BUSHING	Part	EA	1.00	1,406.12	1,406.12
EVG	CS-PNT0080	CONTROL ARM ASSY,TAK4,UPPER	Part	EA	1.00	11,134.11	11,134.11

Task 2 Subtotals:	Parts:	$28,027.17
	Labor:	$2,784.00
	Task 2 Totals:	$30,811.17

Task: 3 011-004 Alignment - 3 Axle **Department: Service**

Complaint: PERFORM ALIGNMENT AND RIDE HEIGHT ADJUSTMENT FOR TAK 4

Supp.	Part	Description / Ref Number	U/M	Quantity	Price	Ext Price

Task 3 Subtotals:	Parts:	$0.00
	Labor:	$1,131.00
	Task 3 Totals:	$1,131.00

Betts®
TRUCK PARTS & SERVICE

Corporate Office:
2843 South Maple Ave
Fresno, CA 93725

Fresno:
2867 South Maple Ave
Fresno, CA 93725

Phone: 559-498-8624
www.bettstruckparts.com
AR: 559-498-3304 x5202

*** Customer Review ***
Date / Time: 1/12/2026 12:54:41PM
Repair Order: 7583
Customer: HAN0007
Branch: 08
Invoice Total: $63,712.72

Charge

Bill To: HANFORD, CITY OF
315 N DOUTY ST

HANFORD, CA 93230
Shop: 559-585-2553 Fax: 559-582-1152

Ship To: HANFORD, CITY OF
City Of Hanford
315 N Douty St
Hanford, CA 93230-3951

Customer P/O	Created By	Completion Date
22600290	SJohal	

CUSTOMER REVIEW

Totals	
Total Parts:	$52,504.57
Total Core Chg:	$0.00
Total Core Ret:	$0.00
Total EHC:	$0.00
Total Labor:	$6,699.00
Total Miscellaneous:	$0.00
Total Shop Supplies CA:	$125.00
Invoice Subtotal:	$59,328.57
Total Tax:	$4,384.15
Invoiced Total:	$63,712.72

Payment Method
Charge

California Bar # AB171109

A finance charge of 1.5% per month will be charged on past due invoices.
Please contact Accounts Receivables for any questions, copy request, or concerns:
tps-ar@betts1868.com 559-498-3304 x5202

All credit card payments subject to an additional 3% fee

Received by: _____

Print Name: _____

December 17, 2025

To: Finance Department

This form must be used as justification for a purchase from a single or sole source provider without open competition when the purchase is $2,500 or above.

The following statements, in my professional judgement, are correct. I have researched my requirements to support these findings. I also certify that no personal advantage, gain or privilege has (or will) accrued to me through the purchase from this vendor. I have reviewed the vendor's proposed costs and find those costs fair and reasonable for the item proposed.

Explanation for Single/Sole Source:

Betts Truck Parts & Service is a specialized vendor that provides replacement parts and repair services for heavy-duty diesel vehicles. They maintain an inventory of new and refurbished components and can quickly source, deliver, and install parts not currently in stock. Betts Truck Parts & Service is the only vendor in our area with the capability to disassemble and reinstall heavy-duty suspension components on fire apparatus, including Fire Truck #164. The front upper and lower control arms, along with related suspension components, require replacement and must be serviced by a vendor with this specialized expertise. Due to the unique nature of the parts and services required, competitive bidding is not applicable.

Reuben Vallejo

Fleet Superintendent
City of Hanford, Public Works Department
900 S. 10th St., Hanford CA 93230

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the Notice of Completion for the FY 24-25 Pavement Resurfacing Treatment (Single and Double Fiberized Slurry Overlay) Project, with a final sub-project cost of $936,588.01, and Authorization for the Mayor to execute and the City Clerk to file the Notice with the Kings County Recorder's Office.

RECOMMENDATION:

Recommendation:
That the City Council, by motion:

1. Approve the Notice of Completion for the FY 2024–25 Pavement Resurfacing Treatment (Single and Double Fiberized Slurry Overlay) Project, with a final sub-project cost of $936,588.01; and
2.
3. Authorize the Mayor to execute and the City Clerk to file the Notice of Completion with the Kings County Recorder’s Office.

BACKGROUND:

On June 17, 2025, the City Council authorized the City Manager to award and execute the construction contract for the FY 2024–25 Pavement Resurfacing Treatment Project. The bid opening was held on June 10, 2025, at which time five (5) bids were received. Following review, staff determined that DRYCO Construction, of Sacramento, California, was the lowest responsive and responsible bidder with demonstrated experience in municipal paving projects. The contract was awarded in the amount of $883,883.00.

The Capital Improvement Project consisted of two (2) phases of construction.

- **Phase One** included pavement resurfacing using single and double fiberized slurry seal treatments along approximately 11 linear miles of arterial and residential roadways to protect and preserve City streets.
- **Phase Two** included the adjustment of approximately 29 manholes and 41 gate valve covers.

The resurfacing work was funded through Measure H allocations and was designed to restore surface integrity, address pavement deterioration caused by natural oil loss and vehicular traffic, and

extend the overall service life of the City's roadway network. Slurry seal treatments were selected based on pavement condition assessments to maximize roadway longevity and reduce long-term maintenance costs.
Construction began on September 2, 2025. During construction, Contract Change Order No. 1 was issued in the amount of $42,429.10 to account for additional quantities of Type II and Type III microfiber slurry resulting from a miscalculation of bid quantities, particularly along 11th Avenue between Hume Street and Houston Avenue, adding 8,659 square yards to Contract Line Item No. 3 (Double Fiber Micro Surfacing – Type II over Type III Aggregate). Maps of the re-surfaced roadways are attached in this report.

The project has been completed in accordance with the contract documents, and staff recommends acceptance of the work and approval of the Notice of Completion.

FISCAL IMPACT:

Design, staff management, inspection, and construction costs for this project were funded through Measure H funds appropriated in the FY 2025–26 Capital Improvement Plan.
The FY 2024–25 Pavement Resurfacing Treatment Project consisted of two related sub-projects sharing a combined budget, as summarized below:

- **FY 2024–25 Pavement Resurfacing Treatment (Manhole and Valve Cover Adjustment) - NOC Authorized on December 16, 2025.**
  Project No. 0011-826601 | PO 22600376

Budget AMount: $321,510
Final Cost: $205,373.87

- **FY 2024–25 Pavement Resurfacing Treatment (Single and Double Fiberized Slurry Overlay)**
  Project No. 0011-826601 | PO 22600375
  Budget Amount: $978,554.00
  Final Cost: $936,588.01

Single and Double Fiberized Slurry Overlay – Final Cost Breakdown

Contractor: DRYCO Construction, Inc.
Address: 9390 Elder Creek Rd., Sacramento, CA 95829

Sub-Project Budget Total:.....$978,554.00

- Contract Amount:.....$883,883.00
- Contract Change Order No. 1:.....$42,429.10
- Materials Testing:.....$6,270.00
- City Construction Management & Inspection:.....$3,500.00
- Misc. Expenses (Postage/Media/Clerical):.....$506.01

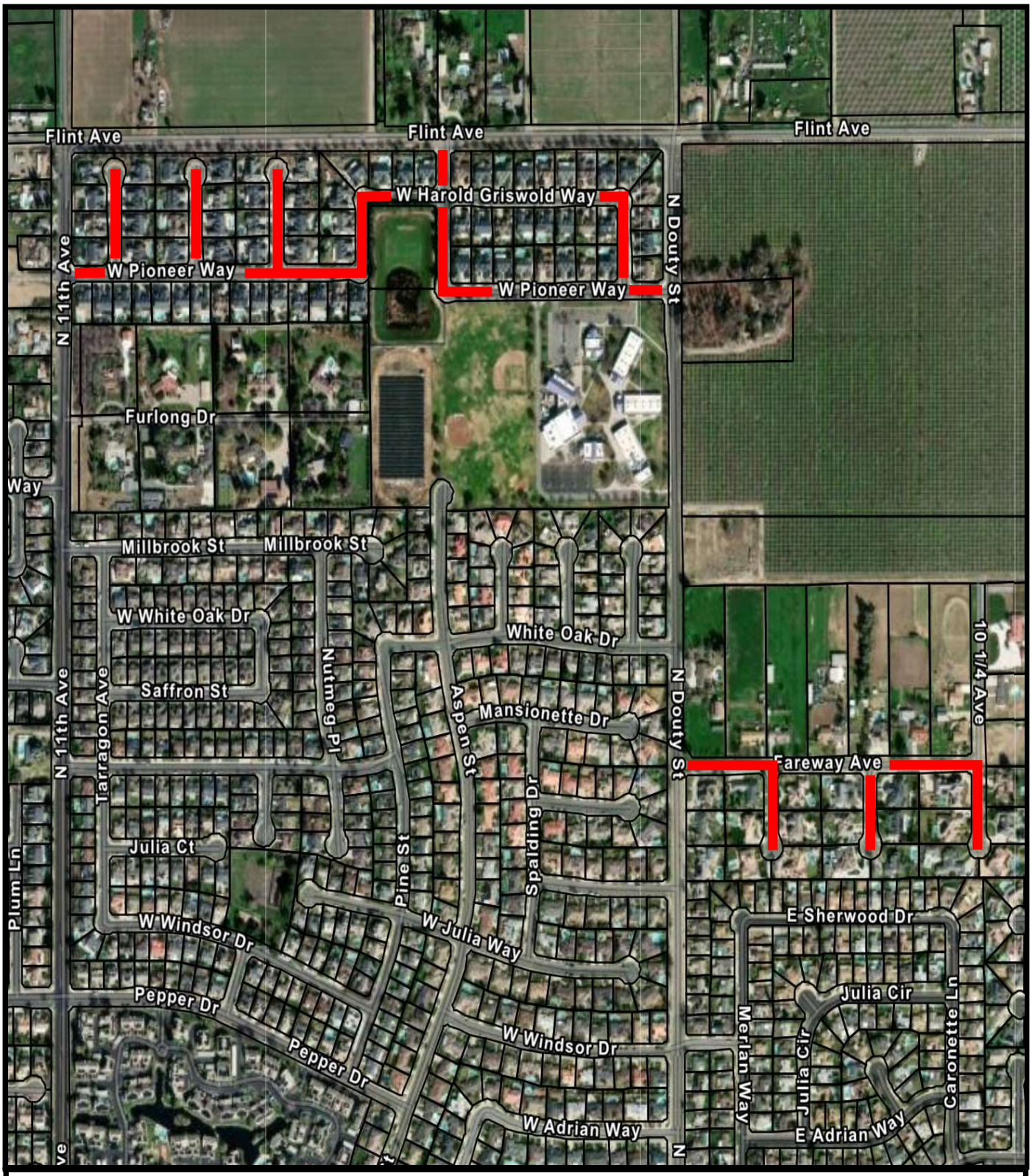
Sub-Project Final Cost:.....$936,588.01
Sub-Project Budget Surplus:.....$43,965.99

Total FY 2024–25 Pavement Resurfacing Treatment Project Budget:.....$1,300,064.00
Total Project Budget Surplus:.....$158,102.12

Any remaining project budget surplus funds will be unencumbered and returned to the originating Measure H Funds.

ATTACHMENTS:

1. Fiber Slurry Seal Project - Aerial Map
2. DRYCO's NOC - Recording Original (Word)



AERIAL MAP

Single Fiber Slurry - Pioneer & Fareway Neighborhood

(NOT TO SCALE)

N

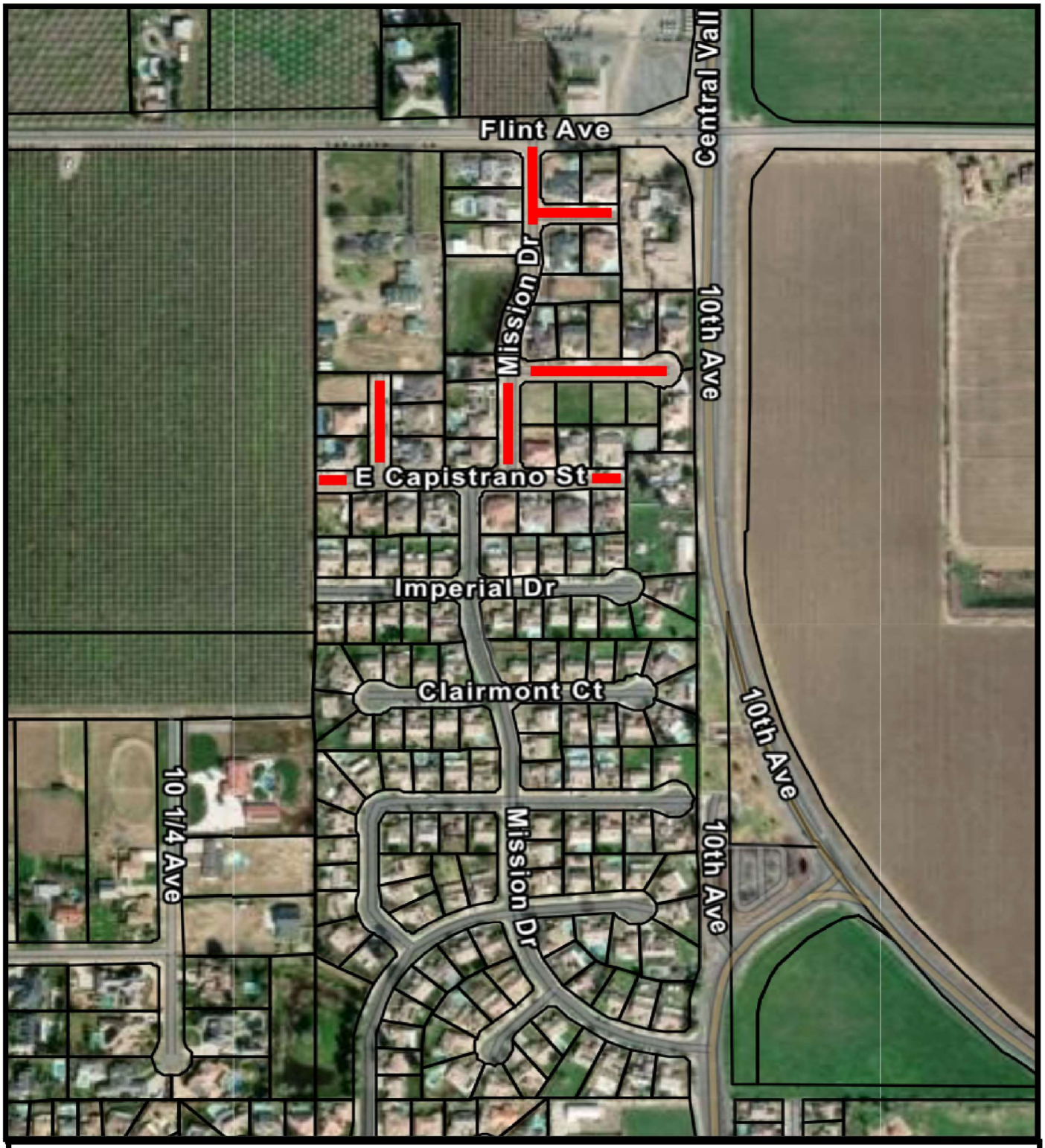


AERIAL MAP

Single Fiber Slurry - Woods Neighborhood

(NOT TO SCALE)

N

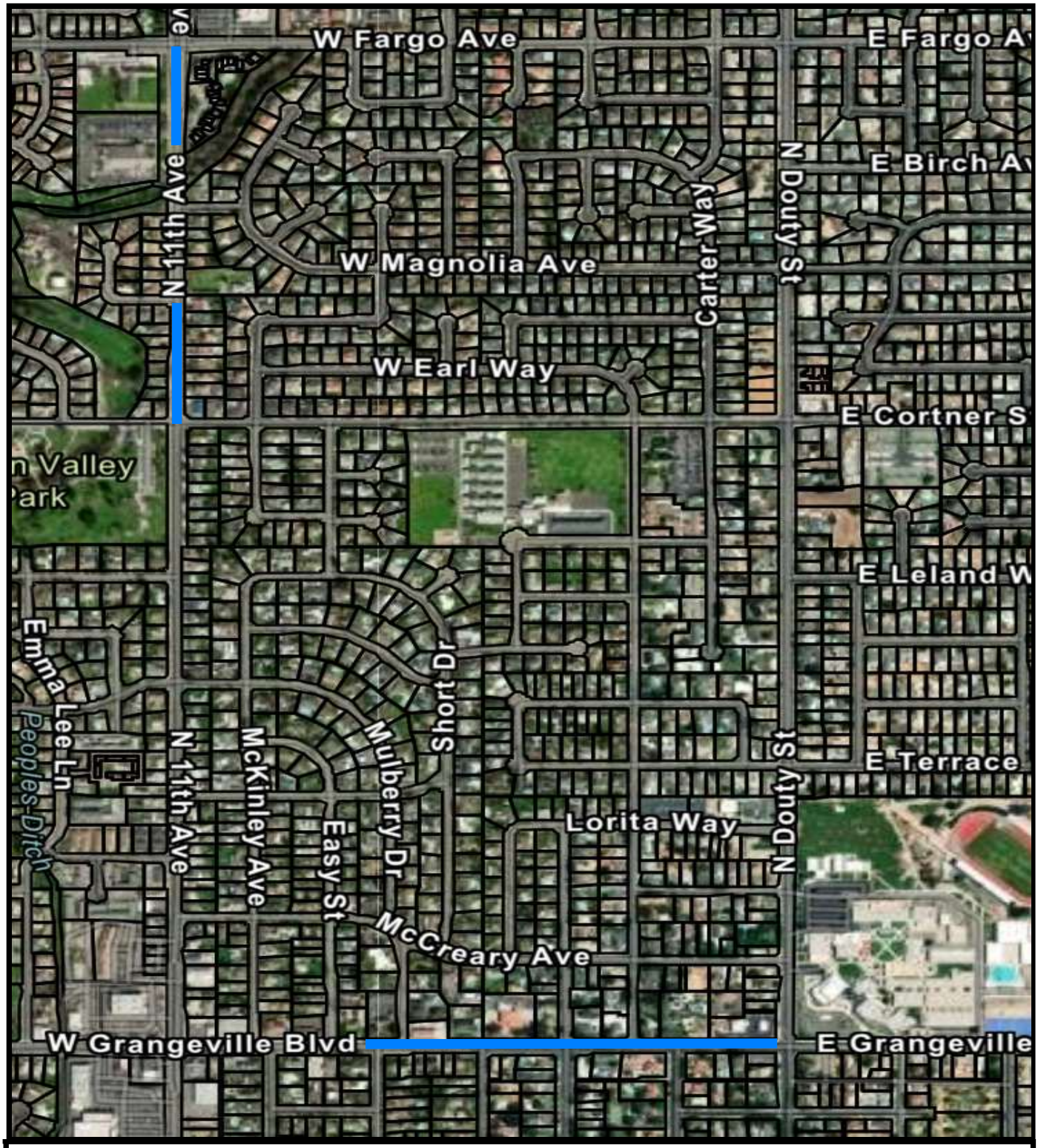


AERIAL MAP

Single Fiber Slurry - Mission Neighborhood

(NOT TO SCALE)

N

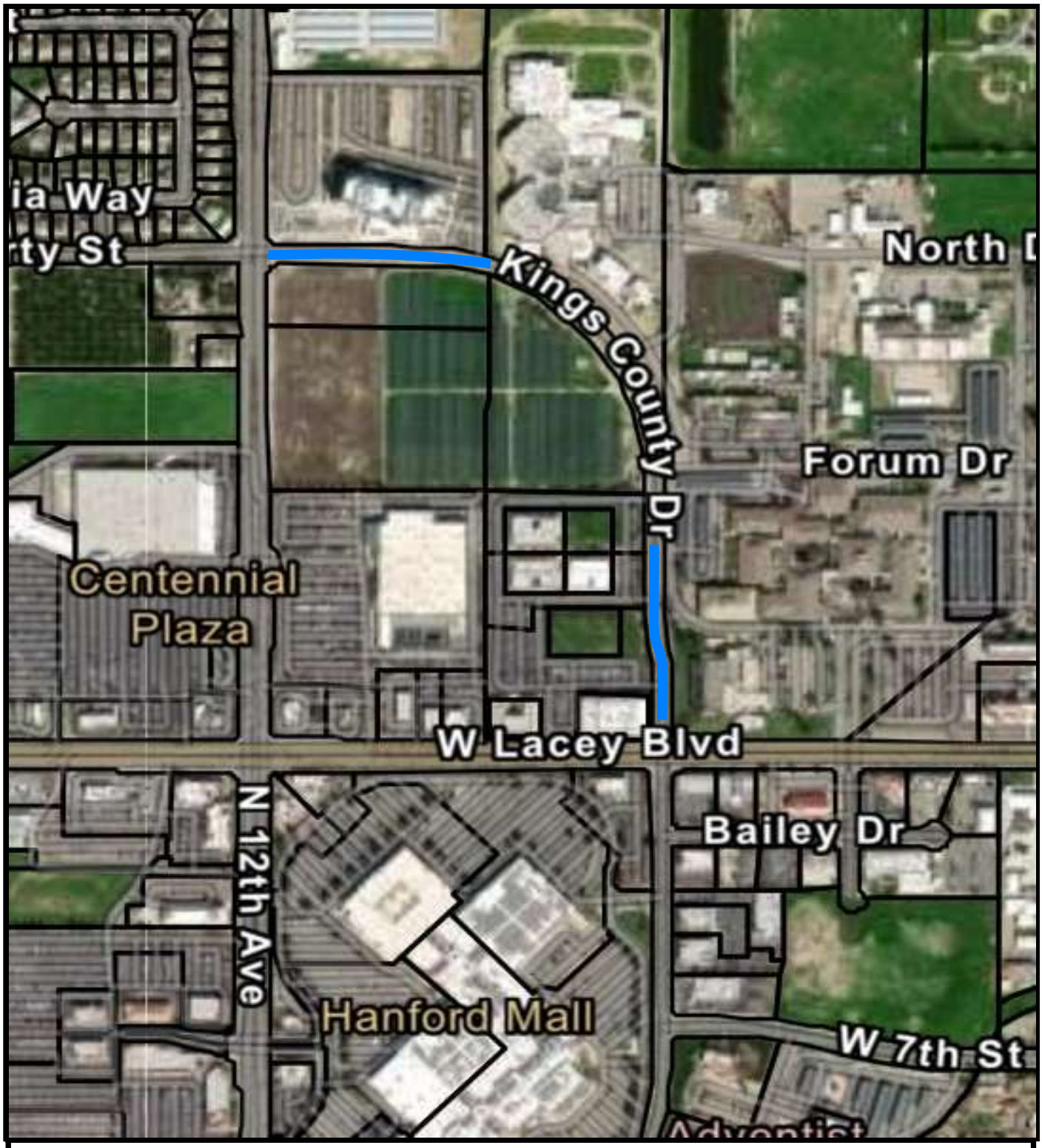


AERIAL MAP

Double Fiber Slurry -11th Ave (Between Fargo & Cortner) &
Grangeville (Between 11th & Douty)

(NOT TO SCALE)

N

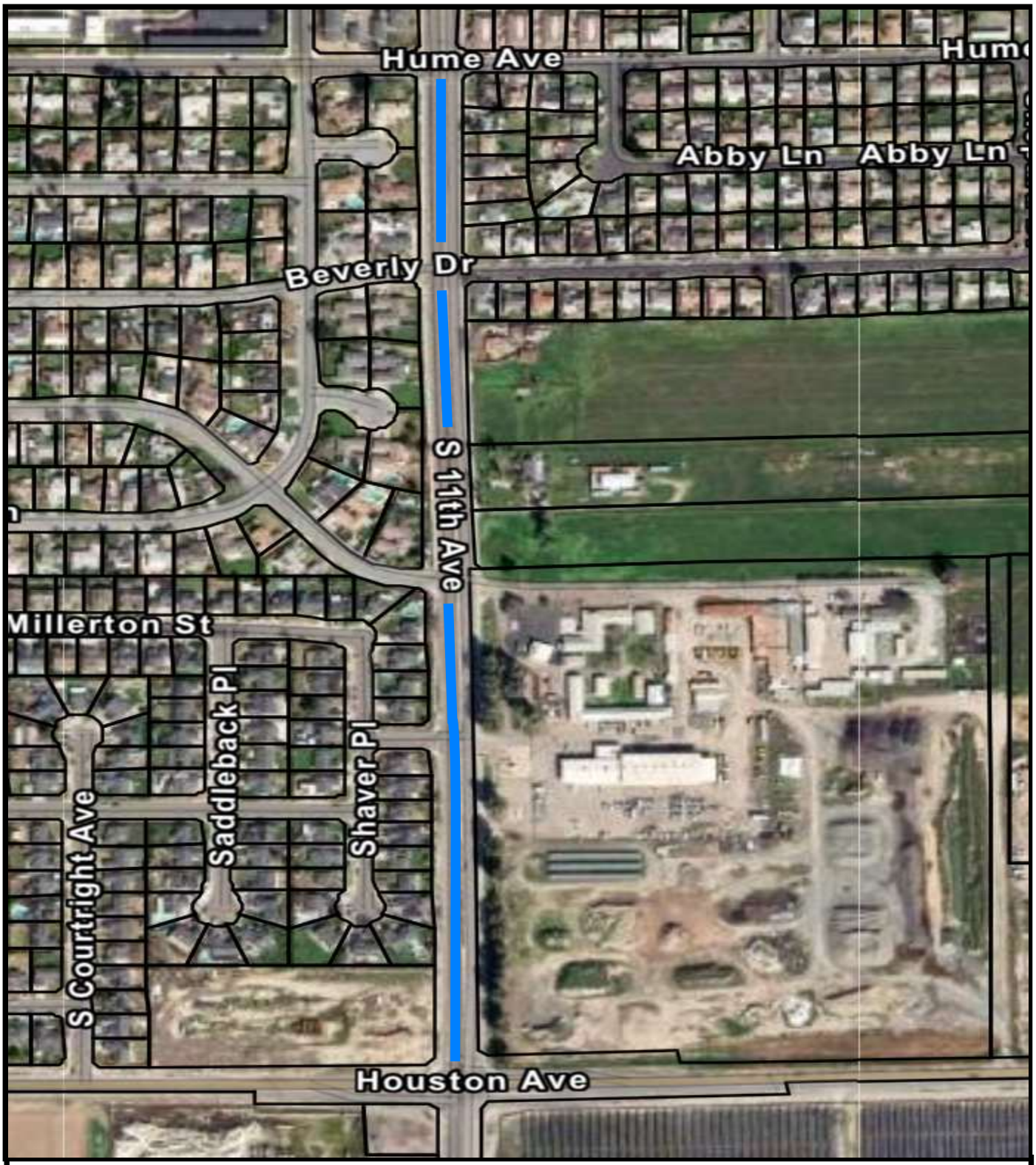


AERIAL MAP

Double Fiber Slurry -Kings County Dr. (Between 12th Ave & Lacey)

(NOT TO SCALE)

N



AERIAL MAP

Double Fiber Slurry -11th Ave (Between Hume & Houston)

(NOT TO SCALE)

N

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 City limits.

2. The Improvement is particularly described as: FY 24-25 Pavement Resurfacing Treatment (Single and Double Fiberized Slurry Overlay) Project

3. The date of completion of the work of Improvement: December 19, 2025.

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: DRYCO Construction

7. The surety for the work of Improvement: Travelers Casualty and Surety Company of America; Bond #108218627

8. All work for this project has been completed.

9. Accepted by minute action of the City Council of the City of Hanford on: January 20, 2026.

I certify under penalty of perjury that the foregoing is true and correct.
Dated this 20th day of January 2026.

BY: _____
Mark Kairis, 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 _____, 2026.

BY: _____
Mark Kairis, Mayor
City of Hanford, County of Kings, State of California

Authority: Section 1181 Civil Code

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Intent to Form Community Facilities District No. 2026-3 (Public Maintenance Services)

RECOMMENDATION:

Recommendation:

Adopt Resolution No. 2026-03-R Declaring its intention to establish City of Hanford Community Facilities District No. 2026-3 (Public Maintenance Services) and to authorize the levy of a special tax therein to finance certain services.

Recommended Motion:

I motion that Council adopt Resolution No. 2026-03-R Declaring its intention to establish City of Hanford Community Facilities District No. 2026-3 (Public Maintenance Services) and to authorize the levy of a special tax therein to finance certain services.

BACKGROUND:

The project Lunaria (the “Project”) is a planned residential development within the City of Hanford (the “City”) that includes 457 single-family residential lots, internal roads, a drainage retention basin, and a 5.82-acre park.

The attached resolution will begin the proceedings to form Community Facilities District 2026-3 (Public Maintenance Services) (“CFD 2026-3”). The conditions of development of the Project require it to be part of a CFD to provide funding to offset the increased cost of public services created due to new development for landscaping maintenance, lighting maintenance, drainage maintenance, citywide street maintenance, and citywide park maintenance.

To fund the impact of new development on the City’s public services, staff recommends that the City Council consider establishing CFD 2026-3 (Public Maintenance Services), a Mello-Roos Community Facilities District, by adopting a Resolution of Intent to form the district, with the intention that future development within the City may annex into this district, at the City’s discretion. The special taxes collected from the property owners within the proposed CFD 2026-3 are to be used for the funding of landscaping maintenance, lighting maintenance, drainage maintenance, citywide street maintenance, and citywide park maintenance.

The Project proposed for inclusion in the CFD 2026-3 is currently Phase 1A and Phase 1B owned by

D.R. Horton and is generally located on 10½ Avenue, between Hanford-Armona Road and Houston Avenue. Phase 1A and Phase 1B include the development of 107 single-family residential parcels. The boundary of the CFD includes the area within the assessor's parcel numbers as depicted on Exhibit A of the Resolution. Phase 2 through Phase 6 will be annexed into the District as they are developed.

As part of the CFD formation process, the City contracted with Willdan Financial Services for the preparation of the necessary resolutions and balloting procedures for the formation.

The Resolution of Intention is the first step in the process of forming CFD 2026-3. The resolution also establishes March 3, 2026 as the public hearing date for the final consideration of forming CFD 2026-3. Once the formation is complete, and the election results are at least two-thirds approval, the property owners of the development will be required to pay annual special taxes for CFD 2026-3, beginning the fiscal year after they are issued a building permit, as itemized on their property tax bill, in accordance with the rate set forth in the Rate and Method of Apportionment of Special Tax.

FISCAL IMPACT:

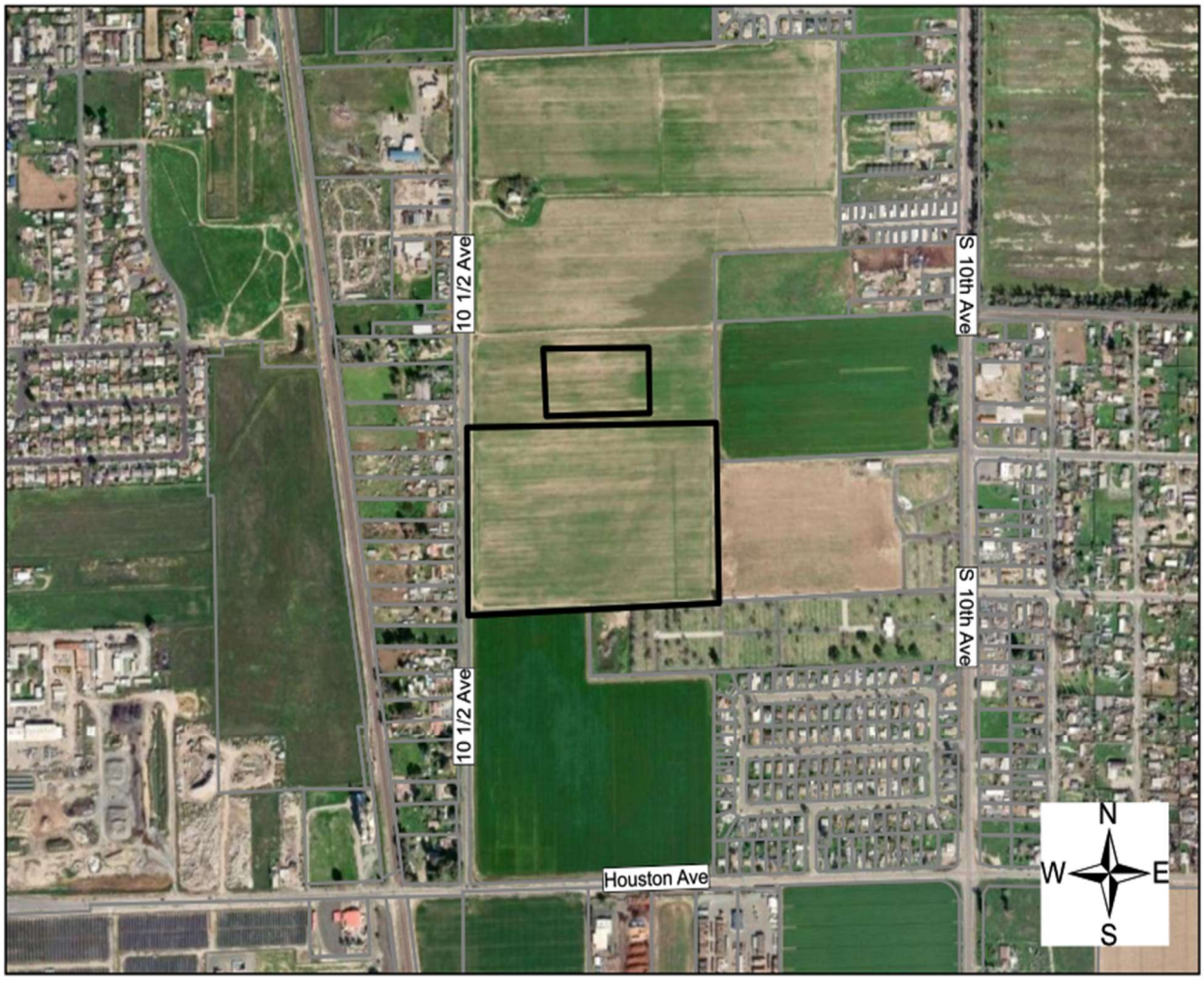
The City expects to collect an annual special tax of $896 plus annual CPI per detached dwelling unit within CFD 2026-3, beginning the fiscal year after they are issued a building permit, as itemized on their property tax bill, in accordance with the rate set forth in the Rate and Method of Apportionment of Special Tax. CFD 2026-3 will result in a new annual special tax of $409,472 for four hundred fifty-seven (457) single family residential parcels once all developed, subject to annual inflationary adjustment, for the Lunaria project.

ATTACHMENTS:

1. CFD Aerial View
2. Resolution 26-03-R
3. EXHIBIT A-CFD Boundary Map
4. EXHIBIT B-Rate and Method of Apportionment

Exhibit A

CFD Aerial View



RESOLUTION NO. 2026-03-R

A RESOLUTION OF THE CITY COUNCIL OF HANFORD DECLARING ITS INTENTION TO ESTABLISH CITY OF HANFORD COMMUNITY FACILITIES DISTRICT NO. 2026-3 (PUBLIC MAINTENANCE SERVICES) AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX THEREIN TO FINANCE CERTAIN MAINTENANCE SERVICES

At a regular meeting of the City Council of the City of Hanford duly called and held on January 20, 2026, at 7:00 pm 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 COUNCIL of the CITY OF HANFORD, CALIFORNIA (the "City Council"), has determined that it is necessary and desirable to create a community facilities district pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"), as amended, for the purpose of financing landscaping and lighting maintenance, park maintenance, drainage maintenance and street maintenance; and

WHEREAS, the Act authorizes the City Council to establish a community facilities district and to levy special taxes within the community facilities district; and

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

Section 1. Recitals. The above recitals are all true and correct.

Section 2. Initiation of Proceedings. The City Council hereby declares its intention to conduct proceedings for the formation of a community facilities district pursuant to the provisions of the Act.

Section 3. Name of CFD. The proposed community facilities district shall be known and designated as "City of Hanford Community Facilities District No. 2026-3 (Public Maintenance Services)" (the "CFD")

Section 4. Boundaries of CFD. A description of the exterior boundaries of the territory proposed for inclusion in the CFD, including properties and parcels of land proposed to be subject to the levy of a special tax by the CFD, is as shown on the boundary map designated as "PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2026-3 (PUBLIC MAINTENANCE SERVICES)," which is on file in the office of the City Clerk and is attached hereto as Exhibit A and hereby incorporated by reference.

Section 5. Description of Services. It is the intention of this City Council to finance certain services described below (the "Services"). The City Council hereby finds that the Services are in addition to those provided in the territory within the CFD prior to the establishment of the CFD

and that such Services will not supplant services already available within that territory. A general description of the services to be provided is as follows:

Landscaping and Lighting Maintenance: includes the labor, material, administration, personnel, equipment and utilities (i.e., water and power) necessary to maintain public landscaping and lighting improvements for, within, or associated with the CFD, including trees, turf, ground cover, shrubs, weed removal, irrigation systems, sidewalk, drainage facilities, lighting, signs, monuments, graffiti removal, walkways, and associated appurtenant facilities located within, or associated with, the CFD.

Park Maintenance: includes the estimated and reasonable costs of providing public park maintenance for, within, or associated with the City or the CFD, including but not limited to (i) the costs of contracting for park maintenance services, including trees, plant material, restrooms, irrigation systems, sidewalks, drainage facilities, weed control, lighting, and parking lot maintenance, (ii) the salaries and benefits of City staff, including maintenance staff, that directly provide park maintenance services, (iii) the expense related to equipment, apparatus, and supplies related to these services and authorized by the Act, (iv) utility costs such as water, sewer, lighting and power and (v) City overhead costs associated with providing such services.

Drainage Maintenance: includes the labor, material, testing, reporting, remediation, permitting, general administration, personnel, equipment and utilities necessary to maintain public drainage improvements for, within, or associated with the CFD, including drain inlets, filters, detention basin, storm drain pipeline, and associated appurtenant facilities located within, or associated with, the CFD.

Street Maintenance: includes the labor, material, administration, personnel, equipment and utilities necessary to maintain public streets, streetlights and associated appurtenant facilities for, within, or associated with the City or the CFD, including City overhead costs associated with providing such services within the CFD.

The cost of the Services shall include incidental expenses, including, but not limited to, the costs associated with forming the CFD, determination of the amount of the Special Taxes, collection of the Special Taxes, payment of the Special Taxes, and costs incurred in order to carry out the authorized purposes of the CFD.

All Services shall be provided by the City of Hanford, with its own forces or by contract with third parties, or any combination thereof, to be determined entirely by the City of Hanford.

Nothing in this description of Services or any Resolution of the City Council shall be construed as committing the City or the CFD to provide all of the authorized Services. The provision of Services shall be subject to the successful formation of the CFD and the availability of sufficient proceeds of special taxes within the CFD.

Section 6. Special Tax. It is hereby further proposed that, except where funds are otherwise available to pay for the Services, a special tax sufficient to pay for such Services and related incidental expenses authorized by the Act (the "Special Tax" or "Special Taxes"), secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the boundaries of the CFD. Under no circumstances will the Special Tax authorized to be levied within the CFD be increased as a consequence of delinquency or default by the owner of any other parcel or parcels used for private residential purposes and located within the CFD by more than 10 percent. For further particulars as to the rate and method of apportionment of the Special Tax proposed to be levied within the CFD, reference is made to the attached and incorporated Exhibit B, which sets forth in sufficient detail the rate and method of apportionment of the Special Tax among parcels of real property in the CFD (the "Rate and Method") to allow each landowner or resident within the CFD to clearly estimate the maximum amount that such person will have to pay for such Services. The City Council hereby determines the Rate and Method set forth in Exhibit B to be reasonable.

Section 7. The Special Taxes herein authorized, to the extent possible, shall be collected in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes, or shall be collected in such other manner as may be provided by the City Council. Any Special Taxes that may not be collected on the County tax roll shall be collected through a direct billing procedure by the City's Finance Director or duly appointed officer or agent of the City of Hanford, as appointed by the City Council.

Section 8. Public Hearing. Notice is given that on March 3, 2026 at the hour of 7:00 p.m. (or as soon thereafter as practical), in the regular meeting place of the City Council being the City Council Chambers, located at 400 N. Douty Street, Hanford, CA 93230, a public hearing will be held where this City Council will consider the establishment of the proposed CFD, the extent of the CFD, the furnishing of the Services within the CFD, and the proposed Rate and Method, and all other matters as set forth in this resolution of intention. At the above-mentioned time and place for public hearing any persons interested, including taxpayers, persons registered to vote within the CFD, and property owners, may appear and be heard. The testimony of all interested persons for or against the establishment of the CFD, the extent of the CFD, or the furnishing of the Services will be heard and considered. Any protests may be made orally or in writing. However, any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and clearly

set forth the irregularities and defects to which the objection is made. All written protests shall be filed with the City Clerk of the City Council on or before the time fixed for the public hearing. Written protests may be withdrawn in writing at any time before the conclusion of the public hearing.

Section 9. If a written majority protest against the establishment of the CFD is filed (as determined in accordance with Section 53324 of the Act), the proceedings shall be abandoned. If such majority protest is limited to certain services or portions of the Special Tax, those services or that tax shall be eliminated by the City Council.

Section 10. The public hearing may be continued from time to time, but shall be completed within 30 days, except that if the City Council finds that the complexity of the CFD or the need for public participation requires additional time, the public hearing may be continued from time to time for a period not to exceed 6 months.

Section 11. At the public hearing, the City Council may modify this resolution by eliminating any of the Services, or by changing the method of apportionment of the special tax so as to reduce the maximum special tax for all or a portion of the owners of property within the CFD, or by removing any territory from the CFD. At the conclusion of the public hearing, the City Council may abandon these proceedings or may, after passing upon all protests, determine to proceed with establishing the CFD.

Section 12. Election. If, following the public hearing described in Section 8 above, the City Council determines to establish the CFD and proposes to levy the Special Tax within the CFD, the City Council shall then submit the levy of the Special Taxes to the qualified electors of the CFD. The vote shall be by the landowners of the CFD with each landowner or the authorized representative thereof, having one (1) vote for each acre or portion of an acre of land owned within the CFD.

Section 13. The election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the California Government Code and pursuant to the provisions of the California Elections Code, insofar as they may be applicable. Pursuant to said Section 53326 the ballots for the election shall be distributed to the qualified electors of the CFD by mail with return postage prepaid or by personal service, and the special election shall be conducted as a mail ballot election.

Section 14. A successful election relating to the Special Tax authorization shall, as applicable, establish the appropriations limit as authorized by Article XIIIB of the California Constitution as it is applicable to the CFD.

Section 15. Notice. Notice of the time and place of the public hearing shall be given by the City Clerk by causing a Notice of Public Hearing to be published in the legally designated newspaper of general circulation, such publication pursuant to Section 6061 of the Government Code, with such publication to be completed at least seven (7) days prior to the date set for the public hearing. In addition, notice of the time and place of said hearing shall also be given by first-class mail to each registered voter and to each landowner within the proposed CFD as

prescribed by Section 53322.4 of said Act. Said notice shall be published at least seven (7) days [and mailed at least fifteen (15) days before the date of the hearing,] and shall contain the information required by said Section 53322 of the Act.

Section 16. Exempt Properties. Except as provided in Section 53340.1 of the Act and except for properties that a local agency is a landowner of within the meaning of subdivision (f) of Section 53317 of the Act, pursuant to Section 53340 of the California Government Code, properties of entities of the state, federal, and local governments shall be exempt from the levy of Special Taxes for the financing of the Services of the proposed CFD. Reference is hereby made to the Rate and Method for a description of other properties or entities that are expressly exempted from the levy of the Special Taxes.

Section 17. Necessity. The City Council finds that the proposed Services described in Section 5 hereof are necessary to meet increased demands placed upon the City as a result of new development occurring within the boundaries of the proposed CFD.

Section 18. Annexation of Territory. Other property may be annexed into the CFD pursuant to the provisions of the Act.

Section 19. Public Interest. Pursuant to Section 53329.5(c) of the Act, the City Council finds, in its opinion, the public interest will not be served by allowing property owners in the CFD to enter into a contract pursuant to Section 53329.5(a) of the Act.

Section 20. Advances. The City or CFD may accept advances of funds or work-in-kind from any source, including, but not limited to, private persons or private entities, and is authorized and directed to use such funds or that work-in-kind for any authorized purpose, including, but not limited to, paying any cost incurred by the City in creating the CFD. The City or CFD may enter into an agreement with the person or entity advancing the funds or work-in-kind, to repay all or a portion of the funds advanced, or to reimburse the person or entity for the value, or cost, whichever is less, of the work-in-kind, as determined by the City Council, with or without interest.

Section 21. Reports. A report (the "CFD Report") shall be prepared and presented to the City Council, containing a full and complete description of the public services proposed to be financed from the levy of special taxes, a general cost estimate setting forth costs of providing such services, and further information regarding the implementation of the rate and method of apportionment of the special tax proposed to be levied. The Report, upon its preparation, shall be submitted to the City Council for review, and the Report shall be made a part of the record of the public hearing.

PASSED, ADOPTED AND APPROVED at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, 2026, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

_____
Mark Kairis
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___day of _____, 2026.

Date: _____ City Clerk _____.

EXHIBIT A TO THE RESOLUTION
City of Hanford Community Facilities District No. 2026-3

(Public Maintenance Services)

Boundary Map

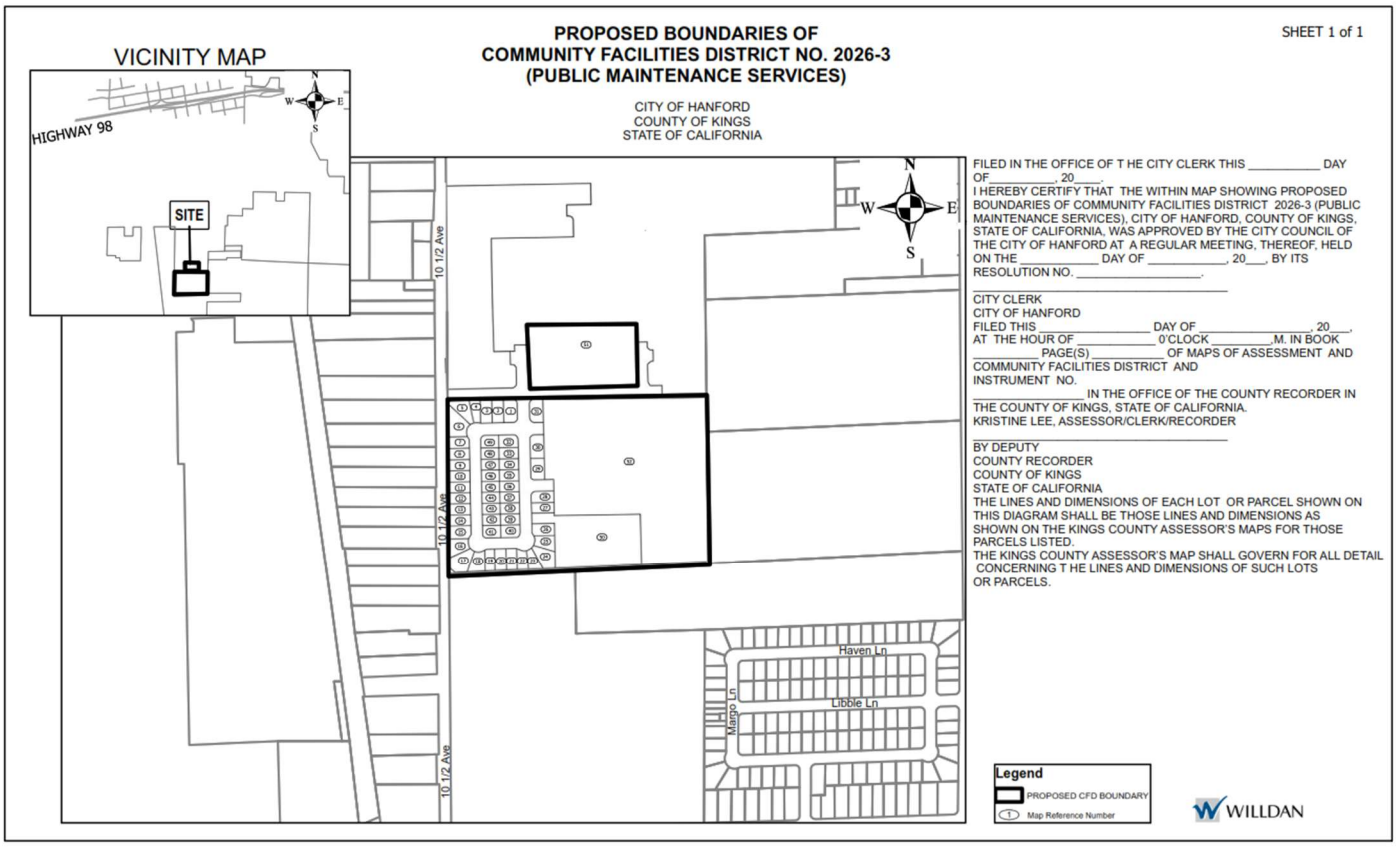


EXHIBIT B TO THE RESOLUTION

City of Hanford Community Facilities District No. 2026-3
(Public Maintenance Services)
Rate and Method of Apportionment

A Special Tax of City of Hanford Community Facilities District No. 2026-3 (Public Maintenance Services) ("CFD") shall be levied on all Assessor's Parcels within the CFD and collected each Fiscal Year commencing in Fiscal Year 2026/27 in an amount determined by the Special Tax Administrator through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California, as amended.

"Administrative Expenses" means the following actual or reasonably estimated costs incurred by the City as administrator of the CFD, provided that such costs are directly related to administration of the CFD: costs to determine, levy and collect the Special Taxes, including an allocable share of the salaries and benefits of City employees, the fees of consultants, and legal counsel; the costs of collecting installments of the Special Taxes upon the general tax rolls, including any charges levied by County departments; and the preparation of required reports and any other costs required to administer the CFD in accordance with the Act, as determined by the City.

"Annual Escalation Factor" means the greater of (i) four percent (4%) or (ii) the annual percentage increase in the Consumer Price Index for All Urban Consumers for San Francisco-Oakland-San Jose Area as determined by the Bureau of Labor Statistics. If said index is discontinued, then an alternative index may be used as determined by the Special Tax Administrator.

"Assessor's Parcel" means a Lot or parcel of land shown on an Assessor's Parcel Map with a parcel number assigned by the Assessor of the County that corresponds to a number shown on the County Assessor's roll.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

"Attached Residential" means an Assessor's Parcel of Developed Property, within the CFD for which a Building Permit has been issued for purposes of constructing a residential structure or structures sharing common walls and/or common spaces, qualified as Attached Residential at the City's discretion, consisting of two or more Dwelling Units, including, but not

limited to duplexes, triplexes, and apartment units, as of June 30th preceding the Fiscal Year in which the Special Tax is being levied.

"Base Year" means Fiscal Year 2026/27.

"Building Permit" means a permit issued for new construction of a residential or non-residential structure following the formation of the CFD. For purposes of this definition, "Building Permit" shall not include permits issued solely for grading, utility improvements, or other such improvements that are constructed and installed and are not intended for human occupancy.

"CFD" means City of Hanford Community Facilities District No. 2026-3 (Public Maintenance Services).

"City" means the City of Hanford.

"City Clerk" means the City Clerk for the City or his or her designee.

"Commercial Property" means, in any Fiscal Year, all Developed Property for which a Building Permit was issued on or prior to June 30th preceding the Fiscal Year in which the Special Tax is being levied for a commercial establishment which includes, but is not limited to, retail stores, clothing stores, book stores, drug stores, professional services (i.e., barber shops, dry cleaners), non-warehouse public storage facilities, restaurants, supermarkets, hospitals, movie theaters, appliance and electronic stores, home supply stores, auto parts stores, and other businesses providing such products and services. The City shall make the determination as to whether a Parcel is Commercial Property.

"Council" means the City Council of the City, acting as the legislative body of the CFD.

"County" means the County of Kings, California.

"Detached Residential" means an Assessors' Parcel of Developed Property within the CFD, for which a Building Permit has been issued for purposes of constructing a residential structure consisting of one single-family detached Dwelling Unit, including Mobile Homes, as of June 30th preceding the Fiscal Year in which the Special Tax is being levied.

"Developed Property" means, for Detached Residential or Attached Residential, an Assessor's Parcel within the CFD for which a Building Permit was issued on or prior to June 30th preceding the Fiscal Year in which the Special Tax is being levied, based on the number of Dwelling Units or Building Square Footage, as applicable, per City or County records for that Assessor's Parcel.

"Drainage Maintenance Requirement" means for any Fiscal Year in which the Special Taxes are levied, the amount equal to the budgeted costs for providing the labor, material, testing, reporting, remediation, permitting, general administration, personnel, equipment and utilities necessary to maintain public drainage improvements for, within, or associated with the CFD, including drain inlets, filters, detention basin, storm drain pipeline, and associated appurtenant facilities located within, or associated with, the CFD.

"Dwelling Unit" means each separate residential unit that comprises an independent facility capable of conveyance or rental separate from adjacent residential units, in which a person or persons may live, which comprises an independent facility and is not considered to be for non-residential use only, and as defined in the City of Hanford's Municipal Code.

"Exempt Property" means for each Fiscal Year, an Assessor's Parcel within the CFD not subject to the Special Tax. Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, (iii) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement such as railroad parcels, roads and landscape lots, (iv) property reasonably designated by the City or Special Tax Administrator as Exempt Property due to deed restrictions, conservation easement, or similar factors that may make development of such property impractical for human occupancy, and (v) Welfare Exemption Property.

"Final Map" means an Assessor's Parcel Map, a Final Subdivision Map, parcel map, condominium plan, or any other map functionally considered to be an equivalent development map that has been recorded in the Office of the County Recorder.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Industrial Property" means, in any Fiscal Year, all Developed Property for which a Building Permit was issued on or prior to June 30th preceding the Fiscal Year in which the Special Tax is being levied for construction of an industrial, manufacturing, or warehousing structure. The City shall make the determination as to whether a Parcel is Industrial Property.

"Institutional Property" means, in any Fiscal Year, all Developed Property for which a Building Permit was issued on or prior to June 30th preceding the Fiscal Year in which the Special Tax is being levied for construction of an institutional property, including but not limited to private schools, educational centers, child daycares, convalescent centers, hospice care centers, and property used for religious purposes. The City shall make the determination as to whether a Parcel is Institutional Property.

"Landscaping and Lighting Maintenance Requirement" means for any Fiscal Year in which the Special Taxes are levied, the amount equal to the budgeted costs for providing landscaping and lighting maintenance within, or associated with the CFD, including the labor, material, administration, personnel, equipment and utilities (i.e., water and power) necessary to maintain public landscaping and lighting improvements for, within, or associated with the CFD, including trees, turf, ground cover, shrubs, weed removal, irrigation systems, sidewalk, drainage facilities, lighting, signs, monuments, graffiti removal, walkways, and associated appurtenant facilities located within, or associated with, the CFD.

"Land Use Class" means any of the classes listed in Table 1 and defined herein.

"Lot" means an individual legal lot created by an Assessor's Parcel Map or Final Map.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C below, that can be levied by the CFD in any Fiscal Year on any Assessor's Parcel.

"Mobile Home" means a vehicle designed and equipped for human habitation as defined by the California Health & Safety Code § 18008.

"Park" means a public park, open space, trail, dog park dedicated to and/or managed by the City of Hanford.

"Park Maintenance Requirement" means, for any Fiscal Year in which the Special Taxes are levied, the amount equal to the budgeted costs for providing park maintenance services within, or associated with the City or the CFD, including but not limited to (i) the costs of contracting for park maintenance services, including trees, plant material, restrooms, irrigation systems, sidewalks, drainage facilities, weed control, lighting, and parking lot maintenance, (ii) the salaries and benefits of City staff, including maintenance staff, that directly provide park maintenance services, (iii) the expense related to equipment, apparatus, and supplies related to these services and authorized by the Act, (iv) utility costs such as water, sewer, lighting and power and (v) City overhead costs associated with providing such services.

"Property Owner Association Property" means, for each Fiscal Year, any property within the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder, to a property owner association, including any master or sub-association, which consists of property owned in common by owners of surrounding properties and it is intended for use for community purposes.

"Proportionately" means, for Developed Property, that the ratio of the actual Special Tax levied per Assessor's Parcel of Developed Property to the Maximum Special Tax per Assessor's Parcel of Developed Property is equal for all Assessor's Parcels of Developed Property. "Proportionately" means, for Undeveloped Property, that the ratio of the actual Special Tax levied per Assessor's Parcel of Undeveloped Property to the Maximum Special Tax per Assessor's Parcel of Undeveloped Property is equal for all Assessor's Parcels of Undeveloped Property.

"Public Property" means, in any Fiscal Year: (i) all Parcels within the boundaries of the CFD that are owned by or irrevocably offered for dedication to the federal government, the State of California, the City or any other public agency; provided, however, that Taxable City Property shall not be categorized as Public Property, and any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act (as such section may be amended or replaced) shall be taxed and classified in accordance with its use; and (ii) all Parcels within the boundaries of the CFD that are encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

"Reserve Fund" means a fund that shall be created and maintained for the CFD for each Fiscal Year to provide necessary cash flow to cover maintenance and operational cost overruns, and delinquencies in the payment of Special Taxes.

"Special Tax" means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

"Special Tax Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"Special Tax Requirement" means the sum of (i) Streetscape and Landscape Maintenance Requirement, (ii) Administrative Expenses of the CFD, and (iii) and any amounts required to establish or replenish a Reserve Fund for that Fiscal Year.

"State" means the State of California.

"Street Maintenance Requirement" means, for any Fiscal Year in which the Special Taxes are levied, the amount equal to the budgeted costs for providing the labor, material, administration, personnel, equipment and utilities necessary to maintain public streets, streetlights and associated appurtenant facilities for, within, or associated with the CFD, including City overhead costs associated with providing such services within the CFD.

"Streetscape and Landscape Maintenance Requirement" means the sum of the Landscaping and Lighting Maintenance Requirement, the Park Maintenance Requirement, the Street Maintenance Requirement, and the Drainage Maintenance Requirement.

"Taxable Property" means all Assessor's Parcels of Developed Property and Undeveloped Property within the CFD that are not Exempt from the Special Tax pursuant to law or as defined herein.

"Undeveloped Property" means, for each Fiscal Year, an Assessor's Parcel within the CFD for which a Building Permit has not been issued on or prior to June 30th preceding the Fiscal Year in which the Special Tax is being levied and is not classified as Exempt Property.

"Welfare Exemption Property" means, in any Fiscal Year, any Parcels that have received a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code and for which such welfare exemption is still in place.

B. ASSIGNMENT TO LAND USE CATEGORIES

For each Fiscal Year, commencing with Fiscal Year 2026/27, using the definitions above, each Assessor's Parcel within the CFD shall be classified as Taxable Property or Exempt Property. In addition, each Fiscal Year, beginning with Fiscal Year 2026/27, Taxable Property shall be further classified as Attached Residential, Detached Residential, Commercial Property, Industrial Property, Institutional Property, Mixed-use Property or Undeveloped Property.

C. MAXIMUM SPECIAL TAX RATE

1. Taxable Property

Table 1
Maximum Special Tax for Taxable Property
Community Facilities District No. 2026-3 (Public Maintenance Services)
Fiscal Year 2026/27

Land Use Class	Description	Maximum Special Tax
1	Detached Residential	$896.00 per Dwelling Unit
2	Attached Residential	$582.40 per Dwelling Unit
3	Commercial Property	$0.810 per square foot of Non-Residential Floor Area
4	Industrial Property	$1.042 per square foot of Non-Residential Floor Area
5	Institutional Property	$0.579 per square foot of Non-Residential Floor Area
6	Mixed-Use Property	Sum of Maximum Special Tax for each applicable Land Use Class
7	Undeveloped Property	$4,655.16 per Lot Acre

For each Fiscal Year following the Base Year, the Maximum Special Tax rates in Table 1 shall be increased by the Annual Escalation Factor. Additional Land Use Classes, and the corresponding Maximum Special Tax of each new Land Use Class, may be added to Table 1 as a result of future annexations or if future annexations involve a new Land Use Class.

2. Exempt Property

No Special Tax shall be levied on Exempt Property as defined in Section A.

For each Fiscal Year, if the use or ownership of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in Section A, therefore making such Assessor's Parcel no longer eligible to be classified as Exempt Property, such Assessor's Parcel shall be deemed to be Taxable Property and shall be taxed pursuant to the provisions of Section C.1. and the definitions herein.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing Fiscal Year 2026/27, and for each subsequent Fiscal Year, the Special Tax Administrator shall calculate the Special Tax Requirement based on the definitions in Section A

and levy the Special Tax as follows until the amount of the Special Tax levied equals the Special Tax Requirement:

Step 1: The Special Tax shall be Proportionately levied each Fiscal Year on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax to meet the Special Tax Requirement. The applicable Maximum Special Tax shall be based on the Developed Property's classification as Detached Residential, Attached Residential, Commercial, Industrial, Institutional or Mixed-Use.

Step 2: If after applying the method of apportionment in Step 1, if additional funds are needed to satisfy the Special Tax Requirement, the Special Tax shall be Proportionately levied each Fiscal Year on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax to meet the remainder of the Special Tax Requirement needed.

E. APPEALS

Any landowner who pays the Special Tax and believes that the amount of the Special Tax levied on their Assessor's Parcel is in error shall first consult with the Special Tax Administrator regarding such error. If following such consultation, the Special Tax Administrator determines that an error has occurred, the Special Tax Administrator may amend the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action, if any, the landowner believes such error still exists, such person may file a written notice with the City Clerk of the City appealing the amount of the Special Tax levied on such Assessor's Parcel. Upon the receipt of any such written notice, the City Clerk shall forward a copy of such notice to the City Finance Director, who shall either (1) refer the matter to the City's existing hearing board for administrative appeals; or (2) establish as part of the proceedings and administration of the CFD, a special three-member Review/Appeal Committee. The Review/Appeal Committee may establish such procedures, as it deems necessary to undertake the review of any such appeal. The hearing board or Review/Appeal Committee shall interpret this Rate and Method of Apportionment and make determinations relative to the annual administration of the Special Tax and any landowner appeals, as herein specified. The decision of the hearing board or Review/Appeal Committee shall be final and binding to all persons.

F. MANNER OF COLLECTION

Special Taxes levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided however that (i) the CFD may directly bill the Special Tax, and (ii) the CFD may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD or as otherwise determined appropriate by the City Council.

G. TERM OF SPECIAL TAX

Taxable Property in the CFD shall remain subject to the Special Tax in perpetuity or until the City Council takes appropriate actions to terminate the Special Tax pursuant to the Act.

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the Notice of Completion for Tract No. 934 Unit, at the Southeast corner of 13th Ave and Grangeville Blvd., in the City of Hanford

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RECOMMENDATION:

Recommendation:

That the City Council, by motion:

1. Approve the Notice of Completion for Tract No. 934 and Authorize the Mayor to execute and the City Clerk to file the Notice with the Kings County Recorder's Office; and
2. Authorize the Mayor to execute and the City Clerk to file the Notice with the Kings County Recorder's Office.

BACKGROUND:

Coronet @ 13th & Grangeville, Tract 934, is a 161-lot single-family residential development located at the northeast corner of 13th Avenue and Grangeville Blvd., as shown on the attached Final Map.

The Final Map for Tract 934 was approved by the Hanford City Council on August 1, 2023. The developer, Lennar Homes of California, Inc., has completed all required public improvements for the subdivision and provided a warranty security (Maintenance Bond) in the amount of $1,033,177.19, representing ten percent (10%) of the total improvement costs. The Maintenance Bond is held for one year following the recording of the Notice of Completion and serves as a warranty for the public improvements installed under the subdivision agreement.

FISCAL IMPACT:

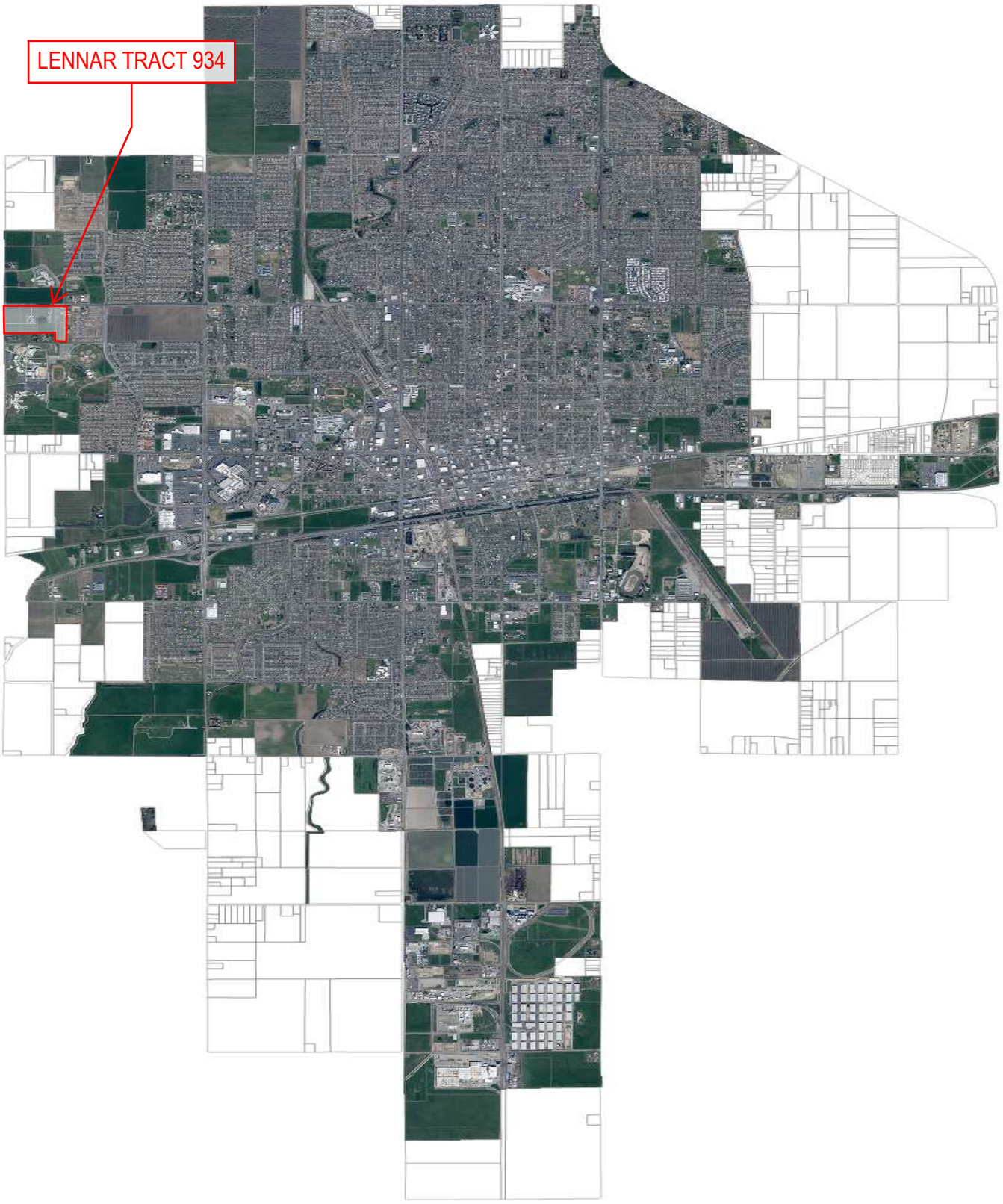
The right-of-way dedication and easements were provided at no cost to the City. All subdivision improvements were constructed at the developer's expense. The Landscape and Lighting Maintenance District for Tract No. 934 – Lennar Homes Subdivision will be maintained under **District No. 15-01**, *per Resolution 23-27-R Establishing the Formation of Assessment District No. 20-02, Resolution 23-30-R Initiating Proceedings for The Creation of Assessment District and Resolution 23-31-R Intention to Levy Assessment and Confirmation for Collection of Annual Assessments for Tract No. 934, Lennar Homes Subdivision*, adopted on August 1, 2023. The formation of this Landscape and Lighting Maintenance District occurred prior to being superseded by the formation of Community Facility Districts (CFDs). All maintenance of public improvements within

this subdivision will be funded through the Assessment District.

Should any portion of the subdivision improvements be determined eligible for City reimbursement under an applicable agreement or program, the amount and terms of such reimbursement will be negotiated and presented to the City Council at a future meeting for separate consideration and approval.

ATTACHMENTS:

1. Aerial Maps
2. Final Subdivision Agreement (SIGNED)
3. Final Map (RECORDED)
4. Notice of Completion

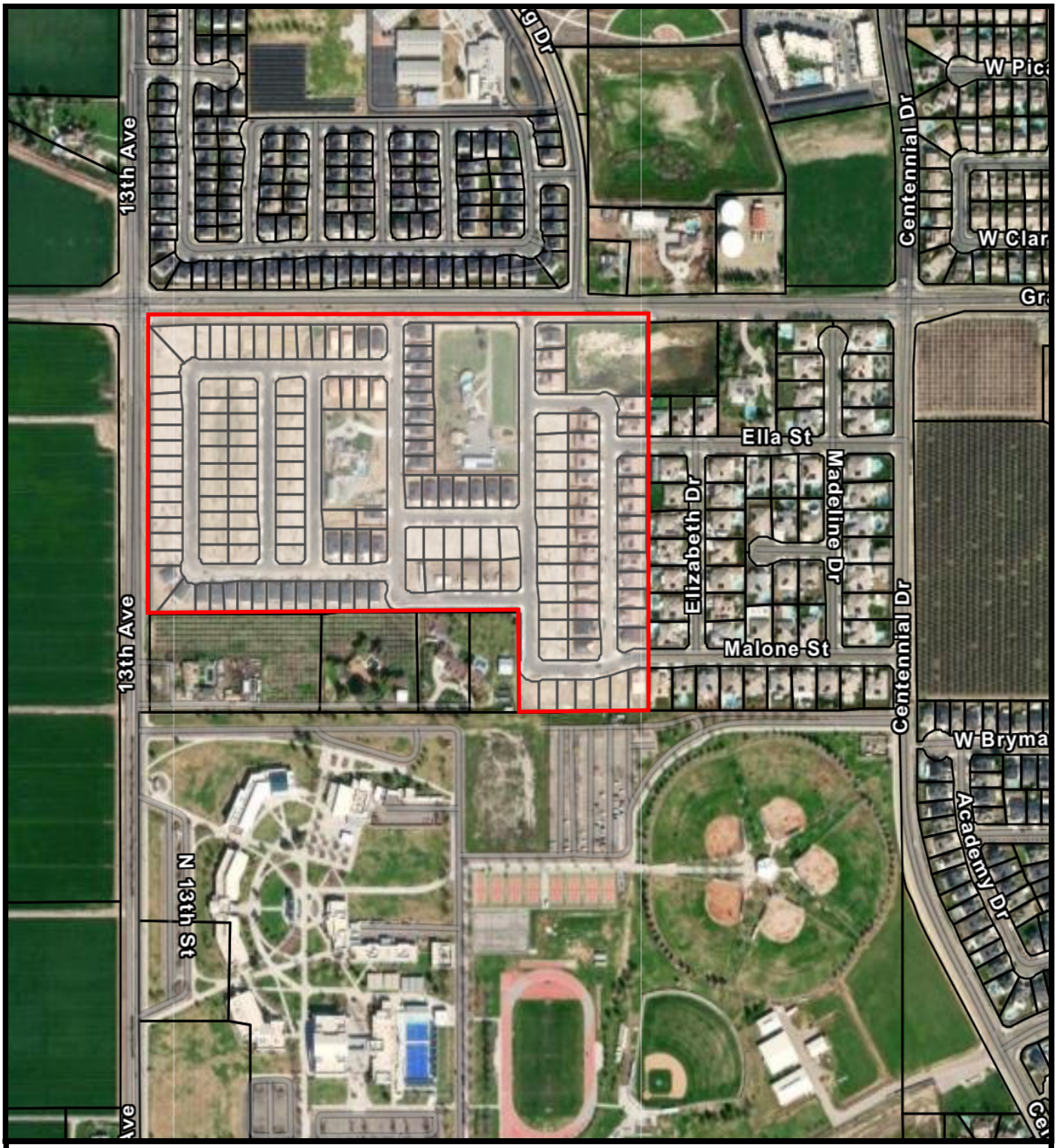


AERIAL MAP

TRACT 934

(NOT TO SCALE)

N



AERIAL MAP

TRACT 934

(NOT TO SCALE)

CITY OF HANFORD
SUBDIVISION AGREEMENT

TRACT NO. 934

THIS SUBDIVISION AGREEMENT ("Agreement") is made and entered into this 14TH day of August, 2023, by and between R-HEARTHSTONE LOT OPTION POOL 02, L.P. ("OWNER"), LENNAR HOMES OF CALIFORNIA, LLC ("SUBDIVIDER") and the City of Hanford, a Municipal Corporation ("CITY").

RECITALS

A. The SUBDIVIDER has presented to the CITY a final map of the proposed Subdivision of certain real property located within the city limits of the City and more particularly described in Exhibit "A" which has been filed with the City Engineer and is made a part hereof by reference ("Final Map") and identified as Tract No. 934 ("SUBDIVISION"). The real property is to be developed in accordance with subdivision improvement plans, which have been filed with the City Engineer and are made a part hereof by reference and identified as Exhibit "B" ("Improvement Plans"). SUBDIVIDER has requested that the CITY accept and approve the Final Map and the dedications delineated and shown on the Final Map for the use and purposes specified thereon, and otherwise approve the Final Map in order that the same may be recorded as required by law.

B. The CITY requires as a condition precedent to the acceptance and approval of the Final Map, the dedication of such streets and easements as are delineated and shown on the Final Map, and deems the same as necessary for the public use, and requires that any and all streets and easements delineated and shown thereon shall be improved by the construction thereon and the installation therein of the improvements specified herein.

C. Certain public improvements are required to be made by SUBDIVIDER in accordance with the approved tentative map of the SUBDIVISION. Section 66462 of the California Government Code provides, as a condition precedent to the approval of the Final Map, that the City Council shall require the SUBDIVIDER to enter into an agreement to complete said public improvements.

D. Chapter 16.24.070 of the Hanford Municipal Code requires the SUBDIVIDER to enter into an agreement with the CITY to perform and complete the work and matters as hereinafter described in this Agreement, in conformance with Sections 16.24.010 through 16.24.120, inclusive of the Hanford Municipal Code, which Sections by reference are incorporated into this Agreement and made a part hereof.

NOW THEREFORE, it is hereby agreed as follows:

1. Improvements.

SUBDIVIDER shall complete all required public improvements in the Subdivision as identified in Exhibit "B" of this Agreement (collectively "IMPROVEMENTS") and in accordance with all of the requirements and standards as set forth in the approval or conditional approval of the Tentative Map of the SUBDIVISION, the Hanford Municipal Code, all applicable laws, codes and regulations and the terms and conditions of this Agreement. In accordance with Section 16.24.110 of the Hanford Municipal Code, all of the Improvements shall be completed no later than two (2) years from the date of approval of this Agreement by the City of Hanford. A request to extend the time for completion of the Improvements must be in written form and received by the CITY not less than thirty (30) days prior to expiration of this Agreement and shall include facts in support of the request for such extension of time. Only the City shall have the authority to extend such time period. The extension period shall not exceed twelve (12) months.

Within thirty (30) days after the SUBDIVIDER notifies the City Engineer that the required work has been completed, the City Engineer shall inspect such work, and if such work has been performed in the required manner and in accordance with this Agreement, the Final Map, the Hanford Municipal Code and all other applicable laws, codes and regulations, the City Engineer shall advise the City Council that the public improvements are ready for acceptance by the CITY.

2. Inspection.

The CITY shall inspect all work in accordance with Section 16.24.100 of the Hanford Municipal Code including the SUBDIVIDER'S conformance with CITY Standards and

Specifications and any and all conditions, standards or requirements identified at the preconstruction conference held prior to commencing construction.

CITY shall schedule a preliminary final inspection and a deficiency list shall be compiled and submitted to the SUBDIVIDER for correction. Upon completion of all corrections or additional work as outlined by the deficiency list, the SUBDIVIDER shall certify in writing that all corrections have been completed and request a final inspection. Upon finding that all items have been corrected and upon receipt of as-built improvement plans, the Improvements may be provisionally accepted by the CITY pending approval of the final map and subdivision agreement for Tract No. 934, by the City Council.

The completion of corrections indicated by the deficiency list shall not relieve the SUBDIVIDER from the responsibility of correcting any deficiency not shown on the list that may be subsequently discovered. Should the CITY require payment of additional engineering and inspection fees and costs for improvements constructed after the stated date of completion, the SUBDIVIDER must pay said additional fees and costs prior to acceptance by the City Council of the IMPROVEMENTS.

3. Costs and Fees.

The SUBDIVIDER shall be responsible for the work, including without limitation, the costs identified in the IMPROVEMENT COST ESTIMATE attached hereto and made a part hereof and identified as Exhibit "C" to this Agreement. SUBDIVIDER agrees to the amount thereof and agrees to pay, when due, all amounts identified therein, including without limitation, all CITY engineering and inspection fees.

4. Security.

SUBDIVIDER agrees to furnish security, which complies with Section 66499 et. seq. of the California Government Code, in such amounts as are fixed by the CITY, to guarantee the faithful performance of this Agreement, including without limitation, the construction of the

IMPROVEMENTS and to guarantee payment to contractors, subcontractors, laborers, material men and other persons employed in the performance of the work under this Agreement. In the sole discretion of the CITY and with the written authorization of the CITY, the sureties provided by the SUBDIVIDER may be released in whole or in part in the following manner:

(a) Faithful performance sureties, not in excess of ninety percent (90%) of the estimated costs of the individual items of public improvements, may be released or the required surety amounts may be reduced as work is satisfactorily completed and tentatively accepted by the CITY.

(b) Forty-five (45) days after recordation of the Notice of Completion for the Subdivision, the sureties securing the payment to contractors and subcontractors and to persons furnishing labor, materials, or equipment may be released if claims, including without limitation, stop notices have not been filed.

(c) Ten percent (10%) of the total faithful performance surety, retained as the public improvement warranty, may be released one year after the Notice of Completion has been recorded. In the alternative, SUBDIVIDER shall provide CITY with new warranty security of not less than ten percent (10%) of the Improvement Cost Estimate identified in Exhibit "C" hereto, which security shall have a term of one (1) year from the date of recordation of the Notice of Completion.

In accordance with Section 16.24.080 of the Hanford Municipal Code, the SUBDIVIDER shall furnish, in writing, proof of adequate security deposit to all utility companies for the installation of electricity, gas, telephone, cable television and any other utility which charges are not part of the Improvement Cost Estimate set forth in Exhibit "C."

No final map shall be signed by the City Engineer or recorded until all improvement securities required by Section 16.24.080 of the Hanford Municipal Code and under this Agreement have been received and approved. The form of securities shall be one or the combination of forms as approved by the CITY.

5. Liability.

a. SUBDIVIDER, at SUBDIVIDER's own cost and expense, shall procure and maintain, for the duration of this Agreement, the following insurance policies.

i. Workers Compensation Coverage. As required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than ONE MILLION AND NO/100 DOLLARS ($1,000,000) per accident for bodily injury or disease.

ii. Commercial General Liability (CGL) Coverage. Insurance Services Office (ISO) Form CG 0001, including products and completed operations, with a limit of no less than TWO MILLION AND NO/100 DOLLARS ($2,000,000) per occurrence for bodily injury, personal injury, and property damage, and a general aggregate limit of no less than FOUR MILLION AND NO/100 DOLLARS ($4,000,000).

iii. Automobile Liability Coverage. ISO Form Number CA 0001 covering any auto (Code 1), or if SUBDIVIDER has no owned autos, Code 8 (hired) and 9 (non-owned),with a limit no less than ONE MILLION AND NO/100 DOLLARS ($1,000,000) per accident for bodily injury and property damage.

If SUBDIVIDER maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by SUBDIVIDER.

SUBDIVIDER's insurance policies shall be "occurrence" policies and not "claims-made."

SUBDIVIDER may maintain an Umbrella policy in conjunction with the insurance policies referenced above. In such case, SUBDIVIDER shall be deemed to have satisfied the insurance requirements of this contract as long as: (i) the coverage limits of the Umbrella policy and of the underlying liability policy(ies), when combined, satisfy each of the per occurrence and aggregate requirements identified in this section; and (ii) coverage under the Umbrella policy is as broad as and includes all incidents and events covered by the underlying insurance that it supplements.

b. Any deductibles or self-insured retentions must be declared to and approved by the City.

c. The policies are to contain, or be endorsed to contain, the following provisions:

i. The City and its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL and automobile liability policies with respect to liability arising out of work or operations performed by or on behalf of SUBDIVIDER including materials, parts, or equipment furnished in connection with such work or operations; products used by SUBDIVIDER; or automobiles owned, leased, hired or borrowed by SUBDIVIDER. General liability coverage can be provided in the form of an endorsement to SUBDIVIDER's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33 or CG 20 38 *and* CG 20 37 if a later edition is used. The coverage shall contain no special limitations on the scope of protection afforded to the City and its officers, officials, employees or volunteers.

ii. For any claims related to this Agreement, SUBDIVIDER's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 as to the City and its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City and/or its officers, officials, employees, or volunteers shall be in excess of SUBDIVIDER's insurance and shall be non-contributory.

iii. Each insurance policy required above shall provide that coverage shall not be canceled or modified, except with fifteen (15) days prior written notice to the City.

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

SUBDIVIDER shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work

commences. However, failure to obtain the required documents prior to the work beginning shall not waive the SUBDIVIDER's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

d. SUBDIVIDER hereby grants to the City and its officers, officials, employees, and volunteers a waiver of any right to subrogation which any insurer of SUBDIVIDER may acquire against the City and/or its officers, officials, employees, and volunteers by virtue of the payment of any loss under such insurance. SUBDIVIDER agrees to obtain endorsements necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

e. The City reserves the right to modify the insurance requirements contained in this contract, including, without limitation, coverage limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

6. Indemnification.

SUBDIVIDER hereby agrees to and shall protect, indemnify and hold harmless the CITY and all officials, officers, agents, representatives and employees thereof from and against any and all liability, loss, claims or damages of whatsoever kind or character, including attorneys' fees and costs of all types, to the extent arising out of, or related, directly or indirectly, to the work to be performed pursuant to this Agreement or the acts or omissions of the SUBDIVIDER, SUBDIVIDER's independent contractors, employees, representatives, agents and invitees. These indemnification and hold-harmless provisions shall be in full force and effect regardless of whether or not there shall be insurance policies covering such damages, claims, or liability. This indemnification shall be binding upon the SUBDIVIDER whether or not there are any allegations of fault, negligence or liability of the parties indemnified hereunder and shall survive the completion of construction of the IMPROVEMENTS.

SUBDIVIDER agrees that the use of any and all public streets and improvements, which are part of the Subdivision, shall be at all times, prior to the final acceptance by the CITY, the sole and exclusive risk of the SUBDIVIDER.

7. **Permits and Compliance.**

Should SUBDIVIDER be required to perform any work within any public rights-of-way or easements located beyond the Subdivision limits, SUBDIVIDER shall satisfy any and all requirements, other than the payment of fees, as necessary to obtain an encroachment permit for said work.

SUBDIVIDER shall make arrangements for the relocation of all overhead and underground public utility facilities that interfere with the construction of the IMPROVEMENTS. The SUBDIVIDER shall be responsible for the full cost of relocating such facilities.

The SUBDIVIDER shall repair any damage to public streets or other public property or improvements resulting from or incidental to, the construction of the Improvements, or in lieu of making such repairs, the SUBDIVIDER shall pay to the CITY the full cost of such repairs.

Building permits for individual lots of the Subdivision will not be issued until all underground utilities are installed within the public right-of-way, the trenches have been backfilled, and an approved all-weather road is constructed for street frontage and access.

No occupancy permit for any dwelling to be constructed within the Subdivision shall be issued until all Improvements are completed and accepted by the City Council.

In accordance with Section 16.24.090 of the Hanford Municipal Code, construction methods and materials for all Improvements shall conform to the Standards and Specifications of the CITY. Construction shall not commence until required Improvement Plans have been approved by the City Engineer and payment of all fees have been received by the CITY.

The IMPROVMENTS shall be constructed in accordance with all applicable street, plumbing, building, electrical and zoning codes and any other codes, rules or regulations of the CITY and the State of California.

The SUBDIVIDER shall require contractors and subcontractors to provide and maintain barricades and warning signs to protect and warn the public of construction hazards. Traffic control shall conform to a traffic control plan approved by the City Engineer. If, in the opinion of the City Engineer, proper barricades and warning signs are not being provided, the Contractor will be required to immediately stop work until proper traffic control is provided and approved by the City Engineer.

The SUBDIVIDER shall require all contractors and subcontractors to conform to the applicable provisions of the California Occupational Safety and Health Act ("OSHA"). Onsite inspection of the work will be requested of OSHA officials, and all work subject to this Agreement shall immediately stop if, in the opinion of the City Engineer, any such work is being performed in violation of OSHA or when appropriate safety measures are not being utilized for said work.

The SUBDIVIDER and its contractors and subcontractors shall pay for any materials, provisions and other supplies used in, upon, for, or about the performance of the work to be performed hereunder and for any and all work or labor associated therewith and for all amounts due under the Workers' Compensation and the unemployment insurance acts and all other applicable laws or regulations of the State of California or the United States with respect to such work or labor, including without limitation, as required by Section 3200 of the California Labor Code and Section 4200 of the California Government Code.

8. **Scheduling.**

It shall be the responsibility of the SUBDIVIDER to coordinate all work performed by its contractors and subcontractors, such as scheduling the sequence of operations and the determination of liability if one operation delays another. In no case shall representatives

of the CITY be placed in the position of making decisions that are the responsibility of the SUBDIVIDER. It shall further be the responsibility of the SUBDIVIDER to give the City Engineer written notice not less than two (2) working days in advance of the actual date on which work is to be started. Failure on the part of the SUBDIVIDER to notify the City Engineer may cause delay for which the SUBDIVIDER shall be solely responsible.

9. Soil and Dust Control Provisions.

The SUBDIVIDER is responsible for arrangement for and payment of all CITY-required soil tests at locations as determined by the City Engineer. Payment for said tests shall be made directly by the SUBDIVIDER to the certified testing firm of the SUBDIVIDER's choice. Adequate dust control shall be maintained by the SUBDIVIDER on all streets within and outside of the Subdivision on which work is required to be performed under this Agreement, from the time work is first commenced until all work is completed. "Adequate dust control" as used herein shall mean the sprinkling of the streets with water or approved dust palliative with sufficient frequency to prevent the scattering of dust by wind or the activity of vehicles and equipment onto any street area or private property adjacent to the Subdivision. Whenever, in the opinion of the City Engineer, adequate dust control is not being maintained on any street or streets or other areas of the Subdivision, the City Engineer shall give notice to the SUBDIVIDER to comply with the provisions herein, or, at the election of the City Engineer, notice may be mailed to the SUBDIVIDER at his address on file with the City Engineer. If, within twenty-four (24) hours after personal service or within forty-eight (48) hours after mailing of notice, the SUBDIVIDER has not commenced to maintain adequate dust control or at any time thereafter fails to maintain adequate dust control, the City Engineer may, without further notice of any kind, cause any street or streets to be sprinkled with water or an approved dust palliative as may be deemed necessary by the City Engineer to eliminate the scattering of dust. Such dust

control shall be performed by equipment and personnel of the CITY or by contract as the City Engineer shall determine, and the SUBDIVIDER agrees to pay to CITY, upon receipt of the billing, therefore, the entire cost to the CITY of such dust control.

When the surfacing on any existing street is disturbed, the surfacing shall be immediately replaced with temporary surfacing and permanently paved within fourteen (14) calendar days thereafter. The streets shall be maintained in a safe and passable condition at all times between the commencement of construction of IMPROVEMENTS and final completion thereof.

10. Reimbursement.

If the City Municipal Code provides SUBDIVIDER with the right to receive cash reimbursement or impact fee credit because of the construction of certain improvements or the oversizing thereof, SUBDIVIDER must request payment of the cash reimbursement or preparation of a reimbursement agreement, whichever is applicable, or the impact fee credit prior to the date of final acceptance of all subdivision improvements by the City Council. Such request must be made in writing and received by the City Engineer prior to the date of final acceptance of the IMPROVMENTS by City Council. SUBDIVIDER agrees that should it fail to make such written request by the date identified herein, SUBDIVIDER forever waives its right to request and receive any cash reimbursement, reimbursement agreement or impact fee credit.

11. Prevailing Wage Laws, Rules and Regulations.

SUBDIVIDER shall comply with and shall require all contractors to comply with all prevailing wage laws, rules and regulations applicable to the SUBDIVISION. Unless otherwise advised in writing by the City, SUBDIVIDER shall be solely responsible for making any and all decisions regarding any portion or aspect of the SUBDIVISION including, without limitation, any form of reimbursement by the City to the SUBDIVIDER or any contractor, that will require the payment of prevailing wages. Further, SUBDIVIDER will be solely responsible for the payment of any claims, fines, penalties, reimbursements, payments or any other actions

that may be initiated against applicant or any contractor as a result of failure to pay prevailing wages.

SUBDIVIDER shall defend, indemnify and hold harmless the City of Hanford, its officials, officers, employees, representatives, agents and attorneys from and against any and all claims, damages, losses, judgments, liabilities, expenses and other costs, including, without limitation, litigation costs and attorney's fees arising out of, to the extent resulting from any violation or claim of violation of any prevailing wage law, rule or regulation applicable to any portion or aspect of the SUBDIVISION. SUBDIVIDERS's obligation to defend, indemnify and hold the City harmless specifically includes, but is not limited to, any suit or administrative action against the City which claims a violation of any prevailing wage law, rule or regulation applicable to any portion or aspect of the SUBDIVISION.

SUBDIVIDERS's obligations to defend, indemnify and hold the City, its officials, officers, employees, representatives, agents and attorneys harmless as set forth herein, shall include, but shall not be limited to, staff time, copying costs, court costs, the costs of any judgments or awards against the City for damages, losses, litigation costs or attorney fees arising out of any violation or claim of violation of any prevailing wage law, rule or regulation applicable to any portion or aspect of the SUBDIVISION and costs of any settlement representing damages, litigation costs and attorney's fees to be paid to other parties arising out of any such proceeding or suit.

The City may, at any time, require the SUBDIVIDER to reimburse the City for costs that have been, or which the City reasonably anticipates will be, incurred by the City during the course of any action. SUBDIVIDER shall reimburse the City within thirty (30) days of receipt of an itemized written invoice from the City for costs actually incurred. Failure of the SUBDIVIDER to timely reimburse the City shall be considered a material violation of the conditions of approval of the SUBDIVISION.

12. Sole and Only Agreement.

This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the matters set forth herein and contains all of the covenants and agreements between the parties regarding such matters. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or in writing, have been made by any party or anyone acting on behalf of any party which are not embodied in this Agreement, and no other agreement, statement or promises shall be valid or binding.

13. Severability.

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

14. Attorneys' Fees.

If an action at law or inequity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which he may be entitled. With respect to any suit, action or proceeding arising out of or related to this Agreement or the documentation related hereto, the parties hereby submit to the jurisdiction and venue of the Superior or Municipal Court, whichever is applicable, in the County of Kings, State of California for any proceeding arising hereunder.

15. Successors and Assigns.

The covenants and agreements contained in this Agreement shall be binding upon and shall inure to the benefit of the heirs, successors and assigns of the parties hereto. This

Agreement shall not be assignable by SUBDIVIDER without the express prior written consent of CITY.

16. Governing Law.

This Agreement shall be construed and governed pursuant to the laws of the State of California.

17. Time of the Essence.

Time is of the essence of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the 14th day of August, 2023.

OWNER:

R-HEARTHSTONE LOT OPTION POOL 02, L.P., a Delaware limited partnership

By: R-Hearthstone PBLOJV GP, LLC, a Delaware limited liability company its General Partner

By: _____
Steven C. Porath
Authorized Person

SUBDIVIDER:

Lennar Homes of California, LLC
A California Limited Liability Company

By: _____
Mike Miller, Vice President

CITY OF HANFORD APPROVAL:

By: _____
Lisa Dock, P.E.
City Engineer, City of Hanford

ATTEST:

By: _____
Natalie Corral
City Clerk, City of Hanford

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Fresno)

On July 28, 2023 before me, Christine Collins, Notary Public personally appeared Mike Miller, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ **(Seal)**

CHRISTINE COLLINS
Notary Public - California
Fresno County
Commission # 2308378
My Comm. Expires Nov 7, 2023

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles

On July 26, 2023 (*Date*) before me, Karen S. Hornback, Notary Public (*Here Insert Name and Title of the Officer*),

personally appeared Steven C. Porath (*Name(s) of Signer(s)*),

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

KAREN S. HORNBACK
Notary Public - California
Ventura County
Commission # 2413766
My Comm. Expires Aug 24, 2026

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

WITNESS my hand and official seal.

Signature _____ (*Signature of Notary Public*)

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian of Conservator
☐ Other: _____
Signer is Representing: _____

Signer's Name: _____
☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian of Conservator
☐ Other: _____
Signer is Representing: _____

©2017 National Notary Association

EXHIBIT "C"

SUBDIVISION IMPROVEMENT COST ESTIMATE

In accordance with Section 16.24.080 of the Hanford Municipal Code, estimated construction costs used in this Agreement are increased for projected inflation computed to the estimated mid-point of construction.

	ESTIMATED CONSTRUCTION COST
Sanitary Sewers	
Construction of sanitary sewer mains, manholes and appurtenances as shown on the approved improvement plans in accordance with City Standards and Specifications.	**$499,010.00**
Storm Sewers	
Construction of storm drain mains, manholes, catch basins and disposal facilities as shown on the approved improvement plan in accordance with City Standards.	**$301,280.00**
Water System	
Construction of water mains, hydrants, services and appurtenances as shown on the approved Improvement Plans in accordance with City Standards and Specifications.	**$504,990.00**
Curb and Gutter and Other Concrete Construction	
Construction of curb and gutter, sidewalk, wheelchair ramps, drive approaches, valley gutter and other concrete improvements as shown on the approved Improvement Plans in accordance with City Standards and Specifications.	**$1,273,480.00**
Street Surfacing	
Construct Type "B" asphalt concrete surfacing over Class II aggregate base as shown on the approved Improvement Plans in accordance with City Standards and Specifications.	**$1,535,326.00**

Street Lighting

Install street lighting as shown on the approved Improvement Plans in accordance with City Standards and Specifications.	**$93,000.00**

Street Barricades

Install street barricades as shown on the approved Improvement Plans in accordance with City Standards and Specifications.	**$0.00**

Fencing, Landscaping, and Irrigation System

Construct fencing, block walls and install landscape and irrigation system improvements, misc. as shown on the approved Improvement Plans in accordance with City Standards and Specifications.	**$1,076,512.00**

Monuments and Lot Markers

Install permanent monuments and lot markers in accordance with City Standards and Specifications.	**$0.00**

Engineering Services

Engineering, surveying, & geotechnical services associated with Completion of the Subdivision Improvements.	**$1,055,000.00**

Earthwork Improvements

• **Excavation & Compaction**	**$574,285.00**
• **Subgrade Compaction & Fine Grade**	**$0.00**
• **Final Lot Grading**	**$112,700.00**
• **Total Improvements subject to Plan Review & Insp. Fee**	**$7,025,583.00**
• **Total Improvements with additional 10% Contingency**	**$7,728,141.30**
• **Total Improvements with additional 20% Prevailing Wage**	**$9,273,769.56**

Private Utilities

• **Applicant Install Utilities Onsite Construct (Includes Rule 20)**	**$1,058,002.30**
Total Estimated Improvement Cost (To be bonded with Final Map)	**$10,331,771.86**

SECURITY REQUIREMENTS

Performance	**$10,331,771.86**
Labor and Materials (50%)	**$5,165,885.93**
Warranty (Minimum 12-mo. from N.O.C.) (10%)	**$1,033,177.19**

City Engineering Plan Review and Inspection Fee Schedule

City Engineering and Inspection Fees are established by Council Resolution No.1902, and are set forth below:

(1) 6% of first	$ 5,000.00	$ 300.00
(2) 5% of next	$ 20,000.00	$ 1,000.00
(3) 4.5% of next	$ 75,000.00	$ 3,375.00
(4) 3.5% of next	$150,000.00	$ 5,250.00
(5) 2% over	$250,000.00	$ 201,635.44

Total City Engineering Review and Inspection Fee obligation	**$ 211,560.44**
Fee balance payable with this Agreement Acct. #0001-20100000-493700	**$ 211,560.44**

- **Engineering Plan Review & Inspection Fees are based on estimated cost of Improvements, including all items constructed both prior to & following posting of security.**
- **Private utility costs are not included in determination of City Engineering Plan Review and Inspection fee calculation.**

Note: Additional fees and charges will be payable prior to approval of Final Map and Final Subdivision Agreement by the City Council, including:

12th Ave. Sewer Benefit District, Acct. #0161-21600000-549400
(8.07 Ac @ $1,734.30/Ac) **$ 7,747.28**
(Determined at completion of final map review.)

Street Sign Fee, Acct. #0001-20100000-493700 (19 @ $200.00 Ea.) **$ 3,800.00**
(Per intersection cost for sign blades furnished by City.)

Final Map Review Fee, Acct. #0001-20100000-493700 **$ 950.00**
(Determined at completion of final map review.)

Engineering Plan Review & Inspection Fees, Acct. #0001-20100000-493700 **$ 211,560.44**
(Additional fees to be determined at completion of final map review)

Storm Drainage Impact Fees, Acct. #0184-21840000-550400 (N/A) **$ 0.00**
(Onsite drainage Basin provided, no impact to existing City drainage)

Building Dept. block wall plan review fees paid from Acct. #0001-20100000-493700 **$ 1,464.71**
(Additional fees, if any, to be determined at completion of block wall plan review)

SUBTOTAL	**$ 225,522.43**
PAID:	**$ 0.00**
BALANCE DUE:	**$ 225,522.43**

FINAL MAP OF
COUNTY TRACT NO. 934

BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN
IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA
SURVEYED AND PLATTED IN AUGUST 2022
BY PRECISION CIVIL ENGINEERING, INC.

CONSISTING OF 4 SHEETS
SHEET 1 OF 4

OWNER'S STATEMENT:

WE, THE UNDERSIGNED, DO HEREBY STATE THAT WE ARE THE OWNERS OF OR HAVE SOME RIGHT, TITLE, OR INTEREST IN AND TO THE REAL PROPERTY INCLUDED WITH THE SUBDIVISION SHOWN UPON THIS MAP AND THAT WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS A CLEAR TITLE TO SAID PROPERTY AND THAT WE CONSENT TO THE MAKING OF SAID MAP AND SUBDIVISION AS SHOWN ON THIS MAP AND DO HEREBY DEDICATE IN FEE TO THE CITY OF HANFORD OUTLOT 'A' FOR STORM DRAIN BASIN PURPOSES, OUTLOTS 'B' AND 'C' FOR LANDSCAPING, AND MAINTENANCE, AND PUBLIC UTILITY PURPOSES, ALL STREETS FOR PUBLIC STREET AND UTILITY PURPOSES AND ALL EASEMENTS SHOWN HEREON FOR THE PURPOSES AS NOTED ON THIS MAP.

R-HEARTHSTONE LOT OPTION POOL 02, L.P., A DELAWARE LIMITED PARTNERSHIP
BY R-HEARTHSTONE PBLOJV GP, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ITS GENERAL PARTNER

BY: _____ JULY 27, 2023
STEVEN C. PORATH, AUTHORIZED PERSON — DATE

NOTARY ACKNOWLEDGMENT:

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA)
COUNTY OF Los Angeles)

ON July 27, 2023 BEFORE ME, Karen Shoemaker, A NOTARY PUBLIC,

PERSONALLY APPEARED Steven C Porath WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

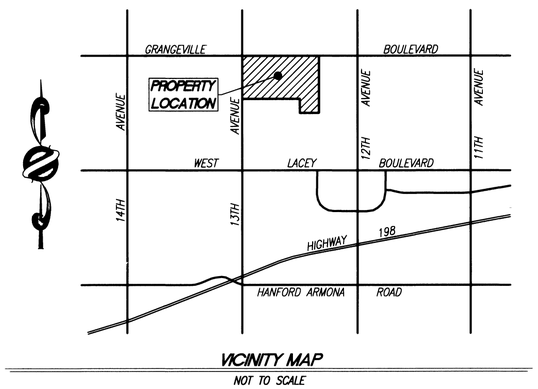
SIGNATURE Karen Shoemaker
NAME KAREN SHOEMACK
COUNTY OF Ventura
MY COMMISSION EXPIRES Aug. 24, 2026
COMMISSION NUMBER 2413766

TAX COLLECTOR'S STATEMENT:

THIS IS TO CERTIFY THAT THE PROVISIONS OF ARTICLE 8 OF CHAPTER 4 OF THE GOVERNMENT CODE HAVE BEEN COMPLIED WITH REGARDING DEPOSITS.

Erik Ureña DIRECTOR OF FINANCE

BY: Daisy Magaña, Deputy — 6/13/23 DATE



VICINITY MAP
NOT TO SCALE

LEGAL DESCRIPTION:

REAL PROPERTY IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

TRACT I:

PARCEL 1:

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE COUNTY OF KINGS, STATE OF CALIFORNIA, BEING THAT PORTION OF PARCEL 1 AND THE DESIGNATED REMAINDER OF PARCEL MAP RECORDED IN BOOK 13 AT PAGE 15 OF PARCEL MAPS, AND PARCEL 3 OF PARCEL MAP RECORDED AS DOCUMENT NUMBER 6034 IN BOOK 10 OF PARCEL MAPS, AT PAGE 33 ON APRIL 7, 1987 IN THE OFFICIAL RECORDS OF KINGS COUNTY, CALIFORNIA.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 3; THENCE SOUTH 89°48'50" WEST, ALONG THE SOUTH RIGHT OF WAY LINE OF GRANGEVILLE BOULEVARD AND THE NORTH LINE OF SAID PARCEL 3 AND SAID DESIGNATED REMAINDER, A DISTANCE OF 680.57 FEET ; THENCE SOUTH 00°11'10" EAST, A DISTANCE OF 303.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89°48'50" EAST, A DISTANCE OF 225.00 FEET; THENCE SOUTH 00°11'10" EAST, A DISTANCE OF 325.73 FEET; THENCE SOUTH 89°48'50" WEST A DISTANCE OF 225.00 FEET; THENCE NORTH 00°11'10" WEST, A DISTANCE OF 325.73 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 3; THENCE SOUTH 0°00'47" WEST, ALONG THE EAST LINE OF SAID PARCEL 3, A DISTANCE OF 25.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 00°00'47" WEST, CONTINUING ALONG SAID EAST LINE, A DISTANCE OF 494.54 FEET; THENCE SOUTH 89°57'34" WEST, A DISTANCE OF 290.81 FEET; THENCE NORTH 00°11'10" WEST, A DISTANCE OF 493.80 FEET; THENCE NORTH 89°48'50" EAST, ALONG A LINE THAT IS PARALLEL WITH AND 25.00 FEET SOUTH OF THE NORTH LINE OF SAID PARCEL 3, A DISTANCE OF 292.53 FEET TO THE TRUE POINT OF BEGINNING.

THE ABOVE TRACT 1 LEGAL DESCRIPTION BEING THE SAME DESCRIPTION AS ADJUSTED PARCEL A IN THAT LOT LINE ADJUSTMENT NO. 2021-05 ON FILE WITH THE CITY OF HANFORD, COMMUNITY DEVELOPMENT DEPARTMENT, AS PER PARCEL MAP WAIVER RECORDED APRIL 26, 2022 AS INSTRUMENT NO. 2207940 OF OFFICIAL RECORDS.

PARCEL 2:

A 20 FOOT NON-EXCLUSIVE ACCESS EASEMENT ACROSS A PORTION OF PARCEL 3 OF PARCEL MAP RECORDED IN BOOK 10, PAGE 33 OF PARCEL MAPS, TOGETHER WITH THE RIGHT TO MAINTAIN, CONSTRUCT OR RECONSTRUCT ANY OR ALL PORTIONS THEREOF, THE CENTERLINE OF SAID EASEMENT BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF SAID PARCEL 3, BEING ON THE SOUTHERLY RIGHT-OF-WAY LINE OF GRANGEVILLE BOULEVARD AND FROM WHICH POINT THE NORTHEAST CORNER OF SAID PARCEL BEARS NORTH 89° 48' 50" EAST A DISTANCE OF 102.00 FEET; THENCE SOUTH 381 FEET; THENCE WEST 361.50 FEET MORE OR LESS TO A POINT ON THE WEST LINE THEREOF.

APN: 009-050-002 (PORTION OF), 009-050-003 (PORTION OF) AND 009-050-004 (PORTION OF)

TRACT II:

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, SHOWN AS PARCEL 1 ON PARCEL MAP 10-33 RECORDED AS DOCUMENT NO 6034 IN BOOK 10 OF PARCEL MAPS, AT PAGE 33, ON APRIL 17, 1987 IN THE OFFICIAL RECORDS OF KINGS COUNTY, CALIFORNIA.

APN: 009-050-001

TRACT III:

PARCEL NO. 1 OF PARCEL MAP RECORDED IN BOOK 7 AT PAGE 33 OF MAPS, BEING A PORTION OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE COUNTY OF KINGS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

APN: 009-050-005

SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF LENNAR CENTRAL VALLEY IN AUGUST, 2022. I HEREBY STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED, OR THAT THEY WILL BE SET IN THOSE POSITIONS ON OR BEFORE ONE YEAR OF THE DATE THIS MAP IS RECORDED, OR ANY TIME EXTENSION APPROVED BY THE CITY ENGINEER, THAT THE MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP.

PROFESSIONAL LAND SURVEYOR — ILEY MICHAEL BALLINGER — No. 8768 — STATE OF CALIFORNIA

ILEY MICHAEL BALLINGER, L.S. 8768 — 7-26-2023 DATE

CITY ENGINEER'S STATEMENT:

I, LISA A. DOCK, HEREBY STATE THAT I HAVE EXAMINED THE ANNEXED MAP, THAT THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS THEREOF AND THAT ALL PROVISIONS OF ANY LOCAL ORDINANCES AND SECTIONS 66425 THROUGH 66450 OF THE GOVERNMENT CODE APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH.

REGISTERED PROFESSIONAL ENGINEER — LISA A. DOCK — NO. 68225 — CIVIL — STATE OF CALIFORNIA

LISA A. DOCK, CITY ENGINEER, R.C.E. 68224 — 8-3-2023 DATE

ACTING CITY SURVEYOR'S STATEMENT:

I, MICHAEL RAY SUTHERLAND, HEREBY STATE THAT I HAVE CAREFULLY EXAMINED THE ANNEXED MAP, THAT I AM SATISFIED THAT SAID MAP IS TECHNICALLY CORRECT AND IN ACCORDANCE WITH SECTIONS 66425 THROUGHT 66450, INCLUSIVE, OF THE GOVERNMENT CODE.

LICENSED LAND SURVEYOR — MICHAEL RAY SUTHERLAND — NO. 5815 — STATE OF CALIFORNIA

MICHAEL RAY SUTHERLAND, P.L.S. 5815
ACTING FOR THE CITY OF HANFORD — 07/31/2023 DATE

PLANNING COMMISSION CERTIFICATE:

APPROVED BY THE HANFORD PLANNING COMMISSION IN ACCORDANCE WITH THE REQUIREMENTS OF LAW IN DULY AUTHORIZED MEETING HELD APRIL 12th, 2022,
DATED THIS 14 DAY OF AUGUST, 2023.

JASON WATERS, COMMUNITY DEVELOPMENT DIRECTOR — 8-14-2023 DATE

CITY CLERK'S CERTIFICATE:

I HEREBY CERTIFY THAT AT A REGULAR MEETING OF THE HANFORD CITY COUNCIL HELD ON THE 1st DAY OF AUGUST, 2023, AN ORDER WAS DULY AND REGULARLY MADE AND ENTERED APPROVING THIS MAP AND SUBDIVISION AND ACCEPTING, SUBJECT TO IMPROVEMENT, ON BEHALF OF THE GENERAL PUBLIC THE STREETS, EASEMENTS, AND LOTS "A" AND "B" AS INCLUDED WITHIN THE BOUNDARIES OF THE SUBDIVISION SHOWN UPON THIS MAP.

NATALIE CORRAL, CITY CLERK — 8-14-2023 DATE

RECORDER'S CERTIFICATE:

FEE BOOK NO. 2311901 — FEE PAID: $ 89.00

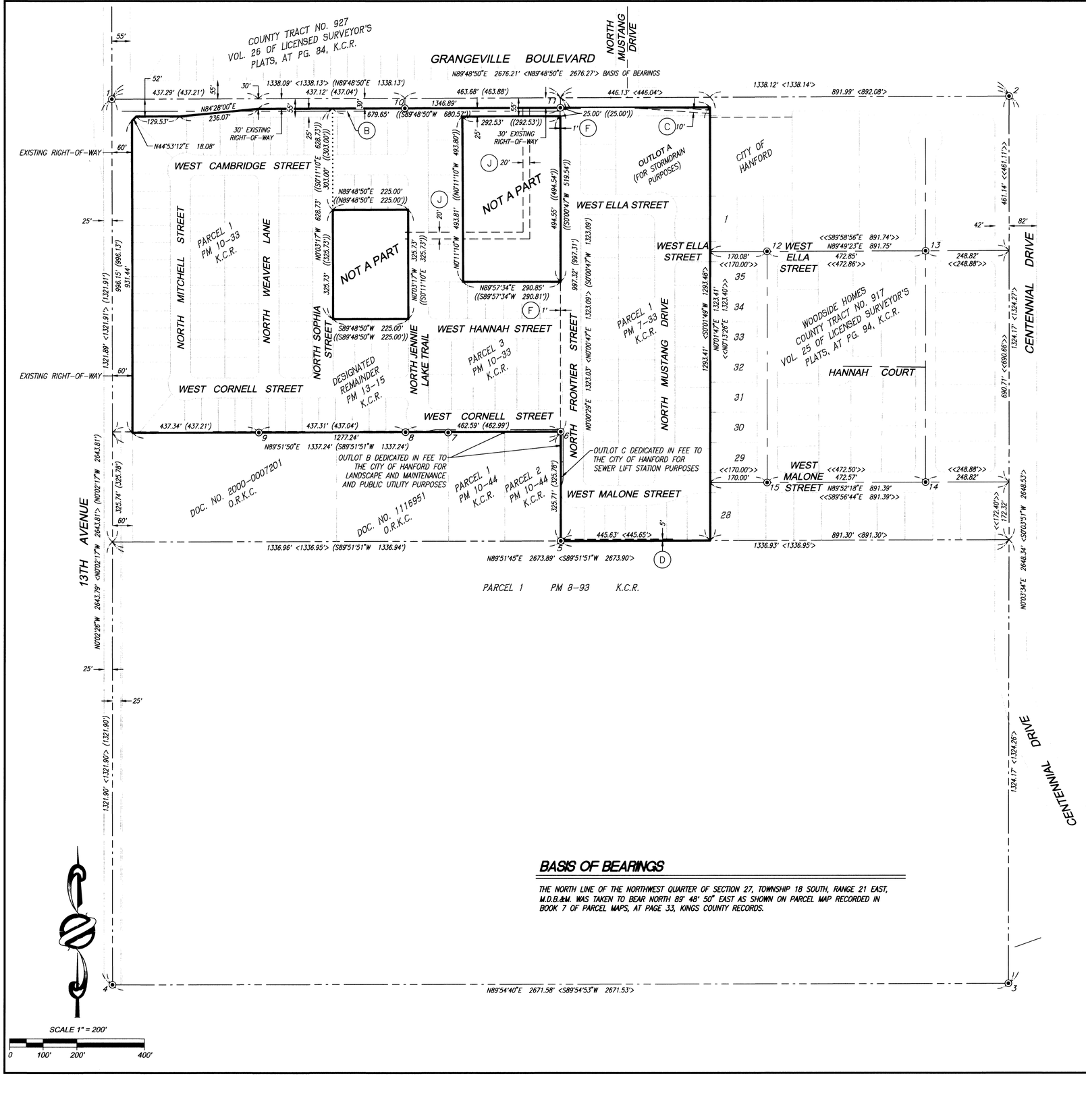
RECORDED AT THE REQUEST OF PRECISION CIVIL ENGINEERING, INC. ON THIS 14th DAY OF August, 2023, AT 37 MINUTES PAST 3 O'CLOCK IN VOLUME 27 OF LICENSED SURVEYOR'S PLATS, AT PAGE 29, KINGS COUNTY RECORDS.

KRISTINE LEE, KINGS COUNTY RECORDER

BY: _____
DEPUTY Justine Sumaya

PREPARED BY:
PRECISION CIVIL ENGINEERING, INC
1234 O STREET, FRESNO, CA. 93721
PH(559)449-4500 FAX(559)449-4515

SHEET 1 OF 4



FINAL MAP OF

COUNTY TRACT NO. 934

BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN
IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA
SURVEYED AND PLATTED IN AUGUST 2022
BY PRECISION CIVIL ENGINEERING, INC.

CONSISTING OF 4 SHEETS
SHEET 2 OF 4

MONUMENT TABLE

MON. #	LOCATION
1	NORTHWEST CORNER OF SECTION 27-18/21; FOUND 2.5" BRASS DISC STAMPED PLS 6859, ACCEPTED PER PLAT 26-84, K.C.R. IN LIEU OF ILLEGIBLE PLASTIC TAG.
2	NORTH 1/4 CORNER OF SECTION 27-18/21; FOUND 2.5" BRASS DISC STAMPED RCE 21489, K.C.C.R. NO. 3477
3	CENTER 1/4 CORNER OF SECTION 27-18/21; FOUND 3/4" IRON PIPE, DOWN 0.5', TAGGED LS 8167, K.C.C.R. 3727
4	WEST 1/4 CORNER OF SECTION 27-18/21; FOUND 2.5" BRASS DISC, NOT STAMPED, K.C.C.R. NO. 1641
5	SOUTHWEST CORNER OF PARCEL 1 OF PARCEL MAP RECORDED IN BOOK 7 OF PARCEL MAPS, AT PAGE 33, K.C.R.; FOUND REBAR WITH ALUMINUM CAP, NOT STAMPED
6	SOUTHEAST CORNER OF PARCEL 3 OF PARCEL MAP RECORDED IN BOOK 10 OF PARCEL MAPS, AT PAGE 33, K.C.R.; FOUND IRON PIPE WITH 2.5" ALUMINUM CAP, TAGGED LS 4375
7	FOUND 3/4" IRON PIPE, FLUSH WITH SURFACE, TAGGED LS 4160. 1.31' SOUTH OF PROPERTY LINE
8	SOUTHEAST CORNER OF PARCEL 2 OF PARCEL MAP RECORDED IN BOOK 10 OF PARCEL MAPS, AT PAGE 33, K.C.R.; FOUND IRON PIPE WITH 2.5" ALUMINUM CAP, TAGGED LS 4375
9	SOUTHEAST CORNER OF PARCEL 1 OF PARCEL MAP RECORDED IN BOOK 10 OF PARCEL MAPS, AT PAGE 33, K.C.R.; FOUND REBAR, DOWN 0.4', NOT TAGGED
10	NORTHWEST CORNER OF PARCEL 3 OF PARCEL MAP RECORDED IN BOOK 10 OF PARCEL MAPS, AT PAGE 33, K.C.R.; FOUND IRON PIPE WITH 2.5" ALUMINUM CAP, TAGGED LS 4375
11	NORTHEAST CORNER OF PARCEL 3 OF PARCEL MAP RECORDED IN BOOK 10 OF PARCEL MAPS, AT PAGE 33, K.C.R.; FOUND IRON PIPE WITH 2.5" ALUMINUM CAP, TAGGED LS 4375
12	FOUND 2" BRASS DISC IN HANDWELL, STAMPED RCE 21489 PER TRACT NO. 917 FILED IN VOL. 25, OF LICENSED SURVEYOR'S PLATS, PG 94, K.C.R.
13	FOUND 2" BRASS DISC IN HANDWELL, STAMPED RCE 21489 PER TRACT NO. 917 FILED IN VOL. 25, OF LICENSED SURVEYOR'S PLATS, PG 94, K.C.R.
14	FOUND 2" BRASS DISC IN HANDWELL, STAMPED RCE 21489 PER TRACT NO. 917 FILED IN VOL. 25, OF LICENSED SURVEYOR'S PLATS, PG 94, K.C.R.
15	FOUND 2" BRASS DISC IN HANDWELL, STAMPED RCE 21489 PER TRACT NO. 917 FILED IN VOL. 25, OF LICENSED SURVEYOR'S PLATS, PG 94, K.C.R.

LEGEND

⊙	MONUMENTS FOUND AND ACCEPTED AS NOTED. SEE MONUMENT TABLE ON THIS SHEET
< >	RECORD DATA PER PM 7-33, K.C.R., OR CALCULATED THEREFROM
( )	RECORD DATA PER PM 10-33, K.C.R., OR CALCULATED THEREFROM
<< >>	RECORD DATA PER LSP 25-94, K.C.R., OR CALCULATED THEREFROM
(( ))	RECORD DATA PER LLA NO. 2021-05, DOC. NO 2207940 O.R.K.C., OR CALCULATED THEREFROM
(A)	GRANTED TO THE CITY OF HANFORD PER DEED RECORDED NOVEMBER 21, 2018, AS INSTRUMENT NO. 2018-19734, O.R.K.C.
(B)	CENTERLINE OF ±19-FOOT WIDE EASEMENT FOR CANAL PURPOSES AS SHOWN ON PARCEL MAP RECORDED IN BOOK 10 OF PARCEL MAPS, AT PAGE 33, K.C.R.
(C)	10-FOOT WIDE EASEMENT FOR RIGHT OF WAY AND INCIDENTAL PURPOSES GRANTED TO SOUTHERN CALIFORNIA EDISON COMPANY, RECORDED MARCH 12, 2018, AS INSTRUMENT NO. 2018-03889, O.R.K.C.
(D)	EASEMENT FOR DITCH PURPOSES IN FAVOR OF C.M. BLOWERS, INC., AND AS RESERVED IN DEED RECORDED FEBRUARY 16, 1928 IN BOOK 30, AT PAGE 54, O.R.K.C.
(E)	GRANTED TO THE CITY OF HANFORD FOR PUBLIC STREET AND UTILITY PURPOSES PER DEED RECORDED 8/14, 2023, AS INSTRUMENT NO. 2311900, O.R.K.C.
(F)	1' EASEMENT FOR UTILITY PURPOSES GRANTED TO SOUTHERN CALIFORNIA EDISON COMPANY PER DOCUMENT RECORDED OCTOBER 14, 1948 IN BOOK 414, PAGE 59, FILE NO. 7456, O.R.K.C.
(G)	25' DEEDED TO COUNTY OF TULARE, MARCH 6, 1885, BOOK 1, PAGE 205 OF RIGHTS OF WAY, TULARE COUNTY RECORDS.
(H)	5' ROAD RIGHT OF WAY PER PARCEL MAP RECORDED IN BOOK 10 OF PARCEL MAPS, PAGE 33, K.C.R.
(I)	AREA OF EASEMENT FOR HIGHWAY PURPOSES GRANTED TO KINGS COUNTY, BOOK 969, PAGE 892, O.R.K.C.
(J)	20-FOOT WIDE NON-EXCLUSIVE ACCESS EASEMENT PER GIFT DEED RECORDED JUNE 1, 1990, AS INSTRUCMENT NO. 9008578, O.R.K.C. QUITCLAIMED BY DOCUMENT NO. 2311898, 2023, AS INSTRUMENT NO. 2311898, O.R.K.C.
K.C.R.	KINGS COUNTY RECORDS
O.R.K.C.	OFFICIAL RECORDS KINGS COUNTY
———	INDICATES LIMITS OF THIS SUBDIVISION
K.C.C.R.	KINGS COUNTY CORNER RECORD
——·——·——	SECTION LINE
——— ———	RIGHT-OF-WAY LINE
- - - - - -	EASEMENT LINE
——— - ———	ROAD CENTERLINE
.....	DIMENSION LINE

PREPARED BY:

PRECISION CIVIL ENGINEERING, INC
1234 O STREET, FRESNO, CA. 93721
PH(559)449-4500 FAX(559)449-4515

SHEET 2 OF 4

NOTES:

1. SET 3/4" X 30" IRON PIPE, TAGGED LS 8768, DOWN 6", AT ALL LOT CORNERS, ANGLE POINTS, AND ENDS OF CURVES, UNLESS NOTED OTHERWISE.
2. OUTLOT "A" IS DEDICATED IN FEE TO THE CITY OF HANFORD FOR STORM DRAIN PURPOSES, SUBJECT TO CITY ACCEPTANCE OF DEVELOPER INSTALLED REQUIRED IMPROVEMENTS.
3. OUTLOT "B" IS DEDICATED IN FEE TO THE CITY OF HANFORD FOR LANDSCAPING AND MAINTENANCE AND PUBLIC UTILITY PURPOSES.
4. ALL CURVES ARE TANGENT UNLESS OTHERWISE NOTED.
5. ALL DISTANCES ARE IN FEET AND DECIMALS THEREOF.

FINAL MAP OF

COUNTY TRACT NO. 934

BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN
IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA
SURVEYED AND PLATTED IN AUGUST 2022
BY PRECISION CIVIL ENGINEERING, INC.

CONSISTING OF 4 SHEETS
SHEET 3 OF 4

SCALE 1" = 80'
0 40' 80' 160'

GRANGEVILLE BOULEVARD — TRACT 927 — NORTH MUSTANG DRIVE — 30' EXISTING RIGHT-OF-WAY

13TH AVENUE — NORTH MITCHELL STREET — NORTH WEAVER LANE — NORTH SOPHIA STREET — NORTH JENNIE LAKE TRAIL — NORTH FRONTIER STREET — WEST ELLA STREET

WEST CAMBRIDGE STREET — WEST CORNELL STREET — WEST HANNAH STREET

RELINQUISHMENT OF DIRECT ACCESS RIGHTS PER DOC. NO. 2311900 RECORDED Aug 14 2023

6' PUE/SLOPE PER DOC. NO. 2311900 RECORDED Aug 14 2023

RELINQUISHMENT OF DIRECT ACCESS RIGHTS PER DOC. NO. 2311899 RECORDED August 14 2023

6' LE/PUE PER DOC. NO. 2311899 RECORDED Aug 14 2023

6' PUE/SLOPE PER DOC. NO. 2311899 RECORDED Aug 14 2023

OUTLOT 'B' 3318 SF

SEE DETAIL 'A' ON THIS SHEET

SEE DETAIL 'B' ON THIS SHEET

SEE SHEET 4

LEGEND

- MONUMENTS FOUND AND ACCEPTED AS NOTED. SEE MONUMENT TABLE ON SHEET 2
- SET 2"x24" GALVANIZED IRON PIPE WITH BRASS CAP STAMPED LS 8768 IN MONUMENT WELL, MONUMENT WELL SET FLUSH IN PAVEMENT
- INDICATES EASEMENT NOW OFFERED FOR DEDICATION FOR PUBLIC STREET PURPOSES
- PREVIOUSLY OFFERED FOR DEDICATION FOR PUBLIC STREET PURPOSES PER WOODSIDE HOMES, COUNTY TRACT NO. 917, RECORDED IN VOLUME 25 OF LICENSED SURVEYOR'S PLATS, AT PAGE 94, KINGS COUNTY RECORDS
- (#) EASEMENT OR DEDICATION. SEE LEGEND ON SHEET 2
- LE — LANDSCAPE EASEMENT NOW OFFERED FOR DEDICATION FOR PUBLIC USE
- PUE — PUBLIC UTILITY EASEMENT NOW OFFERED FOR DEDICATION FOR PUBLIC USE
- SDE — STORM DRAIN EASEMENT NOW OFFERED FOR DEDICATION FOR PUBLIC USE
- C1 — SEE CURVE TABLE ON SHEET 4
- L1 — SEE LINE TABLE ON SHEET 4
- R1 — SEE RADIAL TABLE ON SHEET 4
- INDICATES RELINQUISHMENT OF DIRECT ACCESS RIGHTS
- INDICATES RELINQUISHMENT OF DIRECT ACCESS RIGHTS PER SEPARATE DOCUMENTS
- INDICATES LIMITS OF THIS SUBDIVISION
- SECTION LINE
- RIGHT-OF-WAY LINE
- EASEMENT LINE
- ROAD CENTERLINE

DETAIL 'A'
1" = 20'

DETAIL 'B'
NOT TO SCALE

PREPARED BY:
PRECISION CIVIL ENGINEERING, INC
1234 O STREET, FRESNO, CA. 93721
PH(559)449-4500 FAX(559)449-4515

SHEET 3 OF 4

LINE TABLE		
LINE	BEARING	LENGTH
L1	N89°52'18"E	10.08'
L2	N89°52'18"E	10.00'
L3	N89°52'18"E	9.92'
L4	N89°59'31"W	7.00'
L5	S0°00'29"W	45.16'

RADIAL TABLE	
RADIAL	BEARING
R1	N4°44'11"E
R2	N45°23'50"W
R3	S78°13'04"W
R4	N76°58'03"W
R5	N52°48'20"E
R6	S3°01'18"W
R9	N19°48'15"W
R10	S2°01'43"E
R11	S14°39'57"E
R12	N15°36'08"W
R13	S15°10'26"E
R14	S78°36'31"E
R15	N39°43'37"E

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	20.00'	90°07'53"	31.46'
C2	20.00'	89°52'07"	31.37'
C3	20.00'	89°52'07"	31.37'
C4	20.00'	90°07'53"	31.46'
C5	20.00'	89°52'07"	31.37'
C6	68.00'	19°40'00"	23.34'
C7	20.00'	89°52'07"	31.37'
C8	20.00'	90°07'53"	31.46'
C9	20.00'	89°52'07"	31.37'
C10	68.00'	19°40'00"	23.34'
C11	52.00'	129°12'07"	117.26'
C12	52.00'	14°44'39"	13.38'
C13	52.00'	50°08'02"	45.50'
C14	52.00'	56°23'06"	51.17'
C15	52.00'	7°56'21"	7.21'
C16	68.00'	19°40'00"	23.34'
C17	68.00'	19°40'00"	23.34'
C18	52.00'	129°24'52"	117.45'
C19	52.00'	6°34'45"	5.97'
C20	52.00'	50°13'36"	45.58'
C21	52.00'	49°47'02"	45.18'
C22	52.00'	22°49'28"	20.71'
C23	68.00'	19°40'00"	23.34'
C24	20.00'	90°04'53"	31.44'

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C25	20.00'	89°55'07"	31.39'
C26	20.00'	90°04'53"	31.44'
C27	52.00'	19°40'00"	17.85'
C28	20.00'	90°04'53"	31.44'
C29	20.00'	89°55'07"	31.39'
C30	20.00'	101°28'16"	35.42'
C31	68.00'	8°16'37"	9.82'
C32	52.00'	109°44'53"	99.60'
C33	20.00'	90°04'53"	31.44'
C34	20.00'	91°20'08"	31.88'
C35	20.00'	88°39'52"	30.95'
C36	20.00'	89°51'21"	31.37'
C37	20.00'	90°04'53"	31.44'
C38	20.00'	89°55'07"	31.39'
C39	20.00'	89°48'21"	31.35'
C40	20.00'	90°00'00"	31.42'
C41	20.00'	90°00'00"	31.42'
C42	20.00'	90°01'18"	31.42'
C43	68.00'	19°40'00"	23.34'
C44	52.00'	129°21'17"	117.40'
C45	52.00'	59°23'08"	53.90'
C46	52.00'	69°58'10"	63.50'
C47	68.00'	19°40'00"	23.34'
C48	68.00'	8°18'18"	9.86'

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C49	68.00'	11°21'42"	13.48'
C50	20.00'	90°12'24"	31.49'
C51	20.00'	89°47'36"	31.34'
C52	20.00'	104°36'49"	36.52'
C53	280.00'	14°27'20"	70.64'
C54	250.00'	22°19'51"	97.44'
C55	220.00'	22°19'52"	85.75'
C56	220.00'	15°28'27"	59.42'
C57	220.00'	6°51'25"	26.33'
C58	280.00'	22°19'18"	109.08'
C59	280.00'	7°47'36"	38.08'
C60	280.00'	12°38'14"	61.76'
C61	280.00'	1°53'28"	9.24'
C62	250.00'	22°19'18"	97.40'
C63	250.00'	7°17'07"	31.79'
C64	250.00'	15°02'11"	65.61'
C65	20.00'	85°32'14"	29.86'
C66	220.00'	4°17'44"	16.49'
C67	20.00'	90°08'44"	31.47'
C68	68.00'	19°40'00"	23.34'
C69	52.00'	109°48'45"	99.66'
C72	52.00'	19°40'00"	17.85'
C73	68.00'	19°40'00"	23.34'
C74	20.00'	90°08'39"	31.47'

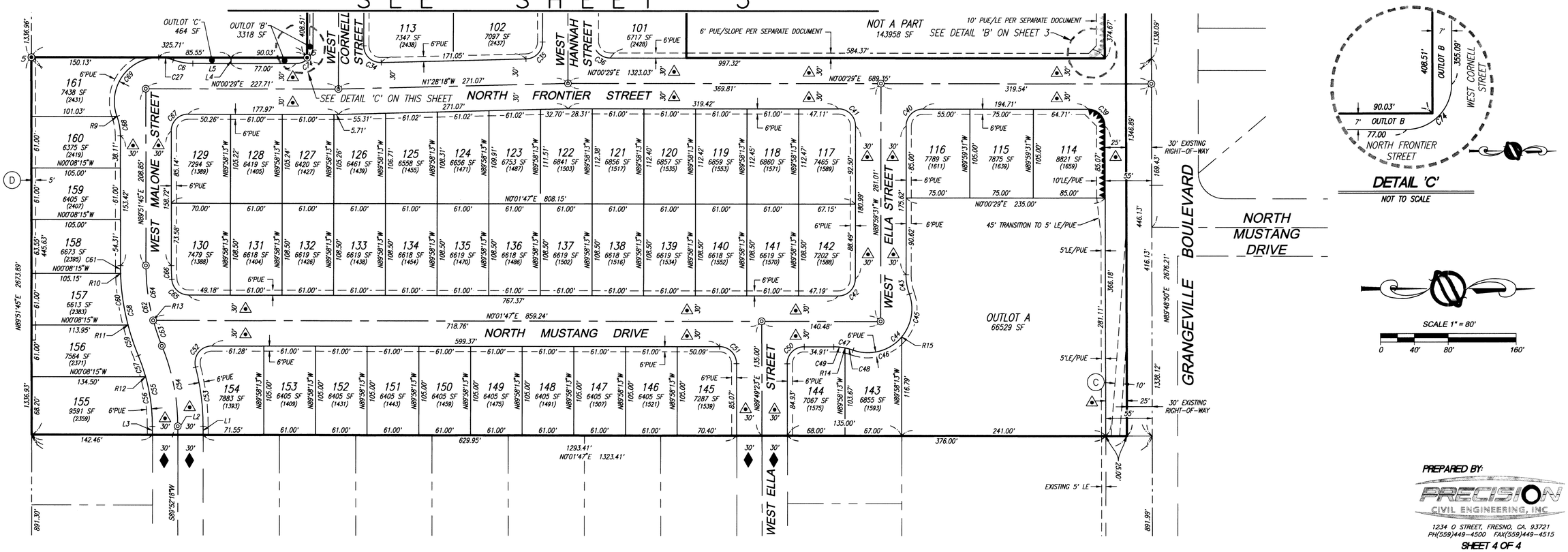
FINAL MAP OF

COUNTY TRACT NO. 934

BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN
IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA
SURVEYED AND PLATTED IN AUGUST 2022
BY PRECISION CIVIL ENGINEERING, INC.

CONSISTING OF 4 SHEETS
SHEET 4 OF 4

SEE SHEET 2 FOR MONUMENT TABLE
SEE SHEETS 2 AND 3 FOR LEGENDS
SEE SHEET 3 FOR NOTES



PREPARED BY:
PRECISION CIVIL ENGINEERING, INC
1234 O STREET, FRESNO, CA. 93721
PH(559)449-4500 FAX(559)449-4515
SHEET 4 OF 4

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 near: Southeast corner of 13th Avenue and Grangeville Boulevard in the City of Hanford

2. The Improvement is particularly described as: Tract 934 Subdivision Infrastructure Improvements.

3. The date of completion of the work of Improvement: 12/15/25

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: Lennar Homes of California, Inc.

7. The surety for the work of Improvement: Fidelity and Deposit Company Maryland – Bond 9432554-M

8. Accepted by minute action of the City Council of the City of Hanford on: _____ , 2026.

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

Dated this _____day of _____, 2026.

BY: _____
Mark Kairis, 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 _____ 2025.

BY: _____
Mark Kairis, Mayor
City of Hanford, County of Kings, State of California

Authority: Section 1181 Civil Code

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the reimbursement for Tract 928, Units 1 & 2 to Presidio JJR Bella Vista II 150, LLC and Presidio FFO Bonterra II 160, LLC for street improvements and park land and storm basin acquisition and improvements in the amount of $969,886.34; and, further approve an appropriation of $667,340.91 from the Park Impact Fees Fund 0180 and $119,353.13 from the Storm Drain Impact Fees Fund 0184 to fulfill the reimbursement.

RECOMMENDATION:

Recommendation:

That the City Council authorize the reimbursement to Presidio JJR Bella Vista II 150, LLC and Presidio FFO Bonterra II 160, LLC in the amount of $969,886.34 for street improvements and park land and storm drainage basin acquisition and improvements completed with Tract 928, Units 1 & 2 subdivision; and, authorize the appropriation of $667,340.91 from the Parks Impact Fees Fund 0180, and $119,353.13 from the Storm Drain Impact Fees Fund 0184 to fulfill the reimbursement.

Recommended Motion:

That the City Council, by motion, authorize the reimbursement to Presidio JJR Bella Vista II 150, LLC and Presidio FFO Bonterra II 160, LLC in the amount of $969,886.34 for street improvements and park land and storm drainage basin acquisition and improvements completed with Tract 928, Units 1 & 2 subdivision; and, authorize the appropriation of $667,340.91 from the Parks Impact Fees Fund 0180, and $119,353.13 from the Storm Drain Impact Fees Fund 0184 to fulfill the reimbursement.

BACKGROUND:

Tract No. 928, Units 1 & 2 are a combined 99-lot single-family development located at the southeast corner of Sangiovese Avenue and Centennial Drive (see Attachment 1 "Engineers Report" for reference). Tract 928 was a four-phased development which contains a combined total of 280 single-family residential lots.

On December 1, 2020, City Council approved Resolution 20-23-R for the Vesting Tentative Tract 928 as filed by Cal Clark Farms and developed by Presidio JJR Bella Vista II 150, LLC and Presidio JJR Bonterra II 160, LLC (developer). The resolution stipulates that the developer is entitled to impact fee credits for portions of improvements required on Centennial Drive and Sangiovese Avenue and for the land acquisition and improvements required for a neighborhood park. The resolution further stipulates that expansion and oversizing of an existing basin be provided to accommodate storm

drainage for the subregional area, to which credits to impact fees would also apply. The developer paid the required park and transportation impact fees due at the time of building permits for both Units 1 and 2 and no credits were administered. Storm drain impact fee credits were applied to a portion of the building permits totaling $71,992.32 in credits. All lots have been developed, therefore a cash reimbursement is now due as stipulated in the resolution and per the City of Hanford's 2019 Development Impact Fee Study.

Park Improvements
As per conditions of approval, a neighborhood park was required to be developed with Tract 928. The park parcel acquisition and associated improvements to develop the neighborhood park were completed with Unit 1 of the subdivision. The park acreage totaled 2.25 acres and improvements included landscaping, irrigation, sidewalks, benches, drinking fountains, trash receptacles, safety lighting, and a play structure. The park parcel was valued at $234,822.07 and the cost of improvements totaled $453,518.84, leaving a combined reimbursement total of $688,340.91, due in cash to the developer from the Park Impact Fees.

Circulation Improvements
Centennial Drive and Sangiovese Avenue are identified as collector streets in the City's General Plan Circulation Map, and portions of improvements (mainly additional pavement) are reimbursable per the City's Impact Fee Study. As per conditions of approval, the developer was required to complete both collector street widening improvements with their development and reimbursement for the excess in pavement beyond the developer's responsibility is now due. The total cost for the excess pavement on Centennial Drive is $17,580.69 and the total cost for Sangiovese Avenue is $145,923.36, for a combined total of $163,504.05 due to the developer. In addition, and as part of project completion, final reconciliation of the final map review fees due for Tract 928 determined an outstanding balance of $1,311.75 is due to the City. A reduction in the reimbursement total will be made to satisfy the outstanding fee, providing a final reimbursement total of $162,192.30 due in cash to the developer from the Transportation Impact Fees.

Storm Drainage Improvements
Expansion and oversizing of an existing private basin to service the subregional area was completed as part of the Tract 928 development. The basin land was then dedicated to the City with Tract 928, Unit 1 final map. Portions of the land acquisition and improvements are reimbursable per the City's Impact Fee Study beyond the developer's typical responsibility. The improvements included, but not limited to, block wall fencing, basin over excavation, and outfall structure adjustments. The final reimbursable costs for storm drainage improvements totaled $191,345.45, of which $71,992.32 were administered as fee credits at time of building permit issuance. Therefore, the remaining balance of $119,353.13 is now due in cash to the developer from the Storm Drain Impact Fees.

The final maps for Tract 928, Units 1 & 2 were approved for recording by City Council on May 4, 2021 and October 5, 2021, respectively. Notice of Completions for each phase were subsequently approved by Council on June 21, 2022 and September 6, 2022, respectively, and the developer submitted a formal request for reimbursement to the City Engineer in May 2022. The total reimbursement amount of $969,886.34 is now due and if approved by Council, reimbursements can be made immediately from the appropriate funding sources.

A detailed summary and reimbursement cost breakdown calculations are contained within the Engineer's Report, attached hereto as Attachment 1 for Council reference. The appropriations as presented are further detailed below in the Fiscal Impact section.

FISCAL IMPACT:

An appropriation of $667,340.91 is needed from the Parks Impact Fee Fund 0180; and, an appropriation of $119,353.13 is needed from the Storm Drain Impact Fee Fund 0184, to fulfill the reimbursement. The Transportation Impact Fee Fund 0181 can fully fund the portion pertaining to the reimbursement. A transfer of $1,311.75 from the Transportation Impact Fee total will be required to satisfy the outstanding Final Map Review fees.

ATTACHMENTS:

1. Engineers Report

Tract 928 - Reimbursement Summary

Tract 928 consists of 280 lots.

Tract 928-1	56 lots	NOC approved 6/21/2022	
Tract 928-2	43 lots	NOC approved 9/20/2022	
Tract 928-3	88 lots	NOC approved 12/19/2023	Reimbursed 1/21/2025
Tract 928-4	93 lots	NOC approved 6/4/2024	Reimbursed 1/21/2025

Unit 3: Paid 1/21/2025
Offsite Right of Way to be acquired at the "Not a Part" parcel on Fargo. - $ 10,515.63
Offsite Pavement Improvements in Fargo Avenue. - $ 33,708.75
Offsite Curb and Gutter on Fargo Avenue.- $ 23,401.60
Offsite 12" Water Main in Fargo. - $104,742.00
Onsite Frontage Pavement in Fargo Avenue. - $ 51,826.30
Striping on Fargo Avenue and at intersection with Centennial Drive - $ 4,902.50
Signage on Fargo Avenue - $ 300.00
Frontage 12" Water Main oversizing in Fargo. - $ 70,490.30
Credit for 15" Sanitary Sewer Main per COA and Masterplan-not installed - - $ 57,949.85
Sangiovese Pavement Improvements - $46,768.53
Credit for Final Map review - - $ 1,691.25
Total Reimbursement Paid - $ 284,014.51 to developer

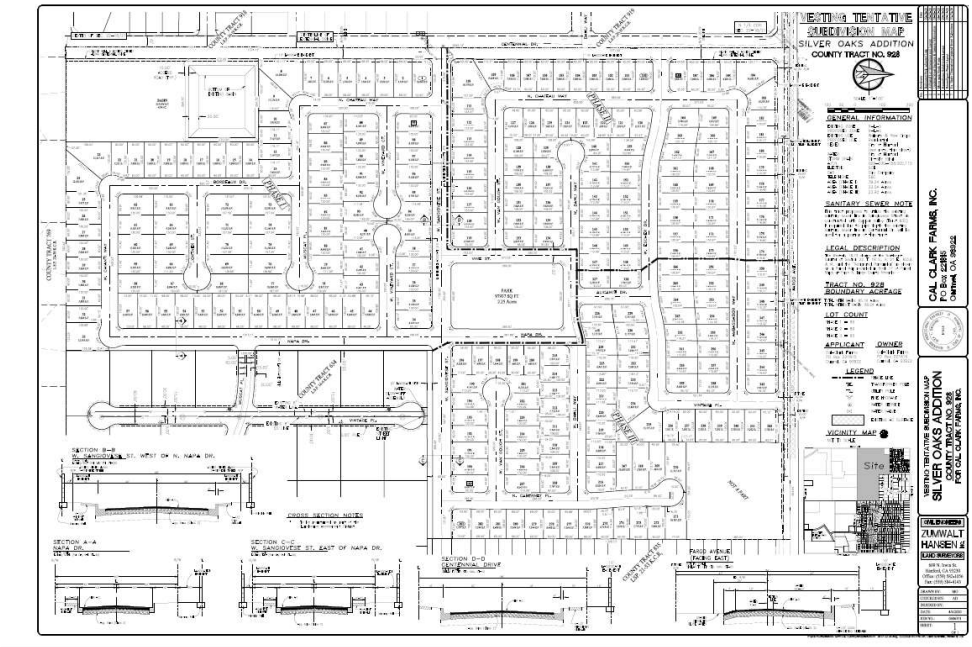
- Transportation Impact Fees reimbursed $168,423.31
- Water Impact Fees reimbursed $175,232.30

Unit 4: Paid 1/21/2025
Frontage Pavement on Fargo Avenue. $ 78,452.43
Frontage Pavement on Centennial Drive $57,560.95
Credit for 15" Sanitary Sewer Main per COA and Masterplan-not installed -$ 87,731.80
Credit for Final Map review -$ 1,072.50
Total Reimbursement Paid $ 47,209.08 to developer

- Transportation Impact Fees $136,013.38

Impact Fees Summary:
The total impact fees paid/collected for Tract 928 (280 total lots in Tract 928)

- Park Impact Fees (280 lots @ $2,687.08) = **$752,382.40**
- Transportation Impact Fees (280 lots @ $3,815.14) = $1,068,239.20
  - **$1,068,239.20**(paid) - $168,423.31(credit for Unit 3) - $136,013.38(credit for Unit 4) = $763,802,51(account balance)
- Storm Drain Impact Fees (29 lots @ $619.22) = $17,957.38
  - (251 lots @ $562.44) = $141,172.44
  - Total $159,129.82 – ($71,992.32 credited) = $87,137.50 (account balance)
- Water Impact Fees (280 lots @ $2,434.02) = $681,525.60
  - $681,525.60(paid) - $175,232.30(Unit 3) = $506,293.30(account balance)



10. Reimbursement.

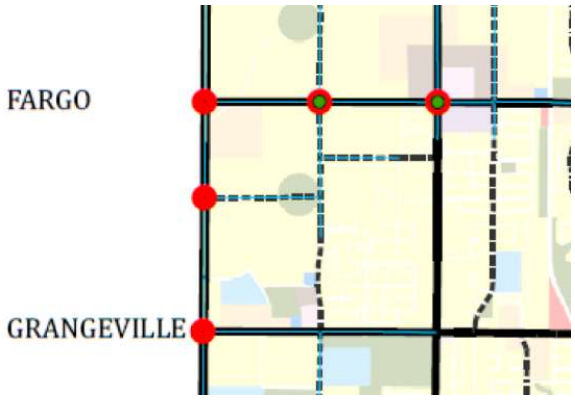
If the City Municipal Code provides SUBDIVIDER with the right to receive cash reimbursement or impact fee credit because of the construction of certain improvements or the oversizing thereof, SUBDIVIDER must request payment of the cash reimbursement or preparation of a reimbursement agreement, whichever is applicable, or the impact fee credit prior to the date of final acceptance of all subdivision improvements by the City Council. Such request must be made in writing and received by the City Engineer prior to the date of final acceptance of the IMPROVMENTS by City Council. SUBDIVIDER agrees that should it fail to make such written request by the date identified herein, SUBDIVIDER forever waives its right to request and receive any cash reimbursement, reimbursement agreement or impact fee credit.

The subdivision agreement for Tract 928, Unit 1 states that reimbursements are allowed for certain improvements and must be made “in writing prior to the Notice of Completion being accepted by the City Council”. The developer provided to staff that the request for reimbursement was made via email sent on 5/24/2022. With the Notice of Completion being approved by City Council on June 21, 2022, it was determined with the additional information provided that the reimbursement request was valid for Unit 1. Tract 928 Unit 1 included construction of a park, an oversized storm drain basin, and street construction of the identified reimbursable street paving on Centennial Drive and Sangiovese Street.

Per the Subdivision Agreement:

The developer, per the Conditions of Approval, was to submit three cost proposals “prior to construction” for the proposed costs for the improvements for review and approval by the City Engineer prior to start of construction. Cost proposals were not submitted or approved prior to construction, therefore reimbursements for pavement are determined by using the 2019 City Impact Fee Study with a construction cost escalator for the specified improvements that are stated in the Conditions of Approval and authorized by the City Impact Fee Study. Centennial Drive and Sangiovese Street are included in the Impact Fee Study as reimbursable Collector streets.

The following exhibits are from the 2019 City Impact Fee Study. Reimbursements are allowed for BLUE streets as shown. Per the Conditions of Approval shown in Resolution 20-23-R, Tract 928, Unit 1 and the Impact Fee Study, *reimbursements include street, sewer, and water improvements in Centennial Drive (Collector) and Sangiovese Street (Collector), and Park land and improvement reimbursements. The identified Traffic Signal at Fargo and Centennial is collected through the Traffic Impact Fees.*



The available fee credits for circulation and park improvements made by developers are listed in Table 13-2. These are set fees that coincide with the unit costs used to calculate the impact fees. Actual costs will not be used to determine fee credits. The Public Works Department will evaluate improvement plans when they are submitted to determine the type of fee credits that apply and their amount.

The right of way fee credit only applies to credit for right of way for General Plan designated arterials and limited arterials. The amount of square feet dedicated beyond a 42-foot wide half street will be eligible for fee credit. This fee credit would not apply to outlot parcels used for landscaping or other purposes.

Table 13-2
Available Impact Fee Credits from Circulation and Parks Impact Fee Accounts

Item	Credit per Unit	Unit
Circulation - Arterial and Major Arterial Street		
Median Curb (both sides)	$20.00	lineal foot
Median Concrete (16' wide)	$160.00	lineal foot
Pavement (one side - 22' wide)	$79.59	lineal foot
Right of Way in exceeding 42' wide half street	$2.066	square foot
Circulation - Collector Street		
Pavement (one side - 18' wide)	$56.76	lineal foot
Circulation - Street Intersections		
Traffic Signal	$400,000.00	each
Intersection Improvements (full)	$400,000.00	each
Parks - Must be Identified in General Plan		
Park Improvements	$184,255.15	acre
Land for Park	$90,000.00	acre

The reimbursable costs for improvements shall include a PCI Escalator (based on Impact Fee Reimbursement document adoption date to the Notice of Completion date (September 2019 to June 2022). The escalator to be applied to the costs stated in the City Impact Fee Study are determined to be **15.91%** increase.

Per the Conditions of Approval for Tract 928, Unit 1, reimbursements are eligible for improvements on Centennial Drive (1,374 lf), Sangiovese Street (1,109 lf), for Park Land and Improvements (2.251 acres), and for oversizing of the Storm Drainage Basin Land and Improvements (3% oversized). Additionally, a credit is to

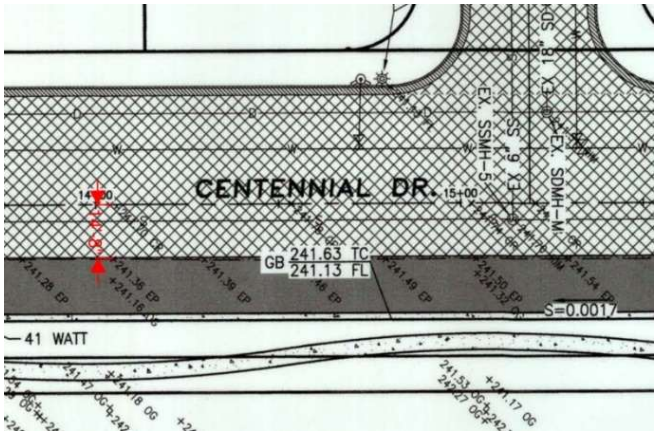
be paid to the city for the developers share of a future traffic signal at Centennial and Fargo, and for the final map review fees.

Reimbursement rates are based on the 2019 City Impact Fee Study for construction stated in the Conditions of Approval.

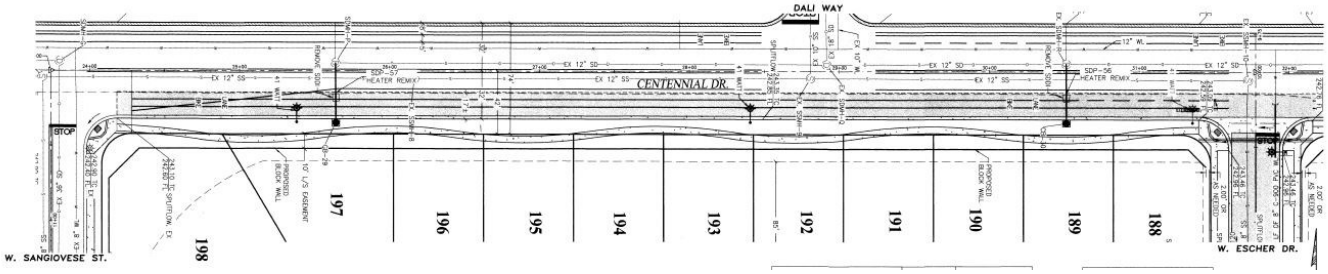
1. <u>Centennial Drive Reimbursements:</u>

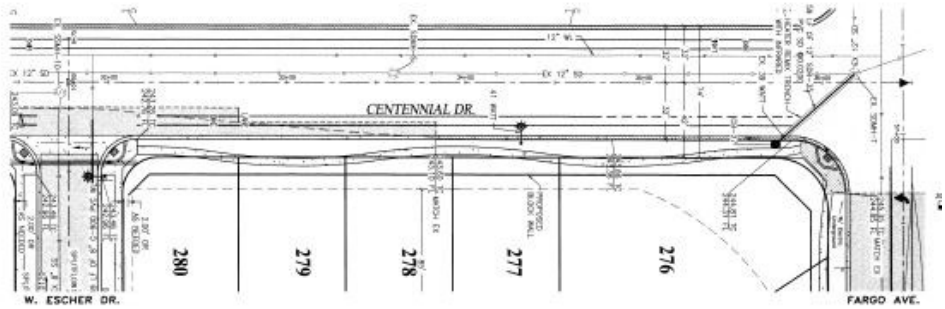
The project improvement plans show construction of Centennial Drive. Per the City Impact Fee Study, the developer is eligible for reimbursement for pavement on Centennial Drive (Collector) of up to 18' width from the centerline of the roadway, at $56.76 plus escalator.

The improvements on Centennial Avenue included pavement across the frontage of the development to widen the pavement from the <u>existing 14.5' wide</u> to 32' wide to face of curb. The City Impact Fee Study reimburses for 18' of pavement from centerline on Collector Streets that are identified on the reimbursement map. Centennial Drive is identified as a reimbursable street. The additional pavement width that is reimbursable is 3.5' wide x the length of the project. Since the provided pavement width does not meet the 18' width of paving, the pavement reimbursement will be based on a square footage rate calculated from the Fee Study rate as shown below.



The cost per square foot for collector streets is $56.76 per linear foot/18' wide = $3.15 per sf.





The improvement on Centennial Avenue included pavement across the frontage of the development of 3.5' wide reimbursable pavement for a total length of 1,374 lf. The total square feet of pavement that is reimbursable on Centennial Drive is 3.5'wide x 1,374'length = 4,810 sf

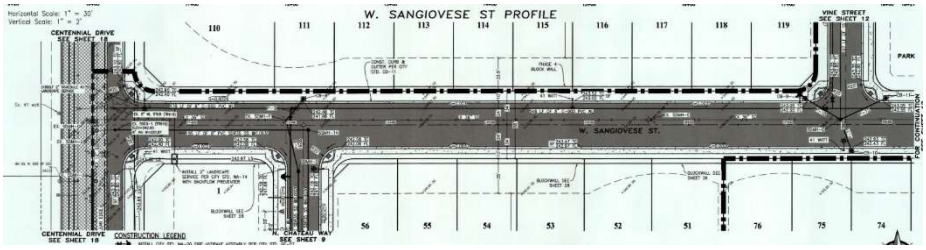
The reimbursement for Centennial Drive pavement is 4,810 sf x ($56.76/18) per sf x 115.91% = **$17,580.69.**

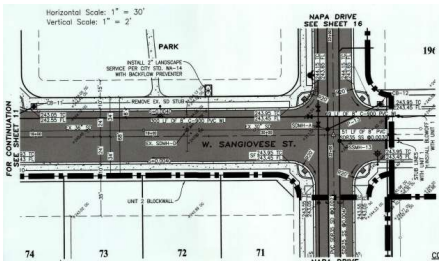
2. Sangiovese Street Reimbursements:

Improvements on Sangiovese Street included pavement and installation of an 8" water main. The water main is not oversized, and therefore only the pavement reimbursement for a Collector street, per the City Impact Fee Study, shall be included at $56.76 per linear foot, plus escalator for each 18' side of the street improved.

The improvements on Sangiovese Street include pavement reimbursed for 18' on each side for a total width of 36' reimbursable. The site frontage length is 1109 lf.

Reimbursable Pavement for Collector (18'-each side): $56.76 per lf x 2 x 1109 LF x 115.91% = **$145,923.36.**



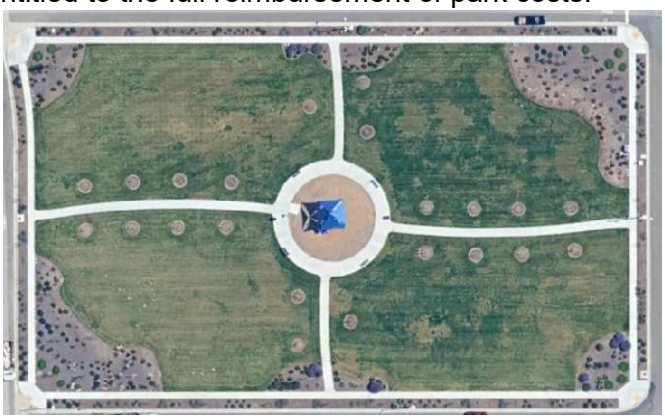


3. Park Land and Improvements Reimbursements:

Resolution 20-23-R states that the developer is subject to reimbursements for park land value and improvements installed. Below is a photo of the improvements installed, which include a play structure, 4 benches, 2 trash receptacles, sidewalk, and landscape and irrigation.

> 2. That the development is subject to a park development mitigation impact fee as required by City Municipal Code Section 15.44 and any revisions thereof. Developer shall be entitled to a credit towards the subdivision park impact fee obligation for all park improvements constructed by the developer in accordance with the Municipal Code. The developer shall agree that all reimbursements will be made pursuant to the City's Impact Fee Program reimbursement schedule.

Per the City Impact Fee Study, the developer is entitled to a reimbursement for park land costs, and park improvements. Park improvements included landscaping and irrigation, sidewalk, benches, drinking fountain, trash receptacles, safety lighting, and play structure. The total amount reimbursed shall not exceed the Parks Impact Fees collected. The developer paid $587,857.20 for Tract 928, Units 1-4, and is therefore entitled to the full reimbursement of park costs.







Per the final map, the park acreage is 2.251 acres. The park land and amenities include:

Land Value: (2.251 ac.) Per the City Impact Fee Study, the land value is $90,000 per acre plus escalator.

$90,000 x 115.91% = $104,319 per ac x 2.251 ac =	**$234,822.07**

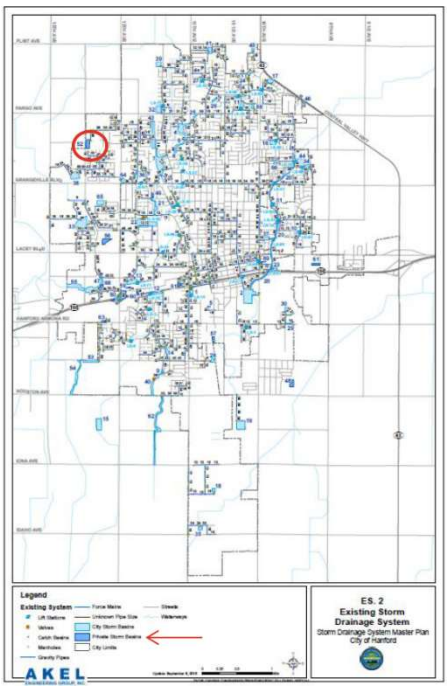
Improvements: (from invoices submitted)

Play system -	$ 24,364.52
Site furnishings -	$ 7,531.52
Irrigation materials (included in Landscape cost summary)	$ 84,698.54
Landscape cost provided (250,000 sf) (less irrigation materials cost) (397,820.00 – $84,698.54) =	$313,121.46
Sidewalk (5598 sf)	$ 20,152.80
Sidewalk Staking	$ 3,650.00
	$453,518.84

The combined total spent on Park land and improvements was **$688,340.91**. The total Park Impact Fees collected was $752,382.40, therefore, the total reimbursable amount shall be the total amount requested by the developer: **$688,340.91.**

Total Park land and improvements reimbursements: $688,340.91

4. **Storm Drainage Basin Reimbursements**



The storm drainage basin constructed with Tract 928 contributes to development outside of Tract 928: Tract 835, “Copper Valley Subdivision” which was completed in March 2007, and 4 rural single family lots. Three of these lots are located in the County. Tract 835, which was developed by Centex Homes, made an agreement in 2007 with Cal Clark Farms for a land easement to construct and maintain a private storm drain basin. The City Storm Drain Masterplan identifies the basin as a Private Basin and it was not owned or maintained by the City. These photos show the land improvements prior to Tract 928 development.

Tract 928 was required to expand the existing basin to accommodate their development and to provide oversizing for four rural single family parcels. The Bairstow property is 3.10 acres, and contributes 1.17% of the basin usage. Parcels 9-11 are 4.12 acres and contribute 1.57% of the basin usage. The basin capacity was oversized



to include 2.74% increase in capacity (rounded to 3%). Tract 928 benefitted from the previous installation of oversized storm drain trunk pipe main installed with Tract 835, and they were only required to connect to the existing trunk pipe lines for their development.

Table 3: Basin Usage

San Joaquin Valley Homes Tract 928 Basin Usage			
Surface Type	Area (ac.)	Volume of Run-Off (ac-ft.)	Usage (%)
Copper Valley	21.6	5.11	16.38
928	77.13	18.25	58.51
Park	2.25	0.11	0.34
Basin	4.94	2.10	6.73
Bairstow property	3.10	0.37	1.17
Parcells 9-11	4.12	0.49	1.57



Based on information provided by the developer's engineer, the oversizing of the basin is rounded up to 3% oversizing.

1.17% + 1.57% = 2.74% (rounded to 3% usage)

The private storm water basin land was dedicated to the City with the Tract 928 Unit 1 Final Map. Below is a photo of the expanded basin developed with Tract 928. The city has been performing maintenance on the basin since June 2022 when the basin was dedicated to the city.

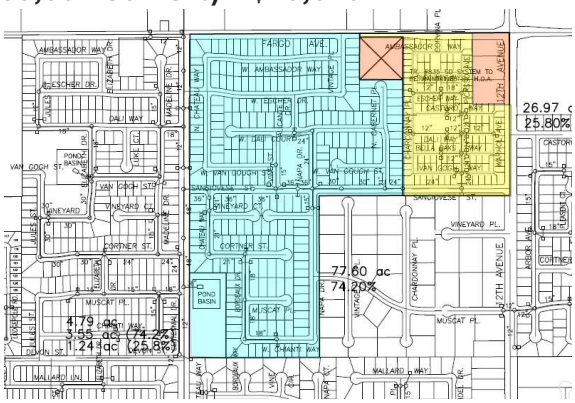




The basin will be maintained through monthly city storm drain fees paid by all city residents. The development predated and did not enter into a maintenance CFD.

SJVH Provided Costs
Basin Excavation = **$141,176.12** (this equates to roughly $3/cy)
Basin Fencing = $12,175.41 – City accepts SJVH request.
Basin Land = **$526,831.24** (this equates to roughly $106,646/acre)
Basin Misc Improvements: $159,129.82 (to be credited in SD Impact Fees). Actual impact fees credited ($71,992.32), balance due = $87,137.50

City's Calculated Reimbursement
Summing up the above bold-faced costs applicable to storm retention basin at 3% oversize:
($688,007.36 x 3%) = $20,040.22



Total Storm Drain Basin land and improvements reimbursement = $119,353.13

5. Traffic Signal – Shared Cost Credit

The Conditions of Approval and the Traffic Study state that a traffic signal shall be installed at the intersection of Centennial Drive and Aquifer Drive, unless a signal warrant shows that the signal is not required at the time of development. A traffic signal warrant was prepared for the development at buildout, and it was determined that the traffic signal would not be required to be installed with Tract 928 buildout. The contribution for the traffic signal is paid through Transportation Impact Fees.

6. Final Map Review Fee – Credit

The Subdivision Agreements states that Final Map review fees are to be determined at project completion. The costs for the final map review for Tract 928 Unit 1 and Unit 2, with a 10% administrative cost totals **$1,311.75**.

Summary of the Resolved Reimbursements:

1. Centennial Avenue Improvements (Collector):
   - **$17,580.69 to be reimbursed from the Transportation Impact Fees for pavement improvements in Centennial Drive.**
2. Sangiovese Street Improvements (Collector):
   - **$145,923.36 to be reimbursed from the Transportation Impact Fees for Collector Street pavement.**
3. Park Improvements: 2.251 acres
   - Land Value: $234,822.07

- Improvements: $453,518.84
- **$688,340.91 to be reimbursed from the Park Impact Fees for the park land and improvements.**

4. Storm Drain Improvements
   - **$119,353.13 to be reimbursed from the Storm Drain Impact Fees for storm basin oversizing and improvements.**
5. Final Map Review Fee
   - **Credit $1,311.75 to the Transportation Impact Fees for the Final Map review fees.**

Total Reimbursement to the Developer: $969,886.34

The developer has requested that the disbursement be provided in two checks with 86% to Bella Vista II and 14% to Bonterra II.

The two (2) checks to be provided for the resolved reimbursement shall be:

1. Presidio JJR Bonterra II 160 – (86%) -	**$834,102.25**
2. Presidio JJR Bella Vista II 150 – (14%) -	**$135,784.09**
Total	**$969,886.34**

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the purchase of two Dodge Durango police-package patrol vehicles from National Auto Fleet Group in the amount of $121,550.50 pursuant to Sourcewell Contract No. 091521-NAF, authorization of vehicle upfitting by Cook's Communications in the amount of $87,339.64, and an appropriation from the Fleet Reserve Account in the total amount of $208,890.14.

RECOMMENDATION:

Recommendation: Authorize the purchase of two (2) Dodge Durango police-package patrol vehicles from **National Auto Fleet Group pursuant to Sourcewell Cooperative Purchasing Contract No. 091521-NAF**, and authorize vehicle upfitting by **Cook's Communications (Fresno, CA)** for the Police Department Traffic Unit to replace the existing BMW motorcycle fleet.

Recommended Motion: Move to approve the purchase of two (2) Dodge Durango police-package vehicles for the Traffic Unit, including associated upfitting, and authorize the sale of the existing motorcycle fleet to offset a portion of the project cost.

BACKGROUND:

The Police Department is requesting approval to purchase two Dodge Durango patrol vehicles from **National Auto Fleet Group pursuant to Sourcewell Contract No. 091521-NAF**, and authorize them to be police-equipped (upfitted) by **Cook's Communications (Fresno, CA – sole source vendor)** for the Traffic Unit due to ongoing officer safety concerns associated with motorcycle operations. Recent serious traffic accidents involving traffic officers have highlighted the increased risk of injury when operating motorcycles during enforcement activities, traffic stops, and collision investigation operations.

Transitioning the Traffic Unit from motorcycles to enclosed patrol vehicles will significantly improve officer safety by providing increased physical protection while maintaining the Department's ability to conduct proactive traffic enforcement. The Dodge Durango's will be specifically outfitted for traffic enforcement, including front- and rear-mounted radar detection systems and related specialized concealed emergency lighting equipment.

The vehicles will feature a low-profile, subdued exterior appearance designed to reduce unnecessary visual conspicuousness while remaining clearly identifiable as law enforcement when needed. This configuration improves enforcement effectiveness by reducing driver behavior changes commonly

associated with highly visible enforcement vehicles.

The Police Department intends to remove the current BMW motorcycle fleet from service. One of the four motorcycles, a 2019 BMW RT, was involved in a traffic collision in which the other driver was determined to be at fault and the motorcycle was deemed a total loss. Per Risk Management, the motorcycle was not insured for loss replacement. The at-fault party carried insurance, and a potential recovery in the estimated range of $7,000 to $15,000 may be received; however, resolution of this claim could take up to three years. The remaining motorcycles are expected to be sold, with combined proceeds estimated at approximately $30,000, which will be used to offset a portion of the overall project cost.

The total cost for the purchase and upfitting of two Dodge Durango patrol vehicles is **$208,890.14**, broken down as follows:

Vehicle purchase cost (National Auto Fleet Group – Sourcewell Contract No. 091521-NAF, attached):
$60,775.25 per vehicle ($121,550.50 total)

Upfitting cost (Cook's Communications, Fresno, CA):
$43,669.82 per vehicle ($87,339.64 total)

The sale of the existing motorcycle fleet and any applicable insurance recovery are expected to offset approximately $30,000 of the total cost. The remainder of the funding will come from the Fleet Reserve Account, with an appropriation requested as part of this action to authorize the purchase.

FISCAL IMPACT:

Appropriation of **$208,890.14** from the Fleet Reserve Account. Sales and insurance proceeds received will be deposited in the Fleet Reserve Account to offset total cost.

ATTACHMENTS:
1. Sourcewell-National Auto Fleet Quote
2. Sourcewell-National Auto Fleet Contract 081325
3. National Auto Fleet 032824-NAF - Price Information
4. Cooks Estimate

National Auto Fleet Group
A Division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

9/18/2025
12/18/2025 Re-Configured

Quote ID: **33043 R6**

Order Cut Off Date: **TBA**

Mr Glen Weaver
City of Hanford

315 N. Douty
Suite 420

Hanford, California, 93230

Dear Glen Weaver,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.
One (1) New/Unused 2026 Dodge Durango (WDEE75) Pursuit AWD, delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	$58,964.00	$55,604.16	5.698 %	$3,359.84
Tax (8.2500 %)		$4,587.34		
Tire fee		$8.75		
Transportation		$575.00		
Total		$60,775.25		

- per the attached specifications.

This vehicle(s) is available under the **Sourcewell Contract 091521-NAF** . Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 20 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Yesenia Covarrubias
Account Manager
yesenia@watsonvillefleetgroup.com
(626) 457-5590

Vehicle Configuration Options

ENGINE	
Code	**Description**
EZH	Engine: 5.7L V8 HEMI MDS VVT, -inc: 160 mph Primary Certified Speedometer, 3.09 Rear Axle Ratio, Dual Rear Exhaust w/Bright Tips, 230MM Rear Axle, 800 Amp Maintenance Free Battery, 2 Speed On Demand Transfer Case, GVWR: 7,100 lbs
TRANSMISSION	
Code	**Description**
DFD	Transmission: 8-Speed Automatic (8HP70)
WHEELS	
Code	**Description**
WBN	Wheels: 18" x 8" Black Steel, (STD)
PRIMARY PAINT	
Code	**Description**
PDN	Destroyer Gray Clearcoat
SEAT TYPE	
Code	**Description**
C5X9	Black, Cloth Bucket Seats w/Shift Insert, -inc: cloth rear seat
AXLE RATIO	
Code	**Description**
DPM	3.09 Rear Axle Ratio
GVWR	
Code	**Description**
Z6J	GVWR: 7,100 lbs
CPOS PKG	
Code	**Description**
22Z	Quick Order Package 22Z, -inc: Engine: 5.7L V8 HEMI MDS VVT, Transmission: 8-Speed Automatic (8HP70), current maximum speed of 130mph, For maximum speed of 145mph, select optional (JJ6) 145mph speed calibration and (JCJ) 160mph certified speedometer, Units will be held in BE until configuration is available
ADDITIONAL EQUIPMENT	
Code	**Description**

ADL	Skid Plate Group, -inc: Transfer Case Skid Plate Shield, Front Suspension Skid Plate, Fuel Tank Skid Plate Shield, Underbody Skid Plate
JCJ	160 mph Primary Certified Speedometer
CW6	Deactivate Rear Doors/Windows
XDV	Driver Side Ballistic Door Panel
XDG	Passenger Side Ballistic Door Panel
GXF	Entire Fleet Alike Key (FREQ 1), -inc: 4 additional / 8 FOBs total
LSA	Security Alarm

2026 Fleet/Non-Retail Dodge Durango Pursuit AWD

WINDOW STICKER

2026 Dodge Durango Pursuit AWD

CODE	MODEL	MSRP
WDEE75	2026 Dodge Durango Pursuit AWD	$44,879.00
	OPTIONS	
EZH	Engine: 5.7L V8 HEMI MDS VVT, -inc: 160 mph Primary Certified Speedometer, 3.09 Rear Axle Ratio, Dual Rear Exhaust w/Bright Tips, 230MM Rear Axle, 800 Amp Maintenance Free Battery, 2 Speed On Demand Transfer Case, GVWR: 7,100 lbs	$3,240.00
DFD	Transmission: 8-Speed Automatic (8HP70)	$0.00
WBN	Wheels: 18" x 8" Black Steel, (STD)	$0.00
PDN	Destroyer Gray Clearcoat	$595.00
C5X9	Black, Cloth Bucket Seats w/Shift Insert, -inc: cloth rear seat	$0.00
DPM	3.09 Rear Axle Ratio	INC
Z6J	GVWR: 7,100 lbs	INC
22Z	Quick Order Package 22Z, -inc: Engine: 5.7L V8 HEMI MDS VVT, Transmission: 8-Speed Automatic (8HP70), current maximum speed of 130mph, For maximum speed of 145mph, select optional (JJ6) 145mph speed calibration and (JCJ) 160mph certified speedometer, Units will be held in BE until configuration is available	$0.00
ADL	Skid Plate Group, -inc: Transfer Case Skid Plate Shield, Front Suspension Skid Plate, Fuel Tank Skid Plate Shield, Underbody Skid Plate	$370.00
JCJ	160 mph Primary Certified Speedometer	INC
CW6	Deactivate Rear Doors/Windows	$95.00
XDV	Driver Side Ballistic Door Panel	$3,500.00
XDG	Passenger Side Ballistic Door Panel	$3,500.00
GXF	Entire Fleet Alike Key (FREQ 1), -inc: 4 additional / 8 FOBs total	$600.00
LSA	Security Alarm	$190.00

Please note selected options override standard equipment

	SUBTOTAL	**$56,969.00**
	Advert/ Adjustments	$0.00
	Manufacturer Destination Charge	$1,995.00
	TOTAL PRICE	**$58,964.00**

Est City: 14 (Est) MPG
Est Highway: 21 (Est) MPG
Est Highway Cruising Range: 516.60 mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Notes

Standard Equipment

MECHANICAL

Engine: 3.6L V6 24V VVT UPG I w/ESS (STD)
Transmission: 8-Speed Automatic (850RE) (STD)
3.45 Rear Axle Ratio (STD)
GVWR: 6,500 lbs (STD)

EXTERIOR

Wheels: 18" x 8" Black Steel (STD)

TIRES

Tires: 255/60R18 BSW On/Off Road

ADDITIONAL EQUIPMENT

50 State Emissions
Transmission w/Sequential Shift Control
Full-Time All-Wheel
Engine Oil Cooler
650CCA Maintenance-Free Battery w/Run Down Protection
220 Amp Alternator
Class IV Towing Equipment -inc: Hitch and Trailer Sway Control
Trailer Wiring Harness
Police/Fire
1250# Maximum Payload
Front And Rear Anti-Roll Bars
Gas-Pressurized Front Shock Absorbers and Nivomat Brand Name Rear Shock Absorbers
Nivomat Suspension
HD Suspension
Electric Power-Assist Speed-Sensing Steering
24.6 Gal. Fuel Tank
Single Stainless Steel Exhaust
Permanent Locking Hubs
Short And Long Arm Front Suspension w/Coil Springs
Multi-Link Rear Suspension w/Coil Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist and Hill Hold Control
Upfitter Switches

Wheels w/Chrome Hub Covers
Steel Spare Wheel
Compact Spare Tire Stored Underbody w/Crankdown
Body-Colored Front Bumper w/Black Rub Strip/Fascia Accent
Body-Colored Rear Step Bumper w/Black Rub Strip/Fascia Accent
Black Side Windows Trim
Body-Colored Door Handles
Chrome Bodyside Insert and Black Wheel Well Trim
Black Power Heated Side Mirrors w/Manual Folding
Fixed Rear Window w/Wiper and Defroster
Deep Tinted Glass
Speed Sensitive Variable Intermittent Wipers
Galvanized Steel/Aluminum Panels
Lip Spoiler
Black Grille
Liftgate Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Auto On/Off Projector Beam Led Low/High Beam Daytime Running Headlamps w/Delay-Off
Perimeter/Approach Lights
LED Brakelights
Laminated Glass
Radio w/Seek-Scan, Clock, Speed Compensated Volume Control, Aux Audio Input Jack, Steering Wheel Controls, Voice Activation and Radio Data System
Radio: Uconnect 5 Nav w/10.1" Display
6 Speakers
Streaming Audio
Integrated Roof Antenna
Wireless Phone Connectivity
2 LCD Monitors In The Front
Connected Travel & Traffic Services Real-Time Traffic Display
Front Seats w/Power 4-Way Driver Lumbar
12-Way Power Driver Seat -inc: Power Recline, Height Adjustment, Fore/Aft Movement, Cushion Tilt and Power 4-Way Lumbar Support
4-Way Passenger Seat -inc: Manual Recline, Fore/Aft Movement and Fold Flat
60-40 Folding Split-Bench Front Facing Fold Forward Seatback Cloth Rear Seat
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Voltmeter, Oil Pressure, Engine Coolant Temp, Tachometer, Oil Temperature, Transmission Fluid Temp, Engine Hour Meter, Trip Odometer and Trip Computer
Power Rear Windows and Fixed 3rd Row Windows
4G LTE Wi-Fi Hot Spot (3-month or 3 GB trial included) Mobile Hotspot Internet Access
Leather Steering Wheel

Front Cupholder
Rear Cupholder
Compass
Proximity Key For Doors And Push Button Start
Valet Function
Remote Keyless Entry w/Integrated Key Transmitter, 2 Door Curb/Courtesy, Illuminated Entry and Panic Button
Cruise Control w/Steering Wheel Controls
Voice Activated Dual Zone Front Automatic Air Conditioning
Rear HVAC w/Separate Controls
HVAC -inc: Auxiliary Rear Heater, Headliner/Pillar Ducts and Console Ducts
Illuminated Locking Glove Box
Driver Foot Rest
Full Cloth Headliner
Interior Trim -inc: Metal-Look Instrument Panel Insert, Metal-Look Door Panel Insert and Chrome Interior Accents
Cloth Bucket Seats w/Shift Insert -inc: cloth rear seat
Day-Night Auto-Dimming Rearview Mirror
Driver And Passenger Visor Vanity Mirrors
Partial Floor Console w/Covered Storage, Mini Overhead Console w/Storage and 3 12V DC Power Outlets
Front And Rear Map Lights
Fade-To-Off Interior Lighting
Carpet Floor Trim
Full Vinyl/Rubber Floor Covering
Cargo Area Concealed Storage
Cargo Space Lights
Integrated Navigation System w/Voice Activation
Smart Device Integration
FOB Controls -inc: Keyfob Cargo Access and Keyfob Window Activation
Driver / Passenger And Rear Door Bins
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Driver Information Center
Redundant Digital Speedometer
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
Manual w/Tilt Front Head Restraints and Fixed Rear Head Restraints
Front Center Armrest w/Storage and Rear Center Armrest

#7 Seat Foam Cushion
Sentry Key Immobilizer
3 12V DC Power Outlets
Air Filtration
Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Dodge Connect Emergency Sos Capability
ParkSense with Stop Rear Parking Sensors
Rear Cross Path Detection
Blind Spot w/Trailer Detection Blind Spot
Tire Specific Low Tire Pressure Warning
Dual Stage Driver And Passenger Front Airbags
Curtain 1st, 2nd And 3rd Row Airbags
Airbag Occupancy Sensor
Driver Knee Airbag
Rear Child Safety Locks
Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners
ParkView Back-Up Camera

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MASTER AGREEMENT #081325
CATEGORY: Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories
SUPPLIER: 72 Hour LLC, dba National Auto Fleet Group

This Master Agreement (Agreement) is between Sourcewell, a Minnesota service cooperative located at 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and 72 Hour LLC, dba National Auto Fleet Group, 490 Auto Center Drive, Watsonville, CA 95076 (Supplier).

Sourcewell is a local government and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) offering a Cooperative Purchasing Program to eligible participating government entities.

Under this Master Agreement entered with Sourcewell, Supplier will provide Included Solutions to Participating Entities through Sourcewell's Cooperative Purchasing Program.

Article 1:
General Terms

The General Terms in this Article 1 control the operation of this Master Agreement between Sourcewell and Supplier and apply to all transactions entered by Supplier and Participating Entities. Subsequent Articles to this Master Agreement control the rights and obligations directly between Sourcewell and Supplier (Article 2), and between Supplier and Participating Entity (Article 3), respectively. These Article 1 General Terms control over any conflicting terms. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Purpose.** Pursuant to Minnesota law, the Sourcewell Board of Directors has authorized a Cooperative Purchasing Program designed to provide Participating Entities with access to competitively awarded cooperative purchasing agreements. To facilitate the Program, Sourcewell has awarded Supplier this cooperative purchasing Master Agreement following a competitive procurement process intended to meet compliance standards in accordance with Minnesota law and the requirements contained herein.

2) **Intent.** The intent of this Master Agreement is to define the roles of Sourcewell, Supplier, and Participating Entity as it relates to Sourcewell's Cooperative Purchasing Program.

3) **Participating Entity Access.** Sourcewell's Cooperative Purchasing Program Master Agreements are available to eligible public agencies (Participating Entities). A Participating Entity's authority to access Sourcewell's Cooperative Purchasing Program is determined through the laws of its respective jurisdiction.

4) **Supplier Access.** The Included Solutions offered under this Agreement may be made available to any Participating Entity. Supplier understands that a Participating Entity's use of this Agreement is at the Participating Entity's sole convenience. Supplier will educate its sales and service forces about Sourcewell eligibility requirements and required documentation. Supplier will be responsible for

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ensuring sales are with Participating Entities.

5) **Term.** This Agreement is effective upon the date of the final signature below. The term of this Agreement is four (4) years from the effective date. The Agreement expires at 11:59 P.M. Central Time on November 13, 2029, unless it is cancelled or extended as defined in this Agreement.

   a. **Extensions.** Sourcewell and Supplier may agree to up to three (3) additional one-year extensions beyond the original four-year term. The total possible length of this Agreement will be seven (7) years from the effective date.

   b. **Exceptional Circumstances.** Sourcewell retains the right to consider additional extensions as required under exceptional circumstances.

6) **Survival of Terms.** Notwithstanding the termination of this Agreement, the obligations of this Agreement will continue through the performance period of any transaction entered between Supplier and any Participating Entity before the termination date.

7) **Scope.** Supplier is awarded a Master Agreement to provide the solutions identified in RFP # 081325 to Participating Entities. In Scope solutions include:

   a. Category 1: ALL engines, fuel, and propulsion type Automobiles, SUVs, Vans, and Light Trucks:

      i. Vehicles of the following types and classifications:
         (1) Automobiles: mini, subcompact, compact, coupe, sedan, and full size;
         (2) Sport Utility Vehicles: cross-over, light duty, and heavy duty;
         (3) Vans: passenger and cargo; and
         (4) Light Trucks: light duty, half-ton, three-quarter ton, and one ton.
      ii. Vehicles of the types and classifications in subsections 7 a. i. (1)-(4). above with upfitting designed for:
         (1) Public safety applications;
         (2) ADA and paratransit applications;
         (3) Service bodies and utility bed for light trucks; and
         (4) Equipment, lighting, technology, accessories, safety products, and upfitting services directly related to turnkey solutions for subsections 7 a. ii. (1)-(3).
      iii. A wide range of vehicles by seating or cargo configurations, drive train options, trim levels, and optional equipment offerings.
      iv. Proposers may include related equipment, accessories, supplies, parts, and services to the extent that the solutions are directly related to turnkey solutions for subsections 7 a. i. and 7 a. ii. above.

   Proposers may include related equipment, accessories, and services to the extent that these solutions are ancillary or complementary to the equipment, products, or services being proposed.

8) **Included Solutions.** Supplier's Proposal to the above referenced RFP is incorporated into this Master Agreement. Only those Solutions included within Supplier's Proposal and within Scope (Included Solutions) are included within the Agreement and may be offered to Participating Entities.

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9) **Indefinite Quantity.** This Master Agreement defines an indefinite quantity of sales to eligible Participating Entities.

10) **Pricing.** Pricing information (including Pricing and Delivery and Pricing Offered tables) for all Included Solutions within Supplier's Proposal is incorporated into this Master Agreement.

11) **Not to Exceed Pricing.** Suppliers may not exceed the prices listed in the current Pricing List on file with Sourcewell when offering Included Solutions to Participating Entities. Participating Entities may request adjustments to pricing directly from Supplier during the negotiation and execution of any transaction.

12) **Open Market.** Supplier's open market pricing process is included within its Proposal.

13) Supplier Representations:

i) **Compliance.** Supplier represents and warrants it will provide all Included Solutions under this Agreement in full compliance with applicable federal, state, and local laws and regulations.

ii) **Licenses.** As applicable, Supplier will maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of Supplier's business with Participating Entities. Participating Entities may request all relevant documentation directly from Supplier.

iii) **Supplier Warrants.** Supplier warrants that all Included Solutions furnished under this Agreement are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended.

14) **Bankruptcy Notices.** Supplier certifies and warrants it is not currently in a bankruptcy proceeding. Supplier has disclosed all current and completed bankruptcy proceedings within the past seven years within its Proposal. Supplier must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the term of this Agreement.

15) **Debarment and Suspension.** Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Agreement. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time during the term of this Agreement.

16) **Provisions for non-United States federal entity procurements under United States federal awards or other awards (Appendix II to 2 C.F.R § 200).** Participating Entities that use United States federal grant or other federal funding to purchase solutions from this Agreement may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or

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conditions. Within this Section, all references to "federal" should be interpreted to mean the United States federal government. The following list applies when a Participating Entity accesses Supplier's Included Solutions with United States federal funds.

i) **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all agreements that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

ii) **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must comply with all applicable Davis-Bacon Act provisions.

iii) **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies, materials, or articles ordinarily available on the open market, or

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contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Agreement. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

iv) **RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.** If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

v) **CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387).** Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Agreement it will comply with applicable requirements as referenced above.

vi) **DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689).** A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

vii) **BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352).** Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

viii) **RECORD RETENTION REQUIREMENTS.** To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further

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certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

ix) **ENERGY POLICY AND CONSERVATION ACT COMPLIANCE.** To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

x) **BUY AMERICAN PROVISIONS COMPLIANCE.** To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

xi) **ACCESS TO RECORDS (2 C.F.R. § 200.336).** Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

xii) **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

xiii) **FEDERAL SEAL(S), LOGOS, AND FLAGS.** The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

xiv) **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Agreement or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Agreement or any purchase by an authorized user.

xv) **PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.** The Contractor acknowledges that 31 U.S.C. § 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Agreement or any purchase by a Participating Entity.

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xvi) **FEDERAL DEBT.** The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

xvii) **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

xviii) **U.S. EXECUTIVE ORDER 13224.** The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

xix) **PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.** To the extent applicable, Supplier certifies that during the term of this Agreement it will comply with applicable requirements of 2 C.F.R. § 200.216.

xx) **DOMESTIC PREFERENCES FOR PROCUREMENTS.** To the extent applicable, Supplier certifies that during the term of this Agreement, Supplier will comply with applicable requirements of 2 C.F.R. § 200.322.

Article 2:
Sourcewell and Supplier Obligations

The Terms in this Article 2 relate specifically to Sourcewell and its administration of this Master Agreement with Supplier and Supplier's obligations thereunder.

1) **Authorized Sellers**. Supplier must provide Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers which may complete transactions of Included Solutions offered under this Agreement. Sourcewell may request updated information in its discretion, and Supplier agrees to provide requested information within a reasonable time.

2) **Product and Price Changes Requirements.** Supplier may request Included Solutions changes, additions, or deletions at any time. All requests must be made in writing by submitting a Sourcewell Price and Product Change Request Form to Sourcewell. At a minimum, the request must:
   - Identify the applicable Sourcewell Agreement number;
   - Clearly specify the requested change;
   - Provide sufficient detail to justify the requested change;
   - Individually list all Included Solutions affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
   - Include a complete restatement of Pricing List with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Included Solutions offered, even for those items where pricing remains unchanged.

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A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Agreement and will be incorporated by reference.

3) **Authorized Representative.** Supplier will assign an Authorized Representative to Sourcewell for this Agreement and must provide prompt notice to Sourcewell if that person is changed. The Authorized Representative will be responsible for:
    - Maintenance and management of this Agreement;
    - Timely response to all Sourcewell and Participating Entity inquiries; and
    - Participation in reviews with Sourcewell.

    Sourcewell's Authorized Representative is its Chief Procurement Officer.

4) **Performance Reviews.** Supplier will perform a minimum of one review with Sourcewell per agreement year. The review will cover transactions to Participating Entities, pricing and terms, administrative fees, sales data reports, performance issues, supply chain issues, customer issues, and any other necessary information.

5) **Sales Reporting Required.** Supplier is required as a material element to this Master Agreement to report all completed transactions with Participating Entities utilizing this Agreement. Failure to provide complete and accurate reports as defined herein will be a material breach of the Agreement and Sourcewell reserves the right to pursue all remedies available at law including cancellation of this Agreement.

6) **Reporting Requirements.** Supplier must provide Sourcewell an activity report of all transactions completed utilizing this Agreement. Reports are due at least once each calendar quarter (Reporting Period). Reports must be received no later than 45 calendar days after the end of each calendar quarter. Supplier may report on a more frequent basis in its discretion. Reports must be provided regardless of the amount of completed transactions during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

    The Report must contain the following fields:
    - Participating Entity Name (e.g., City of Staples Highway Department);
    - Participating Entity Physical Street Address;
    - Participating Entity City;
    - Participating Entity State/Province;
    - Participating Entity Zip/Postal Code;
    - Sourcewell Participating Entity Account Number;
    - Transaction Description;
    - Transaction Purchased Price;
    - Sourcewell Administrative Fee Applied; and
    - Date Transaction was invoiced/sale was recognized as revenue by Supplier.

    If collected by Supplier, the Report may include the following fields as available:
    - Participating Entity Contact Name;
    - Participating Entity Contact Email Address;
    - Participating Entity Contact Telephone Number;

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7) **Administrative Fee.** In consideration for the support and services provided by Sourcewell, Supplier will pay an Administrative Fee to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. Supplier will include its Administrative Fee within its proposed pricing. Supplier may not directly charge Participating Entities to offset the Administrative Fee.

8) **Fee Calculation.** Supplier's Administrative Fee payable to Sourcewell will be calculated as a stated percentage (listed in Supplier's Proposal) of all completed transactions utilizing this Master Agreement within the preceding Reporting Period. For certain categories, a flat fee may be proposed. The Administrative Fee will be stated in Supplier's Proposal.

9) **Fee Remittance.** Supplier will remit fee to Sourcewell no later than 45 calendar days after the close of the preceding calendar quarter in conjunction with Supplier's Reporting Period obligations defined herein. Payments should note the Supplier's name and Sourcewell-assigned Agreement number in the memo; and must be either mailed to Sourcewell above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions.

10) **Noncompliance.** Sourcewell reserves the right to seek all remedies available at law for unpaid or underpaid Administrative Fees due under this Agreement. Failure to remit payment, delinquent payments, underpayments, or other deviations from the requirements of this Agreement may be deemed a material breach and may result in cancellation of this Agreement and disbarment from future Agreements.

11) **Audit Requirements.** Pursuant to Minn. Stat. § 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell and the Minnesota State Auditor for a minimum of six years from the end of this Agreement. Supplier agrees to fully cooperate with Sourcewell in auditing transactions under this Agreement to ensure compliance with pricing terms, correct calculation and remittance of Administrative Fees, and verification of transactions as may be requested by a Participating Entity or Sourcewell.
12) **Assignment, Transfer, and Administrative Changes.** Supplier may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of Sourcewell. Such consent will not be unreasonably withheld. Sourcewell reserves the right to unilaterally assign all or portions of this Agreement within its sole discretion to address corporate restructurings, mergers, acquisitions, or other changes to the Responsible Party and named in the Agreement. Any prohibited assignment is invalid. Upon request Sourcewell may make administrative changes to agreement documentation such as name changes, address changes, and other non-material updates as determined within its sole discretion.

13) **Amendments.** Any material change to this Agreement must be executed in writing through an amendment and will not be effective until it has been duly executed by the parties.

14) **Waiver.** Failure by Sourcewell to enforce any right under this Agreement will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.

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15) **Complete Agreement.** This Agreement represents the complete agreement between the parties for the scope as defined herein. Supplier and Sourcewell may enter into separate written agreements relating specifically to transactions outside of the scope of this Agreement.

16) **Relationship of Sourcewell and Supplier.** This Agreement does not create a partnership, joint venture, or any other relationship such as employee, independent contractor, master-servant, or principal-agent.

17) **Indemnification.** Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Agreement by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in design, condition, or performance of Included Solutions under this Agreement. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

18) **Data Practices.** Supplier and Sourcewell acknowledge Sourcewell is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. As it applies to all data created and maintained in performance of this Agreement, Supplier may be subject to the requirements of this chapter.

19) **Grant of License.**
    a) **During the term of this Agreement:**
        i) **Supplier Promotion.** Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising, promotional materials, and informational sites for the purpose of marketing Sourcewell's Agreement with Supplier.

        ii) **Sourcewell Promotion.** Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising, promotional materials, and informational sites for the purpose of marketing Supplier's Agreement with Sourcewell.

    b) **Limited Right of Sublicense.** The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, partners, or agents (collectively "Permitted Sublicensees") in advertising, promotional, or informational materials for the purpose of marketing the Parties' relationship. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this section by any of their respective sublicensees.

    c) **Use; Quality Control.**
        i) Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

        ii) Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Each party may make written notice to the other regarding misuse under

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this section. The offending party will have 30 days of the date of the written notice to cure the issue or the license/sublicense will be terminated.

d) **Termination.** Upon the termination of this Agreement for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

20) **Venue and Governing law between Sourcewell and Supplier Only.** The substantive and procedural laws of the State of Minnesota will govern this Agreement between Sourcewell and Supplier. Venue for all legal proceedings arising out of this Agreement between Sourcewell and Supplier will be in court of competent jurisdiction within the State of Minnesota. This section does not apply to any dispute between Supplier and Participating Entity. This Agreement reserves the right for Supplier and Participating Entity to negotiate this term to within any transaction documents.

21) **Severability.** If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Agreement is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

22) **Insurance Coverage.** At its own expense, Supplier must maintain valid insurance policy(ies) during the performance of this Agreement with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

a) **Commercial General Liability Insurance.** Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Agreement.

- $1,500,000 each occurrence Bodily Injury and Property Damage
- $1,500,000 Personal and Advertising Injury
- $2,000,000 aggregate for products liability-completed operations
- $2,000,000 general aggregate

b) **Certificates of Insurance.** Prior to execution of this Agreement, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Agreement. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or provided to in an alternative manner as directed by Sourcewell. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. Failure of Supplier to maintain the required insurance and documentation may constitute a material breach.

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c) **Additional Insured Endorsement and Primary and Non-contributory Insurance Clause.** Supplier agrees to list Sourcewell, including its officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

d) **Waiver of Subrogation.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Agreement or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

e) **Umbrella/Excess Liability/SELF-INSURED RETENTION.** The limits required by this Agreement can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

23) **Termination for Convenience.** Sourcewell or Supplier may terminate this Agreement upon 60 calendar days' written notice to the other Party. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

24) **Termination for Cause.** Sourcewell may terminate this Agreement upon providing written notice of material breach to Supplier. Notice must describe the breach in reasonable detail and state the intent to terminate the Agreement. Upon receipt of Notice, the Supplier will have 30 calendar days in which it must cure the breach. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

Article 3:
Supplier Obligations to Participating Entities

The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Quotes to Participating Entities.** Suppliers are encouraged to provide all pricing information regarding the total cost of acquisition when quoting to a Participating Entity. Suppliers and Participating Entities are encouraged to include all cost specifically associated with or included within the Suppliers proposal and Included Solutions within transaction documents.

2) **Shipping, Delivery, Acceptance, Rejection, and Warranty.** Supplier's proposal may include proposed terms relating to shipping, delivery, inspection, and acceptance/rejection and other relevant terms

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of tendered Solutions. Supplier and Participating Entity may negotiate final terms appropriate for the specific transaction relating to non-appropriation, shipping, delivery, inspection, acceptance/rejection of tendered Solutions, and warranty coverage for Included Solutions. Such terms may include, but are not limited to, costs, risk of loss, proper packaging, inspection rights and timelines, acceptance or rejection procedures, and remedies as mutually agreed include notice requirements, replacement, return or exchange procedures, and associated costs.

3) **Applicable Taxes.** Participating Entity is responsible for notifying supplier of its tax-exempt status and for providing Supplier with any valid tax-exemption certification(s) or related documentation.

4) **Ordering Process and Payment.** Supplier's ordering process and acceptable forms of payment are included within its Proposal. Participating Entities will be solely responsible for payment to Supplier and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

5) **Transaction Documents.** Participating Entity may require the use of its own forms to complete transactions directly with Supplier utilizing the terms established in this Agreement. Supplier's standard form agreements may be offered as part of its Proposal. Supplier and Participating Entity may complete and document transactions utilizing any type of transaction documents as mutually agreed. In any transaction document entered utilizing this Agreement, Supplier and Participating Entity must include specific reference to this Master Agreement by number and to Participating Entity's unique Sourcewell account number.

6) **Additional Terms and Conditions Permitted.** Participating Entity and Supplier may negotiate and include additional terms and conditions within transaction documentation as mutually agreed. Such terms may supplant or supersede this Master Agreement when necessary and as solely determined by Participating Entity. Sourcewell has expressly reserved the right for Supplier and Participating Entity to address any necessary provisions within transaction documents not expressly included within this Master Agreement, including but not limited to transaction cancellation, dispute resolution, governing law and venue, non-appropriation, insurance, defense and indemnity, force majeure, and other material terms as mutually agreed.

7) **Subsequent Agreements and Survival.** Supplier and Participating Entity may enter into a separate agreement to facilitate long-term performance obligations utilizing the terms of this Master Agreement as mutually agreed. Such agreements may provide for a performance period extending beyond the full term of this Master Agreement as determined in the discretion of Participating Entity.

8) **Participating Addendums.** Supplier and Participating Entity may enter a Participating Addendum or similar document extending and supplementing the terms of this Master Agreement to facilitate adoption as may be required by a Participating Entity.

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Sourcewell

Signed by:
Jeremy Schwartz
C0FD2A139D06489...

By: _____

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 11/12/2025 | 12:32 PM CST

72 Hour LLC, dba National Auto Fleet Group

Signed by:
FACBB5730C1E467...

By: _____

Jesse Cooper

Title: Fleet Manager

Date: 11/12/2025 | 11:01 AM CST

RFP 081325 - Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories

Vendor Details

Company Name:	72 HOUR LLC
Does your company conduct business under any other name? If yes, please state:	National Auto Fleet Group
Address:	490 Auto Center Drive Watsonville, CA 95076
Contact:	Jesse Cooper
Email:	Jcooper@nationalautofleetgroup.com
Phone:	951-440-0585
Fax:	831-840-8497
HST#:	263297677

Submission Details

Created On:	Friday August 01, 2025 12:01:47
Submitted On:	Sunday August 10, 2025 16:56:26
Submitted By:	Jesse Cooper
Email:	Jcooper@nationalautofleetgroup.com
Transaction #:	31d3edf8-96d1-4de1-b38c-173d68dcae06
Submitter's IP Address:	147.243.244.170

Specifications

Table 1: Proposer Identity & Authorized Representatives (Not Scored)

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond “N/A” if the question does not apply to you (preferably with an explanation).

Table 1 Specific Instructions. Sourcewell requires identification of all parties responsible for providing Solutions under a resulting master agreement(s) (Responsible Supplier). Proposers are strongly encouraged to include all potential Responsible Suppliers including any corporate affiliates, subsidiaries, D.B.A., and any other authorized entities within a singular proposal. All information required under this RFP must be included for each Responsible Supplier as instructed. Proposers with multiple Responsible Supplier options may choose to respond individually as distinct entities, however each response will be evaluated individually and only those proposals recommended for award may result in a master agreement award. Unawarded entities will not be permitted to later be added to an existing master agreement through operation of Proposer’s corporate organization affiliation.

Line Item	Question	Response *	
1	Provide the legal name of the Proposer authorized to submit this Proposal.	72 Hour LLC DBA: National Auto Fleet Group By: Jesse Cooper	*
2	In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell? Y or N.	Yes	*
3	Identify all subsidiaries, D.B.A., authorized affiliates, and any other entity that will be responsible for offering and performing delivery of Solutions within this Proposal (i.e. Responsible Supplier(s) that will execute a master agreement with Sourcewell).	72 Hour LLC has numerous subsidiaries and DBA's including but not limited to: National Auto Fleet Group Chevrolet of Watsonville Watsonville Ford (WCAF LLC) Watsonville CDJR (WCDJR, LLC) Watsonville Fleet Group Clewiston Motor Company, inc Alan Jay Automotive Inc Alan Jay Ford Alan Jay CDJR Alan Jay Chrysler Jeep Inc Alan Jay Buick Alan Jay outlet Alan Jay Lincoln Alan Jay Ford Alan Jay Nissan Alan Jay Toyota	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Duns#: 023680653 Unique Entity ID: Y1FHD2Z1ZDY5 CAGE/NCAGE: 7ZXM2	*
5	Provide your NAICS code applicable to Solutions proposed.	441110 (New Car Dealers) 532112 (Passenger Car Leasing)	
6	Proposer Physical Address:	490 Auto Center Drive Watsonville, CA 95076	*
7	Proposer website address (or addresses):	www.NationalAutoFleetGroup.com	*
8	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the “Proposer’s Assurance of Compliance” on behalf of the Proposer):	Jesse Cooper Fleet Manager 1-855-289-6572 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com	*
9	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Jesse Cooper Fleet Manager 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com 855-289-6572	*

10	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Melvin Cooper President 490 Auto Center Drive Watsonville, CA 95076 831-722-4122	*

Table 2A: Financial Viability and Marketplace Success (50 Points, applies to Table 2A and 2B)

Line Item	Question	Response *	
11	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested Solutions.	National Auto Fleet Group was founded in 2010 as a new division of 72 Hour LLC, born from a single dealership in Southern California with a bold vision for streamlined fleet solutions. Since then, we've expanded our reach to include a growing network of dealerships both within and beyond California, allowing us to serve public agencies and government entities with greater efficiency and scale. From day one, our company has embraced a people-first mindset by hiring from within, investing in long-term careers, and building a culture rooted in loyalty and growth. Many of our original Fleet Managers are still with us today, a reflection of our commitment to strong internal leadership and lasting relationships. As the automotive landscape has evolved, so have we by adapting to emerging technologies, sustainability trends, and industry innovations. And yet, our core values remain unchanged: integrity, service, and a deep responsibility to the members we serve. We live by our promise to deliver the RIGHT vehicle, at the RIGHT time, to the RIGHT place, at the RIGHT price. Proudly family-owned and operated, National Auto Fleet Group carries forward generations of automotive experience with a forward-looking approach. With future generations already preparing to carry the torch, we remain focused on delivering unmatched value and service for decades to come.	*
12	What are your company's expectations in the event of an award?	If awarded, this would mark our sixth Sourcewell contract, which is an achievement we're incredibly proud of. We're fully prepared to execute with the same precision, care, and commitment that has defined our previous partnerships with Sourcewell. Our expectations are simple: to continue delivering exceptional customer service, to raise the bar on satisfaction, and to deepen our value to your members. We plan to leverage this award to launch new growth strategies and expand the reach of our offerings to even more agencies across the country. As part of that growth, we're excited to introduce our Partner Program, detailed in the "Marketing Plan for NAFG 081325" attachment. This next-generation tool empowers members to choose preferred upfitters, creating a seamless quoting and service experience through National Auto Fleet Group. We believe there's immense value in building these flexible, member-driven partnerships and we're committed to providing turnkey solutions that are not just efficient, but genuinely satisfying from start to finish.	*
13	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. DO NOT PROVIDE ANY TAX INFORMATION OR PERSONALLY IDENTIFIABLE INFORMATION.	To demonstrate National Auto Fleet Group's financial strength and stability we've uploaded current bank commitment letters under the Financial Strength section of the online application. We maintain a direct line of credit of $85,000,000, actively utilized to support our current and previous Sourcewell contracts. This line can be extended as needed to meet the evolving demands of Sourcewell members. To further reinforce our market position, we've included a summary of awarded government contracts that, collectively, represent hundreds of millions of dollars in vehicle and equipment deliveries under our existing Sourcewell agreement. In addition, we've provided letters of commitment from several of our nationally recognized upfitting partners, including The Knapheide Manufacturing Company, as well as regional leaders such as Phenix Truck Body in Southern California. These suppliers serve as trusted partners, offering localized support to help us fulfill orders efficiently and with precision. Lastly, we've attached supporting documentation to show the consistent growth we've achieved since receiving our first Sourcewell contract in 2012. We hope these materials clearly demonstrate our long-term commitment to financial integrity, operational excellence, and building trusted relationships with both our partner upfitters and the members we serve.	*
14	What is your US market share for the Solutions that you are proposing?	Across the brands and OEMs we represent, our estimated U.S. market share for the proposed Solutions falls between 60% and 75%. This strong presence reflects our deep partnerships, longstanding industry relationships, and consistent ability to deliver tailored fleet solutions nationwide.	*

15	What is your Canadian market share for the Solutions that you are proposing?	While it is difficult to precisely quantify Canadian market share for the brands and OEMs we represent, we estimate it aligns closely with our U.S. share, which is approximately 60% to 75%. This estimate reflects the consistent performance and availability of our represented brands across both markets.
16	Disclose all current and completed bankruptcy proceedings for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation.	None
17	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer the question that best applies to your organization, either a) or b). a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	National Auto Fleet Group is best described as option 'A' - a distributor/dealer/reseller and authorized dealer partner for over 17 OEM manufacturers. Our network includes major brands such as Ford Motor Company, Chevrolet, RAM, GMC, Buick, Chrysler, Dodge, Jeep, Toyota, Nissan, KIA, BMW, Honda, Cadillac, and Volkswagen. All orders are placed through franchised dealerships and titled directly to the purchasing member, ensuring compliance with all regulatory and manufacturer requirements. Supporting documentation, franchise agreements and seller's permits are authorization by the OEM's, including certifications, DMV authorizations, and factory licenses, can be found in the “Related Certification” section of this RFP submission. Please note: We do not offer used equipment under this contract.
18	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Required licenses include a Dealer’s License, a Franchise issued by the Manufacture, a Department of Motor Vehicles License, as well as a Reseller’s permit license. All which NAFG and Dealer Partner’s hold. Please review our attachment documents in section “Related Certification” for licenses that we either solely own or are jointly owned by our partner dealers that pertain to this RFP. A list of all our licenses are below, some of which may not pertain to class 1-3 but to class 4-8. Some of our Licenses are outlined here but not limited to: CA Certificate of Good Standing 200824810190 State of Florida License Certificates: VF/1000974/4 VF/1000950/1 VF/1046516/1 VF/1024619/2 VF/1024619/1 VF/1018615/1 VF/1021891/1 VF/1000974/3 VF/1105916/1 VF/1020705/1 VF/1000969/1 CA State Seller’s Permit 101-135239 CA State Seller’s Permit 245364864-00001 Department of Motor Vehicle, Vehicle Dealer/ License Number 97772 Department of Motor Vehicle, Vehicle Dealer License Number 97771 Department of Motor Vehicle, Vehicle Dealer License Number 43609 Bureau of Automotive repair Registration # ARD00296319 123120 CA State Seller’s Permit 232781952-00001 City of Watsonville Business License Number 1792 City of Watsonville Business License Number 4358 Fictitious Business Names from Santa Cruz County for National Auto Fleet Group FBN: 2017-0000138 California General Resale Certificate Dun & Bradstreet Number: 023680653 Government of The District of Columbia Certificate Government of the District of Columbia Tax Registration # 7815888160711 City of Los Angeles Tax Registration Government of The District of Columbia CLEAN HANDS CERTIFICATION San Diego Freightliner Seller’s Permit Commonwealth of Virginia State Corporation Commission Certificate State of Maryland Good Standing Certificate Kansas Department of Revenue for Kansas City Peterbilt New Jersey Department of Treasury Registration Certificate New Jersey Business Registration Notice of Compliance of the Canton City Codified Ordinance Employee Information Report for the State of New Jersey State of Maryland New Sales and Use tax License CA State Seller’s Permit 98-037902 00006 South Carolina Department of Motor Vehicles License Number 36133 State of South Carolina Retail License Commonwealth of Kentucky Vehicle Dealer License 1583 20 100 State of West Virginia Dealer License Commonwealth of Kentucky Vehicle Dealer License 1581 20 036 State of Tennessee Vehicle Dealer License
19	Disclose all current and past debarments or suspensions for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation.	Not applicable. National Auto Fleet Group has not been suspended or debarred at any point within the past ten years.

20	Describe any relevant industry awards or recognition that your company has received in the past five years.	Over the past five years, National Auto Fleet Group has been honored with several industry recognitions that reflect our commitment to excellence in government sales. Most notably, we received top placement from Ford Motor Company as the leading dealership in Government Sales -a distinction we're especially proud of. Additionally, our performance with Chevrolet has earned consistent recognition from General Motors, with honors received in five out of the past six consecutive years. These awards speak to the strength of our partnerships, the dedication of our team, and our ongoing focus on delivering outstanding service to public sector clients nationwide.	*
21	What percentage of your sales are to the governmental sector in the past three years?	Within our fleet division, approximately 90% of all sales over the past three years have been to governmental entities. This consistent focus reflects our deep experience and trusted relationships within the public sector.	*
22	What percentage of your sales are to the education sector in the past three years?	Over the past three years, approximately 20% of our government sector sales have been to educational institutions, including K-12 districts, colleges, and universities. Education remains a key focus within our public sector partnerships.	*
23	List all state, cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreement over the past three years?	We currently hold the State of California contract, under which we have delivered between 200 and 500 units annually over the past three years. In addition, we have maintained multiple Sourcewell contracts—including 091521-NAF and 032824-NAF with combined quarterly sales totaling over $350 million across that same period. These cooperative purchasing agreements have been instrumental in expanding our reach and supporting consistent, large-scale fulfillment for public sector members nationwide.	*
24	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	National Auto Fleet Group's primary focus is on our Sourcewell contract, along with the State of California contract. We do not currently hold any GSA contracts or Standing Offers and Supply Arrangements (SOSA). Our annual sales volume across these agreements is estimated to exceed $150 million over the past three years.	*

Table 2B: References/Testimonials

Line Item 25. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Los Angeles, CA	Joe Casaletta	323-526-9233	*
City of Santa Monica, CA	Mark Zamora	310-458-8526	*
City of San Diego, CA	Ralph Monroy	619-527-7577	*
City of Jersey City, NJ	James Lovero	201-547-4423	

Table 3: Ability to Sell and Deliver Solutions (150 Points)

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	National Auto Fleet Group operates with a robust combination of direct and indirect sales force personnel. Our direct sales force includes both in-house employees and partner dealership staff, totaling over 300 full-time and part-time individuals. These professionals are strategically located across the U.S., enabling us to support members nationwide. We also leverage strong relationships with larger-class dealerships to fulfill lower-class vehicle needs creating a versatile, cross-functional sales team that serves both our dealership network and the NAFG Fleet Division. Our indirect sales force includes more than 100 personnel from our upfitter and supplier partner network, and that number continues to grow each year. This collaborative network supports quoting, fulfillment, and customer service, ensuring our members receive turnkey solutions that are seamless from start to finish. Together, our direct and indirect teams have enabled NAFG to successfully grow, scale, and serve the evolving needs of Sourcewell members. As membership expands, we are fully committed to continuing that growth by bringing on additional staff to meet rising demand and, more importantly, exceed expectations.	*

27	Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods.	Our network of Authorized Sellers spans both the United States, supported by a strong franchise system built through our 17 proposed OEMs. Each of these manufacturers has established extensive dealer networks across North America, with factory-authorized stores strategically located to ensure all members have access to local service, support, and warranty coverage. This built-in infrastructure enables us to deliver Solutions efficiently and reliably no matter where a member is located within the US. With certified dealerships in all 50 U.S. states, we are equipped to provide responsive delivery, servicing, and warranty fulfillment with consistency and scale. NAFG feel's the North American automotive supply chain, particularly for the OEMs we represent, is one of the strongest and most reliable in the world. Our access to this network ensures that Sourcewell members receive the highest level of support from order to delivery and beyond.	*
28	Service force.	The 17 OEMs we represent offer access to thousands of authorized service centers and warranty repair facilities across the United States. This expansive service network ensures that Sourcewell members have convenient, reliable support no matter where they are located with service centers in every state. All OEM service locations are fully equipped to handle maintenance and warranty needs for their respective brands, providing timely and expert service that supports the full lifecycle of the vehicles we deliver. While service accessibility is generally comprehensive across the continental U.S., members in Alaska and Hawaii may experience greater distances between franchise locations, which could impact travel time to the nearest authorized service center. Even in those cases, we work closely with our OEM partners to coordinate support and minimize disruption.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Members can inquire about a new vehicle order process in three convenient ways: Online by visiting www.NationalAutoFleetGroup.com and using our step-by-step quote builder, By phone at 855-289-6572 to speak directly with a fleet representative, or By email at Fleet@NationalAutoFleetGroup.com. Once an order is submitted, National Auto Fleet Group handles all coordination, including processing the order with the manufacturer and managing the vehicle's path through any requested upfitting or customization. Depending on the needs of the member, vehicles are either routed to an upfitting partner or shipped directly to the desired end-user location. Throughout the process, our team remains the primary point of contact—managing communication, timelines, and logistics between the member, the manufacturer, and any third-party service providers. This ensures a streamlined, transparent, and responsive ordering experience from start to finish.	*
30	Demonstrate your ability and experience handling large order volumes for autos through light trucks.	National Auto Fleet Group has consistently managed and delivered large-scale vehicle orders from government and education members nationwide. Ranging from 5 to 927 units in a single order from cars, vans, SUV's to light trucks, including complex multi-upfitted units. Our ability to deliver large scale orders is supported not only by a streamlined digital ordering process, strong OEM partnerships, and a coast-to-coast dealer and supplier network but also our strong commitment from our banking partner Bank of America which opened up $ 85,000,000 for our use to fulfill orders. For example, through our Sourcewell contracts, over the past 12 years we've fulfilled hundreds of millions of dollars in vehicle orders—often involving high-volume orders that include detailed upfitting, title coordination, and multi-location delivery logistics. With our track record of thousands of units processed through platforms like our www.NationalAutoFleetGroup.com quote builder, we've demonstrated time and again our readiness to support large-volume orders quickly, accurately, and	*

31	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Our customer service program is built on proactive support, personalized guidance, and transparency in every stage of the process. From quote to delivery, members are supported by our dedicated staff available Monday through Friday, 7 AM to 7 PM PST, as well as a live chat function on our website for real-time assistance. Members can generate quotes online through a secure dashboard, customize builds, request upfitting, and view transparent pricing including MSRP, contract discounts, and total savings all within a few clicks. After submitting an order, members receive a Courtesy Confirmation to double-check specifications, colors, quantities, upfits, and title information. We also provide members with a “Track Your Order” feature, allowing real-time status updates using their PO number, Quote ID, VIN, or Upfit Quote ID similar to tracking a UPS package. This visibility helps members feel in control and supported every step of the way. Our team also actively communicates factory cut-off dates, sends reminders, and documents these deadlines directly on quotes. Everything we do is focused on making the buying process easier, more transparent, and more member-driven.	*
32	Demonstrate in detail your ability to sell, deliver, and support vehicles sold on a master agreement throughout the contiguous United States; as well as sell, deliver, and support vehicles sold on contract in Alaska, Hawaii, US Territories, and Canada.	National Auto Fleet Group has nationwide reach and the infrastructure to serve all Sourcewell members across the contiguous U.S., Alaska, Hawaii, U.S. Territories, and Canada. Our network of 17 OEM partners includes factory-authorized dealers and service centers across all 50 states and Canadian provinces, ensuring local access to warranty work, vehicle servicing, and delivery coordination. Even in geographically challenging areas like Alaska and Hawaii, we work closely with manufacturers and logistics partners to overcome longer distances between franchise points, ensuring every member receives the same level of support. Members also benefit from real-time tracking through our website, and our Customer Service Team is available to assist with logistics, titling, and documentation whether delivery is local	*
33	Describe your ability and willingness to provide your products and services to Sourcewell participating entities.	We are fully committed to serving all Sourcewell participating entities. In fact, Sourcewell members are the core of our business making up over 90% of our government sales activity over the past three years. We provide a full scale Solution designed specifically with Sourcewell members in mind. From simplified online quoting to customized upfitting and transparent pricing. Whether it’s a school district ordering a fleet of vans or a public works department in need of a specialty upfit, we treat every request with urgency, accuracy, and care. Our willingness to support members isn’t just operational, it’s cultural. Our entire team are all aligned around one mission: to make it as easy as possible for Sourcewell members to get what they need, when they need it.	*
34	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	NAFG are both willing and eager to extend our products and services to Sourcewell members in Canada. Expanding into the Canadian market is a natural next step for our organization, and we believe strongly in building success through partnerships with established, local Canadian dealer groups. Our proven business model, competitive pricing, and seamless digital tools provide a strong foundation for growth. Additionally, our straightforward approach to U.S. Dollar to Canadian Dollar conversion ensures transparency and simplicity for Sourcewell members across borders. We’re excited about the opportunity to support Canadian members with the same commitment to service, reliability, and value that we’ve delivered in the U.S. for over a decade.	*
35	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement.	National Auto Fleet Group will fully support 100% of geographic areas within the United States under the proposed agreement. We will continue to serve all Sourcewell members through our 24/7 online portal, offering around-the-clock access to quotes, order tracking, and support. While we anticipate some logistical challanges in Canada, we are committed to expanding our infrastructure and dealer partnerships to offer equally robust service and customer care to Canadian members. One important note: while we do serve nonprofit organizations, these entities may not qualify for the same discounted pricing available to government agencies. Nonprofits are subject to a separate pricing program, and each request will be reviewed on a case-by-case basis to determine eligibility and ensure fair, appropriate solutions.	*

36	Define any specific requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	The only potential contract requirements or restrictions for participating entities in Hawaii, Alaska, and U.S. Territories are related to logistics and shipping constraints. Due to geographic distance and limited access to certain shipping ports, there may be additional freight, handling, and port fees associated with vehicle delivery to these regions. For example, vehicles destined for Alaska or Hawaii, particularly those that include upfits, are often coordinated through mainland processing before being shipped to the final destination. In these cases, members are informed in advance and may elect to include the additional shipping and port costs directly into their quote, ensuring full transparency and cost accuracy from the start. Despite these logistical considerations, National Auto Fleet Group is fully equipped and experienced in fulfilling orders for members in these areas, and we will continue to do so with the same level of attention, care, and service as we provide in the continental U.S.	*
37	Describe in detail your history and experience selling vehicles to state and local government agencies, public and private K-12 and higher education, and non-profits.	National Auto Fleet Group (NAFG) has over two generations of expertise in selling vehicles to state and local government agencies, public and private K-12 and higher education institutions, and non-profit organizations across the United States. As a minority family-owned business, we have built a strong reputation for our ability to navigate the complexities involved in government fleet vehicle purchasing. We specialize in offering hassle-free, reliable, and cost-effective solutions through our Sourcewell contracs since Sourcewell has done the bidding already on behalf of the members. Sourcewell contracts empower public agencies to bypass the tedious and time-consuming bidding process, allowing them to focus their efforts on other projects while we handle the procurement. NAFG holds two highly awarded Sourcewell contracts, which streamline vehicle purchases by providing a range of options—from light-duty vehicles like cars, vans, and SUVs to heavy-duty trucks, buses, and specialized vehicles for public entities. Through our partnerships with manufacturers and upfitters, we cater to the specific needs of government entities, school districts, and non-profits, ensuring the vehicles are ready for immediate in-service needs along with all necessary upfitting if needed. Our experience spans from working with small rural schools requiring a single van, to large cities replacing fleets of hunderds of utility trucks. No matter the scale or complexity, we are committed to offering the highest level of customer service and delivering vehicles that meet our clients' needs, budgets, and timelines. By leveraging the efficiency of Sourcewell's competitive contracts, we help our customers save both time and money, making vehicle purchasing seamless and efficient.	*
38	Will Proposer extend terms of any awarded master agreement to nonprofit entities?	Yes, National Auto Fleet Group (NAFG) will extend the terms of any awarded master agreement to nonprofit entities, provided the vehicles and the entities meet the applicable qualifications. We understand the importance of supporting nonprofit organizations, and we are committed to offering the same competitive pricing, efficient service, and high-quality vehicles that we provide to our government and educational agency customers.	*

Table 4: Marketing Plan (100 Points)

Line Item	Question	Response *	
39	Describe your marketing strategy for promoting this opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	National Auto Fleet Group (NAFG) uses a comprehensive, multi-tiered marketing strategy to promote the Sourcewell contract and streamline the vehicle purchasing process for government and education entities. Our marketing strategy combines digital, in-person, and relationship-based outreach to maximize exposure, drive engagement, and support long-term growth. Website and Inbound Marketing: Our professional, customer-focused website serves as a key marketing gateway. Members can browse in-stock vehicles, explore pricing, register for access, build vehicles, and request quotes. We create inbound opportunities through tailored content such as how-to videos, member success stories, and social media posts, directing potential members to our website and empowering them to make informed purchasing decisions. Email Marketing: Email remains one of our most effective outreach tools, given its high usage among public agency staff. We use visually rich, mobile-friendly email campaigns that include flyers with Sourcewell contract details, manufacturer incentives, seasonal promotions, first-time buyer offers, and factory cutoff reminders. These emails feature embedded videos, images, and direct links to the Sourcewell homepage and NAFG quoting tools. Our platform also allows us to track performance metrics such as open rates, click-throughs, and unsubscribes to continuously refine our messaging.	

In-Person Marketing and Trade Shows:
We attend major industry trade shows, including GFX, IAPPO, NIGP, ACT, CAPPO, and CASBO to establish direct connections with members and vendors. These face-to-face meetings foster trust and long-term relationships. We also deliver in-person presentations to local cities, counties, school districts, water districts, and port authorities to explain how the NAFG–Sourcewell process works, how to buy without bidding, and the vehicle options available.

Customer Advocacy (Word-of-Mouth Marketing):
NAFG's reputation for exceptional service drives organic growth through member referrals. Our commitment to white-glove support from quote to post-delivery often results in repeat customers and unsolicited endorsements. We've built our brand through consistent follow-through, fast solutions, and personalized care—even years after a vehicle has been delivered.

Cross-Promotion Marketing with Sourcewell Vendors:
We actively collaborate with fellow Sourcewell vendors such as NCL Government Capital to offer joint marketing materials and turnkey financing options. For example, we've co-developed videos, infographics, and flyers showcasing how to lease or purchase vehicles through multiple Sourcewell contracts. We also cross-market with Hoglund Bus Company, highlighting how members can pair NAFG chassis with various Hoglund bus bodies. *

Preferred Vendor Program – NAFG Partner Page:
To increase our national network and visibility, we launched www.nafgpartner.com, a dedicated site encouraging body upfitters to join as preferred vendors. Partners receive benefits such as website and social media endorsements, referral opportunities, and PR support. To qualify, vendors agree to co-promote NAFG and refer their clients in need of chassis. This helps members easily locate qualified body upfitters in their area, while deepening vendor collaboration and contract awareness.

Customer Relationship Marketing:
Our sales team takes a relationship-first approach by focusing on solution-based selling and long-term support, not just transactions. We pride ourselves on building trust and delivering value, which translates to loyal clients and strong word-of-mouth.

Examples of Impactful Relationship Marketing:

A member used three Sourcewell contracts (NAFG, NCL Gov Capital, GovDeals) to finance, purchase, and dispose of a vehicle in a single seamless transaction.

A member urgently needed a vehicle due to an accident. We redirected them to our in-stock inventory and fulfilled the order within three weeks versus the standard 18-week factory lead time.

A liftgate malfunction two years after delivery was resolved at no cost thanks to our relationship with the original upfitter, ensuring continued satisfaction.

For a member uncertain about budget, we provided multi-OEM pricing through Ram, Chevrolet, and Ford—allowing them to choose without needing to shop around.

We expedited upfitting for a vehicle held up at a local body company by personally coordinating with the vendor, leading to early delivery.

This multi-pronged strategy ensures that National Auto Fleet Group not only promotes the Sourcewell contract widely but delivers measurable value to members across every stage of the vehicle procurement lifecycle.

40	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	National Auto Fleet Group (NAFG) utilizes a robust mix of technology, social media, and digital tools to drive marketing performance, boost engagement, and increase sales conversions. Social Media Marketing – LinkedIn Focus: LinkedIn serves as our primary digital channel to connect with public agencies and build our professional network. We use LinkedIn to: Share engaging content such as contract flyers, vehicle promotions, and program updates. Monitor member activity and job changes to identify opportunities to re-engage or offer tailored solutions. Send personalized messages to new members thanking them for registering, with direct links to our website and social platforms. This strategic outreach not only strengthens our relationships with current members but also helps us reach new decision-makers who can benefit from our vehicle procurement solutions. Video Marketing Strategy: To further enhance digital reach and content quality, our in-house marketing team creates and distributes professional-grade videos through both email and social media. These include: Welcome Video: A 90-second animated introduction to NAFG and our Sourcewell contract, featured in every weekly campaign. Walkthrough Videos: Guided, step-by-step explainers on how to purchase both Light-Duty and Heavy-Duty vehicles through the contract. In-Stock Vehicles Video: A visual showcase of available inventory with a call-to-action on how to request a quote. ETA Tracking Video: A video tutorial that empowers customers to track their own vehicle's status. Holiday-Themed Videos: Lighthearted, festive content that humanizes our brand and drives seasonal engagement. Social Media Shorts: Bite-sized videos tailored for LinkedIn and other platforms to promote new vehicles, highlight factory cutoff dates, and announce pricing changes. All videos are optimized for both desktop and mobile viewing, helping to engage a broader audience and improve retention of key messages. Email Campaign Analytics (Metadata): We track weekly email flyers, incorporating images, links, and embedded videos. The platform provides real-time data including: Open rates, Link click-throughs and Unsubscribes to asses our outreach to the members. This performance metadata allows us to adjust our messaging, layout, and frequency to ensure the highest level of engagement with our target audience. By analyzing this digital feedback, we continuously improve the effectiveness of each campaign. Live Chat Technology for Real-Time Engagement: To better serve website visitors, NAFG implemented a live chat feature that connects members directly with a live sales representative. This tool: Offers fast, real-time responses to inquiries Assists members while they build vehicle quotes online Increases quote submissions and conversions by reducing hesitation and increasing clarity during the decision-making process Early results show that our live chat feature has contributed to higher engagement, improved customer satisfaction, and shorter sales cycles—especially for first-time buyers navigating the Sourcewell process.	*

41	In your view, what is Sourcewell's role in promoting agreements arising out of this RFP? How will you integrate a Sourcewell-awarded agreement into your sales process?	Sourcewell plays a pivotal role in promoting cooperative purchasing contracts by acting as a trusted bridge between vendors and public sector agencies across government, education, and nonprofit organizations. Its mission - "Our commitment to service and exceeding client expectations", which perfectly aligns with National Auto Fleet Group's relationship-based approach to sales and service. Sourcewell establishes trust and credibility by conducting a rigorous vetting and solicitation process before awarding cooperative contracts. This ensures that only qualified, ethical, and dependable vendors are awarded contracts, giving agencies confidence in their purchasing decisions. For National Auto Fleet Group (NAFG), this endorsement elevates our brand and reassures our members that they are working with a vetted and approved partner. Sourcewell's support tools, such as: Professionally designed flyers Training videos and webinars Procurement documentation Contract compliance support These help us deliver consistent, transparent, and educational messaging to both new and existing members. These resources are integrated into our own marketing and client education materials, ensuring clients understand both the value of the cooperative contract and how to access it with ease. In our sales process, the Sourcewell contract is woven into every touchpoint: Our website clearly highlights the benefits of cooperative purchasing through Sourcewell. Our email campaigns feature Sourcewell branding and direct links to contract resources. Our sales team is fully trained to walk clients through the Sourcewell purchasing process, eliminating confusion and saving agencies the time and cost of traditional competitive bidding. We educate members during in-person presentations and trade shows about how Sourcewell allows them to procure vehicles immediately while remaining fully compliant with public procurement laws. At NAFG, we believe Sourcewell is more than just a contract holder—it's a strategic partner that helps us build trust, streamline procurement, and serve our members with unmatched efficiency and integrity. We are proud to uphold the high standards Sourcewell represents and integrate them throughout our client-facing operations.	*

42	Are your Solutions available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Yes, National Auto Fleet Group offers a fully accessible e-procurement solution through our website, which provides government and education agencies with a self-guided, efficient, and user-friendly platform to browse, customize, and request vehicle quotes. Our online system allows members to: Browse a wide selection of vehicle makes and models Customize builds to meet their agency's specifications, including factory options and body upfitting needs Generate real-time quotes, often in under five minutes depending on vehicle complexity Download or submit quotes and supporting documentation without ever needing to speak with a sales representative For agencies that prefer guided support, a dedicated live chat feature is available alongside traditional phone and email contact options. Clients can interact with a knowledgeable representative in real time for assistance with quote building, vehicle specs, or ordering next steps. To further enhance usability, we've created a "How-To Videos" section on our homepage. These step-by-step guides demonstrate: "How to register as a Sourcewell member" "How to build a vehicle online" "How to include upfitting needs in the quote" "How to submit a purchase order for processing" Once a quote is finalized, the client can complete the transaction by simply uploading in directly into our site or bysubmitting a purchase order via email. This approach enables a flexible hybrid of self-service and personalized support, accommodating both highly independent buyers and those who prefer a walk-through approach. Public agencies regularly use this e-procurement system to: Compare options across manufacturers Expedite quote generation and documentation for internal approvals Submit POs directly, avoiding the delays of traditional bidding processes Stay compliant through Sourcewell's competitively awarded contract framework This system not only saves time, but empowers agencies to manage their fleet procurement with autonomy, transparency, and full support from the NAFG team whenever needed	*

Table 5A: Value-Added Attributes (100 Points, applies to Table 5A and 5B)

Line Item	Question	Response *	
43	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	National Auto Fleet Group extends all product, equipment, maintenance, and operator training programs made available by the OEMs directly to Sourcewell members during the quoting process. Training availability and scope are typically determined by the vehicle class, equipment type, and geographic location, and are quoted accordingly by the manufacturer. When such training is offered, NAFG can include it in the member's quote and handles it similarly to an upfit by ensuring it is documented, transparent, and customized to the member's needs. These training programs may cover areas such as vehicle operation, safety, and maintenance procedures. Any associated costs are clearly outlined and passed through without markup, so members can make fully informed decisions.	*

44	Describe any technological advances that your proposed Solutions offer.	The technological advancements offered through National Auto Fleet Group reflect both cutting-edge manufacturer innovation and our own commitment to future-forward solutions. OEMs like Ford Motor Company, General Motors, and other top-tier brands continue to push the boundaries with advanced safety systems, connectivity features, alternative fuel capabilities, and electrified powertrains, many of which are available across a wide range of vehicle classes offered to Sourcewell members. In addition, NAFG supports members who are seeking to electrify their fleets by offering access to specialized upfits, for example including integration of Motive Power Systems. These options allow members to transition into sustainable vehicle solutions while maintaining performance and functionality.	*
45	Describe any service contract options or extended warranties being offered with your proposal.	National Auto Fleet Group (NAFG) offers all existing warranties provided by the Original Equipment Manufacturers (OEMs) as an option, which will be treated as an upfit. In addition to the OEM warranties, when asked by members, our standard offered extended warranty is a 5-year/100,000-mile coverage with a $0 deductible. This ensures that our customers receive peace of mind with comprehensive coverage for their fleet, minimizing potential repair costs over the long term.	*
46	Describe in detail warranties offered and how they will be administered, including if they cover all products, parts, labor, technician travel, and geographic regions covered.	Since we are offering 17 different brand names, we have included a "Warranty" file in the attachment under the specifications file in our response. The attachment outlines what is covered by each OEM and there length of coverage's by time and miles.	*
47	Describe any “green” initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each.	National Auto Fleet Group is deeply committed to supporting meaningful green initiatives and forward-thinking partnerships. We played an integral role in the formation of the Climate Mayors Electric Vehicle Purchasing Collaborative, a coalition created in partnership with over 400 mayors nationwide to accelerate the adoption of clean, all-electric fleets. This initiative was designed specifically to help public agencies transition to zero-emission vehicles and lead by example in their communities. Through this collaboration, Sourcewell members have access to a growing lineup of 100% electric vehicles, including models such as the Chevrolet EV line up with Silverado EV, Ford Mustang Mach-E, and the all-electric Ford F-150 Lightning. As OEMs continue to expand their electric offerings, NAFG is committed to making those vehicles readily available to Sourcewell members. More information about this initiative can be found at www.DriveEVfleet.org. Certification and leadership for this program are guided by the Climate Mayors, Bloomberg Philanthropies, and C40 Cities.	*
48	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the Solutions included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	National Auto Fleet Group, along with several of our partner suppliers and upfitters, maintains relevant third-party certifications that reflect a commitment to energy efficiency and sustainability. Key certifications include: California Air Resources Board (CARB) Certificate – Recognizing compliance with strict emissions standards and supporting low- or zero-emission vehicle offerings. Ford Qualified Vehicle Modifier (QVM) Certification – Awarded to select partners for meeting Ford’s rigorous requirements for safety, quality, and environmental standards in vehicle modifications. These certifications help demonstrate how our vehicles and upfitted solutions promote energy conservation, reduced emissions, and long-term operational efficiency. They also ensure that our offerings align with evolving environmental regulations and sustainability goals set by Sourcewell members.	*

49	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	What sets National Auto Fleet Group apart is not just our experience - it's our measurable commitment to results and service. From day one, our company has been built on a foundation of hard work, data-driven performance, and a relentless focus on customer satisfaction. We actively track and quantify our outcomes to ensure that real goals are being met, and that every Sourcewell member receives timely, attentive, and solutions-oriented service. Our internal metrics drive accountability and help us continually improve how we support members. One of our most unique offerings is our 24/7 online portal, which gives Sourcewell members secure access to quote-building tools, live tracking, support resources, and customer service assistance around the clock. Whether it's a complex upfit, a last-minute request, or a question about vehicle specs, our team is available to personally walk members through every step. We pride ourselves on being flexible, responsive, and creative problem solvers. No matter the challenge, we're committed to thinking outside the box and finding a solution that works.	*

Table 5B: Value-Added Attributes

Line Item	Question	Certification	Offered	Comment	
50	Select any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation and a listing of dealerships, HUB partners or re-sellers if available. Select all that apply.		(•) Yes ( ) No	We offer leasing through Diversified Leasing owned and operated by Mr. Steve Wilson who is a Disabled Veteran Business Owner who runs his company along with Debbie Black his assistant. If an agency would like to work with Diversified Leasing we will help facilitate the transaction.	*
51		Minority Business Enterprise (MBE)	(•) Yes ( ) No	We are recognized as MBE by Supplier Clearinghouse, our certificate is attached in the attachments.	*
52		Women Business Enterprise (WBE)	( ) Yes (•) No	n/a	*
53		Disabled-Owned Business Enterprise (DOBE)	( ) Yes (•) No	n/a	*
54		Veteran-Owned Business Enterprise (VBE)	( ) Yes (•) No	n/a	*
55		Service-Disabled Veteran-Owned Business (SDVOB)	( ) Yes (•) No	n/a	*
56		Small Business Enterprise (SBE)	( ) Yes (•) No	n/a	*
57		Small Disadvantaged Business (SDB)	( ) Yes (•) No	n/a	*
58		Women-Owned Small Business (WOSB)	( ) Yes (•) No	n/a	*

Table 6A: Pricing (400 Points, applies to Table 6A and 6B)

Provide detailed pricing information in the questions that follow below.

Line Item	Question	Response *	

59	Describe your payment terms and accepted payment methods.	Our standard payment terms are Net 20, with a 10-day grace period offered for flexibility. We accept the following payment methods: Check ACH (Automated Clearing House) These options are designed to accommodate the procurement processes of public sector entities while ensuring a smooth and secure transaction experience.	*
60	Describe any leasing or financing options available for use by educational or governmental entities.	To support educational and governmental entities with flexible procurement options, National Auto Fleet Group has partnered with National Cooperative Leasing (NCL) to offer customized leasing solutions for all vehicles quoted under our Sourcewell contract. We also offer leasing through Diversified Leasing. These leasing options are available to Sourcewell members as part of our standard offering and can be applied to any eligible NAFG quote. This partnership ensures members have access to competitive, compliant financing structures tailored to their budget cycles and operational needs. For additional details, a sample lease agreement is included in the “Member Walk Through” attachment the document titled “NCL Sample Lease.”	*
61	Describe any standard transaction documents that you propose to use in connection with an awarded agreement (order forms, terms and conditions, service level agreements, etc.). Upload all template agreements or transaction documents which may be proposed to Participating Entities.	National Auto Fleet Group utilizes a set of standardized transaction documents designed to ensure transparency, accuracy, and ease of use for Sourcewell members. These documents may include: - Order forms specific to vehicle configuration and upfit details - Courtesy Confirmations to validate order specifications before final placement - Terms and Conditions outlining payment, delivery, and warranty provisions - Service contract agreements when applicable, particularly for upfitting or specialty builds - Title and registration documentation tailored to the member’s local requirements All relevant template documents have been uploaded in the Standard Transaction Document attachment. These documents reflect our commitment to clear communication and consistent standards, while also allowing room for customization based on the specific needs of each participating entity	*
62	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, National Auto Fleet Group accepts P-card payments from Sourcewell membes. We accept P-card transactions up to $2,500 per vehicle with no additional fee. For transactions exceeding $2,500, a credit card processing fee will apply, which will be transparently itemized and passed on to the member. This policy allows us to support convenient procurement while maintaining cost transparency and flexibility for all participating entities.	*
63	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	National Auto Fleet Group utilizes a line-item discount model based on Manufacturer Suggested Retail Pricing (MSRP). We are offering Sourcewell participating entities competitive discounts across 17 OEM brands, as detailed in the Price File. In addition to vehicle pricing, NAFG provides the option to customize vehicles with upfits based on the member’s needs. All upfit-related pricing is also included and clearly itemized in the Price Summary Page within the Price File. Each line includes the standard MSRP, the Sourcewell discounted price, and all applicable OEM available options. Where available, SKUs and product identifiers are listed to support clarity and consistency.	*

64	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	National Auto Fleet Group's pricing proposal includes line-item discounts off MSRP across 17 OEM brands. Including all factory options. The percentage discounts vary by manufacturer and vehicle model, and are fully detailed in the uploaded "Price File" ZIP under each respective tab. Below is a summary of the estimated discount ranges offered by brand: Ford Motor Company from -0.42% to 3.63% Chevrolet from 0.24% to 10.02% Ram Stellantis Company from 3.44% to 9.99% Dodge Stellantis Company from 4.05% to 6.93% Jeep Stellantis Company from -.073% to 6.82% Chrysler Stellantis Company from .49% to 1.81% Buick from 0.91% to 0.97% Honda from -1.48 to 3.4% Toyota from 0.07% to 5.22% Nissan from 0.73% to 17% Kia from -1.25% to 2.48% GMC from 1.28% to 5.19% Volkswagen from 1.74% to 3.08% Lincoln from .077% to 3.12% BMW from 0.32% to 2.9% Cadillac from 2.11% to 2.2% Mullen/Bollinger at 2% While a few models reflect slight negative variances due to MSRP or market fluctuations, the majority of offerings show meaningful cost savings. Full details, including price summary, models and discount breakdowns are included in the "Price File" for Sourcewell's review. Upfits can be added at dealer invoice up to 20% detailed in the price file	*
65	Describe any quantity or volume discounts or rebate programs that you offer.	National Auto Fleet Group encourages members considering large-volume purchases (typically 50 units or more) to reach out directly for customized pricing and additional volume-based discounts. While standard discounts are reflected in our price file, we recognize that high-volume opportunities often warrant special consideration. In such cases, we work closely with both OEMs and upfit partners to secure the most competitive pricing available, ensuring maximum value for Sourcewell members. Depending on the uniqueness of the large order and model, some extra costs not associated with a single purchase may be added, these are provided in the Price File. Each high-volume order is evaluated individually to provide tailored, transparent, and advantageous pricing.	*
66	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "non-contracted items". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	"Open market" items or "sourced goods" that fall outside of standard configurations will be facilitated and treated as upfit components within the quoting process. National Auto Fleet Group will obtain quotes for these items on a case-by-case basis and include them as part of the final vehicle quote. In most cases, such items will be provided at cost, though a markup of up to 20% may apply depending on the complexity of the item or service and any associated handling or integration requirements. This approach ensures transparency while maintaining flexibility for Sourcewell members who require specialized, nonstandard solutions.	*

67	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	All standard costs associated with the total acquisition for a standard vehicle purchase including factory options, upfits, and administrative fees which have been accounted are within the Price Summary Page and Price table included in the submitted price file. If a Sourcewell member requests a specialized or nonstandard solution that involves additional services such as installation, training, or setup, those costs will be clearly quoted as part of the upfit and incorporated into the final vehicle quote. These services may be fulfilled either by OEM-authorized providers or trusted third-party upfitters in our partner network, depending on the nature of the request.	*
68	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All manufacturers include a standard Factory Destination Charge as part of the vehicle's MSRP. In addition to this, members may incur separate freight or delivery costs if a vehicle requires additional transport. For example, to or from an upfitter or final delivery location. These secondary freight charges vary depending on distance, delivery type, and location, and will be clearly itemized in the member's quote for full visibility and approval before purchase. National Auto Fleet Group ensures that all such charges are communicated upfront and incorporated seamlessly into the overall pricing.	*
69	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Shipping to Alaska, Hawaii, Canada, and U.S. Territories may involve additional logistical expenses, including but not limited to ferry charges, port handling fees, and extended driver delivery costs. These region-specific costs are carefully calculated based on the delivery route and vehicle type. All such charges will be disclosed on the member's quote for review and approval prior to finalizing the purchase. National Auto Fleet Group is experienced in managing deliveries to these regions and ensures all logistics are handled efficiently, transparently, and in compliance with regional requirements.	*
70	Describe any unique distribution and/or delivery methods or options offered in your proposal.	National Auto Fleet Group operates within a highly developed, nationwide franchise dealer distribution network, supported by relationships with 17 major OEMs. This network enables us to deliver vehicles quickly and efficiently to members and their end users across the country. In addition, for vehicles requiring upfits or multi-stage delivery, NAFG coordinates logistics directly with upfitters and transport providers, ensuring a turnkey experience from quote to delivery. Our digital order tracking system also allows members to monitor each step in the delivery process, enhancing communication and transparency throughout.	*
71	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed agreement with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing.	National Auto Fleet Group employs a robust self-audit process to ensure full compliance with our Sourcewell agreement, including verification that participating entities receive accurate, contract-based pricing. Sourcewell members can generate quotes directly through our user-friendly online platform, which is updated daily to reflect the most current manufacturer MSRP data. This ensures that pricing remains accurate and aligned with the most recent OEM updates. Our system is designed to deliver 99.99% pricing accuracy, and every quote reflects both the Sourcewell contract discount and any applicable administrative fees. In addition to this front-end visibility, our internal processes include regular pricing audits, cross-checks, and validation against contract terms. We also maintain a streamlined reporting system that allows us to deliver accurate quarterly sales and administrative reports to Sourcewell within a 15-30 day turnaround window, helping ensure transparency and ongoing contract compliance.	*

72	If you are awarded an agreement, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the agreement.	One of the key internal metrics National Auto Fleet Group uses to track and measure success under the Sourcewell contract is maintained through our online platform, which logs all member-generated quotes in real time. We carefully monitor how many quotes are created, which are converted into purchase orders, and how frequently members engage with the system. This gives us immediate insight into usage trends, quote-to-order conversion rates, and which vehicle types or configurations are seeing the most interest. Each month, we evaluate these indicators and closely monitor sales volume, frequency, and geographic distribution. We also track whether orders come from new or returning members, allowing us to measure how well we're growing the Sourcewell member base and maintaining long-term relationships. In addition to these core metrics, we review: 1. Average order size and upfit complexity 2. Delivery timelines and fulfillment rates 3. Quote accuracy and pricing consistency 4. Regional sales performance and market penetration This data informs both our strategic decision-making and our day-to-day service operations. Ultimately, we use these metrics to ensure we're not only meeting contractual obligations, but exceeding expectations by delivering consistent value, responsive service, and a positive experience for every Sourcewell member.	*
73	Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The propose an Administrative Fee will be payable to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. The Administrative Fee will be calculated as a stated percentage, or flat fee as may be applicable, of all completed transactions utilizing this Master Agreement within the preceding Reporting Period defined in the agreement.	National Auto Fleet Group proposes the following Administrative Fee structure payable to Sourcewell for all completed transactions under this Master Agreement: $300 per vehicle purchased directly through NAFG $200 per vehicle purchased through our approved partner dealer, Alan Jay Automotive At this time, no other partner dealer groups are included in the scope of this agreement for administrative fee purposes. This fee will be submitted on all completed transactions during each applicable reporting period, in accordance with the terms outlined in the Master Agreement.	*

Table 6B: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments	
74	The pricing offered is as good as or better than pricing typically offered through existing cooperative contracts, state contracts, or agencies.	Members receive the best overall value, service and customer care from NAFG.	*

Table 7A: Depth and Breadth of Offered Equipment Products and Services (200 Points, applies to Table 7A, 7B, and 7C or 7D)

Sourcewell is seeking proposals for Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories. Awards under this solicitation for Automobiles, SUVs, Vans, and Light Trucks will be in two (2) categories.

Proposers submitting a proposal in Category 1 as defined herein will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. For example, if a proposer offers vehicle solutions with Internal Combustions Engines (ICE) as well as vehicles with electric propulsion systems the Proposer should designate it is seeking an award in Category 1 ONLY.

Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems ONLY.

Line Item	Category Selection *	
75	Category 1: ALL engines, fuel, and propulsion type Automobiles, SUVs, Vans, and Light Trucks	*

Table 7B: Depth and Breadth of Offered Solutions

Line Item	Question	Response *	
76	Provide a detailed description of all the Solutions offered, including used Solutions if applicable, offered in the proposal.	National Auto Fleet Group is offering a comprehensive lineup of vehicles and turnkey fleet solutions under this proposal. We represent 17 OEM manufacturers, collectively offering over 100 makes and models across Class 1–3 vehicles, as well as select Cab & Chassis configurations. These include sedans, SUVs, pickup trucks, vans, hybrid models, and electric vehicles. Our inventory spans gas, diesel, hybrid, and all-electric platforms to meet the evolving operational and sustainability goals of Sourcewell members. All vehicle solutions offered through NAFG can be customized with upfits to meet industry-specific needs. They range from basic toolboxes and ladder racks to line mechanic bodies, service beds, utility bodies, and more. Upfits can be completed by either a trusted partner from our established upfitter network or by a supplier chosen by the member. In either case, NAFG coordinates directly to provide complete, turnkey quotes with all elements clearly specified. At this time, used vehicles are not offered as part of this proposal, as we are focused on delivering new, warrantied, and fully specifiable vehicles that align with Sourcewell members' procurement and compliance standards.	*
77	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Subcategory titles that best describe the solutions offered by National Auto Fleet Group include: Passenger Vehicles (Sedans, SUVs, Crossovers) Light-Duty Trucks (Class 1–3) Cab & Chassis Cargo and Passenger Vans Hybrid and Electric Vehicles Utility Vehicles and Work Trucks Upfitted Vehicles – Service Bodies, Mechanic Trucks, Utility Beds Fleet Leasing Options (via NCL) Custom Upfit Coordination (Turnkey Quotes) Online Quote Building and Member Support Tools These subcategories reflect the breadth of our offering and our ability to provide end-to-end solutions, from vehicle sourcing to upfit customization and delivery.	*

Table 7C: Depth and Breadth - Category 1 - All Engine Types

Indicate below if the listed types or classes of Solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

☐ We will not be submitting for Table 7C: Depth and Breadth - Category 1 - All Engine Types

Line Item	Category or Type	Offered *	Comments
78	Automobiles	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
79	Sport Utility Vehicles	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
80	Vans	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
81	Light Trucks (half ton, three quarter ton, and one ton)	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
82	Vehicles of the types and classifications in 78-81 above with upfitting designed for Public Safety Applications	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
83	Vehicles of the types and classifications in 78-81 above with upfitting designed for ADA and Paratransit Applications	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
84	Vehicles of the types and classifications in 78-81 above with upfitting designed for Service Body and Utility Bed for Light Truck	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
85	Conventional Internal Combustion models	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
86	Natural gas, propane autogas, hybrid, or alternative fuel models	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.
87	Electric powered models	◉ Yes ○ No	Models offered are from 17 OEM's outlined in the specifications attachment.

Table 7D: Depth and Breadth - Category 2 - Electric Propulsion Systems Only

Indicate below if the listed types or classes of Solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

☑ We will not be submitting for Table 7D: Depth and Breadth - Category 2 - Electric Propulsion Systems Only

Line Item	Category or Type	Offered *	Comments
88	Automobiles	○ Yes ○ No	
89	Sport Utility Vehicles	○ Yes ○ No	
90	Vans	○ Yes ○ No	
91	Light Trucks (half ton, three quarter ton, and one ton)	○ Yes ○ No	
92	Vehicles of the types and classifications in 88-91 above with upfitting designed for Public Safety Applications	○ Yes ○ No	
93	Vehicles of the types and classifications in 88-91 above with upfitting designed for ADA and Paratransit Applications	○ Yes ○ No	
94	Vehicles of the types and classifications in 88-91 above with upfitting designed for Service Body and Utility Bed for Light Truck	○ Yes ○ No	

Table 8: Exceptions to Terms, Conditions, or Specifications Form

Line Item 95. **NOTICE**: To identify any exception, or to request any modification, to Sourcewell standard Master Agreement terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Master Agreement Template provided in the “Bid Documents” section. Proposer must upload the redline in the “Requested Exceptions” upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Master Agreement.

Do you have exceptions or modifications to propose?	Acknowledgement *
	○ Yes ◉ No

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Pricing - Price File for NAFG 081325.zip - Sunday August 10, 2025 00:37:53
- Financial Strength and Stability - Financial Strength and Stability for NAFG 081325.zip - Sunday August 10, 2025 00:38:28
- Marketing Plan/Samples - Marketing Plan for NAFG 081325.zip - Sunday August 10, 2025 00:38:58
- WMBE/MBE/SBE or Related Certificates - MBE and Realted Certificates for NAFG 081325.zip - Sunday August 10, 2025 00:39:21
- Standard Transaction Document Samples - Standard Transaction for NAFG 081325.zip - Sunday August 10, 2025 00:39:37
- Requested Exceptions (optional)
- Upload Additional Document - ALL 17 Manufacture Models and Warranty for NAFG 081325.zip - Sunday August 10, 2025 00:40:37

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT OF COMPLIANCE

I certify that I am an authorized representative of Proposer and have authority to submit the foregoing Proposal:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for award.

3. The Proposer certifies that:

(1) The prices in this Proposal have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Proposer or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this Proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before award unless otherwise required by law; and

(3) No attempt has been made or will be made by Proposer to induce any other concern to submit or not to submit a Proposal for the purpose of restricting competition.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest is created when a current or prospective supplier is unable to render impartial service to Sourcewell due to the supplier's: a. creation of evaluation criteria during performance of a prior agreement which potentially influences future competitive opportunities to its favor; b. access to nonpublic and material information that may provide for a competitive advantage in a later procurement competition; c. impaired objectivity in providing advice to Sourcewell.

5. Proposer will provide to Sourcewell Participating Entities Solutions in accordance with the terms, conditions, and scope of a resulting master agreement.

6. The Proposer possesses, or will possess all applicable licenses or certifications necessary to deliver Solutions under any resulting master agreement.

7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

8. Proposer its employees, agents, and subcontractors are not:

1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;
2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or
3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Jesse Cooper, Fleet Manager, 72 Hour LLC, DBA: National Auto Fleet Group

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the obligations contemplated in the solicitation proposal.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_6_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Tue August 5 2025 09:12 AM	☑	1
Addendum_5_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Mon August 4 2025 08:59 AM	☑	2
Addendum_4_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Wed July 30 2025 08:06 AM	☑	2
Addendum_3_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Mon July 28 2025 07:50 AM	☑	1
Addendum_2_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Fri July 25 2025 08:11 AM	☑	2
Addendum_1_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Wed July 23 2025 04:15 PM	☑	2

National Auto Fleet Group

A Division of Chevrolet of Watsonville

490 Auto Center Drive, Watsonville, CA 95076

(855) 289-6572 • (831) 480-8497 Fax

Fleet@NationalAutoFleetGroup.com

National Auto Fleet Group Contract #032824-NAF pricing utilities a percentage off MSRP/LIST. National Auto Fleet Group offers pricing discounts ranging from 1.16% through 38.46% across 15 Manufacturers depending on the model. All vehicles can come with or without up-fitting from our national supplier or a member's local up fitter. Inquire within.

Pricing can be obtained using two methods:

1. Online quoting process using www.NationalAutoFleetGroup.com. Once the Sourcewell Member registers on the NAFG website, they then can build the desired vehicle to their specifications. The member then builds the vehicle and obtains an online quote for that specific vehicle
   *Sourcewell pricing is built right into the NAFG site
2. The Sourcewell member can also reach out to National Auto Fleet Group directly at (1-855-289-6572) to have an associate help guide your agency with the appropriate vehicles to fit your need.

Jesse Cooper

National Auto Fleet Group

Estimate

160 North Broadway
Fresno, CA 93701-1592

Phone: (559) 233-8818 Email: sales@cookscom.com

Customer No.: HANFORD PD
Quote No.: 17310

Quote To: **City of Hanford Police Department**
315 N Douty St
Accounts Payable
Hanford, CA 93230-000

Phone: (559) 585-2540
Email: jlutz@hanfordca.gov

Ship To: **City of Hanford Police Department**
319 N Douty
Hanford, CA 93230-000

Phone:
Email: billing@cityofhanfordca.com

Date	Ship Via	F.O.B.	Terms
01/14/26	Up-Fit Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	02/14/26

Quantity Required	Item Number	Description	Unit Price	Amount
		'25 DODGE DURANGO ******PARTS FOR '25 or '26 DURANGOS WILL REMAIN THE SAME****** ********SLICKTOP********* ****HANFORD PD***** UNIT# TBD ***FEDERAL SIGNAL*** ***PROMO PACKAGE*** **********		
1	SIFMJS	Fed Sig Spectralux Low Profile Front ILS Split - Center Focused Specify Referance Number From Config. 1669919913	1007.00	1007.00
1	SIFMJH	Fed Sig Spectralux Low Profile Rear ILS Rear Hatch- Center Focused Specify Referance Number From Config. 1669920151	1007.00	1007.00
1	PF400S17B	Fed Sig 400w Pathfinder Amp w/17 Button Controller	1819.00	1819.00
1	OBDCABLE25-DGCAN	Fed Sig OBD Install Cable fits Dodge Charger	137.00	137.00
1	ES100C	Federal Signal 100 watt Siren Speaker	0.00	0.00
1	ESB-U	Universal Siren Bracket for ES100 Siren	0.00	0.00
1	EXPMOD24	Fed Sig Expansion Module 24 Channel	265.00	265.00
1	PFSYNC-1	Fed Sig On Scene Sync Module GPS/Ambient	223.00	223.00
1	RBKIT2-COMPACT	Fed Sig Compact Rumbler Dual Speaker	0.00	0.00

Thank You

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Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	02/14/26

Quantity Required	Item Number	Description	Unit Price	Amount
1	RBC2-DUR23ND	Federal Signal Rumbler Speaker Brackets Old p/n RBC2-DUR21ND 2) Compact, no drill,(1) passenger side bracket and (1) driver side bracket, Dodge Durango, 2019-2023 EVAL PROMO **********	0.00	0.00
1	ES100C	Federal Signal 100 watt Siren Speaker	272.00	272.00
1	ESB-U	Universal Siren Bracket for ES100 Siren	34.00	34.00
1	ESBL2-DUR21ND	Federal Signal Siren Speaker Vehicle Specific Bracket No drill, combination dual bracket kit — (2) ES100C and (2) MPS lights behind grille	58.00	58.00
2	MPS123U-RBW	Fed Sig Micropulse Ultra TriColor Light Red/Blue/White MOUNTED BEHIND THE GRILLE	200.00	400.00
2	MPSW9-RBW-SMK	Federal Signal MicroPulse® Wide Angle 9 Tri-Color Smoked lens (18) LEDs, Red/Blue/White	200.00	400.00
1	MPSMW9-DUR21MIR	Fed Sig Mirror Bracket Kit fits '21+ Dodge Durango MOUNTED UNDER THE MIRROR	27.00	27.00
2	DR5-RBW-SMK	Federal Signal 5-foot Running Board, Tri-Color, Smoked lens Red/Blue/White	1313.00	2626.00
2	DR5BKT-RB-DUR15	Federal Signal 5-ft running board	42.00	84.00

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Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	02/14/26

Quantity Required	Item Number	Description	Unit Price	Amount
		mounting brackets 2015-2023 Dodge Durango		
2	MPS63U-RBW-SMK	Fed Sig Micropulse Ultra 6 LED Tri-Color Smoked Lens Red/Blue/White	184.00	368.00
		MOUNTED ON THE REAR LIFTGATE NEXT TO THE LICENSE PLATE		
1	805-0022-00	Stalker Dual System 2 Antennas	2891.00	2891.00
1	200-1377-10	Stalker Combination Dash Mount. fits '21-Present Dodge Durango	235.00	235.00
1	200-1321-00	Stalker Rear Antenna Mount fits 2019-Present Dodge Durango	155.00	155.00
		CONSOLE EQUIPMENT		
1	C-VS-2300-DUR	Havis VS 23" Console fits '21 Dodge Durango	482.00	482.00
1	C-EB40-SSP-1P	Havis 4" Faceplate fits PA300-CN/SSP3000	0.00	0.00
1	C-EB30-KCH-1P	Havis 3" Faceplate fits Kenwood KCH20r Control Head	0.00	0.00
1	CUP2-1001	Havis Self Adjusting Cup Holder	56.00	56.00
1	C-FP-1	1" Blank Havis Face Plate	0.00	0.00
1	C-MCB	Havis Console Mic Clip Bracket	15.00	15.00
1	MMSU-1	Magnetic Mic Conversion Kit	42.00	42.00
1	C-ARPB-145	Havis Zebra ZQ520 & ZQ521	367.00	367.00

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Date	Ship Via	F.O.B.	Terms
01/14/26	Up-Flt Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	02/14/26

Quantity Required	Item Number	Description	Unit Price	Amount
		Printer Mount With Accessory Pocket & Short Armrest		
1	C-HDM-426	HAVIS Internal Pole Mount For 2021-2023 Dodge Durango	35.00	35.00
1	C-HDM-214	HAVIS 8.5" Heavy-Duty Telescoping Pole, Side Mount	152.00	152.00
1	C-HDM-307	Havis Heavy Duty Adapter Plate for Swivel Arm Mounts	18.00	18.00
1	MD-ARM-0603	Havis Swing Arm Mount 6" Base 3" Extension	125.00	125.00
1	PKG-KB-2002	HAVIS Rugged Keyboard With Mount (No Emergency Key)	581.00	581.00
1	C-DMM-3024	HAVIS Heavy-Duty Dash Mount For 2021-2024 Dodge Durango Fits 2021-2023 Dodge Durango police pursuit and retail vehicles No permanent modification 12 lb. weight carrying rating Flip up to view or control the OEM equipment 360° rotation for driver or passenger easy viewing Positive dual action latch for security Includes VESA 75 hole pattern Configurable for many devices Works with tunnel mount consoles Heavy gauge steel, welded construction Black powder coat finish Lifetime warranty Made in USA	449.00	449.00
1	DS-DELL-901	Havis Docking Station for Dell 7230 Tablet w/Power Supply	866.00	866.00
1	CR0MD	Dell 7230 Rugged Extreme	3200.00	3200.00

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Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	02/14/26

Quantity Required	Item Number	Description	Unit Price	Amount
		Tablet 12" i5 16gb 256GB SSD		
1	BARCODESZQ521	Zebra ZQ521 Printer	988.00	988.00
1	BARCODESZQOEADAPTOR	Zebra DC-DC Vehicle Adapter	65.00	65.00
		COMMUNICATIONS EQUIPMENT		
1	NX-5800BK	Kenwood 50 watt, 1024CH 450-520MHz, RF Deck 3 Year Warranty	621.00	621.00
1	KWD-5100CV	Kenwood P25 Conventional License Key	478.00	478.00
1	KWD-AE31K	Kenwood AES&DES Encryption Order L-5008 if Install Req.	516.00	516.00
1	L-5008	Kenwood Labor Code Install KWD-AE31K in NX-5000	65.00	65.00
1	5AFM	Kenwood NX-5000 Series Single Deck, Single Control Head Remote Mount	815.00	815.00
1	ROOF-FT-NITI	Stico Flexi-Whip Antenna 136mhz-1ghz. Includes coax & RFU505ST	94.00	94.00
1	RFU505ST	PL259 For RG58	10.00	10.00
1	MB01-19005GB-GA	Cradlepoint IBR-1900 1-yr NetCloud Mobile Performance Essentials Plan and R1900 router with WiFi (5G modem), no AC power supply or antennas, Global	1699.00	1699.00
1	PWAT-328-TW-7N1COOKS	Panoram Antenna for Cradlepoint R1900	465.00	465.00
		MISC. HARDWARE		
1	PK1126DUR11	#10XL C Horizontal Sliding	951.00	951.00

Thank You

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Date	Ship Via	F.O.B.	Terms
01/14/26	Up-Fit Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	02/14/26

Quantity Required	Item Number	Description	Unit Price	Amount
		Window Coated Polycarbonate With Expanded Metal Window Security Screen XL Panel Partition		
1	GK10271U	Setina Single T Rail Weapon Mount 1 XL Lock Old p/n GK10271UXLSSCA	348.00	348.00
1	WK0595DUR11	Window Barrier Polycarbonate *FOR USE WITH: -Stock Door Panels -SETINA TPO Door Panels	305.00	305.00
1	WK0040DUR11	Setina Window Barriers fits '11-'23 Dodge Durango	416.00	416.00
1	QK0635DUR11	Setina Full Replacement Transport Seat w/Center Pull Belts. fits Dodge Durango	1487.00	1487.00
1	TK1246DUR11	Setina E-Z Lift Cargo Deck With Lower Radio Tray fits Durango 11-present	866.00	866.00
1	TK0841DUR11	Setina Cargo Box w/Keypad Lock fits '11-'21 Dodge Durango	1750.00	1750.00
1	S3700K	9' Stop Stick w/Storage Bag Red	587.00	587.00
1	S2100	Stop Stick Sleeve 9' Black	62.00	62.00
1	S3704	Stop Stick Storage Bag	69.00	69.00
		MISC INSTALLTION EQUIP		
1	5029B-BSS	12 Circuit Water Resistant Fuse Block w/Cover	42.00	42.00

Thank You

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Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	02/14/26

Quantity Required	Item Number	Description	Unit Price	Amount
5	5080	Relay	14.00	70.00
1	7615B-BSS	Blue Seas Solenoid/Timer. 120amp 12vdc	123.00	123.00
1	7189B-BSS	Resettable Circuit Breaker Resettable Circuit Breaker	63.00	63.00
1	MATERIALSFEE3	Installation Material Bundle	375.00	375.00
45.000	LAISREG	Shop Installation Complete Patrol Car	165.00	7425.00
1	GRAPHICSPACKAGE	Graphics Package for Public Safety Vehicle Custom STEALTH Black Reflective Vehicle Graphic Kit for HANFORD POLICE'S Black 2025 Dodge Durango (unit # TBD) (Graphics to be all all black reflective for a black car to create stealth look) * Custom Stealth Version of graphic kit to consist of: - Black Reflective HANFORD POLICE lettering across front and rear doors (Same style lettering as their Park Resource Officer graphic kit but in black reflective) - Black Reflective Star Emblem Decals on front doors (Same style star as in their Park Resource Officer graphic kit but in black reflective) - Black Reflective EMERGENCY 911 for side rear quarter panels (Same style as in their Park Resource Officer graphic kit but in black reflective) - Black Reflective HANFORD POLICE lettering for rear hatch - Black Reflective unit numbers TBD on front fenders and rear	715.00	715.00

Thank You

Estimate

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Fresno, CA 93701-1592

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Hanford, CA 93230-000

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Hanford, CA 93230-000

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Date	Ship Via	F.O.B.	Terms
01/14/26	Up-FIt Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	02/14/26

Quantity Required	Item Number	Description	Unit Price	Amount
3.000	GRAPHICS INSTALL PKG	Includes Surface Prep Wrap Graphics Around All Ends, Stars, & Badges	165.00	495.00

Subtotal	40361.00
Freight charges	600.00
Sales tax @ 8.35000%	2708.82
Total	43669.82

Thank You for Considering Cook's Communications

Thank You

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of the purchase of a slicktop Dodge Durango and upfitting from National Auto Fleet Group (Sourcewell Contract 091521-NAF) and Cook's Communication in the total amount of $88,705.81, and an appropriation from the Fleet Replacement Reserve in the amount of $27,748.18 to cover costs not reimbursed by the FY25/26 California Highway Patrol (CHP) grant.

RECOMMENDATION:

Recommendation: That the City Council, by motion, approve the purchase of a slicktop Dodge Durango and upfitting from National Auto Fleet Group (Sourcewell Contract 091521-NAF) and Cook's Communication in the total amount of $88,705.81 and appropriate $27,748.18 from the Fleet Replacement Reserve to cover costs not reimbursed by the FY25/26 California Highway Patrol (CHP) grant.

Recommended Motion: I move to approve the purchase of a slicktop Dodge Durango and upfitting from National Auto Fleet Group (Sourcewell Contract 091521-NAF) and Cook's Communication in the total amount of $88,705.81 and appropriate $27,748.18 from the Fleet Replacement Reserve to cover costs not reimbursed by the FY25/26 California Highway Patrol (CHP) grant.

BACKGROUND:

At the July 15, 2025 City Council meeting, Resolution No. 25-40-R was adopted to accept the FY25/26 California Highway Patrol (CHP) Driving Under the Influence/Drugs (DUI/DUID) grant. The grant award included funds to purchase and upfit a new slicktop Dodge Durango to be used for grant activities and traffic enforcement. The total awarded amount for the patrol vehicle and vehicle upfit is $60,957.63.

After the acceptance of the CHP DUI/DUID grant, City staff solicited a quote from National Auto Fleet Group for the purchase of a Dodge Durango. National Auto Fleet Group provided a quote using Sourcewell Contract 091521-NAF with a total cost of $50,168.79. National Auto Fleet Group has supplied vehicles to the city in the past and is able to ensure that patrol vehicles are correctly configured. By using Sourcewell Contract 091521-NAF, the vendor is offering a total savings of $2,482.96. The Sourcewell contract was competitively bid at the time of original procurement.

Staff processed a purchase order for Cook's Communication for vehicle upfitting in the amount of $38,537.02. This was completed in December 2025 to take advantage of 2025 pricing and avoid expected price increases in 2026.

FISCAL IMPACT:

The CHP DUI/DUID grant will reimburse the City for a total of $60,957.63. This will cover a portion of the costs for the purchase of the vehicle and a portion of the upfitting costs. Based on the upfitting costs of $38,537.02 and the vehicle costs of $50,168.79, staff is requesting an appropriation of $27,748.18 from the Fleet Replacement Reserve to cover the remaining costs not reimbursed by the grant. The City will be reimbursed by the grant administrator after the purchase of the vehicle and outfitting is complete.

$60,957.63 – Grant Award Amount

$50,168.79 – Cost of Vehicle
$38,537.02 – Cost of Upfitting
$88,705.81 – Total Cost of Vehicle

$27,748.18 – Additional Amount to be Appropriated

ATTACHMENTS:

1. FY25-26 CTFGP Exc Grant Agreement - Hanford PD
2. Sourcewell Quote
3. Sourcewell Contract
4. Cooks Estimate 17488
5. Cooks Estimate 17489

Award Number
23405

1. GRANT TITLE
FY25/26 CTFGP Law Enforcement - Hanford Police Department

2. NAME OF ORGANIZATION/AGENCY
Hanford Police Department

3. ORGANIZATION/AGENCY SECTION TO ADMINISTER GRANT
HANFORD POLICE DEPT

4. PROJECT PERFORMANCE PERIOD
From: 07/01/2025 To: 06/30/2026

5. PURCHASE ORDER NUMBER

6. GRANT OPPORTUNITY INFORMATION DESCRIPTION
Law Enforcement grants provide financial assistance to allied agencies for the education, prevention, and the enforcement of laws related to driving under the influence of alcohol and other drugs, including cannabis and cannabis products.

The intent of the program is to educate the public regarding the dangers of impaired driving, enforce impaired driving laws on the roadway, and improve the Organization/Agency's effectiveness through training and development of new strategies.

7. FUNDS ALLOCATED UNDER THIS GRANT AGREEMENT SHALL NOT EXCEED $85,125.75

8. TERMS AND CONDITIONS
The Grantee agrees to complete the Project, as described in the Project Description. The Grantee's Grant Application, and the California Code of Regulations, Title 13, Division 2, Chapter 13, Sections 1890.00-1890.27, are hereby incorporated into this Grant Agreement by reference.

The parties hereto agree to comply with the Terms and Conditions of the following attachments:

- Schedule A – Project Description, Problem Statement, Goals and Objectives, and Method of Procedure
- Schedule B – Detailed Budget Estimate
- Schedule B-1 – Budget Narrative

We, the officials named below, hereby swear, under penalty of perjury under the laws of the State of California, that we are duly authorized to legally bind the Grant recipient to the above-described Grant Terms and Conditions.

IN WITNESS WHEREOF, this Grant Agreement is executed by the parties hereto.

9. APPROVAL SIGNATURES

A. AUTHORIZED OFFICIAL OF ORGANIZATION/AGENCY
Name: Stephanie Huddleston
Title: Chief of Police
Phone: (559) 585-4722

Address: 425 N. Irwin Street
Hanford, CA 93230

E-Mail: shuddleston@cityofhanfordca.com

Stephanie Huddleston — Digitally signed by Stephanie Huddleston Date: 2025.07.18 08:27:21 -07'00' — 07/18/25
(Signature) *(Date)*

B. AUTHORIZED OFFICIAL OF CHP
Name: Andrew Beasley Phone: (916) 843-4360
Title: Captain Fax: (916) 322-3169

Address: 601 North 7th Street
Sacramento, CA 95811

E-Mail: ABeasley@chp.ca.gov

N. Herman, 18462 for Captain AB — Digitally signed by N. Herman, 18462 for Captain AB Date: 2025.07.24 08:19:18 -07'00' — 07/24/2025
(Signature) *(Date)*

C. ACCOUNTING OFFICER OF CHP
Name: M. V. Fojas Phone: (916) 843-3531
Title: Commander Fax: (916) 322-3159

Address: 601 North 7th Street
Sacramento, CA 95811

E-Mail: Michelle.Fojas@chp.ca.gov

Michelle V. Fojas — Digitally signed by Michelle V. Fojas Date: 2025.07.25 12:33:56 -07'00' — 07/25/2025
(Signature) *(Date)*

10. AUTHORIZED FINANCIAL CONTACT TO RECEIVE REIMBURSEMENT PAYMENTS

Name: David Chang
Title: Accountant
Phone: (559) 585-4722

Address: 425 N. Irwin Street
Hanford, CA 93230

TERMS AND CONDITIONS

Grantee shall comply with the California Code of Regulations, Title 13, Division 2, Chapter 13 Section 1890, et seq. and all other Terms and Conditions noted in this Grant Agreement. Failure by the Grantee to comply may result in the termination of this Grant Agreement by the California Highway Patrol (hereafter referred to as State). The State will have no obligation to reimburse the Grantee for any additional costs once the Grant Agreement has been terminated.

A. EXECUTION

1. The State (the California Highway Patrol) hereby awards, to the Grantee, the sum of money stated on page one of this Grant Agreement. This funding is awarded to the Grantee to carry out the Project set forth in the Project Description and the terms and conditions set forth in this Grant Agreement.

2. The funding for this Grant Agreement is allocated pursuant to California Revenue and Taxation Code Section 34019(f)(3)(B). The Grantee agrees that the State's obligation to pay any sum under this Grant Agreement is contingent upon availability of funds disbursed from the California Cannabis Tax Fund to the State. If there is insufficient funding, the State shall have the option to either: 1) terminate this Grant Agreement; whereby, no party shall have any further obligations or liabilities under this Grant Agreement, or 2) negotiate a Grant Agreement Amendment to reduce the grant award and scope of work to be provided under this Grant Agreement.

3. The Grantee is not to commence or proceed with any work in advance of receiving notice that the Grant Agreement is approved. Any work performed by the Grantee in advance of the date of approval by the State shall be deemed volunteer work and will not be reimbursed by the State.

4. The Grantee agrees to provide any additional funding, beyond what the State has agreed to provide, pursuant to this Grant Agreement, and necessary to complete or carry out the Project, as described in this Grant Agreement. Any modification or alteration of this Grant Agreement, as set forth in the Grant Application submitted by the Grantee and on file with the State, must be submitted in writing thirty (30) calendar days in advance to the State for approval.

5. The Grantee agrees to complete the Project within the timeframe indicated in the Project Performance Period, which is on page one of this Grant Agreement.

B. PROJECT ADMINISTRATION

1. The Grantee shall submit all reimbursements, progress, performance, and/or other required reports concerning the status of work performed in furtherance of this Grant Agreement on a quarterly basis, or as requested by the State.

2. The Grantee shall provide the State with a final report showing all Project expenditures, which includes all State and any other Project funding expended, within sixty (60) calendar days after completion of this Grant Agreement.

3. The Grantee shall ensure all equipment which is purchased, maintained, operated, and/or developed is available for inspection by the State.

4. Equipment purchased through this Grant Agreement shall be used for the education, prevention, and enforcement of impaired driving laws, unless the Grantee is funding a portion of the purchased price not dedicated to impaired driving and that portion is not part of the Project costs. Equipment purchased under this Grant Agreement must only be used for approved Project-related purposes, unless otherwise approved by the State in writing.

5. Prior to disposition of equipment acquired under this Grant Agreement, the Grantee shall notify the State via e-mail, and by telephone, by calling the California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit at (916) 843-4360.

TERMS AND CONDITIONS

C. PROJECT TERMINATION

1. Grantee or the State may terminate this Grant Agreement at any time prior to the commencement of the Project. Once the Project has commenced, this Grant Agreement may only be terminated if the party withdrawing provides thirty (30) calendar days written notice of their intent to withdraw.

    a. If by reason of force majeure the performance hereunder is delayed or prevented, then the term end date may be extended by mutual consent for the same amount of time of such delay or prevention. The term “force majeure” shall mean any fire, flood, earthquake, or public disaster, strike, labor dispute or unrest, embargo, riot, war, insurrection or civil unrest, any act of God, any act of legally constituted authority, or any other cause beyond the Grantee’s control which would excuse the Grantee’s performance as a matter of law.

    b. Grantee agrees to provide written notice of an event of force majeure under this Grant Agreement within ten (10) calendar days of the commencement of such event, and within ten (10) calendar days after the termination of such event, unless the force majeure prohibits Grantee from reasonably giving notice within this period. Grantee will give such notice at the earliest possible time following the event of force majeure.

2. Any violations of law committed by the Grantee, misrepresentations of Project information by the Grantee to the State, submission of falsified documents by the Grantee to the State, or failure to provide records by the Grantee to the State when requested for audit or site visit purposes may be cause for termination. If the Project is terminated for the reasons described in this paragraph, the State will have no obligation to reimburse the Grantee for any additional costs once the Grant Agreement has been terminated.

3. The State may terminate this Grant Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein provided. Furthermore, the Grantee, upon termination, shall return grant funds not expended by the Grantee as of the date of termination.

4. If this Grant Agreement is terminated, the State may choose to exclude the Grantee from future Grant Opportunities.

D. FINANCIAL RECORDS

1. The Grantee agrees the State, or their designated representative, shall have the right to review and to copy all records and supporting documentation pertaining to the performance of this Grant Agreement. Grantee agrees to maintain such records for possible audit for a minimum of five (5) years after final payment, unless a longer period of records retention is stipulated or required by law. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Furthermore, the Grantee agrees to include a similar right for the State to audit all records and interview staff in any subcontract related to performance of this Grant Agreement.

E. HOLD HARMLESS

1. The Grantee agrees to indemnify, defend, and save harmless the State, its officials, agents and employees from any and all claims and losses accruing or resulting to any and all Grantee’s staff, contractors, subcontractors, suppliers, and other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Grant Agreement, and from any and all claims and losses accruing or resulting to any person, agency, firm, corporation who may be injured or damaged by the Grantee in performance of this Grant Agreement.

TERMS AND CONDITIONS

F. NONDISCRIMINATION

1. The Grantee agrees to comply with State and federal laws outlawing discrimination, including, but not limited to, those prohibiting discrimination because of sex, race, color, ancestry, religion, creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status, and denial of statutorily-required employment-related leave. (GC 12990 [a-f] and CCR, Title 2, Section 8103.)

G. AMERICANS WITH DISABILITIES ACT

1. The Grantee assures the State it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

H. DRUG-FREE WORKPLACE

1. The Grantee shall comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

    a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

    b. Establish a Drug-Free Awareness Program to inform employees about:

        i. The dangers of drug abuse in the workplace.

        ii. The person's or Organization/Agency's policy of maintaining a drug-free workplace.

        iii. Any available counseling, rehabilitation, and employee assistance programs.

        iv. Penalties that may be imposed upon employees for drug abuse violations.

    c. Every employee who works on the Project will:

        i. Receive a copy of the company's drug-free workplace policy statement.

        ii. Agree to abide by the terms of the company's statement as a condition of employment on the Grant Agreement.

2. Failure to comply with these requirements may result in suspension of payments under this Grant Agreement, or termination of this Grant Agreement, or both, and Grantee may be ineligible for award of any future Grant Agreements if the department determines that any of the following has occurred:

    a. The Grantee has made false certification or violated the certification by failing to carry out the requirements, as noted above. (GC 8350 et seq.)

I. LAW ENFORCEMENT AGENCIES

1. All law enforcement Organization/Agency/Agency Grantees shall comply with California law regarding racial profiling. Specifically, law enforcement Organization/Agency/Agency Grantees shall not engage in the act of racial profiling, as defined in California Penal Code Section 13519.4.

TERMS AND CONDITIONS

J. LABOR CODE/WORKERS' COMPENSATION

1. The Grantee is advised and made aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Grantee affirms to comply with such provisions before commencing the performance of the work of this Grant Agreement, (refer to Labor Code Section 3700).

K. GRANT APPLICATION INCORPORATION

1. The Grantee agrees the Grant Application and any subsequent changes or additions approved or required by the State is hereby incorporated into this Grant Agreement.

L. STATE LOBBYING

1. The Grantee is advised that none of the funds provided under this Grant Agreement may be used for any activity specifically designed to urge or influence a state or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any state or local legislative body. Such activities include both direct and indirect (e.g., “grassroots”) lobbying activities, with one exception. This does not preclude a state official, whose salary is supported by this Grant Agreement, from engaging in direct communications with the state or local legislative officials, in accordance with customary state and/or local practice.

M. REPRESENTATION AND WARRANTIES

1. The Grantee represents and warrants that:

    a. It is validly existing and in good standing under the laws of the State of California, has, or will have the requisite power, authority, licenses, permits, and the like necessary to carry on its business as it is now being conducted and as contemplated in this Grant Agreement, and will, at all times, lawfully conduct its business in compliance with all applicable federal, state, and local laws, regulations, and rules.

    b. It is not a party to any Grant Agreement, written or oral, creating obligations that would prevent it from entering into this Grant Agreement or satisfying the terms herein.

    c. If the Grantee is a Nonprofit Organization/Agency, it will maintain its “Active” status with the California Secretary of State, maintain its “Current” status with the California Attorney General’s Registry of Charitable Trusts, and maintain its federal and State of California tax-exempt status. If the Grantee subcontracts with a Nonprofit as part of this Grant Agreement, the Grantee shall ensure the Nonprofit will maintain its “Active” status with the California Secretary of State, maintain its “Current” status with the California Attorney General’s Registry of Charitable Trusts, and maintain its federal and State of California tax-exempt status.

    d. All of the information in its Grant Application and all materials submitted are true and accurate.

N. AIR OR WATER POLLUTION VIOLATION

1. Under the state laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

TERMS AND CONDITIONS

O. GRANTEE NAME CHANGE

1. Grantee agrees to immediately inform the State, in writing, of any changes to the name of the person within the Organization/Agency/Agency with delegated signing authority.

2. An Amendment is required to change the Grantee's name, as listed on this Grant Agreement. Upon receipt of legal documentation of the name change, the State will process the Amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said Amendment.

P. RESOLUTION

1. A county, city, district, or other local public body shall provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body, which by law, has authority to enter into a Grant Agreement, authorizing execution of the Grant Agreement.

Q. PAYEE DATA RECORD FORM STD. 204

1. This form shall be completed by all non-governmental Grantees.

R. FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA GOVERNMENT AGENCY TAXPAYER ID FORM

1. This form shall be completed by all Grantees.

S. CONFLICT OF INTEREST

1. This section serves to make the Grantee aware of specific provisions related to current or former state employees. If Grantee has any questions regarding the status of any person rendering services or involved with the Grant Agreement, the Grantee shall contact the State (California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit) immediately for clarification.

2. Current State Employees:

    a. No officer or employee shall engage in any employment, activity, or enterprise, from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any state agency, unless the employment, activity, or enterprise is required, as a condition of regular state employment.

    b. No officer or employee shall contract on their own behalf, as an independent Grantee, with any state agency to provide goods or services.

3. Former State Employees:

    a. For the two-year period from the date they left state employment, no former state officer or employee may enter into a contract in which they engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to this Grant Agreement while employed in any capacity by any state agency.

    b. For the 12-month period from the date they left state employment, no former state officer or employee may enter into a contract with any state agency if they were employed by that state agency in a policy-making position in the same general subject area as the proposed Grant Agreement within the 12-month period prior to their leaving state service.

4. The authorized representative of the Grantee Organization/Agency, named within this Grant Agreement, warrants their Organization/Agency and its employees have no personal or financial interest and no present or past employment or activity, which would be incompatible with

participating in any activity related to this Grant Agreement. For the duration of this Grant Agreement, the Organization/Agency and its employees will not accept any gift, benefit, gratuity or consideration, or begin a personal or financial interest in a party who is associated with this Grant Agreement.

5. The Grantee Organization/Agency and its employees shall not disclose any financial, statistical, personal, technical, media-related, and/or other information or data derived from this Grant Agreement, made available for use by the State, for the purposes of providing services to the State, in conjunction with this Grant Agreement, except as otherwise required by law or explicitly permitted by the State in writing. The Grantee shall immediately advise the State of any person(s) who has access to confidential Project information and intends to disclose that information in violation of this Grant Agreement.

6. The Grantee will not enter into any Grant Agreement or discussions with third parties concerning materials described in paragraph five (5) prior to receiving written confirmation from the State that such third party has a Grant Agreement with the State, similar in nature to this one.

7. The Grantee warrants that only those employees who are authorized and required to use the materials described in paragraph 5 will have access to them.

8. If the Grantee violates any provisions in the above paragraphs, such action by the Grantee shall render this Grant Agreement void.

T. EQUIPMENT-USE TERMS

1. The Grantee agrees any equipment purchased under this Grant Agreement shall be used for impaired driving efforts.

2. Law Enforcement Projects:

   a. Oral Fluid Drug Screening Devices and Cannabis/Marijuana Breath Testing Equipment - The Grantee agrees to ensure all personnel using road-side drug testing equipment, including oral fluid drug testing devices and/or cannabis/marijuana breath testing devices, purchased with grant funds from this Grant Agreement, are trained to recognize alcohol and drug impairment. At a minimum, personnel using these devices should receive Standardized Field Sobriety Testing training. These personnel are also encouraged to attend Advanced Roadside Impaired Driving Enforcement and Drug Recognition Evaluator training. Prior to using these devices, the Grantee agrees to obtain permission from their local prosecutor's office, establish a policy ensuring appropriate use, and require the staff using these devices to receive appropriate training, which may include training from the manufacturer. This will help ensure the equipment is used appropriately. The Grantee shall advise the State (California Highway Patrol, Impaired Driving Section, Cannabis Grants Unit) of any legal challenges or other items of significance that may affect the use or legal acceptance of these devices. Additionally, the State may request additional information about the performance of these devices, including information about their use, accuracy, and feedback from personnel using the devices.

   b. Law Enforcement Vehicles – The Grantee agrees any law enforcement vehicles purchased with Grant funds, from this Grant Agreement, will be primarily used for the enforcement of driving under the influence laws and/or providing public education, related to the dangers of driving under the influence. Additionally, any vehicle purchased using funds from this Grant Agreement shall comply with all California Vehicle Code and California Code of Regulation requirements. The State may require the Grantee to mark these vehicles with a decal and/or emblem, indicating the vehicle is used for driving under the influence enforcement.

Schedule A

Hanford Police Department

All grant awards, including any adjustments to requested funding, were made by the Cannabis Grants Unit based on the merits of the Grant Application, scale of operation, and in accordance with the Request for Application (RFA) requirements and associated regulations. As a result, not all Project activities and items detailed in Schedule A are applicable. Refer to Schedule B - Detailed Budget Estimate for approved Budget line items and Project activities. Project activities and items that are not clearly identified/specified in the Grant Agreement must be submitted to and approved by CGU prior to purchase.

Project Description

The Hanford Police Department will conduct saturation patrols and DUI checkpoints to prevent impaired driving and enhance public safety. These patrols will take place monthly to ensure roadways remain safe for all citizens. DUI checkpoints will also be set up, serving as a reminder to the public that the department is committed to keeping impaired drivers off the streets. By combining saturation patrols and checkpoints, the department aims to have officers actively patrolling during times when impaired driving is most common. Officers will establish a visible presence during peak DUI hours to ensure road safety. Additionally, the department is requesting a dedicated DUI unmarked vehicle to support these efforts. This unmarked vehicle will have a decal reminding citizens not to drive impaired, will be used for both saturation patrols and checkpoints, and will also be on the streets daily for grant-funded operations.

Problem Statement & Proposed Solution

In 2024, the City of Hanford saw a total of 233 DUI/DUID-related arrests and 10 DUI/DUID-related accidents. Thankfully, there were no fatalities resulting from impaired driving. In comparison, in 2023, the city had 178 DUI-related arrests and 61 DUI-related accidents, with 7 injuries but no fatalities.

With a population of approximately 153,443 in Kings County, Hanford is the largest city in the county, offering a range of amenities, including shopping centers, restaurants, a hospital, athletic facilities, and more. This means the city sees a significant increase in traffic as people visit for various events, dining, and shopping. More people on the roads means a higher risk of impaired driving incidents, which poses a serious threat to public safety.

Our traffic enforcement alone cannot fully address the challenge of impaired driving. That’s why DUI saturation patrols are essential. These patrols ensure that more officers are present during peak times when impaired driving is most likely to occur, significantly enhancing safety on our roads.

Both checkpoints and saturation patrols send a clear message to the public that the Hanford Police Department is fully committed to preventing impaired driving. We are dedicated to doing everything possible to keep our community safe by not only preventing impaired driving but also ensuring that those who engage in it are held accountable. Your safety is our priority, and we will continue to take action to protect everyone on the road.

Performance Measures/Scope of Work

Twelve (12) DUI saturation (Q1=3 Q2=3 Q3=3 Q4=3

The department has determined that DUI saturation patrols are highly effective in promoting public safety. As a result, we have increased the frequency of these saturations, with plans to conduct a total of twelve (12) saturations this year, potentially one each month. The primary goal of these patrols is to significantly reduce the number of impaired drivers on our roads, making Hanford as safe as possible for all residents and visitors.

By enhancing our saturation efforts, we are working to prevent DUIs/DUIDs and protect lives. Through this proactive approach, the department is aiming for a 10% reduction in impaired driving incidents, further improving safety and ensuring a safer community for everyone on the road. Our commitment to keeping the streets safe is unwavering, and we will continue to focus on preventing impaired driving at every opportunity.

Schedule A

Two (2) DUI Checkpoints (Q1= Q2=1 Q3= Q4=1)

The department will conduct two (2) checkpoints during the grant period as part of our ongoing commitment to public safety. These checkpoints are designed to directly reduce the number of impaired drivers on the road while raising awareness in the community about the department's serious efforts to combat DUIs. By visibly enforcing impaired driving laws, we are sending a strong message that we are dedicated to keeping Hanford's roadways safe for everyone.

The goal of these checkpoints is to reduce DUI/DUID incidents by 10%, further ensuring the safety of all residents and visitors. Our department remains committed to taking proactive steps to prevent impaired driving and protect the community.

For both checkpoints and saturation patrols, the department is committed to taking a proactive stance on impaired driving. Our goal is to raise awareness about the dangers and serious consequences of impaired driving, while actively working to keep the roadways safe for everyone. Through these efforts, we aim to prevent impaired driving and protect the community from its risks.

1- Marked DUI Patrol Vehicle- This marked vehicle will help the department conduct Checkpoints and Saturations more effectively. The vehicle gives the ability to get a lot closer to vehicles when doing Saturations. Typical patrol vehicles can be more visible during the day and can be visible at night . Since the build of a subtly marked vehicle is concealed and there will be no lightbars on the top of the vehicle, the vehicle will be less noticeable. We anticipate to take delivery of the vehicle in the 3rd quarter with upfitting completed at the beginning of the 4th quarter.

Project Performance Evaluation

To measure the effectiveness of our saturation patrols and checkpoints, the department will analyze statistical data on a monthly and quarterly basis. This data will include details on DUI/DUID arrests, citations issued, the number of people stopped, and the number of field sobriety tests conducted. By reviewing this information, the department can track the success of its efforts and share the results with the community through press releases. This data will also be essential for grant reporting purposes. Through consistent checkpoints and saturation patrols, the department is sending a strong message to the citizens of Hanford and Kings County about the importance of road safety. By keeping the public informed about our proactive measures to combat impaired driving, we hope to encourage individuals to think twice before driving under the influence and reinforce our commitment to making the roadways safer for everyone.

Program Sustainability

Both internal and external funding are crucial to the success of our programs, both in the short and long term. In past years, the department has successfully secured grants from local, state, and federal sources, which have been essential for funding saturations and checkpoints. While these grants are important, the department acknowledges that such funding may not always be available. If grant funding is not accessible in the future, the Hanford Police Department will explore all options to continue these vital efforts. We will prioritize budgeting for overtime to sustain saturations and checkpoints, though the number of operations may be adjusted depending on available funding. Regardless of funding challenges, our department's core mission remains to keep the roadways safe for everyone in our community.

Administrative Support

The administrative support within the department is exceptional. The administration is fully committed to ensuring the safety of the City and works diligently to support the department in achieving that goal. The administrative team has extensive knowledge of federal, state, and local regulations, particularly in relation to CHP DUI Grants. Additionally, the department has an administrative analyst with prior experience in managing the CHP DUI Grant and will be responsible for completing the required quarterly reporting.

The department is equipped with the necessary personnel and resources to carry out both saturation patrols and checkpoints. However, there is a need for an additional vehicle to support these efforts. A vehicle without police lights on top would allow for more discreet operations, enabling closer observation of impaired drivers and enhancing the department's ability to keep the roadways safe from DUI/DUID incidents.

Schedule B

Detailed Budget Estimate

Award Number	Organization/Agency	Total Amount
23405	Hanford Police Department	$85,125.75

Cost Category	Line Item Name	Total Cost to Grant
Other Direct Costs	DUI Patrol Vehicle - Upfit	$14,840.74
Category Sub-Total		**$14,840.74**
Personnel	DUI Saturation Patrol	$14,628.48
	DUI Checkpoint	$9,539.64
Category Sub-Total		**$24,168.12**
Equipment	DUI Patrol Vehicle	$46,116.89
Category Sub-Total		**$46,116.89**

Grant Total	$85,125.75

Schedule B-1
Budget Narrative

Hanford Police Department

Prior to engaging in grant-funded Saturation Patrols, DUI Checkpoints, or other enforcement activities in areas where the grantee does not have primary traffic jurisdiction, the grantee should consult with the agency having primary traffic jurisdiction.

Other Direct Costs

DUI Patrol Vehicle - Upfit

$14,840.74

upfitting for vehicle (Costs are estimated)
Light Bar and accessories (Concealed): $3,788
Radio and Communication equip: $3,287
Misc. Electronic Equipment for lights and radio: $1000
Graphics Package: $1,220
Installation/Labor: $4,240
Freight: $350
Taxes @ 8.25%: $1,080

Personnel

DUI Saturation Patrol

$14,628.48

(12) Saturations-
two corporals with a total 96 hours each, Overtime rate of $76.19 totaling $14,628.48.
*Rate Does not include benefits

DUI Checkpoint

$9,539.64

(2) checkpoints will cover 12 hours for a sergeant at $88.44 totaling $1,061.28
one corporal for 12 hours at $76.19 totaling $914.28. Two traffic officers at 24 hours total at a rate of $72.48 totaling $1,739.52, five patrol officers totaling 60 hours at a rate of $72.48 totaling $4,348.80, one dispatcher for 12 hours at a rate of $46.79 totaling $561.48, and one traffic corporal totaling 12 hours at a rate of $76.19 with a total of $914.28. The total for (2) Checkpoints will be $9,539.64.
*Rate does not include benefits

Equipment

DUI Patrol Vehicle

$46,116.89

1 Chevy Traverse=$46,116.89

National Auto Fleet Group
A Division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

9/22/2025
9/29/2025 Re-Configured

Quote ID: **33078 R1**

Order Cut Off Date: **TBA**

Mr Glen Weaver
City Of Hanford

315 N. Douty

Hanford, California, 93230

Dear Glen Weaver,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.
One (1) New/Unused 2026 Dodge Durango (WDEE75) Pursuit AWD, delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	$48,289.00	$45,806.04	5.142 %	$2,482.96
Tax (8.2500 %)		$3,779.00		
Tire fee		$8.75		
Transportation		$575.00		
Total		$50,168.79		

- per the attached specifications.

This vehicle(s) is available under the **Sourcewell Contract 091521-NAF** . Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 20 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Yesenia Covarrubias
Account Manager
yesenia@watsonvillefleetgroup.com
(626) 457-5590

Vehicle Configuration Options

ENGINE	
Code	**Description**
ERC	Engine: 3.6L V6 24V VVT UPG I w/ESS, (STD)
TRANSMISSION	
Code	**Description**
DFT	Transmission: 8-Speed Automatic (850RE), (STD)
WHEELS	
Code	**Description**
WBN	Wheels: 18" x 8" Black Steel, (STD)
PRIMARY PAINT	
Code	**Description**
PXJ	DB Black Clearcoat
SEAT TYPE	
Code	**Description**
A7X9	Black, Cloth Bucket Seats w/Rear Vinyl, -inc: Vinyl 2nd Row Seat
ADDITIONAL EQUIPMENT	
Code	**Description**
ADL	Skid Plate Group, -inc: Transfer Case Skid Plate Shield, Front Suspension Skid Plate, Fuel Tank Skid Plate Shield, Underbody Skid Plate
CW6	Deactivate Rear Doors/Windows
GXF	Entire Fleet Alike Key (FREQ 1), -inc: 4 additional / 8 FOBs total
LSA	Security Alarm

2026 Fleet/Non-Retail Dodge Durango Pursuit AWD

WINDOW STICKER

2026 Dodge Durango Pursuit AWD

CODE	MODEL	MSRP
WDEE75	2026 Dodge Durango Pursuit AWD	$44,879.00
	OPTIONS	
ERC	Engine: 3.6L V6 24V VVT UPG I w/ESS, (STD)	$0.00
DFT	Transmission: 8-Speed Automatic (850RE), (STD)	$0.00
WBN	Wheels: 18" x 8" Black Steel, (STD)	$0.00
PXJ	DB Black Clearcoat	$0.00
A7X9	Black, Cloth Bucket Seats w/Rear Vinyl, -inc: Vinyl 2nd Row Seat	$160.00
ADL	Skid Plate Group, -inc: Transfer Case Skid Plate Shield, Front Suspension Skid Plate, Fuel Tank Skid Plate Shield, Underbody Skid Plate	$370.00
CW6	Deactivate Rear Doors/Windows	$95.00
GXF	Entire Fleet Alike Key (FREQ 1), -inc: 4 additional / 8 FOBs total	$600.00
LSA	Security Alarm	$190.00

Please note selected options override standard equipment

	SUBTOTAL	**$46,294.00**
	Advert/ Adjustments	$0.00
	Manufacturer Destination Charge	$1,995.00
	TOTAL PRICE	**$48,289.00**

Est City: 17 (2025) MPG
Est Highway: 24 (2025) MPG
Est Highway Cruising Range: 590.40 mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Notes

Standard Equipment

MECHANICAL

Engine: 3.6L V6 24V VVT UPG I w/ESS (STD)
Transmission: 8-Speed Automatic (850RE) (STD)
3.45 Rear Axle Ratio (STD)
GVWR: 6,500 lbs (STD)

EXTERIOR

Wheels: 18" x 8" Black Steel (STD)

TIRES

Tires: 255/60R18 BSW On/Off Road

ADDITIONAL EQUIPMENT

50 State Emissions
Transmission w/Sequential Shift Control
Full-Time All-Wheel
Engine Oil Cooler
650CCA Maintenance-Free Battery w/Run Down Protection
220 Amp Alternator
Class IV Towing Equipment -inc: Hitch and Trailer Sway Control
Trailer Wiring Harness
Police/Fire
1250# Maximum Payload
Front And Rear Anti-Roll Bars
Gas-Pressurized Front Shock Absorbers and Nivomat Brand Name Rear Shock Absorbers
Nivomat Suspension
HD Suspension
Electric Power-Assist Speed-Sensing Steering
24.6 Gal. Fuel Tank
Single Stainless Steel Exhaust
Permanent Locking Hubs
Short And Long Arm Front Suspension w/Coil Springs
Multi-Link Rear Suspension w/Coil Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist and Hill Hold Control
Upfitter Switches
Wheels w/Chrome Hub Covers
Steel Spare Wheel
Compact Spare Tire Stored Underbody w/Crankdown
Body-Colored Front Bumper w/Black Rub Strip/Fascia Accent
Body-Colored Rear Step Bumper w/Black Rub Strip/Fascia Accent
Black Side Windows Trim
Body-Colored Door Handles
Chrome Bodyside Insert and Black Wheel Well Trim
Black Power Heated Side Mirrors w/Manual Folding

Fixed Rear Window w/Wiper and Defroster
Deep Tinted Glass
Speed Sensitive Variable Intermittent Wipers
Galvanized Steel/Aluminum Panels
Lip Spoiler
Black Grille
Liftgate Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Auto On/Off Projector Beam Led Low/High Beam Daytime Running Headlamps w/Delay-Off
Perimeter/Approach Lights
LED Brakelights
Laminated Glass
Radio w/Seek-Scan, Clock, Speed Compensated Volume Control, Aux Audio Input Jack, Steering Wheel Controls, Voice Activation and Radio Data System
Radio: Uconnect 5 Nav w/10.1" Display
6 Speakers
Streaming Audio
Integrated Roof Antenna
Uconnect w/Bluetooth Wireless Phone Connectivity
2 LCD Monitors In The Front
Connected Travel & Traffic Services Real-Time Traffic Display
Front Seats w/Power 4-Way Driver Lumbar
12-Way Power Driver Seat -inc: Power Recline, Height Adjustment, Fore/Aft Movement, Cushion Tilt and Power 4-Way Lumbar Support
4-Way Passenger Seat -inc: Manual Recline, Fore/Aft Movement and Fold Flat
60-40 Folding Split-Bench Front Facing Fold Forward Seatback Rear Seat
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Voltmeter, Oil Pressure, Engine Coolant Temp, Tachometer, Oil Temperature, Transmission Fluid Temp, Engine Hour Meter, Trip Odometer and Trip Computer
Power Rear Windows and Fixed 3rd Row Windows
4G LTE Wi-Fi Hot Spot (3-month or 3 GB trial included) Mobile Hotspot Internet Access
Leather Steering Wheel
Front Cupholder
Rear Cupholder
Compass
Proximity Key For Doors And Push Button Start
Valet Function
Remote Keyless Entry w/Integrated Key Transmitter, 2 Door Curb/Courtesy, Illuminated Entry and Panic Button
Cruise Control w/Steering Wheel Controls
Voice Activated Dual Zone Front Automatic Air Conditioning
Rear HVAC w/Separate Controls
HVAC -inc: Auxiliary Rear Heater, Headliner/Pillar Ducts and Console Ducts
Illuminated Locking Glove Box
Driver Foot Rest
Interior Trim -inc: Leatherette/Metal-Look Instrument Panel Insert, Metal-Look Door Panel Insert and Chrome Interior Accents
Full Cloth Headliner
Cloth Bucket Seats w/Shift Insert -inc: cloth rear seat
Day-Night Auto-Dimming Rearview Mirror
Driver And Passenger Visor Vanity Mirrors
Partial Floor Console w/Covered Storage, Mini Overhead Console w/Storage and 3 12V DC Power Outlets
Front And Rear Map Lights

Fade-To-Off Interior Lighting
Carpet Floor Trim
Full Vinyl/Rubber Floor Covering
Cargo Area Concealed Storage
Cargo Space Lights
Integrated Navigation System w/Voice Activation
Smart Device Integration
FOB Controls -inc: Keyfob Cargo Access and Keyfob Window Activation
Driver / Passenger And Rear Door Bins
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Driver Information Center
Redundant Digital Speedometer
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
Manual w/Tilt Front Head Restraints and Fixed Rear Head Restraints
Front Center Armrest w/Storage and Rear Center Armrest
#7 Seat Foam Cushion
Sentry Key Immobilizer
3 12V DC Power Outlets
Air Filtration
Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Dodge Connect Emergency Sos Capability
ParkSense with Stop Rear Parking Sensors
Rear Cross Path Detection
Blind Spot w/Trailer Detection Blind Spot
Tire Specific Low Tire Pressure Warning
Dual Stage Driver And Passenger Front Airbags
Curtain 1st, 2nd And 3rd Row Airbags
Airbag Occupancy Sensor
Driver Knee Airbag
Rear Child Safety Locks
Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners
ParkView Back-Up Camera

DocuSign Envelope ID: CF25B13B-7B09-48BC-B85D-F1A7A7104FDA

Sourcewell

Solicitation Number: RFP #091521

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and 72 Hour LLC dba: National Auto Fleet Group, 490 Auto Center Drive, Watsonville, CA 95076 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

B. EXPIRATION DATE AND EXTENSION. This Contract expires November 8, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.

C. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

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Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. WARRANTY. Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. SHIPPING AND SHIPPING COSTS. All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

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returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

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- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

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contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

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- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

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by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. AUDIT. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. ASSIGNMENT. Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. WAIVER. Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

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E. CONTRACT COMPLETE. This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. RELATIONSHIP OF THE PARTIES. The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
   a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use thetrademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
   b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense*. The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

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resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. Termination. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

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14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending*. Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

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The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*
Workers' Compensation: As required by any applicable law or regulation.
Employer's Liability Insurance: must be provided in amounts not less than listed below:
Minimum limits:
$500,000 each accident for bodily injury by accident
$500,000 policy limit for bodily injury by disease
$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.
Minimum Limits:
$1,000,000 each occurrence Bodily Injury and Property Damage
$1,000,000 Personal and Advertising Injury
$2,000,000 aggregate for Products-Completed operations
$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

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no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:
$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:
$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:
$2,000,000 per occurrence
$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

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primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

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21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to "federal" should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier's Equipment, Products, or Services with United States federal funds.

A. EQUAL EMPLOYMENT OPPORTUNITY. Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

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C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

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of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

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and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

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22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

By: DocuSigned by: Jeremy Schwartz C0FD2A139D06489...

Jeremy Schwartz

Title: Chief Procurement Officer

Date: 11/4/2021 | 1:28 PM CDT

72 Hour LLC dba: National Auto Fleet Group

By: DocuSigned by: Jesse Cooper FACBB5730C1E467...

Jesse Cooper

Title: Fleet Manager

Date: 11/4/2021 | 10:46 AM CDT

Approved:

By: DocuSigned by: Chad Coauette 7E42B8F817A64CC...

Chad Coauette

Title: Executive Director/CEO

Date: 11/4/2021 | 1:34 PM CDT

RFP 091521 - Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories

Vendor Details

Company Name:	72 HOUR LLC
Does your company conduct business under any other name? If yes, please state:	National Auto Fleet Group
Address:	490 Auto Center Drive Watsonville, CA 95076
Contact:	Jesse Cooper
Email:	Jcooper@nationalautofleetgroup.com
Phone:	951-440-0585
Fax:	831-840-8497
HST#:	263297677

Submission Details

Created On:	Tuesday August 24, 2021 16:34:10
Submitted On:	Tuesday September 14, 2021 14:10:21
Submitted By:	Jesse Cooper
Email:	Jcooper@nationalautofleetgroup.com
Transaction #:	d2e890de-e761-4f47-9b23-bef3d512bd76
Submitter's IP Address:	76.81.241.2

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	72 Hour LLC	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	WCAF, LLC WCDJR, LLC Alan Jay Automotive Inc	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	NAFG has numerous subsidiaries and DBA's including but not limited to: National Auto Fleet Group, Chevrolet of Watsonville, Watsonville Ford Watsonville CDJR Watsonville Fleet Group Alan Jay Chrysler Jeep Inc Alan Jay Chevrolet, Cadillac Alan Jay Buick, GMC Alan Jay Auto Outlet Clewiston Motor Company, Inc Alan Jay Chrysler Dodge Ram Jeep Alan Jay Lincoln Alan Jay Ford Alan Jay Nissan Alan Jay Toyota	*
4	Proposer Physical Address:	490 Auto Center Drive Watsonville, CA 95076	*
5	Proposer website address (or addresses):	www.NationalAutoFleetGroup.com	*
6	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Jesse Cooper Fleet Manager 1-855-289-6572 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com	*
7	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Jesse Cooper Fleet Manager 1-855-289-6572 490 Auto Center Drive Watsonville, CA 95076 Jcooper@nationalautofleetgroup.com	*
8	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Clarke Cooper Fleet Manger 1-855-289-6572 490 Auto Center Drive Watsonville, CA 95076 ClarkeCooper@watsonvillefleetgroup.com	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	

9	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	National Auto Fleet Group started as a new division of 72 Hour LLC, in the summer of 2010 in the heart of Southern California. We began our network with a single automobile dealership and have now grown our network to encompass numerous dealerships located in and outside of California. We stand by providing opportunities for advancement by hiring and promoting from within our organization. Many of the Fleet Managers who started with us in 2010 are still with us today. Through the years, we have evolved and adapted to the new technology driven trends that are revolutionizing the automotive industry today. However, our brand's fundamental core values have remained unchanged – We are committed to do right for the members. If we take care of them, they will in return take care of us. National Auto Fleet Group's operational blueprint and business philosophy has always been the "4 RIGHT's" for every member: We deliver the RIGHT vehicle, at the RIGHT time, to the RIGHT place at the RIGHT price. The integrity of our business stems on our deep family roots in the automotive industry. We are and always will be family owned and operated with our future generations already in their infant stages today. We are committed to pioneering our industry for decades to come.	*
10	What are your company's expectations in the event of an award?	If awarded, this would be our 5th Sourcewell Contract and we would execute as such. We will continue to serve your members and provide them with excellent customer service while continuing to advance customer satisfaction. Along with implementing new business growth strategies that will ultimately launch us into new heights once again. Furthermore, we will launch our Partner Program detailed in the attached "marketing Plan Compressed" Zip file. This next generation application will give members the power to select upfitters they would like NAFG to partner with in providing satisfactory quotes and service. We see tremendous value in building out these mutually beneficial partnerships, so we can provide 100% satisfactory turnkey solutions to the members.	*
11	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	To demonstrate NAFG's financial strength and stability, we have uploaded Bank Commitment letters under the Financial Strength Section of the online application. We have a direct line of credit of $52,000,00.00 that we are currently utilizing with our current and past Sourcewell Contracts. However, this number is not capped as we have the freedom to extend the cap to accommodate the revolving needs of the members. Referenced below is a short register of some of our market success from awarded government contracts that encompass over $140,000,000.00 worth of products and goods under our current Sourcewell Contract. A. City of San Diego, CA $ 72,000,000 contract under our Sourcewell Contract 120716-NAF. B. City of San Diego, CA $ 55,400,000 contract under our Sourcewell Contract 081716-NAF. C. Government Fleet Article Highlighting our transaction with the City of San Diego, CA procuring over 100 Police vehicles through NAFG Sourcewell Contract 120716-NAF. D. City of Los Angeles World Airports, CA Contract for $ 24,003,500 under Sourcewell Contract 120716-NAF for the procurement of 400 vehicles. E. City of Los Angeles Harbor, CA Contract Extension to $ 4,500,000 contract under Sourcewell Contract 120716-NAF. F. City of Los Angeles Harbor, CA Contract for $1,500,000 under our Sourcewell Contract 120716-NAF. G. City of Los Angeles Harbor, CA Renewal for another $ 1,500,000 under Sourcewell Contract Class 6, 7 and 8 Contract 081716-NAF. H. City of Costa Mesa, CA Contract $1,023,220 under our Sourcewell Contract 120716-NAF. I. Blanket Contracts with the State of Maryland, MD off our current Class 6, 7 and 8 Chassis Contract 081716-NAF. J. Blanket Contracts with the State of Maryland, MD off our Current Sourcewell Contract 120716-NAF. We have also attached our Commitment Letter's for unparallel support from leading nationally recognized upfit suppliers such The Knapheide Manufacturing Company. Along with regional suppliers such as Brand FX and Phenix Truck Body located in Southern California serve as regional support locations, whom we often work alongside to fulfill all member needs with past, present, and future orders with NAFG. Included are also Upfitter Recommendation letters to illustrate how National Auto Fleet Group has taken a proactive interest in building mutually beneficial relationship with our upfitters. Mutuality and reciprocity relationships between body companies and our dealer's are two of the key components that help members receive what they need in a smooth and efficient fashion. In addition, the adoption of our Class 6, 7, and 8 Contract from Anne Arundel County in the state of Maryland is as an example of how National Auto Fleet Group attracts and retains new clients by demonstrating to them there's a better and more efficient way of finding turnkey solutions. Lastly, we have attached supporting documents that help emphasize and exemplify our growth since our first awarded Sourcewell Contract in 2012. We sincerely hope it helps portray our commitment to building lifelong rapport and trust with our partner upfitters and members.	*
12	What is your US market share for the solutions that you are proposing?	. Of our respective brands and OEM's we represent, the US market share is estimated to be 60 – 75%.	*
13	What is your Canadian market share for the solutions that you are proposing?	It is difficult to estimate the market share for the brands and OEM's we represent, however we estimate that it should be the same 60 -75 % of the US share.	*
14	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No.	*

15	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	National Auto Fleet Group is a dealer network best categorized as “A” - Distributer/Dealer/Reseller and Dealer Partner for (15) OEM Manufacturers including Ford Motor Company, Chevrolet, RAM, GMC, Buick, Chrysler, Dodge, Jeep, Toyota, Nissan, KIA, BMW, Honda, Cadillac and Volkswagen, All orders are placed with the franchised dealer and ultimately titled directly to the member. All appropriate certification certificates and authorized DMV/Factory licenses may be found in the “Related Certification” section uploaded to this RFP. It should be noted we do not sell used equipment to members.	*
16	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Required licenses include a Dealer’s License, a Franchise issued by the Manufacture, a Department of Motor Vehicles License, as well as a Reseller’s permit license. All which NAFG and Dealer Partner’s hold. Please review our attachment documents in section “Related Certification” for licenses that we either solely own or are jointly owned by our partner dealers that pertain to this RFP. A list of all our licenses are below, some of which may not pertain to class 1-3 but to class 4-8. CA Certificate of Good Standing 200824810190 State of Florida License Certificates: VF/1000974/4 VF/1000950/1 VF/1046516/1 VF/1024619/2 VF/1024619/1 VF/1018615/1 VF/1021891/1 VF/1000974/3 VF/1105916/1 VF/1020705/1 VF/1000969/1 CA State Seller’s Permit 101-135239 CA State Seller’s Permit 245364864-00001 Department of Motor Vehicle, Vehicle Dealer/ License Number 97772 Department of Motor Vehicle, Vehicle Dealer License Number 97771 Department of Motor Vehicle, Vehicle Dealer License Number 43609 Bureau of Automotive repair Registration # ARD00296319 123120 CA State Seller’s Permit 232781952-00001 City of Watsonville Business License Number 1792 City of Watsonville Business License Number 4358 Fictitious Business Names from Santa Cruz County for National Auto Fleet Group FBN: 2017-0000138 California General Resale Certificate Dun & Bradstreet Number: 023680653 Government of The District of Columbia Certificate Government of the District of Columbia Tax Registration # 7815888160711 City of Los Angeles Tax Registration Government of The District of Columbia CLEAN HANDS CERTIFICATION San Diego Freightliner Seller’s Permit Commonwealth of Virginia State Corporation Commission Certificate State of Maryland Good Standing Certificate Kansas Department of Revenue for Kansas City Peterbilt New Jersey Department of Treasury Registration Certificate New Jersey Business Registration Notice of Compliance of the Canton City Codified Ordinance Employee Information Report for the State of New Jersey State of Maryland New Sales and Use tax License CA State Seller’s Permit 98-037902 00006 South Carolina Department of Motor Vehicles License Number 36133 State of South Carolina Retail License Commonwealth of Kentucky Vehicle Dealer License 1583 20 100 State of West Virginia Dealer License Commonwealth of Kentucky Vehicle Dealer License 1581 20 036 State of Tennessee Vehicle Dealer License	*
17	Provide all “Suspension or Debarment” information that has applied to your organization during the past ten years.	Not Applicable, none.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
18	Describe any relevant industry awards or recognition that your company has received in the past five years	National Auto Fleet Group's received its most prestigious award for Top Placement within Ford Motor Company as the leading dealership in Government Sales. In addition, our Chevrolet brand was highly ranked and honored 4/5 consecutive years by General Motors.	*
19	What percentage of your sales are to the governmental sector in the past three years	Within our fleet division, 90% of our contracts within the past three years have been with government accounts.	*
20	What percentage of your sales are to the education sector in the past three years	Within the past 3 years 90% of our sales have been to government accounts, 20% of which are within the education sector.	*
21	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	We hold the State of California contract with volumes from 200 to 500 units a year over the past three years. In addition, our Sourcewell Contract's 091219, 081716 and 120716 that we have maintained over the past three years has sold combined north of 400 million of Combined Quarterly Sales.	*
22	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	National Auto Fleet Group's focus lies on the Sourcewell Contract. NAFG holds no other GSA contract, Standing Offers, or Supply Arrangements other than the State of California contract. Our annual sales volume is estimated to be north of $200 million.	*

Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Port of Los Angeles, CA	Mr. Dave Comer	310-72-3794	*
County of Venture, CA	Mr. Jorge Bnilla	805-672-2044	*
City of Austin, TX	Mr. Matt Sager	512-978-2637	*
County of San Joaquin, CA	Mr. David Myers	209-468-9745	
City of Palo Alto, CA	Ms. Danitra Bahlman	650-496-5920	

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
City of Austin	Government	Texas - TX	Purchaser	10-15 Vehicles at once, Vans and SUVs	Over 1M	*
Los Angeles Department of Water and Power	Government	California - CA	Purchaser	Over 120 Vehicles, Vans and SUVs	Over 3M	*
Port of Los Angeles	Government	California - CA	Purchaser	Over 80 Trucks, Vans and SUVs	Over 2M	*
Anne Arundel County	Government	Maryland - MD	Purchaser	Over 40 Trucks, Vans and SUVs	Over 1M	*
City of San Diego	Government	California - CA	Purchaser	Over 500 Trucks, Vans, SUV'	Over 15M	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
25	Sales force.	Our sales force consists of direct and an indirect sales force. Our direct sales force consists of direct employees and partner dealers, which exceeds an employee count of 300 personnel both full time and part time. Many of our sales force are spread across the US and we leverage our relationships with our larger class dealerships to service the members lower class vehicle needs as well. A cross sales force. These individuals help support our dealerships and NAFG Fleet Division directly. On the other hand, our indirect sales force made up of upfitters and partner suppliers consists of over 100 personnel with our partner network and sales force growing annually. With both direct and indirect sales force staff working together, NAFG has been able to successfully grow, maintain and service the demand of the members. As the number of your members grow, we will continuously welcome more staff to not only meet customer demand, but also to exceed customer expectations.	*

26	Dealer network or other distribution methods.	Our franchise network in Canada and the U.S. is fortunately second to none. Our 15 proposed OEMS previously mentioned, all of which have established a presence nationwide with factory stores strategically placed where all members can receive service and complete warranty repairs with their respective products. Simple put the North American and Canadian automobile supply chain network is one of the best in the world. Of the 15 brands we represent, the OEMs have put in place a dealer network across all 50 states that will allow us to best serve all members.	*
27	Service force.	The 15 manufactures we represent have thousands of service locations that would be easily accessible to all your members. Service centers and warranty repair facilities for all 15 OEMs are ample and ready to help service our members and their needs. However, Alaska and Hawaii may be exceptions as they may have farther distances between franchises where members can utilize the repair services.	*
28	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	The member may order their vehicles by navigating to our website, www.NationalAutoFleetGroup.com and going through the step-by-step process to generate an online quote or by calling one of our representatives at 855-289-6572 or by sending NAFG an email at Fleet@NationalAutoFleetGroup.com. Orders are then processed directly to the manufacturer who will work to supply the vehicle to the ship-to location for upfittinig or end user desired delivery location.	*
29	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	To best demonstrate our Customer Service program, kindly reference the ZIP file “Member Walk Through” that is attached in the Additional Documents folder. Please begin with and review in order that is explained below: How Members Can Get Quotes Online: A member can obtain most quotes by visiting our website www.NationalAutoFleetGroup.com where a simple one step form is needed for registration. This is to protect the price information from nonmembers. Once a member registers they will receive an automated welcome email with a demo video on how to use our site. Members will gain access to there very own dashboard which will house all there quotes in one safe secure login. Member’s can select which brand they are looking for and model year. Our site shows all the categories the brand offers such as: Cars, Vans, SUV’s Trucks and Chassis Cabs. Members will then be able to drill down for the right selection by picking from the filter menu of what cab there looking for (Regular, Extended or Crew) to 2 wheel or 4 wheel drive down to the bed length there looking for. All factory options are then presented for the member to select from, this will show all current factory orderable options, taking the guess work out for the member. Once a member selects a desire build, they will see there Sourcewell Price report showing the MSRP, there contract price, the saving in real dollars and as a percentage. In the PDF example you can see a saving of $ 9,175.96 of 22.345% to the member showing a significant savings. Members then can chose to add extra’s to there order like extra keys’ service manuals, sales tax and even request an upfit to be added to there quote. Lastly they will be given a complete turn key quote package to print which will include there customized Quote ID, Description and Specifications of what they built. How Members and Upfitters can Partner with NAFG: Our dedicated website www.NAFGPartner.com was built to accommodate the member who would like a certain upfitter to upfit there vehicles. It was also built for upfitters to have a place to go where they can find information on how to partner with NAFG to better serve there local members. Example of A Member with Upfit Quote: This is an example of how we use our Cab Chassis and combine them with an upfit to provide a turnkey solution for the member in a simple to follow format. ETA System for Members Walk Through: This is where members can easily come to our website, the same website they built there chassis on and track there order like they would a UPS package. We have a very simple display on our homepage “Track your order” where members can enter one of the following: Purchase Order Number, Quote ID, Upfit Quote ID or vin to easily see there in the process there particular order is in. Courtesy Confirmation Explained: After NAFG receives an order from a Member, we always like to send them a Courtesy Confirmation. This is were the member will double check some particulars on there order like, Color, Quantity, Upfit and Specification’s are all correct before order placement. We also like to ask for title information at this point so we can help process the paperwork at delivery promptly. Factory Order Cut Off Notices: Here is were we like to highlight were members can access any upcoming factory order cut off dates. We walk them through the process step by step to ensure everyone knows the upcoming order cut off date, we even print this information (if known at the time) right on the cover page of there quotes. Validation Walk Through Example: To demonstrate a price validation, we show what a member would see when they build a truck on our site. At check out the member would see the Total Configured MSRP of $ 35,730.00, A Sourcewell Price of $ 27,331.68, Total Saving of $ 8,398.32 or 23.505% for a 2020 F-250 followed by the pricing page which shows the Minimum Discount of at least 18.50%. As you see we provided an additional 5% discount on top of the 18.50% contract discount. This would be the case in most instances.	*
30	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Our willingness and ability to service members nationwide is unparalleled. We have dedicated staff 5 days a week, from 7am to 7pm standing by ready to assist any member help find the best solution for there needs even if helping assist them to the best Sourcewell Contract that could be a solution. We have a dedicated live chat feature on our online quote generating website in case any member has any trouble at all in building there quotes. NAFG has established a chain of suppliers who are at the ready to serve if called upon by any member. We are here to help.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	We are willing and eager to soon extend our business model and network into Canada. We believe partnering with local Canadian based dealer groups is key to success in the Canadian market. NAFG’s competitive pricing as well as a simple US Dollar to Canadian conversation will help NAFG expand into the Canadian market for participating Sourcewell members.	*
32	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	National Auto Fleet Group will handle servicing 100% of all geographic areas located in the United States. Although it is unclear what unseen obstacles we may face in Canada, NAFG is committed to building the same model to service Canada and providing the same level of customer satisfaction, service, and care as in the United States.	*

33	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	NAFG will continue to service all Sourcewell Members through our 24 hour a day, 7 days a week online portal with the exclusion of Non-Profits. Unfortunately, Non-Profits are often not eligible for the same discount's government entities are qualified for. However, Non-Profits are subject to a different pricing program and will be evaluated on a case to case basis.	*
34	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	The only possible logistical constraints we may face is the shipping constraints for shipments arriving in Alaska, Hawaii and US Territories. For example, we often provide members in Alaska or Hawaii with vehicles that often have upfits. To circumvent this potential issue, members allow us to add these extra shipping and port costs to their quotes.	*

Table 7: Marketing Plan

Line Item	Question	Response *	
35	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	National Auto Fleet Group encompasses a variety of marketing strategies to promote our products and services to streamline the vehicle purchasing process for government entities. Below are a few strategies used to serve as the gateway between our business and public agencies. Website and Inbound Marketing: The creation of a professional customer-focused website is one of our main features to market our products and services. The NAFG website encourages our members to interact and browse through products offered along with pricing and information about National Auto Fleet Group. Inbound marketing is created when potential members are directed to the company website. With this method, we are able to not only connect with members but to put the purchasing ability into the hands of each member. Our inbound marketing strategy attracts members by creating valuable content and experiences tailored to the needs of each individual. Examples include email campaign flyers on our products, informative and how-to videos, social media and engaging members with top-notched customer service to build brand awareness. Email Marketing: One of the main strategies used to engage current and potential members is Email Marketing. Our emails include different types of flyers that consist of information of the Sourcewell contract, promoting manufacturer brands, holiday themed flyers, discounts offered to first time buyers, important cutoff date reminders and upcoming products and events. The use of marketing campaigns plays a major role in enhancing the growth of our client database. Emails are a big part of our daily lives due to government agency employees utilizing emails as their main source of communication. We use campaigner.com as the emailing platform to reach our target members. Videos and descriptive images are used on all flyers and are compatible with a desktop or mobile device. Messages are short and to the point with links leading to the Sourcewell and NAFG homepage. The Campaigner email system allows the ability to track email activity based on open rate, unsubscribes and link clicks which is beneficial to understanding email effectiveness. Once potential members are directed to our website, they are welcomed with a wide range of options to explore an array of our products and services. They are able to register to become a member, view pricing, explore available in-stock vehicles, view how-to-videos, build a vehicle online to request an immediate quote or use our live chat assistant or call/email for live support. Face to Face Marketing Strategies: This strategy has proven to be successful in generating leads and creating lasting relationships by developing genuine connections with prospective members. National Auto Fleet Group attends several trades shows per year to engage members and put a face to the company. This in person meeting aids to build the brand by nurturing relationships between members and other vendors associated through the process. Trade shows attended include GFX, IAPPO, NIGP, ACT, CAPPO, and CASBO throughout the United States. NAFG has many opportunities to make in person presentations to propose products, services offered and to answer any questions potential members may have. These PowerPoint Presentations include topics on NAFG/Sourcewell process, how to facilitate the vehicle purchasing without bidding, informational videos, and the brands and services we provide. These meetings have been held at local cities, counties, school districts, water districts and ports. Relationship Marketing is a vital strategy used in building and maintaining long-term relationships practiced by National Auto Fleet Group on a daily basis. NAFG strives to create a positive and supportive connection with members by providing personalized and responsive customer service practices. The sales team has worked tirelessly to focus on providing outstanding customer support to create a powerful rapport with existing and new members. By going above and beyond, they have enhanced existing relationships and executed customer loyalty with repeat businesses. They strive to deviate from the "Car Salesperson" mentality which is 100% sales driven to a more product and customer service approach by instilling a sense of confidence in our clients. The goal is to regularly assist clients and address any needs and concerns even after the purchase has occurred. The strive to focus on solution selling vs. product selling develops into a mutually beneficial agreement for members and the business. Below are a few examples on successful relationship marketing from our Fleet Department: We had a member call in to request financing/lease options for a truck needed through our National Auto Fleet Group/Sourcewell vehicle contract. I contacted another Sourcewell vendor, Matt Geiselhart from NCL Gov Capital and he was happy to assist with a financing quote. The member also requested to trade in a current vehicle in their fleet and was directed to Govdeals for assistance in removing the outdated unit through an auction. The member was able to utilize three Sourcewell contracts to complete his transaction which simplified the entire process. The member was very satisfied with the amount of care and ease through his experience and became a repeat customer. By utilizing a cross-selling strategy, National Auto Fleet Group became his one stop shop to fulfill all fleet vehicle purchasing needs. "I had a member call in desperate to obtain a new truck because an employee had gotten into a serious accident and had the truck totaled. Due to covid restrictions, most manufacturers are currently experiencing microchip shortages which relays to production delays at the factory. We were able to direct buyer to our in-stock inventory on the NAFG website and member was ecstatic to locate truck to meet their needs. Instead of having to wait 30 weeks to receive the new vehicle, member was able to obtain the new truck within 3 weeks."	*

"I once had a member contact us two years after purchasing a vehicle from us. They had a malfunction with the liftgate on the box truck which caused a logistical nightmare. I was able to contact one of our body vendors that upfitted the lift gate installation and a service technician was able to go onsite to resolve the liftgate issue at no additional cost. The member was very impressed with the quality of our customer service even after purchase. "

"I had a member request a ¾ ton truck pricing but was unsure about their budget at the time. I took the time to go through each option with the client to provide a Sourcewell pricing quote through multiple manufacturers from Ram, Chevrolet and Ford. This empowered the member to have multiple pricing options for review to align with their budget as well as eliminating the need to shop anywhere else. "

"We work with many body companies to assist customers with the body upfitting process. One of our members called in a request to expedite a particular vehicle that was held up at one of their local body upfitters. I contacted the body company representative and put in a request to expedite the upfitting per request of the member. The body company was able to comply with the request and delivery was made sooner than expected."

Word-of-Mouth Marketing: The positive quality of service has led to more sales based on previous customers' impressions on their experience. NAFG's goal is to provide exemplary customer service throughout the entire purchasing process to encourage repeat business and advocate services to other members. NAFG has been fortunate to experience multiple instances of leads generated based solely on word-of-mouth marketing though our existing customers.

Cross-promotion: National Auto Fleet Group is currently collaborating with another Sourcewell Vendor, NCL Government Capital to promote each other's products and services. NCL Government Capital specializes in providing competitive equipment financing programs for municipalities and public education entities across the United States. As a team, NCL and NAFG produced a variety of marketing materials such as videos, flyers and info graphs to promote purchasing and leasing opportunities.

Hoglund Bus Company is another cross-promotion vendor NAFG had the opportunity to create a partnership with. Flyers were created to advertise Chassis from NAFG along with a variety of bus bodies from Hoglund Bus Company.

With cross-promotion, companies exchange knowledge and provide endorsements on websites, social media, and email campaigns. This strategy creates an influx of new leads, brand awareness, increased sales and recurrence of customers. National Auto Fleet Group will continue to create new partnerships and facilitate more cross-promotion opportunities in the near future to provide turnkey solutions for a variety of vehicle purchasing needs.

Coming in 2022, National Auto Fleet Group will be launching a NAFG Partner Website to further increase business growth. The website www.nafgpartner.com is expected to launch next year in 2022. The site encourages body upfitting companies throughout the United States to partner up with NAFG to become a preferred member. The benefits of becoming a preferred member include endorsements on website and social media avenues along with word-of-mouth referral for clients with upfitting needs. Our dedicated public relations representative will conduct phone and in person meetings to discuss the advantages of partnering up with NAFG, therefore generating more cross-promotion opportunities.

Members from government agencies are encouraged to go on the site to search for local body upfitting companies they are interested in working with. As a prerequisite in becoming a preferred vendor, they are required to advertise NAFG and the Sourcewell contract on their business website and refer their clients to purchase their cab/chassis needs through NAFG. This establishes a partnership that will generate increased sales all around. We are still currently building the website and interacting with body companies across the United States that would be interested in partnering up with NAFG.

36	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Social media plays a crucial element in the way people communicate and connect with each other. LinkedIn is the go-to platform used by NAFG as it offers a variety of ways to expand our network by locating and connecting with relevant professionals in the industry. National Auto Fleet Group has utilized LinkedIn to engage current and potential members through personalized messages and posts. Personalized messages include thanking them for registering on site as well as directing them to on our link to the website, LinkedIn, YouTube, Facebook and Instagram company pages. The goal is to unite with people already on our database as well as people that would benefit from our products and services. Current flyers or messages about our company are also posted on the LinkedIn site to generate and attract more business. Time is also spent on reading posts from connections and observe any needs that National Auto Fleet Group may assist with. National Auto Fleet Group has begun utilizing video marketing strategies to further promote and market products by engaging on social media channels and email flyers. Programs such as Vimeo, Video Scribe, Cartoon Animator, Adobe Animate, Illustrate, Captive, Photoshop and Movavi Video Editor Plus are employed to edit and create videos to assist in endorsing our company. The following videos were recently created by our marketing department along with outside video production companies: Explainer Video: The first video created was a 90 second explainer video about National Auto Fleet Group that used animated characters to visualize our products and services along with information on the Sourcewell awarded contract. The video has been incorporated into all our weekly email flyers and social media platforms as an informative video on our products and how to purchase vehicles off Sourcewell Government Contract. How To Videos: National Auto Fleet Group has also created step-by-step How-To videos on the process to purchase both Light Duty and Heavy-Duty vehicles off the contract. In Stock Vehicles: This video showcases our in-stock vehicles available and the process of requesting a quote. ETA Tracking System: This video was created to not only introduce but to encourage clients to self-track their vehicle status. Holiday Themed Videos: These amusing videos were created to celebrate the holidays and add humor and lightness to our company and products sold. Cross Promotion Video: This video markets our relationship with NCL Government Capital and Sourcewell to endorse EV vehicles. Videos for social media: Mini videos were created to advertise new vehicles available, pricing and cutoff date reminders. NAFG has recently introduced a newly built live chat feature on our website for customer convenience as well as improving customer service. Visitors have access to chat with a live sales representative 24 hours a day, 7 days a week. With this feature potential customers are provided with another avenue for assistance in addition to emailing and phone calls. The benefits of a live chat option include quicker response time to assist buyers in reaching a purchasing decision and answer their questions. Improving customer service will also lead to increased sales, customer loyalty and engagement. Many studies have shown a strong correlation between live chat and increase in conversion rates. Potential clients appreciate having their questions answered in real-time when trying to build a vehicle quote online and allowing the user to multi-task different projects.
37	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Sourcewell's mission states: "Our commitment to service and exceeding client expectations." This statement integrates with our relationship marketing strategy with our commitment to go above and beyond for all our members. Sourcewell is a trusted brand that government entities can rely on to access a wide variety of products and services for their everyday needs. With over 40 years of partnerships and relationship building, they are the glue that connects government, education, and nonprofit agencies to companies of all sizes to offer turnkey solutions to their needs. Sourcewell is also a reliable resource for vendors by not only connecting with potential prospects but by providing valuable marketing materials readily available for download on their website. Resources and tools provided include flyers, vendor training videos along with compliance information. The Sourcewell brand integrates a thorough documentation review of all vendors prior to awarding their cooperative contracts to ensure products and services are from reputable vendors. The brand provides a sense of legitimacy of our company name and members recognize that products and services are from reliable sources that will meet their needs. Sourcewell's aim is to simplify the purchasing and procurement process of government entities by eliminating the costly bidding procedure. The process of researching the right vendor is not only stressful and time-consuming but can be expensive as well. Sourcewell has completed the bidding for government entities which simplifies the overall purchasing process by providing access to competitively bid contracts procured by a government agency. Sourcewell has provided NAFG with overwhelming opportunities to work with government agencies across the United States. The Sourcewell name represents a high standard of integrity and ethics which is a dynamic National Auto Fleet Group is proud to be part of. Sourcewell members have access to a contract that is more flexible than the standard bidding process. Sourcewell is an organization that aids government entities to stay competitive without the frustrations and issues involved with the traditional bidding process. This contract can be customized to meet the unique needs of each client. The sales team has incorporated not only this standard of integrity in their sales practice ensuring clients' purchasing needs will always be met. The cost savings and stress-free nature of the cooperative contracts favors that of the traditional bidding process. It enables vendors to work with qualifying government entities in a more efficient manner. We vow to maintain these levels of standards across the board throughout all departments within the company.

38	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Our website provides a hands-on empowering approach to ordering vehicles online. Clients can search through many vehicles makes and models with the ability to customize a vehicle tailored to their specific needs of their agency. A personalized quote with pricing can be available in as little as 5 minutes depending on the complexity of the vehicle. If upfitting is needed, the buyer can list the details of the up-fit while building their vehicle on our website to receive a complete quote or a sales representative can be reached through phone, email or our new live chat feature built on our website. We have recently created and uploaded a “How-To Videos” section on the homepage of our website which highlights a step-by-step process on how to build an online quote. This informative video demonstrates how to navigate the website in how to generate a vehicle quote with or without upfitting options. It begins by explaining how to register on our website as a member and then details on how to select vehicle model and type and the factory options needed. Once a customized quote is built, clients have the option to finalize the sales transaction by submitting a purchase order to our sales team via email. This gives complete autonomy to the client to purchase vehicles without the need to speak to a sales rep. If assistance is needed, they can contact sales through email, live chat or phone. If assistance is required to build a quote, our sales rep is also available to walk a client through the e-procurement process step by step. This ensures someone is available to answer any questions if needed and empowering the client to make any future purchases on their own. Clients may also call or email the needs of the company and receive a customized vehicle quote.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *	
39	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	National Auto Fleet Group extends any and all product, equipment, maintenance and operating programs provided by the Manufacturer directly to Sourcewell participating entities during the quoting process. The manufacturer will provide quotes to the member based on the vehicles class and size, and geographic location. NAFG will always pass these quotes onto members and treat them like an upfit to the vehicle.	*
40	Describe any technological advances that your proposed products or services offer.	Technological accomplishments by Manufactures like Ford Motor Company and General Motors serve members by keeping many models available for members to choose from. Additionally, NAFG allows members the ability to choose to electrify their vehicle by opting into the Motive Power Systems we can still help supply this kind of an upfit. For more information, we have attached the product and pricing information within the “Upfits Available” and “All 15 Manufactures” ZIP files under the supporting documents portion of the application.	*
41	Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	. National Auto Fleet Group helped create the Climate Mayor Purchasing Collaborative by partnering with over 400 Mayors nationwide. This initiative was created for the benefit of members who wanted to create and sustain an all-electric fleet. We offer 100% purely electric vehicles your members to choose from. Some popular models include the Chevrolet Bolt, Ford Fusion, Ford Mustang Mach-E, as well as Ford’s all electric F-150. We are confident that as more OEM’s continue to manufacture new electric vehicles, we will provide them for members to select from. More information about this initiative can be found at www.Driveevfleet.org	*
42	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	NAFG has the California Air Resource Board (CARB) Certificate as well as the Ford Qualified Vehicle Modifier Certificate on file with some of our partner suppliers and upfitters hold these certifications and these certifications help illustrate how each vehicle conserves energy and remains energy efficient.	*
43	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	NAFG holds a current partnership with many suppliers some of which are veteran owed such as Pacific Truck Body located in CA. Our Ford, Chevrolet and Ram,Jeep,Dodge,Chrysler stores are jointly owned and operated by Minorities.	*
44	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	. National Auto Fleet Group was not only built on dedication and hard work, but also through quantifiable metrics that directly measure the results of our efforts to ensure real goals are being measured and met. Through measuring results, NAFG takes responsibility in ensuring we deliver only the best customer care to your members. NAFG offers members 24 hour website access to customer support to personably walk members through any questions they may have. No matter what the issue may be, we always think outside the box to help members find a solution.	*

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
45	Do your warranties cover all products, parts, and labor?	Each of the 15 manufactures we represent cover their own products, parts, and labor. All warranty information may be found in our attachments under the ZIP File "All 15 Manufactures".	*
46	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Prior to purchase, members should be aware of each manufacturer's restrictions. Such as improper use of the vehicle may result in disqualification of coverage under the OEM's warranty. An example of this may be an F-350 being used for a police related pursuit, which may void certain warranties. Although, we always welcome and encourage members to contact us for their particular warranty coverage.	*
47	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	In some cases, manufacturers will tow a member's vehicle to the nearest warranty repair facility in case of a breakdown and cover expenses, but prior approval is required.	*
48	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	This may vary from manufacturer to manufacturer. Thus, we encourage members to call in prior to purchase and inquire about their specific region and how their warranty repairs will be covered with their manufacturer.	*
49	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	All warranties are typically passed on to the original equipment manufacturer and any upfit warranty will be passed on to the upfitter to perform.	*
50	What are your proposed exchange and return programs and policies?	If a member changes their mind, NAFG will quickly make every effort to change or cancel the order with the factory. However, once the manufacturer begins producing the vehicle, there are no changes, exchanges, or refunds available. The order is then deemed non-cancellable. This includes any upfit equipment an upfitter has ordered for the unit.	*
51	Describe any service contract options for the items included in your proposal.	NAFG offers any and all manufacturer service contracts for all members. There are several parameters in which a service contract may be customizable. These customized service contracts will be treated as add factory options and following the same discount schedule provided in the pricing file.	*

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
52	Describe any performance standards or guarantees that apply to your services	The only guarantee we can ever provide is the guarantee that we will treat and help every member that contacts with respect, integrity and professionalism.	*
53	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	NAFG and staff uphold high standards with how we provide service to the members, not only holding each other accountable but by embracing member feedback of how we can improve. Then we act upon it and implement improvements.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
54	Describe your payment terms and accepted payment methods?	Standard payment terms are Net 20, with a 10 – day grace period.	*
55	Describe any leasing or financing options available for use by educational or governmental entities.	. In order to provide leasing or financing options, NAFG has partnered with National Cooperative Leasing to offer leasing terms for Sourcewell members for all NAFG quotes under the Sourcewell contract. For further review, we have attached a PDF called "NCL Sample Lease" in the "Member Walk Through" Zip file.	*
56	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	National Auto Fleet Group's transaction process (Purchase Order) is closely tracked, well documented, and neatly organized to monitor each transaction performed through our Sourcewell Contract. This way, NAFG may produce swift and accurate quarterly reporting.	*
57	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, NAFG accepts up to $2,500 per vehicle. However, any dollar amount higher than $2,500 will require a P-card/ Credit Card transactional fee that would be passed onto the member	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *	
58	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	National Auto Fleet Group is offering Line-Item Discounts Off Manufacture Suggested Retail Price for 15 manufacturers that is detailed in the Price File. NAFG will also offer any Upfits to be added to any and all vehicles' that members wish to add. Details are located on the Price Summary Page in the Price File.	*
59	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	NAFG has an provided offerings from 15 Brands/OEMS and there respective percentage off vary and are detailed in the "Price File" zip Each Manufacture Range is detailed in the tabs below, here is an overview Chevrolet from -.077 to 24.45 % Ford Motor Company from -5.19 to 23.31 % GMC from 6.14 to 22.45 % Ram from 4.99 to 14.23 % Dodge from 3.09 to 9.96 % Jeep from 1.38 to 4.17 % Chrysler from 1.65 to 4.55 % Toyota from .03 to 8.98 % Honda from 1.34 to 4.9 % Nissan from -.085 to 14.61 % Buick from 2.36 to6.08 Kia from .69 to 8.39 % BMW from 3.8 to 4.77 % Cadillac from 4.22 to 6.77 % Volkswagen from 2.17 to 2.46 %	*
60	Describe any quantity or volume discounts or rebate programs that you offer.	If clients are considering an order of 150 or more units, we encourage members to contact us for any additional discounted quotes.	*
61	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	"Open Market" products or "Sourced Goods" will be considered and treated as regular upfits. However, they may be quoted up to a 10% mark up, if applicable.	*
62	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	All considerations have already been taken into account in its entirely. The Price Summary Page and Price Table contained in the price file includes all considered costs. Although if a member requested a specialized quote for a unique situation that requires special training, direction, or installation, the additional costs would be added as a part of the upfit and then included inside the member's quote.	*
63	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All manufactures charge a standard "Factory Destination Charge". However, that is separate from the freight/destination cost that members may incur to ship a vehicle to and from an installer, if applicable. These subsequent locational movements may bare additional freight costs that will be outlined within the members quote for their review prior to purchase.	*
64	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight, shipping, and delivery terms among these regions sometimes carry additional logistical charges for added ferry, port and driver costs from both to and from the mainland. These added costs will be disclosed on the quote for members to review and approve prior to purchase.	*
65	Describe any unique distribution and/or delivery methods or options offered in your proposal.	National Auto Fleet Group already has a well-established Automobile Franchise Distribution Network that allows for swift and relatively seamless delivery to members and their end users.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
66	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	NAFG Strives to offer the best overall value to the member with each and every quote.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
67	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Sourcewell participating members are able to obtain proper pricing directly from our website, where they are able to use our user-friendly design to build and price their vehicles. The NAFG is updated daily to reflect updated manufacturer MSRP information. Our system will provide members with an accurate quote 99.99% of the time. In addition, NAFG has a stream line and organized process hat calculates administrative fees and allows NAFG to give a turnaround time of 15 – 30 days for quarterly reports.	*
68	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	One of the internal metrics NAFG uses to track and measure success with the Sourcewell Contract is maintained through our website. Our website keeps a detailed log of quotes that members are generating. We oversee and keep track of how many quotes are being generated and which quotes are met with a purchase order. Every month we evaluate our sales indicators and closely monitor the volume and frequency of sales. One example is by evaluating which members are purchasing from our platform – new members or frequent members to ensure we are growing our member base. We use these metrics to measure our projected growth rate and work to exceed our expectations.	*
69	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	NAFG will submit $ 300 per vehicle purchased through NAFG and $ 200 per vehicle purchased though our partner dealer Alan Jay Automotive. For the purpose of an admin fee there are no other partner dealer groups considered.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *	
70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	NAFG has provided a "Model Roll Out" Charts in the "Price File" zip, but of the 15 manufacturers we represent, they have over 100 makes and models for members to choose from that range from Class 1-3 and supporting Class 4 Cab and Chassis trucks. NAFG's platforms can add any upfit of their choosing, ranging from toolboxes to Line Mechanic Bodies. Any and all upfits can be added to any one of our vehicles through one of our upfit partner suppliers or by an upfit supplier of the members choosing. NAFG and the supplier will work together to supply members with turnkey quotes.	*
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	National Auto Fleet Group lists the makes and models of all 15 manufacturers we represent under the ZIP File "All 15 Manufactures". These 15 OEMs make up over 100 combined makes, models, and engine combinations for members to select from along with several subtitle "Upfits" detailed for members in the price file.	*

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
72	Automobiles	(•) Yes ( ) No	15 Manufacturers totaling well above 700 makes and models
73	Sport Utility Vehicles	(•) Yes ( ) No	15 Manufacturers totaling well above 700 makes and models
74	Vans	(•) Yes ( ) No	15 Manufacturers totaling well above 700 makes and models
75	Trucks	(•) Yes ( ) No	15 Manufacturers totaling well above 700 makes and models
76	Vehicles described in Lines 72-75 above for Public Safety applications	(•) Yes ( ) No	15 Manufacturers totaling well above 700 makes and models
77	Conventional internal combustion models	(•) Yes ( ) No	15 Manufacturers totaling well above 700 makes and models
78	Natural gas or propane autogas, hybrid, or alternative fuel models	(•) Yes ( ) No	15 Manufacturers totaling well above 700 makes and models
79	Electric powered models	(•) Yes ( ) No	15 Manufacturers totaling well above 700 makes and models

Table 15: Exceptions to Terms, Conditions, or Specifications Form

Line Item 80. **NOTICE**: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Pricing - NAFG Price File for Bid 091521.zip - Monday September 13, 2021 19:29:27
- Financial Strength and Stability - Market Success and Financial Stability.zip - Monday September 13, 2021 19:30:12
- Marketing Plan/Samples - Marketing Plan Compressed.zip - Tuesday September 14, 2021 11:38:30
- WMBE/MBE/SBE or Related Certificates - Insurance and Related Documents.zip - Tuesday September 14, 2021 11:40:18
- Warranty Information - Warranties RFP 091521.zip - Tuesday September 14, 2021 11:40:36
- Standard Transaction Document Samples - Standard Transaction.zip - Monday September 13, 2021 19:54:48
- Upload Additional Document - ALL 15 Makes and Upfits.zip - Tuesday September 14, 2021 11:35:54

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.

3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.

5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.

6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.

7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.

8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.

9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.

11. Proposer its employees, agents, and subcontractors are not:

    1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;

    2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or

    3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Jesse Cooper, Fleet Manager, 72 Hour LLC

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_6_ Autos_SUVs_Vans_Trucks_RFP_091521 Wed September 8 2021 06:27 PM	☑	1
Addendum_5_ Autos_SUVs_Vans_Trucks_RFP_091521 Tue September 7 2021 07:28 PM	☑	2
Addendum_4_ Autos_SUVs_Vans_Trucks_RFP_091521 Thu August 26 2021 05:55 PM	☑	1
Addendum_3_ Autos_SUVs_Vans_Trucks_RFP_091521 Mon August 23 2021 09:47 AM	☑	1
Addendum_2_ Autos_SUVs_Vans_Trucks_RFP_091521 Sun August 8 2021 09:02 PM	☑	1
Addendum_1_ Autos_SUVs_Vans_Trucks_RFP_091521 Thu August 5 2021 03:58 PM	☑	1

Docusign Envelope ID: F41490C1-FB2A-419C-A8ED-E30F112537A3

AMENDMENT #1
TO
CONTRACT # 091521-NAF

THIS AMENDMENT is effective upon the date of the last signature below by and between **Sourcewell** and **72 Hour LLC dba: National Auto Fleet Group** (Supplier).

Sourcewell awarded a contract to Supplier to provide Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories to Sourcewell and its Participating Entities, effective November 4, 2021, through November 8, 2025 (Contract).

The parties wish to amend the Proposal to ensure compliance with Sourcewell's Procurement Policy and standard government procurement practices.

NOW, THEREFORE, the parties amend the Contract as follows:

Line item 28 of "Table 6: Ability to Sell and Deliver Service" of the Proposal is modified to add the following:

> **"For Tesla and Mullen vehicles, the Participating Entity will work directly with Supplier when ordering the vehicle. Once a purchase order is issued and received by Supplier, Supplier will work with the appropriate Tesla or Mullen representative to process the order and deliver the vehicle directly to the Participating Entity. All necessary paperwork will be handled directly between the Participating Entity and Supplier."**

Except as amended by this Amendment, the Contract remains in full force and effect.

Sourcewell

By: Signed by: Jeremy Schwartz C0FD2A139D06489...
Jeremy Schwartz, Chief Operating Officer

Date: 2/21/2025 | 4:19 PM CST

72 Hour LLC
dba: National Auto Fleet Group

By: Signed by: James Cooper FACBB5730C1E467...
Jesse Cooper, Fleet Manager

Date: 2/21/2025 | 2:34 PM CST

Estimate

160 North Broadway
Fresno, CA 93701-1592

Phone: (559) 233-8818 Email: sales@cookscom.com

Customer No.: HANFORD PD
Quote No.: 17488

Quote To: **City of Hanford Police Department**
315 N Douty St
Accounts Payable
Hanford, CA 93230-000

Phone: (559) 585-2540
Email: jlutz@hanfordca.gov

Ship To: **City of Hanford Police Department**
319 N Douty
Hanford, CA 93230-000

Phone:
Email: billing@cityofhanfordca.com

Date	Ship Via	F.O.B.	Terms
10/08/25	Up-Flt Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	12/22/25

Quantity Required	Item Number	Description	Unit Price	Amount
		'26 DODGE DURANGO ********SLICKTOP********* ****HANFORD PD***** UNIT# TBD ADDITIONAL EQUIPMENT FOR THE CHP GRANT BUILD ********** CONSOLE EQUIPMENT		
1	C-ARPB-145	Havis Zebra ZQ520 & ZQ521 Printer Mount With Accessory Pocket & Short Armrest	338.00	338.00
1	C-HDM-426	HAVIS Internal Pole Mount For 2021-2023 Dodge Durango	35.00	35.00
1	C-HDM-214	HAVIS 8.5" Heavy-Duty Telescoping Pole, Side Mount	152.00	152.00
1	C-HDM-307	Havis Heavy Duty Adapter HAVIS Heavy-Duty Adapter Plate For Swivel Arm Mounts	18.00	18.00
1	MD-ARM-0603	Havis Swing Arm Mount 6" Base 3" Extension	125.00	125.00
1	PKG-KB-206	HAVIS Package – USB Keyboard With Mount (No Emergency Key	595.00	595.00
1	C-DMM-3024	HAVIS Heavy-Duty Dash Mount For 2021-2023 Dodge Durango Fits 2021-2023 Dodge Durango police pursuit and retail vehicles No permanent modification 12 lb. weight carrying rating Flip up to view or control the OEM equipment 360° rotation for driver or passenger easy viewing Positive dual action latch for security	449.00	449.00

Thank You

Estimate

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Date	Ship Via	F.O.B.	Terms
10/08/25	Up-Fit Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	12/22/25

Quantity Required	Item Number	Description	Unit Price	Amount
		Includes VESA 75 hole pattern Configurable for many devices Works with tunnel mount consoles Heavy gauge steel, welded construction Black powder coat finish Lifetime warranty Made in USA		
1	DS-DELL-901	Havis Docking Station for Dell 7230 Tablet w/Power Supply	827.00	827.00
1	CR0MD	Dell 7230 Rugged Extreme Tablet 12" i5 16gb 256GB SSD	4123.00	4123.00
1	BARCODESZQ521	Zebra ZQ521 Printer	988.00	988.00
1	BARCODESZQOEADAPTOR	Zebra DC-DC Vehicle Adapter	65.00	65.00
		COMMUNICATIONS EQUIPMENT		
1	MB01-19005GB-GA	Cradlepoint IBR-1900 1-yr NetCloud Mobile Performance Essentials Plan and R1900 router with WiFi (5G modem), no AC power supply or antennas, Global	1699.00	1699.00
1	PWAT-328-TW-7N1COOKS	Panoram Antenna for Cradlepoint R1900	465.00	465.00
		MISC. HARDWARE		
1	BK0802DUR21	Setina PB450L4 Push Bumper w/4 FedSig Micropulse Lights fits '21+ Dodge Duragno	1087.00	1087.00
1	PK1126DUR11	#10XL C Horizontal Sliding Window Coated Polycarbonate With Expanded Metal Window Security Screen XL Panel Partition	951.00	951.00
		NO GUN RACK		
1	WK0595DUR11	Window Barrier	305.00	305.00

Thank You

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10/08/25	Up-Fit Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	12/22/25

Quantity Required	Item Number	Description	Unit Price	Amount
		Polycarbonate *FOR USE WITH: -Stock Door Panels -SETINA TPO Door Panels		
1	WK0040DUR11	Setina Window Barriers Cargo Area 3pcs. fits '11-'21 Dodge Durango	416.00	416.00
1	QK0635DUR11	Setina Full Replacement Transport Seat w/Center Pull Belts. fits Dodge Durango	1393.00	1393.00
1	TK0841DUR11	Setina Cargo Box w/Keypad Lock fits '11-'21 Dodge Durango	1742.00	1742.00
1	S3700K	9' Stop Stick w/Storage Bag Red	587.00	587.00
1	S2100	Stop Stick Sleeve 9' Black	62.00	62.00
1	S3704	Stop Stick Storage Bag	69.00	69.00
		MISC INSTALLATION ****EQUIPMENT*****		
12.000	LAISREG	Shop Installation Complete Patrol Car	165.00	1980.00

Subtotal	18471.00
Freight charges	320.00
Sales tax @ 8.35000%	1377.00
Total	20168.00

Thank You for Considering Cook's Communications

Thank You

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Date	Ship Via	F.O.B.	Terms
10/08/25	Up-Fit Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	11/07/25

Quantity Required	Item Number	Description	Unit Price	Amount
		'26 DODGE DURANGO ********SLICKTOP********* ****HANFORD PD***** UNIT# TBD ***FEDERAL SIGNAL*** ***PROMO PACKAGE*** ****************************		
1	SIFMJS	Fed Sig Spectralux Low Profile Front ILS Split - Center Focused Specify Referance Number From Config. 1669919913	1007.00	1007.00
1	SIFMJH	Fed Sig Spectralux Low Profile Rear ILS Rear Hatch- Center Focused Specify Referance Number From Config. 1669920151	1007.00	1007.00
1	PF200S17B	Federal Signal Pathfinder 200W Siren Amp with 17 Button Remote Controller	1340.00	1340.00
1	OBDCABLE25-DGCAN	Fed Sig OBD Install Cable fits Dodge Charger	137.00	137.00
1	ES100C	Federal Signal 100 watt Siren Speaker	0.00	0.00
1	ESB-U	Universal Siren Bracket for ES100 Siren	0.00	0.00
1	EXPMOD24	Fed Sig Expansion Module 24 Channel	265.00	265.00
1	PFSYNC-1	Fed Sig On Scene Sync Module GPS/Ambient ****************************	223.00	223.00

Thank You

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Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	11/07/25

Quantity Required	Item Number	Description	Unit Price	Amount
2	MPSW9-RBW	Fed Sig Micropulse WideAngle 9 LED Light R/B/W	189.00	378.00
1	MPSMW9-DUR21MIR	Fed Sig Mirror Bracket Kit fits '21+ Dodge Durango	29.00	29.00
2	MPS63U-RBA	Fed Sig Micropulse Ultra Trio. Red/Blue/Amber	161.00	322.00
		MOUNTED ON THE REAR LIFTGATE NEXT TO THE LICENSE PLATE		
1	794H	GTT Opticom Emitter	1908.00	1908.00
		CONSOLE EQUIPMENT		
1	C-VS-2300-DUR	Havis VS 23" Console fits '21 Dodge Durango	482.00	482.00
1	C-EB40-SSP-1P	Havis 4" Faceplate fits PA300-CN/SSP3000	0.00	0.00
1	C-EB30-KCH-1P	Havis 3" Faceplate fits Kenwood KCH20r Control Head	0.00	0.00
1	CUP2-1001	Havis Self Adjusting Cup Holder	56.00	56.00
1	C-FP-1	1" Blank Havis Face Plate	0.00	0.00
1	C-MCB	Havis Console Mic Clip Bracket	16.00	16.00
1	MMSU-1	Magnetic Mic Conversion Kit	42.00	42.00
		COMMUNICATIONS EQUIPMENT		
1	NX-5800BK	Kenwood 50 watt, 1024CH 450-520MHz, RF Deck 3 Year Warranty	621.00	621.00
1	KWD-5100CV	Kenwood P25 Conventional License Key	478.00	478.00

Thank You

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Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	11/07/25

Quantity Required	Item Number	Description	Unit Price	Amount
1	KWD-AE31K	Kenwood AES&DES Encryption Order L-5008 if Install Req.	516.00	516.00
1	L-5008	Kenwood Labor Code Install KWD-AE31K in NX-5000	65.00	65.00
1	5AFM	Kenwood NX-5000 Series Single Deck, Single Control Head Remote Mount	815.00	815.00
1	ROOF-FT-NITI	Stico Flexi-Whip Antenna 136mhz-1ghz. Includes coax & RFU505ST	104.00	104.00
1	RFU505ST	PL259 For RG58	10.00	10.00
		MISC. HARDWARE		
1	TK1246DUR11	Setina E-Z Lift Cargo Deck With Lower Radio Tray fits Durango 11-present	917.00	917.00
		MISC INSTALLATION ****EQUIPMENT*****		
1	5029B-BSS	12 Circuit Water Resistant Fuse Block w/Cover	42.00	42.00
5	5080	Relay	14.00	70.00
1	7615B-BSS	Blue Seas Solenoid/Timer. 120amp 12vdc	124.00	124.00
1	7189B-BSS	Resettable Circuit Breaker Resettable Circuit Breaker	49.00	49.00
1	MATERIALSFEE3	Installation Material Bundle	375.00	375.00
26.500	LAISREG	Shop Installation Complete Patrol Car customer provided MDT	165.00	4372.50

Thank You

Estimate

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	David Burchfield	11/07/25

Quantity Required	Item Number	Description	Unit Price	Amount
1	GRAPHICSPACKAGE	Graphics Package for Public Safety Vehicle Custom STEALTH Black Reflective Vehicle Graphic Kit for HANFORD POLICE'S Black 2025 Dodge Durango (unit # 29) (Graphics to be all all black reflective for a black car to create stealth look) * Custom Stealth Version of graphic kit to consist of: - Black Reflective HANFORD POLICE lettering across front and rear doors (Same style lettering as their Park Resource Officer graphic kit but in black reflective) - Black Reflective Star Emblem Decals on front doors (Same style star as in their Park Resource Officer graphic kit but in black reflective) - Black Reflective EMERGENCY 911 for side rear quarter panels (Same style as in their Park Resource Officer graphic kit but in black reflective) - Black Reflective HANFORD POLICE lettering for rear hatch - Black Reflective unit numbers TBD on front fenders and rear - White Reflective DRIVE HIGH EQUALS DUI at 2 inches tall for the lower right hand corner of the rear window (This lettering to be white)	740.00	740.00
3.000	GRAPHICS INSTALL PKG	Includes Surface Prep Wrap Graphics Around All Ends, Stars, & Badges	165.00	495.00

Thank You

Estimate

160 North Broadway
Fresno, CA 93701-1592

Phone: (559) 233-8818 Email: sales@cookscom.com

Customer No.: HANFORD PD
Quote No.: 17489

Quote To: **City of Hanford Police Department**
315 N Douty St
Accounts Payable
Hanford, CA 93230-000

Phone: (559) 585-2540
Email: jlutz@hanfordca.gov

Ship To: **City of Hanford Police Department**
319 N Douty
Hanford, CA 93230-000

Phone:
Email: billing@cityofhanfordca.com

Date	Ship Via	F.O.B.	Terms
10/08/25	Up-Fit Shop	Origin	Net 30

Purchase Order Number	Sales Person	Expiration Date
	David Burchfield	11/07/25

Quantity Required	Item Number	Description	Unit Price	Amount

Subtotal	17005.50
Freight charges	350.00
Sales tax @ 8.35000%	1013.52
Total	18369.02

Thank You for Considering Cook's Communications

Thank You

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Adoption of Resolution No. 26-02-R to authorize the acceptance of an award of $482,016 in grant funding from the California Department of Justice for tobacco enforcement, amend the budget to recognize the grant, appropriate this amount in the General Fund for the Police Department, and authorize the Police Chief to execute the Memorandum of Understanding (MOU).

RECOMMENDATION:

Recommendation: That the City Council, by motion, approve resolution 26-02-R for acceptance of the California Department of Justice Tobacco Grant Program (TGP) award in the amount of $482,016, amend the budget to recognize the grant, appropriate the amount of $482,016 in the General Fund for the Police Department, and authorize the Police Chief to execute the Memorandum of Understanding (MOU).

Recommended Motion: I move to approve resolution 26-02-R accepting the California Department of Justice Tobacco Grant Program (TGP) award in the amount of $482,016, amend the budget to recognize the grant, appropriate this amount in the General Fund for the Police Department, and authorize the Police Chief to execute the Memorandum of Understanding (MOU).

BACKGROUND:

The Hanford Police Department (HPD) was awarded $482,016 via a competitive grant from the California Department of Justice Tobacco Grant Program (TGP). The award covers a three (3) year period, beginning June 2026 and ending June 2029. The funds from the grant will cover half of the salary cost for the Sergeant who manages the grant, all overtime expenses for tobacco enforcement operations, operating expenses and equipment, and administrative costs. The total amount of $482,016 will be split throughout the entire three (3) year grant period as shown below:

Category of Expenditure	Budget (FY26/27)	Budget (FY27/28)	Budget (FY28/29)
Personnel Services (Salary + Overtime)	$155,054	$155,054	$155,054
Operating Expenses and Equipment	$2,892	$1,104	$1,104

Administrative Costs (Not to Exceed 5%)	$3,948	$3,903	$3,903
Total Awarded Amount		**$482,016**	

Each year, HPD plans to conduct many operations to support enforcement of tobacco laws in the City of Hanford. These operations include: forty-nine (49) retailer inspections, twelve (12) minor decoy operations, twelve (12) shoulder tap operations, six (6) undercover buys, and retailer education. Additionally, HPD will work on the creation of a Tobacco Enforcement Task Force composed of HPD personnel, City Code Enforcement staff, and deputies from the Kings County Sheriff's Office.

The Hanford Police Department has not conducted any events or purchased any items in connection with this grant award and is under no obligation to do so should Council not wish to accept these funds. There are no matching funds associated with this grant and an appropriation for the amount of the grant award ($482,016) will be required to expend the funds as the reimbursement will occur after the fact. The Department may need to slightly exceed the grant allocation, as the grant administrator wants agencies to expend all grant funds, and it is not possible to expend the exact award amount. If additional expenditures are required, the Department will minimize the impact on the operating budget. Any amount in excess of the grant allocation can be absorbed within the existing police budget.

FISCAL IMPACT:

The fiscal impact will total $482,016, reimbursed by the TGP award. Staff is requesting a budget amendment to recognize the grant funds and an appropriation in the amount of $482,016 to the General Fund for the Police Department. The City will be reimbursed on a quarterly basis by the grant administrator.

ATTACHMENTS:

1. Award Letter
2. Resolution 26-02-R
3. DOJ MOU

CALIFORNIA
DEPARTMENT OF JUSTICE

Rob Bonta
Attorney General

DIVISION OF OPERATIONS
OFFICE OF FISCAL SERVICES
GRANT SERVICES BRANCH
TOBACCO GRANT PROGRAM
P.O. Box 160187
Sacramento, CA 95816-0187
E-Mail Address: TobaccoGrantRFP@doj.ca.gov

November 20, 2025

Chris Barker, Sergeant
Hanford Police Department
425 N Irwin St
Hanford, CA 93230

Re: Tobacco Grant Award Notification Fiscal Year 2025-26 (RFP: DOJ-PROP56-2025-26-1)

Dear: Sergeant Barker

Congratulations! On behalf of the California Department of Justice (DOJ), Tobacco Grant Program, I am pleased to inform you that your agency's grant application for the fiscal year 2025-26 grant cycle has been approved for grant funds authorized under the California Healthcare, Research and Prevention Tobacco Tax Act of 2016. **The total amount of your agency's grant award is $482,016 under Award # DOJ-PROP56-2025-26-1-017.**

The Tobacco Grant Program award process is highly competitive, and for the 2025-26 grant cycle, the Department received approximately $50 million in requests. As noted in the application materials, grant funding prioritized support for local retailer enforcement including prosecution and task force collaboration. Consequently, some awards were approved with modifications to align with these funding priorities and because of limited funds. Attached is a Summary of the Award and Budget Detail outlining the funding provided along with any modifications applied.

To accept the 2025-26 grant award, please complete and return a signed copy of your Letter of Intent (see template and instructions attached) by email within 15 calendar days of the date of this letter. This letter will affirm one of the following:

1. Your agency will seek a resolution from the governing body to accept the award *(if your agency has a governing body)*
2. Your agency has a governing body but does not require a resolution to accept the award, OR
3. No governing body exists and therefore no resolution is required.

Please email the signed Letter of Intent as noted above to TobaccoGrantRFP@doj.ca.gov with the subject line including the name of your agency: "FY 25-26_Letter of Intent_Hanford

Police Department." Upon receipt of this information, DOJ will provide your agency with additional documents for execution/use (e.g., Memorandum of Understanding, Governing Body Resolution template, Grantee Handbook, etc.). These documents will contain more information about the process for reimbursement and other important details. Activities for reimbursement under this grant may commence on or after the date of this letter, depending upon your selected start date.

Should you have any questions regarding this letter or the required follow up information, please email TobaccoGrantRFP@doj.ca.gov.

Sincerely,

Jennifer Ivery Johnson

JENNIFER IVERY JOHNSON
Manager, Grant Services Branch

For ROB BONTA
Attorney General

Attachments:
Letter of Intent
Summary of Award
Budget Detail

RESOLUTION 26-02-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING THE ACCEPTANCE OF THE CALIFORNIA DEPARTMENT OF JUSTICE TOBACCO GRANT PROGRAM GRANT AND AUTHORIZING THE CHIEF OF POLICE TO EXECUTE THE MEMORANDUM OF UNDERSTANDING

WHEREAS, The City of Hanford Police Department desires to undertake a certain project designated as the Tobacco Grant Program (TGP) to be funded in part from funds made available through the California Department of Justice administered by the Office of the Attorney General and;

IT IS AGREED, that any liability arising out of the performance of this contract, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and DOJ disclaim responsibility for any such liability.

IT IS ALSO AGREED, that this award is not subject to local hiring freezes.

NOW, THEREFORE, BE IT RESOLVED that the City Council approves the Chief of Police of the City of Hanford to authorize and execute the attached Memorandum of Understanding, including any extensions or amendments thereof and any subsequent agreement with the State in relation thereto, for the duration of the FY26, FY27, FY28, and FY29 grant periods.

BE IT FURTHER RESOLVED, that grant funds received hereunder shall not be used to supplant expenditures controlled by this body.

PASSED, ADOPTED AND APPROVED at the regular meeting of the City Council of the City of Hanford held on January 20, 2026, by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

_____
MARK KAIRIS
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 _____ day of _____, 20____.

Date: _____

_____
City Clerk

Tobacco Grant Program
Grant Services Branch – Local Assistance
Division of Operations

Hanford Police Department **DOJ-PROP56-2025-26-1-017**

MEMORANDUM OF UNDERSTANDING

PURPOSE

This Memorandum of Understanding ("MOU") is entered into by the Department of Justice ("DOJ") and the Hanford Police Department ("Grantee"), for the purpose of disbursing grant funds to Grantee for reimbursement of expenditures in compliance with the California Code of Regulations and the Fiscal Year 2025-26 Grantee Handbook.

Commencing January 1, 2023, the California Code of Regulations, Title 11, Division 1, Chapter 5: Department of Justice Tobacco Grant Program ("TGP Regulations") shall govern the policies and procedures of the Tobacco Grant Program.

The TGP Regulations, Request for Proposals, Grantee Handbook (dated April 2025), and Summary of Award document are hereby incorporated by reference into this MOU. Grantee will expend funds for the purposes identified in the approved Summary of Award document. Reimbursements are to be funded under the California Healthcare, Research and Prevention Tobacco Tax Act of 2016, approved by the voters as Proposition 56.

COST REIMBURSEMENT

DOJ agrees to reimburse Grantee in arrears, for Grantee's actual expenditures in performing the project or scope of work included in the approved Summary of Award document. Reimbursements for line items in the approved Budget Detail will be made upon receipt of invoices from Grantee and approval of the invoices by DOJ, in accordance with the reimbursement procedures set forth in the TGP Regulations and Grantee Handbook.

BUDGET CONTINGENCY CLAUSE

It is mutually agreed, if the Budget Act of the current fiscal year and/or any subsequent years covered under the MOU does not appropriate sufficient funds, the MOU shall be of no further force and effect. In the event this situation occurs, DOJ shall have no liability to reimburse/pay any funds to Grantee, or to furnish any other considerations under this MOU. As well, Grantee shall not be obligated to continue performing the provisions of this MOU, for which the Grantee would have been reimbursed.

If funding for any fiscal year is reduced or deleted in the Budget Act for purposes of this MOU, DOJ shall have the option to either cancel this MOU with no liability occurring to DOJ or offer an addendum to the Grantee to reflect the reduced amount.

PROJECT BREACH-TERMINATION

Failure of a Grantee to comply with this MOU or the TGP Regulations shall be treated by DOJ as a breach of contract. If an act of noncompliance occurs, DOJ may take actions described within the TGP Regulations, including termination. DOJ may terminate this MOU and be relieved of any obligation to disburse grant funds to Grantee should Grantee fail to perform the scope of work at the time and in the manner provided in this MOU.

MISCELLANEOUS PROVISIONS

Addendum – No addendum or variation of the terms of this MOU is valid unless made in writing and signed by the duly authorized representatives of the parties.

Assignment – This MOU is not assignable by Grantee in whole or in part.

Indemnification – Grantee agrees to indemnify and hold harmless DOJ, its officers, agents and employees from all claims, liabilities, or losses in connection with the performance of this MOU.

Certifications – Grantee certifies that it does not receive funding from a manufacturer, distributor, or advertiser of Cigarettes or Tobacco Products. Grantee further certifies that grant funds will not supplant existing state or local funds dedicated for the same purpose.

TERMS

Grant Duration: **11/21/2025 – 6/30/2029**

Award Amount				
Category of Expenditure	**Budget FY 2025-2026**	**Budget FY 2026-2027**	**Budget FY 2027-2028**	**Budget FY 2028-2029**
Personnel Services	$	$155,054	$155,054	$155,054
Operating Expenses and Equipment	$	$2,892	$1,104	$1,104
Administrative Costs (Not to Exceed 5%)	$	$3,948	$3,903	$3,903
TOTAL AWARD AMOUNT	**$482,016**			

The time limit for reimbursements against this award ends 6/30/2029. Requests for reimbursement received after 7/15/2029 cannot be considered by DOJ.

GRANTEE CONTACT INFORMATION

Seannah Picazo, Administrative Analyst
Hanford Police Department
425 N. Irwin St.
Hanford, CA 93230
(559) 585-4721
spicazo@hanfordca.gov

AUTHORIZATION

DOJ and Grantee, by their duly authorized officials, have executed this MOU on the respective dates indicated below. This MOU and any future addendums shall be e-mailed to TobaccoGrants@doj.ca.gov, care of the Division of Operations, Local Assistance Unit, Tobacco Grant Program, and will become fully executed upon completion of signatures from all parties.

GRANTEE AUTHORIZATIONS

01/05/2026
Date

NAME: Stephanie Huddleston
Title: Chief of Police
Agency: Hanford Police Department

Date

NAME:
Title:
Agency:

Date

NAME:
Title:
Agency:

DOJ AUTHORIZATIONS

Date

DOJ GRANT MANAGER
Division of Operations
California Department of Justice

Date

DOJ FISCAL DIRECTOR
Division of Operations
California Department of Justice

Date

DOJ CHIEF OF OPERATIONS
Division of Operations
California Department of Justice

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval and authorization for the City Manager to enter into a contract with Cook's Communications (Fresno, CA) in the amount of $361,802.13 for the supply and delivery of Mobile and Portable Radios to the Fire Department funded under the Measure H Fire Communications Update Project.

RECOMMENDATION:

Recommendation: Staff recommends that the City Council by motion, approve and authorize the City Manager to execute a contract with Cook's Communications (Fresno, CA) in the amount of $361,802.13 for the supply and delivery of Mobile and Portable Radios to the Fire Department as part of the Measure H Fire Communication's Update Project account 0011-826027.

Recommended Motion: I move to approve the authorization of the City Manager to execute a contract with Cook's Communications in the amount of $361,802.13 for the supply and delivery of Mobile and Portable Radios to the Fire Department as part of the Measure H Fire Communication's Update Project account 0011-826027.

BACKGROUND:

In November of 2024, Hanford voters passed the Measure H Sales Tax, which provided additional funding that can be utilized towards infrastructure needs within the City. Under Measure H sales tax revenue, the Fire Department has been allocated $849,000 for the Fire Communications Update Project, which has three implementation phases. One of these phases being the purchase of Portable and Mobile Radios for all Fire Safety personnel. As well as an analysis on the City's current communication system and an overall update on the City's current communication network system based on the findings of the analysis.

In November of 2025, staff released a Request For Bid (RFB) for the supply and delivery of the Portable and Mobile Radios and received three bids, with Cook's Communication being the lowest bidder. This will bring about a significant update for the department where many devices are well over a decade old.

FISCAL IMPACT:

Funding available in the Measure H Fire Communications Update Project account 0011-826027 which has a total funding amount of $849,000.

ATTACHMENTS:

1. RFB No 2026-15- Cook's Communication

2. COH SAMPLE AGREEMENT

EXHIBIT A

BID FORM
RFB No. 2026-15
Supply and Delivery of Mobile and Portable Radios for Fire Department

TO: THE CITY OF HANFORD PURCHASING DIVISION:

In compliance with the City's Notice Inviting Bids for RFB 2026-15 dated: 12/16/2025, the undersigned Bidder hereby proposes to supply, program, configure, deliver, and install mobile and portable radios, including related support equipment for use by the Fire Department, as specified in this RFB, including all exhibits and related contract documents, therefore.

Bidder declares that this bid proposal is based upon careful examination of the Instructions to Bidders, and the contract requirements. If this bid is accepted for award, Bidder agrees to enter into a contract with the City at the unit and/or lump sum prices set forth in the following Bid Schedule. Bidder understands that failure to enter into a contract in the time and manner stated may result in said Purchasing Division proceeding to award the contract to others.

Bidder understands that a bid is required for the product and that compensation under this contract will be based upon the product condition received as stated in the bid specifications. It is agreed that the price bid includes all appurtenant expenses, taxes, royalties, installation, delivery, training, and fees for the purchase of the product. Bidder is to indicate the cost for delivery to Hanford, CA (if any). Bidder is to list tax where indicated, as the City is not exempt from paying sales tax (currently 8.25% in Hanford, CA).

Bidder further declares that their company has not either directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with said bid.

All bids will be checked for accuracy. In the case of discrepancies in amounts bid, unit prices shall govern over extended amounts.

The Low Bidder will be based on the **Lowest Total Bid Amount**. After the lowest bidder has been determined, the City reserves the right to award the contract, if it is awarded, to the lowest bidder who is deemed both responsive and responsible and meets all criteria set forth in the bid specifications. The City reserves the right to increase or decrease actual quantities of product ordered at the stated unit cost, including tax and shipping cost, as funding allows. Bidder has read and hereby agrees to the conditions stated in this bid by affixing authorized signature on the bid form.

As Described in Scope of Work for RFB 2026-15 Supply and Delivery of Mobile and Portable Radios for Fire Department			Total Bid Amount includes all delivery, freight, sales tax, training, technical assistance, warranties, installation, and all associated costs and fees	
ITEM #	**DESCRIPTION**	**QTY**	**UNIT COST**	**TOTAL COST**
Dual Band with Multi Band Option Hand-held Radios				
1	P25 Dual-Band with Multiband Option Radio Top & Front Display (WiFi/BT/GPS, Belt Clip) Hi Viz Yellow/Green	60	$ 2293.80	$ 137628.00
2	VHF/UHF Bands activated with all others able to be activated	60	$ 598.20	$ 35892.00
3	IP68 Option for Portable Radios	60	$ 99.00	$ 5940.00
4	FDMA Phase 1 P25	60	$ 133.80	$ 8028.00
5	All-Band Antenna 136-174MHz, 380-520MHz & 769-860MHz - 20cm SMA	60	$ 92.00	$ 5520.00
6	Li-Ion Battery 4900mAh for BKR9000 IP68 Rated	60	$ 182.25	$ 10935.00
7	Portable Radio Mic EMG Button Hi Viz Yellow/Green	60	$ 258.25	$ 15495.00
8	Portable Radio Desktop Charger	8	$ 184.76	$ 1478.08
9	Multi-Slot Bank Chargers	8	$ 989.00	$ 7912.00
10	Vehicle Charger for Portable Radios	8	$ 231.26	$ 1850.08
11	USB Programming Cable for Mobile and Portable Radios	4	$ 115.00	$ 460.00
Dual Band with Multi-Band Option Mobile Radios				
12	Dual Band with Multi-Band Option Mobile Transceiver Only	12	$ 2193.33	$ 26319.96
13	VHF Band Enabled	12	$ 525.00	$ 6300.00
14	UHF Band Enabled	12	$ 525.00	$ 6300.00
15	700/800 Band able to be activated	12	$ 0.00	$ 0.00
16	Remote Head	12	$ 615.00	$ 7380.00
17	Remote Cable	12	$ 78.00	$ 936.00
18	Mobile Smart Microphone	12	$ 92.00	$ 1104.00
19	Remote Kit for Control Heads	12	$ 47.00	$ 564.00
20	DC Power Cable 23 ft	12	$ 52.00	$ 624.00
21	Mounting Bracket	12	$ inc	$ 0.00
22	External Accessory Connection Cable	12	$ 36.00	$ 432.00
23	External Mobile Radios Speaker	12	$ 60.00	$ 720.00
24	GPS/Bluetooth/WiFi Antenna thru-hole-mount P25 Conventional Option	12	$ 156.00	$ 1872.00
25	P25 Phase 1	12	$ 398.00	$ 4776.00
26	Standard Manufacturers Channel Capacity	12	$ inc.	$ 0.00

ITEM #	DESCRIPTION	QTY	UNIT COST	TOTAL COST
27	Single Key AES Encryption	12	$ 144.00	$ 1728.00
28	GPS Option	12	$ 120.00	$ 1440.00
29	Keypad Programming – Enabled	12	$ 40.00	$ 480.00
30	MDC1200 Signaling	12	$ 48.00	$ 576.00
31	WIFI programming option	12	$ 89.00	$ 1068.00
32	USB-C Programming Cable	2	$ 51.00	$ 102.00
33	Manufacturer Software 5-year subscription	1	$ 595.00	$ 595.00
Base Station Radios				
34	Dual Band with Multi-Band Option Mobile Transceiver Only	3	$ 2193.00	$ 6579.99
35	VHF Band Enabled	3	$ 525.00	$ 1575.00
36	UHF Band Enabled	3	$ 525.00	$ 1575.00
37	700/800 Band able to be activated	3	$ 0.00	$ 0.00
38	Dash Desktop	3	$ 179.00	$ 537.00
39	Mounting Case w/ DC Cable & Power Supply	3	$ 266.00	$ 798.00
40	P25 Conventional Option	3	$ 299.00	$ 897.00
41	P25 Phase 1	3	$ 99.00	$ 297.00
42	Single Key AES Encryption	3	$ 144.00	$ 432.00
43	MDC1200 Signaling	3	$ 48.00	$ 144.00
44	Desk Mic/FDMA Digital	3	$ 180.00	$ 540.00
Single Band Mobile Radios				
45	Remote Mount Mobile Radio 50W/1W 136-174MHz P25 5000CH (Order control head separate)	5	$ 2005.00	$ 10025.00
46	Remote Head Kit Plug & Play for Mobiles Includes Install Kit	5	$ 953.56	$ 4767.80
47	17' Remote Control Cable	5	$ 99.00	$ 495.00
48	Smart Microphone	5	$ 285.28	$ 1426.40
49	Sales Tax @ 8.25%			$ 26725.82
50	Shipping and Handling (if any)			$ 0.00
51	Other Fees (if any) Labor & Travel			$ 10532.00
	TOTAL BID AMOUNT			$ 361,802.13

Delivery FOB Destination Hanford

Delivery Time: 90-120 **Days After Order Placed**

Warranty Coverage: 3 - 5 **year(s)**

Does the Bid meet specifications listed in the Scope of Work: X **Yes** _____ **No**

If no, and in order to assist the City in the evaluation of bids, please indicate variances, no matter how slight, to explain why the product bid would not meet bid specifications below. A separate sheet of paper may be submitted if needed.

_____

_____

_____

_____

_____

_____

_____

_____

Cook's Communications Corporation

Bidding Firm

Corporation Incorporated in the State of California

Corporation, Partner, Joint Venture

160 N Broadway	Fresno	CA	93701
Business Address	City	State	Zip Code

(559) 233-8818 paul@cookscom.com

Telephone Number E-mail Address

Paul Lambert 12/16/2025

Signature of Authorized Person (Date)

Paul Lambert

Type or Print Authorized Person's Name

PLEASE SEE THE FOLLOWING INSTRUCTIONS REGARDING SIGNATURE

1. If the Bidder is an individual, enter name here in style used in business; if a joint venture, exact name of entities joining in the venture; if a partnership, the correct trade style of the partnership; if a corporation, the exact name of the corporation.

2. If Bidder is other than an individual, identify here its charact12er, i.e., joint venture, partnership, corporation, including the state of incorporation. If BIDDER is an individual operating under a trade name, state "an individual dba (trade name in full)".

3. State on this line, the address to which all communications and notices regarding the Bid Proposal, and any contract awarded thereunder, are to be addressed.

4. If Bidder is a joint venture, signature must be by one of the joint venturers, and if one or both of the joint venturers is a partnership or a corporation, each participating partnership must sign by a general partner, and each corporation by an authorized officer or employee; if a partnership, by a general partner; if a corporation, by an authorized officer or employee. The title of the person signing must appear after his/her signature. Where Bidder is a partnership or corporation, the names of all other general partners, or the president or secretary of the corporation and their business addresses must be shown below.

President - Laura Marchini 160 N Broadway Fresno, CA 93701

Secretary - Donna Lambert 160 N Broadway Fresno, CA 93701

Note: All names must be typewritten under written signature. All Addresses must be complete with street number, city, state and zip code.

CITY OF HANFORD BUSINESS TAX CERTIFICATE NO.: GR-000352-2023

A City Business Tax Certificate/License is not required to submit a bid; however, vendor is required to obtain a license prior to commencement of work. Please contact the Business Tax Division at (559) 585-2506 with any questions.

Federal Tax I.D. No.: 77-0163122

REFERENCES

The following are the names, addresses, and telephone numbers for at least three (3) agencies for which BIDDER has provided equipment to similar in size and scope within the past two (2) years.

Hanford Police Department 425 Irwin St Hanford, CA 93230 559-585-2540 Capt James Lutz

Company Name Address Phone Contact

Fresno County Fire(FKU) 2311 N Clovis Ave Fresno, CA 93727 559-281-4309 BC Paul Pumarejo

Company Name Address Phone Contact

No. Central Fire Protection 15850 W Kearney Blvd Kerman,CA 93630 559-753-0329 Cory Cason

Company Name Address Phone Contact

SAMPLE AGREEMENT
SUPPLY AND DELIVERY OF MOBILE AND PORTABLE RADIOS FOR FIRE DEPARTMENT
(City of Hanford Bid No. 2026-15)

This Agreement, entered into and effective this _____ day of _____, 2026 ["Effective Date"], by and between the City of Hanford, hereinafter referred to as the "CITY", and _____ hereinafter referred to as the "CONTRACTOR", "BIDDER", or "SUBRECIPIENT".

R E C I T A L S

WHEREAS, CONTRACTOR is an _____ with a primary business address of _____ and SSN or EIN: _____; and

WHEREAS, CITY is a municipal corporation and General Law City; and

WHEREAS, City of Hanford reviewed and evaluated responses to the Request for Bid and determined to award contract to CONTRACTOR for the Required Products; and

WHEREAS, CONTRACTOR represents it is licensed, qualified and willing to supply the specified products pursuant to terms and conditions of this Agreement.

NOW, THEREFORE, CITY and CONTRACTOR agree as follows:

1. **TERM**
   The term of this Agreement shall commence on the Effective Date and expire upon completion of all obligations of the parties, unless earlier terminated by the parties. Additionally, this Agreement may be terminated for convenience. In the event of termination or expiration of this Agreement, Contractor shall transfer to City any funds and/or accounts receivable on hand attributable to the use of City funds.

2. **ATTACHMENTS INCORPORATED**

   The following are attachments for this Agreement. Said attachments are incorporated into this Agreement as if included in full in the body:

   a. General Contract Provisions/Insurance Requirements
   b. City of Hanford RFB 2026-15
   c. Contractor's bid response to RFB 2026-15

3. **CONTRACTOR SCOPE OF SERVICES AND COMMITMENTS**
   Contractor shall provide the following services for the stated compensation on or before the stated completion dates ("Scope of Services"):

   Supply, program, configure, deliver, and install mobile and portable radios, including related support equipment for use by the Fire Department, per the specifications listed in Exhibit D (Scope of Work) for this RFB.

SAMPLE

4. **CITY COMMITMENTS**
City shall provide payment to the Contractor on or before completion dates as items are delivered and invoiced within 30 days of receipt of invoice.

5. **COMPENSATION**
City shall pay Contractor compensation for services as indicated in Paragraph 4 above; however, City shall pay not more than the following amount as total compensation under this Agreement, unless otherwise agreed in writing. Such sum shall be expended and paid by City on a reimbursement basis for services actually performed based on invoices, receipts, time sheets and similar documents presented by Contractor to City.

a. Total compensation: $_____

b. Source of Funds: _____

c. Payment Schedule: Within 30 days from date of receipt of satisfactory invoice for delivered product.

IN WITNESS WHEREOF, this Agreement is executed on the day and year first above written.

CONTRACTOR

Dated: _____ By: _____
Authorized Officer: I certify under penalty of perjury under the laws of the State of California that I am fully authorized to execute this Agreement for Contractor in the capacity I have stated, and that such execution is sufficient to bind the Contractor.

CITY OF HANFORD

Dated: _____ By: _____
Chris Tavarez, Interim City Manager

SAMPLE

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** CONSENT CALENDAR

SUBJECT:
Approval of Resolution 25-74-R, Amendments to the City of Hanford Purchasing Policy

RECOMMENDATION:

Recommendation:That the City Council, by motion, approve Resolution 25-74-R Amendments to the City of Hanford Purchasing Policy.

Recommended Motion:I move to approve Resolution 25-74-R Amendments to the City of Hanford Purchasing Policy.

BACKGROUND:

The City of Hanford Purchasing Policy was approved and adopted by City Council on February 20, 2024. Since its adoption, suggested policy amendments from staff have been reviewed, and California legislative updates have been received and incorporated into the existing Purchasing Policy as follows:

1. Due to rising procurement costs, the transaction limit requiring three (3) quotes or a sole source justification will be increased from $2,500 to $5,000. Staff has indicated that the current threshold can delay timely purchases; the proposed increase will provide greater flexibility while maintaining accountability and ensuring cost-effective procurement practices.
2. Per state guidelines, current bid thresholds under the California Uniform Cost Account Act have been increased for construction projects.
3. Revisions to improve clarity, consistency, and overall readability of the policy.

FISCAL IMPACT:

The recommended amendments to the Purchasing Policy will assist staff in ease of use of the procurement methods and complying with procedures. The fiscal impact of approval of the amendments to the Purchasing Policy will ensure that staff can continue to utilize the most cost-effective procurement strategies and ultimately save taxpayer dollars in their efforts.

ATTACHMENTS:

1. 25-74-R Amendments to the Purchasing Policy
2. Purchasing Policy Revision

RESOLUTION NO. 25-74-R

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING AMENDMENTS TO THE PURCHASING POLICY

At a regular meeting of the City Council of the City of Hanford duly called and held on the 20th day of January 2026, it was moved by Council Member _____, seconded by Council Member _____, and carried that the following resolution be adopted:

WHEREAS, the City of Hanford Purchasing Policy was passed, adopted and approved on the 20th day of February 2024; and

WHEREAS, amendments to the City of Hanford Purchasing Policy were presented for approval in the attached Exhibit "A" known as the City of Hanford Purchasing Policy, on the 20th Day of January 2026; and

WHEREAS, the City Council deems it in the public interest to approve the City of Hanford Purchasing Policy amendments as set forth in the attached Exhibit "A."

NOW, THEREFORE, BE IT RESOLVED that the amendments to the City of Hanford Purchasing Policy included in Exhibit "A" are approved, effective February 19th, 2026.

PASSED, ADOPTED AND APPROVED this 20th day of January 2026 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

_____
Mark Kairis
MAYOR of the City of Hanford

Attest:

_____
Natalie Corral
City Clerk

SUBJECT	PURCHASING POLICY
ORIGNAL EFFECTIVE DATE	03-21-2024
PREPARED BY	FINANCE DEPT
APPROVED BY	CITY COUNCIL
REVISED EFFECTIVE DATE ~~REVISED~~	~~12-16-2025~~ 02-19-2026

CITY OF HANFORD PURCHASING POLICY

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A. INTRODUCTION - PURCHASING AND CONTRACT PROCEDURES

1. PURPOSE

The purpose of this manual is to provide a set of policies and procedures that comply with applicable Federal, State, and local ~~, and general~~ laws and regulations to promote cost-effective procurement of goods and services. In the event the provisions of this manual directly conflict with Federal, State, or local law, the latter shall govern.

This manual has been compiled to assist employees in understanding their responsibilities in the purchasing process by clearly specifying an applicable set of procedures to be used in obtaining the goods and services necessary to carry out their responsibilities to the City, community, and its citizens.

2. PURCHASING SYSTEM

A purchasing system is used for the purchase of all city goods and services. The system is to aid in establishing efficient procedures for positive financial control, to clearly define authority, and for recordkeeping of the details related to all purchases~~.~~

3. PURCHASING AUTHORITY AND RESPONSIBILITIES~~Y~~

The Purchasing Agent, under the administrative direction of the Finance Director, shall have delegated authority to oversee general supervision of the Purchasing Division. The Purchasing Agent has the authority and responsibility to carry out and/or delegate applicable procurement laws and develop policies with regard to purchasing and related contractual agreements for goods and services.

The Purchasing Agent has the authority to assist with Public Works projects to contract for various services including construction, alteration and repair and architectural, engineering, and design consulting services.

In summary, the Purchasing Agent processes purchase requisitions for all City departments; obtains and evaluates competitive bids, quotes, estimates and proposals; awards and contracts; creates, distributes and centrally files all purchasing documents; administers purchase orders and contracts and monitors vendor performance.

4. OTHER DUTIES OF PURCHASING AGENT

Additional authority and responsibilities to:

- Assist departments when necessary to r~~R~~edistribute, sell or otherwise dispose of personal property no longer required by the using department, i.e. surplus property.
- Establish standard specifications, with department input, for items commonly used by City departments.
- Coordinate lease-purchase agreements and consultant agreements.
- The Purchasing Agent may organize and establish standards of type, design, quality or brand of purchases. The Purchasing Agent shall receive recommendations from the City Manager, City Council, Department Heads, or any other authorized City employees to purchase goods and services for special needs or particular uses. The Purchasing Agent shall consult with and give consideration to the recommendations received from all City departments regarding their requirements.

5. PURCHASE AUTHORITY LEVELS

- Purchasing Agent/Department Head – $1 - $9,999:
- City Manager ~~–~~ $10,000 - $49,999:
- City Council – $50,000 or greater:

For City Council approval, d~~D~~epartments must complete ~~all the necessary~~ required staff report~~s~~ and any other documentation applicable and secure a scheduled date to be listed on the City Council Agenda. If approved, department may proceed with a requisition including documentation of Council approval.

Architectural, engineering, construction management, land surveying, specialized and design services shall be procured in accordance with the Uniform Public Construction Cost Accounting Act if not subject to other state or federal funding requirements.

6. DELEGATION OF AUTHORITY

The Finance Director may delegate any of the duties listed above to ~~the Purchasing Agent or~~ other City employees. Those individuals shall follow all the requirements of this Purchasing Policy and shall consult with the Finance Director or Purchasing Agent on technical aspects of the purchasing process.

PROCURING GOODS AND SERVICES ON BEHALF OF THE CITY OF HANFORD WITHOUT THE PROPER AUTHORITY CAN RESULT IN THE INDIVIDUAL BEING HELD PERSONALLY RESPONSIBLE FOR CHARGES INCURRED.

7. COORDINATION WITH CITY DEPARTMENTS

While City departments have the primary responsibility for the determination of goods and services ~~, which~~ they purchase~~requisition~~, the Purchasing Agent will evaluate quality, quantity and type selected to ensure that the best interests of the City are served. Departments are encouraged to consult with the Finance Director or Purchasing Agent concerning materials specification or other general information. The Purchasing Agent will arrange demonstrations of products and equipment and obtain other information when requested to do so by the departments. Information on new products, services or procedures should be shared with the Purchasing Agent as soon as any purchase is contemplated.

8. GOALS AND OBJECTIVES OF THE PURCHASING DIVISION

Internal management and operation of the Purchasing Division shall, with respect to the purchase or contract for goods and services required by departments, conform to: (i) the purchasing procedures prescribed by Federal, State, and local laws and ordinances; and (ii) other administrative rules and regulations prescribed by the Finance Director and/or the City Manager that contribute to the following objectives:

- To provide City departments with quality and timely service that allows them to fulfill their obligations effectively.
- To ensure that the City receives the best value obtainable for each tax dollar expended.
- To promote free and open competition and equal opportunity for all qualified and responsible bidders. The following are four (4) fundamental elements of the procurement process:

    1. Buying the proper goods and services for the purpose required.
    2. Having material available at the proper time.

3. Securing the proper amount.

4. Paying the proper price.

B. ETHICAL CONSIDERATIONS

1. CODE OF ETHICAL CONDUCT

The primary mission of City Government is to serve the citizens of the City of Hanford. To perform its mission effectively, the City must have the trust and confidence of the public it serves. That trust is dependent upon City employees discharging their duties honestly, forthrightly, objectively and with personal integrity.

To secure and maintain the trust and confidence of the public, the City of Hanford is committed to upholding the highest standards of ethical conduct. Of key importance in determining whether a particular action is proper or improper, is how the action is perceived. The full measure of ethical review is not limited to the narrow confines of a specific job, task or department. The review must also determine whether the action gives the appearance of wrongdoing, inequity, impropriety or the perception of misconduct when viewed by the public.

2. ETHICAL CONDUCT

All City employees, including elected officials, shall:

Adhere to the highest moral principles and demonstrate loyalty to coworkers, the public and government departments.

Uphold the Constitution, laws and legal regulations of the United States, Federal, State, local laws and all governments therein and never be a party to their evasion.

Employees shall dedicate their best efforts, sound judgment, and diligent performance to the duties and responsibilities of their position.~~Give a full day's labor for a full day's pay: giving to the performance of one's duties, one's earnest effort and best thought carrying out responsibilities.~~

Continually seek and utilize methods that improve efficiency and reduce costs in the performance of their duties.~~Seek to find and employ more efficient and economical ways of getting tasks accomplished.~~

Never discriminate or act unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept, for oneself or family, favors or benefits under circumstances that might be construed by reasonable persons as influencing the performance of employee governmental duties.

Not solicit, accept, or receive any money, commission, gift, or item of value in exchange for, or as a quid pro quo for, the provision of any City service.~~Accept no money, commissions or thing of value of any kind, in exchange for, or as quid pro quo for City services.~~

Work related gratuities (example - p~~P~~romotional items/swag, Christmas/holiday gifts**)** are only to be accepted if they constitute a gesture of goodwill toward the agency or if the primary purpose furthers a legitimate City interest, as opposed to the personal interest of the recipient. These are allowed if given to a division or department and not limited to specific individuals. Any doubts about the propriety of accepting a particular gratuity should be resolved by refusal of the gratuity. Work related gratuities shall, in addition to the terms contained herein, be subject to the California Political Reform Act and associated Fair Political Practices Commission regulations.

Not make any promise or commitment that purports to bind the duties or obligations of their position, as no City employee may make private assurances that supersede or obligate official public responsibilities.~~Make~~

~~no promise of any kind binding upon the duties of office, since a city employee has no private word, which may be binding upon public duty.~~

Engage in no business with the government, either directly or indirectly, which is inconsistent with the conscientious performance of employee's governmental duties and policies. A City employee who seeks

to do business with the City is subject to the restrictions and limitations of Government Code Section 1090, *et* seq., regarding employees contracting with their own agencies.

Never use any confidential or non-public information received in the performance of employee's governmental duties as a means for making private profit.

Treat all individuals encountered in the performance of employee's duties in a respectful and professional manner.

Uphold these principles, ever conscious that a public office is a public trust.

3. MUNICIPAL~~PUBLIC~~ PURCHASING STANDARDS

City Employees should endeavor to promote loyalty to your organization, justice to those who you interact with, and faith in your profession by:

A. Avoiding the intent and appearance of unethical or compromising practice in business relationships, actions and communications. Avoid delivery of goods and services to employee's personal residential address. Regarding all business interactions, communications and practices, City employees are advised to display a professional work attitude, appearance and demeanor.

B. Conducting international purchasing in accordance with the laws, customs and practices of foreign countries, consistent with federal, state, and local laws and this Policy. Demonstrate loyalty to the employer by diligently following the lawful instructions, rules and policies of the employer, using reasonable care and only authority granted. Acknowledge and obey the letter and spirit of laws governing the purchasing practices and remain alert to the legal ramifications of purchasing decisions. Refrain from reciprocal agreements that restrain competition.

C. Refraining from any private business or professional activity that would create a conflict between personal interests and the interests of the employer and discourage purchasing involvement in employer-sponsored programs of personal purchases that are not business related. Refrain from soliciting or accepting money, loans, credits or prejudicial discounts and the acceptance of gifts, entertainment, favors or services from present or potential suppliers that might influence or appear to influence purchasing decisions. Encourage all segments of society to participate by demonstrating support for local, small, disadvantaged and minority-owned businesses.

D. Handling confidential or proprietary information belonging to employers or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations and City policies.

E. Promoting positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle and avoid favoritism to exclusive vendors and practices, giving all qualified vendors an equal opportunity. Extend vendor representatives professional treatment and being conscious they are important sources of information and assistance with City procurement activities and cooperate with all organizations and individuals engaged in enhancing the development and maintaining the purchasing profession. To conduct ourselves with fairness and dignity and to demand honesty and truth in buying and selling.

F. Regarding public service as a sacred trust, giving primary consideration to the interests of the governmental unit by whom we are employed. Enhance the proficiency and stature of the purchasing profession by acquiring and maintaining current technical knowledge and the highest standards of ethical behavior.

G. Purchasing from responsible vendors for the best value obtainable, securing the maximum benefit for each tax dollar expended and cooperate with all organizations and individuals engaged in enhancing the development and maintaining the purchasing profession.

4. CONFLICT OF INTEREST REGULATIONS

Conflicts of interest occur when a conflict exists between the public interest and the private monetary interest of a public official or employee. Conflicts of interest can also occur with regards to individuals who have left government employment, when former public officials are able to exert undue influence over the purchasing process because of their past personal connections inside government.

City employees and officers are prohibited from having any financial interest, direct or indirect, in any City contract.

No member of the Council or of any board, nor any officer or employee of the City shall be or become interested in any contract for which bids are or may be required for the furnishing of labor or materials to or for the City, nor shall any of them receive any gratuity or advantage from any contract or from the contractor furnishing any labor or material under any contract, the cost or consideration of which is payable from the City treasury. Any such contract with the City, in which any such officer or employee is or becomes interested, shall be declared void by the Council.

Generally speaking, an employee should not participate directly or indirectly when the following conditions apply:

A. The employee or any member of the employee's immediate family has a financial interest in the purchase.

B. A business or organization, in which the employee or any member of the employee's immediate family has a financial interest, is involved in the purchase.

C. Any other person, business or organization, with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment, is involved in the purchase.

Regarding ~~Purchasing~~ Bidding process:
No officer or employee of the City shall aid or assist a bidder in securing a contract to furnish labor or materials or supplies at a higher price or rate than that proposed by any other responsible bidder, or shall favor one bidder over another, giving or withholding information, or shall willfully mislead any bidder in regard to the character of the materials or supplies of a quality inferior to that called for by contract, or shall knowingly certify to a greater amount of labor performed than has actually been performed or to the receipt of a greater amount of material or supplies than has actually been received.

5. PURCHASING FOR PERSONAL USE

City of Hanford employees shall not use their official capacity or City time to negotiate or make personal purchases for themselves or others. Employees must act purely in the best interest of the public at all times and avoid the introduction of personal factors. This section shall in no way be interpreted to allow the violation of Government Code Section 1090, *et seq*.

6. GIFTS, GRATUITIES AND KICKBACKS

City of Hanford Council members and other officials or employees are prohibited from accepting any gift or gratuity that may give advantage to any contract or contractor, however, a gift or gratuity is allowed subject to Fair Political Practices Commission (FPPC) rules. This policy is designed to prohibit actions that

may tend to unduly and improperly influence officers and employees in the discharge of their duties, or grant, in the discharge of their duties, any improper favor, service or thing of value.

The City recognizes the responsibility of its employees to maintain good relations with all members of the community and believes this can be accomplished in a professional manner without gifts or gratuities interfering and influencing employees. Should a gift be accepted by an employee who is required to file FPPC Form 700, they must disclose on Form 700 gifts from a single source if the cumulative value is $50 or more (or as otherwise determined by the FPPC) and may not accept gifts from any single source totaling more than $~~590~~ 630 in a calendar year (or as otherwise determined by the FPPC).

As opposed to gratuities, which up to a financial limit are not illegal, kickbacks are always illegal. Kickbacks are "financial payment for receiving a contract".

It shall be illegal for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated with contracting, as an inducement for the award of a subcontract or order.

7. UNETHICAL USE OF CONFIDENTIAL INFORMATION

City employees are frequently made privy to confidential information (information not subject to disclosure under the Public Record Act) in the course of their duties, and the prohibition against the misuse of confidential information is just as fundamental to ethical purchasing as it is to any other sphere of government. It shall be unethical for any employee, or former employee, knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.

8. RECOVERY OF KICKBACKS BY THE CITY

Upon showing that a subcontractor made a kickback to a prime contractor or a higher tier subcontractor in connection with the award of a subcontract or an order, it shall be conclusively presumed that the amount discovered was included in the price of the subcontract or order and ultimately borne by the City and will be recoverable from the recipient. In addition, that amount may also be recovered from the subcontractor making such kickbacks. Recovery from one offending party shall not preclude recovery from other and all offending parties.

9. SANCTIONS FOR ETHICAL VIOLATIONS

Any employee who violates ethical standards may be disciplined in accordance with the City of Hanford disciplinary procedures as outlined in the employee's applicable bargaining group Memorandum of Understanding.

C. SPECIFICATIONS

A specification is a purchase description, and it is at the heart of the procurement process. A specification means any description of the physical or functional characteristics, or of the nature of the goods and services. It may include a description of any requirement for inspecting, testing, or preparing a supply, service or construction item for delivery. It may also include drawings or samples.

A specification identifies what the buyer is to buy, informs prospective suppliers what is specifically required, provides the basis for the resulting purchase order or contract and establishes the standard against which inspections and tests are made.

1. GENERAL SPECIFICATIONS GUIDANCE

All specifications shall seek to promote overall economy and functionality for the purposes intended and to encourage competition in satisfying the City's needs and shall not be unduly restrictive.

In order that the City receive the best quality of goods and services at the most advantageous price, the Purchasing Division will not issue bids for any article of a specific brand, nor any patented apparatus or appliance, when such requirements would prevent competition on the part of dealers or manufacturers of other articles of equal value, utility or merit. This means simply that Purchasing will not exclude competition by insisting on a particular manufacturer's product when other products of equal quality and functionality are available. Purchasing may ask for bids on approved equals. If a specific product is required, the requisitioning department must justify in writing, using a Sole Source Justification to the Purchasing Agent, that the product desired has significant features which are lacking in other goods or services marketed by competitors.

2. DEPARTMENT RESPONSIBILITIES

It is the responsibility of the requisitioning department to write and justify specifications for goods and services of a technical nature or those requiring engineering. Purchasing has the authority to question any specification which seems unreasonably restrictive, excessive, inordinate, or otherwise inappropriate. Requestors should contact Purchasing if assistance is needed with departmental specifications.

Vendors can be valuable sources of information, but care must be taken not to obligate the City to a particular vendor and not to tailor a specification to a particular vendor's product.

3. TYPES OF SPECIFICATIONS

A. Standard Specifications are a result of standardization. Standard specifications describe the quality of materials to be purchased and are developed after carefully considering the requirements of the City and the various types of products and supplies purchased by the organization. Examples of items lending themselves to standardization are office supplies, computer supplies, paper towels, toilet tissue and public safety equipment such as ammunition, ballistic vests, light bars, mobile radios and even fire apparatus.

B. Brand Name Specifications are the most restrictive type of specification. This specification lists trade names, catalog numbers and model numbers of a particular manufacturer. Ideally, more than one brand name should be specified. When listing brand names, vendors should always be given the opportunity to submit bids for "equal" products. Brand name products typically cost more because specifying those limits competition.

C. Qualified Products Lists can be generated with the help of vendors. During initial specification development, the specifications are sent to several vendors who are asked to comment on the specifications. Adjustments are made to the specifications based on the vendor comments and products are tested to determine suitability. Once a Qualified Products List is generated, additional tests may not be required. Qualified Products Lists are typically used for construction materials.

D. Design Specifications detail how a project is to be constructed or equipment is to be built. These specifications are typically used in public works construction projects.

E. Performance Specifications are less concerned with how a product is made and focus more on how well it performs. They describe a product by its capacity or operation, not by its physical characteristics. The vendor must show acceptable performance of his product as demonstrated by testing.

4. SPECIFICATION CHECKLIST

The description of the item should be written out unless it is common industry terminology or if there's a potential for an abbreviation to be interpreted incorrectly. As part of the description, the following should be included:

A. Size - dimensions, weight, volume, etc.
B. Color
C. State an estimate of requirements, i.e., quantity.
D. If known, a satisfactory make, model and part number. List all necessary features and do not list unnecessary ones. This information will be used to determine "equal" makes, models and part numbers.
E. Drawings or photographs, when useful.
F. Packaging - describe how the units are packaged. For instance, case, totes, containers, packages.
G. Purpose - briefly describe the intended use(s) of the item. For instance, mention the make and model of equipment when buying a supply item for that equipment. Mention other significant information or anything else that may be unique to your use of the item.
H. Goods and services brochures or literature.
I. State estimated cost, if applicable.
J. List known source(s), include company name, address and phone number.
K. State purchase order number to aid in clarification and reduce mix-ups.

5. SOLE SOURCE JUSTIFICATION

Sole source purchases must be well documented and provide verification that a good faith search for alternatives has been made. Sole source justification shall be provided by the using department and subsequently verified by the Purchasing Division/Finance Department. If a department believes that only a specific vendor, specific make and model of equipment or type of material will meet its needs, it must attach to the requisition, a Sole Source Justification. The justification should explain why it is in the City's best interest to select a vendor without competitive bidding.

If other brands and models have been tested or previously used and determined to be unsuitable, the department should specify the brands and models used, the dates used, and why they are not acceptable.

A contract may be awarded without competition after departments have conducted a good-faith review of the available sources and confirmed that there is only one source for the required goods and services.

Departments may conduct negotiations and secure, as appropriate, as to price, delivery and terms subsequently resulting in a purchase order, contract or agreement. The Sole Source justification shall include the vendor's name, amount, pricing, agenda, staff report, lists of the items, equipment, services, bid or proposal procured under each purchase order, contract or agreement. A record of the sole source procurement process will be maintained in the Purchasing system as a public record and/or audit document.

6. VALUE ANALYSIS

Value analysis involves analyzing the intended function of a product and then specifying only the features that are actually needed.

The goal is to eliminate the purchase of unnecessary features and functions, thereby reducing cost and buying the most basic product capable of doing the job required. For example, if a mid-size automobile meets your requirements, the specifications should not be written for a larger vehicle. The requesting department should employ value analysis when writing specifications.

7. STANDARDIZATION

It is the policy of the City of Hanford Purchasing Division that goods and services may be standardized when the Purchasing Agent has determined that it is the best interest of the City of Hanford or when required for the health, safety or welfare of the public or of the employees of the City of Hanford. Standardization may occur when significant cost savings can be demonstrated. Standardization may limit the purchase to a single brand, trade name or sole source provider.

Standardization involves the creation of a specification through value analysis that will economically perform the needed function for multiple end users and departments of the product.

Standardization can result in cost savings because the purchase of fewer unique type items in larger quantities earns better discounts. Also, by calling for industry standard rather than custom features, availability is increased, and cost is decreased and reduces maintenance and training costs.

Standardization Process
The factors to be taken into consideration in standardization of goods and services are as follows:

A. Repair and maintenance costs would be minimized if the product does not have an inherent defect.
B. User personnel training would be minimized.
C. Supplies or spare parts would be minimized.
D. Modifications to existing equipment would not be necessary.
E. Training of repair and maintenance personnel would be minimized.
F. Match to existing supplies, materials and equipment is needed for efficient operation of a function or program.

Standardization is a collaborative effort between Purchasing and the departments. If standardization is deemed necessary, a department should prepare a memo to the Purchasing Agent requesting standardization, outlining the reasons for such action, based on one or more of the factors listed above.

8. USE OF RECYCLED PRODUCTS

Its purpose is to promote and reach out to markets (when applicable) for recycled products by establishing preferential purchase programs for City departments and contractors resulting in diverting materials from the solid waste organizations and local landfills.

Purchasing shall conform to the state's mandates regarding recycled product procurement and recordkeeping (See Public Contract Code Section 22150, *et seq*., and California of Regulations Title 14, Sections 18993.3 and 18993.4). Such requirements include, without limitation:

- If fitness and quality are equal, the City must purchase recycled products, as defined in Public Contract Code Section 12200, instead of nonrecycled products, whenever recycled products are available at the same or lesser total cost than nonrecycled items.

- Public Resource Code Section 12209(c) requires that recycled paper products utilized by the City consist of at least thirty percent (30%), by fiber weight, of postconsumer recycled content fiber; provided however, subsection (c)(2) of that statute identifies distinct fiber content requirements for toilet paper, paper towels, facial tissue, toilet seat covers, general purpose paper wipers, and food service ware.

- The City must require all businesses from which it purchases paper products and printing and writing paper to certify in writing the minimum percentage, if not the exact percentage, of postconsumer material in the paper products and printing and writing paper offered or sold to the jurisdiction. The certification shall be furnished under penalty of perjury in a form and manner determined by the City; provided however, the City may waive the certification requirement if the percentage of postconsumer material in the paper products, printing and writing paper, or both can be verified by the product label, catalog, invoice, or a manufacturer or vendor Internet website.

The provisions of this Section 8 shall supplement, and do not supersede, the requirements of state law, including, without limitation, the Public Contract Code and the California Code of Regulations.

The City will also purchase paper products and printing and writing paper that meet Federal Trade Commission recyclability standards as defined in 16 Code of Federal Regulations (CFR) Section 260.12. Vendors will certify in writing, on invoices or receipts provided, that paper products and printing and writing paper offered or sold to the City are eligible to be labeled with an unqualified recyclable label as defined in 16 CFR Section 260.12.

Buying recycled products benefits the City in the following ways:

A. Buying recycled products conserves resources by reducing our dependence on virgin raw materials whose cost will continue to climb as sources are depleted. The growth in recycling results in the creation of jobs and economic development opportunities.

B. Buying recycled products is a proactive, rather than reactive approach to our waste management.

C. Reflects the City's image as an agency who promotes environmental stewardship.

D. Many recycled products are competitively priced or less expensive than their non-recycled counterparts.

Definitions:

Recycled Material – Waste material and by-products that have been recovered or diverted from solid waste and that can be utilized in place of raw or virgin material in manufacturing a product. Recycled material may consist of materials derived from post-consumer waste, manufacturing waste, industrial scrap, agricultural wastes and other items, all of which can be used in the manufacture of new products.

Post-consumer Recycled (Recovered) Materials – A material or product that has served its intended use and has been discarded for disposal or recovery by a final consumer. Examples of post-consumer recovered materials include, but are not limited to, used newspaper, office paper, yard waste, plastic bottles, aluminum cans, oil, asphalt, concrete and tires.

Recycled Product Preference –To provide for the purchase of products by the City that, price, and quality being equal, preference shall be given to recycled products or vendors utilizing them.

General Policies:

A. All City departments shall use recycled products and recyclable products in accordance with state law. Special emphasis shall be placed on the purchase of products manufactured with post-consumer recycled material.

B. All departments may, at their option and with Purchasing's concurrence, require procurement of designated recycled products or recyclable products above the levels required by state law and this policy.

C. The City shall require its contractors and consultants to use and specify recycled products and recyclable products in fulfilling contractual obligations as required by state law, and, if not required by state law, whenever practicable.

D. The City shall promote the use of recycled products and recyclable products by publicizing its procurement program whenever practicable.

Designated Recycled Primary Products

1. **Paper and Products**
   A. Paper for printing and writing must be selected and purchased containing at least thirty percent (30%) post-consumer material, if that paper is available at a cost equal to or less than paper made of virgin material and meeting the quality and specifications of the virgin material paper.

   B. Vendors will certify in writing, under penalty of perjury, the minimum percentage of postconsumer material in the paper products and printing and writing paper offered or sold to the city. This certification requirement may be waived if the percentage of postconsumer material in the paper products, printing and writing paper, or both can be verified by a product label, catalog, invoice, or a manufacturer or vendor internet website.

   C. City departments and agencies shall use for their letterhead stationery, envelopes and business cards, recycled paper whenever applicable that includes the required post-consumer content.

   D. City departments shall ensure that, for all printing, Invitations to Bid, Requests for Proposals, etc., departments shall:

      - Use recycled paper with required postconsumer recycled content fiber satisfying state requirements for all printed or photocopied material whenever practicable.
      - Use both sides of paper sheets for reports, bids, proposals, etc., whenever practicable.
      - Purchasing shall purchase copiers and printers capable of using recycled paper of the appropriate grade.

   E. Vendors shall provide records to the City's recovered organic waste product procurement record-keeping designee regarding all paper products and printing and writing paper purchases within thirty (30) days of the purchase (both recycled-content and non-recycled content, if any is purchased) made by any division or department or employee of the City. Records shall include a copy (electronic or paper) of the invoice or other documentation of purchase, written certifications as required herein for recycled-content purchases, purchaser name, quantity purchased, date purchased, and recycled content (including products that contain none), and if non-recycled content paper products or printing and writing papers are provided, include a description of why recycled-content paper products or printing and writing papers were not provided.

2. **Lubricating oil with refined oil content**
   Oil for use in all City vehicles must be selected and purchased that is re-refined oil, if that re-refined oil is available at a cost equal to virgin oil and meets the quality, performance and specifications of the virgin oil, for intended use and such use does not void manufacturer warranties.

Responsibilities of Departments

Evaluate each designated recycled product regarding its particular application. Determine when to use standard products or required recycled products. Reach out to Purchasing if the recycled products are not achieving necessary performance standard or that the product will negatively impact health, safety or operational efficiency. Ensure that contracts are issued by the City for recycled products whenever required, and, if not required, when practicable, and that vendors and contractors provide recycled product certification.

D. METHODS OF ACQUISITION

1. OVERVIEW

This chapter summarizes the methods and means for procuring goods and services.

Procurements are not approved until all guidelines, procedures and policies are satisfied and approval from the City Council, City Manager, Finance Director, Department Head and other levels is/are obtained.

When a requirement is determined, the item and its purchase price will determine the procurement method that will be used to purchase the City's supplies, services and equipment. Refer to section A-5 for purchasing authority levels.~~The following will assist in determining the procurement method to be used and reach out to Purchasing if assistance is needed.~~

~~Is the item available on an existing City contract? Should petty cash be used for the purchase?~~

~~Is the item below the $2,500 transaction limit of the Purchasing Card (P-Card)?~~

~~Is the item above the $2,5,000 transaction limit requiring minimum of three (3) competitive quotes and the department to select the lowest quote and attach quotes for claim processing?~~

~~Is the item above the $5,000 and below $10,000 transaction limit requiring department to generate a requisition for Purchase Order, including three (3) bids or quotes and requiring Department Head approval?~~

~~Is the item above the $10,000 and below $50,000 transaction limit requiring department to generate a requisition for Purchase Order, including three bids or quotes, requiring City Manager Approval?~~

~~Is the item above $50,000 transaction limit requiring department to generate a requisition for Purchase Order, including three (3) bids or quotes, inclusion on City Council Agenda, staff report, contract or agreement, grant documents, requiring City Manager and City Council Approval?~~

~~If none of the above methods are applicable, contact the Purchasing Division for guidance and assistance with the most efficient method to procure the goods or services. Competitive bids or quotations will be secured for all contracts, $2,500 or over, except Sole Source and Emergency procurement methods.~~

GENERAL BID REQUIREMENT

Bidding is required at a minimum for purchases of goods and services having a total value of $~~2,~~5,000 or more. Three (3) quotes or bids are required. Less than three (3) quotes or bids will require documentation of attempt and/or sole source justifications. In most cases, the department shall award to the lowest responsible vendor, however there may be instances where uniqueness of products/service, delivery time, credentials, proprietary goods modify the general bid requirement. Modifications will require documentation and/or sole source justification documenting the necessity to deviate from lowest cost.

2. ACQUISITION PROCESS

The City of Hanford has several methods for acquiring goods and services. The method used is determined by the dollar value of the final award. The following is a list of various purchasing options and thresholds to consider, if applicable, which may require different processes:

~~Purchases Less Than or Equal To $2,500~~
Annual Contract
Informal Bid Process
Formal Bid Process
Purchasing Card

Department Purchase Order
Blanket Purchase Order
Petty Cash
Claim for Purchase less than $5,000
~~Purchases Greater than $2,500~~
~~Purchases Greater than $2,500 but less than $5,000~~
Purchases Greater than $5,000 but less than $10,000
Purchases Greater than $10,000 but less than $50,000
Purchases Greater than $50,000

The department should obtain bids first and then process a requisition. Departments may secure bids, quotes, proposals and informal estimates via telephone (and subsequently documented), bid invitation, facsimile or by email. A minimum of three (3) vendors are to be contacted when soliciting bids and proposals.

Local and disadvantaged vendors who can supply the commodity requested will be included in solicitations for bids and proposals.

The City will notify potential bidders of bid information via the City's BidN~~n~~et Website and advertisement in trade journals, newspapers or other media as required. Projects over $50,000 shall have a notice inviting bids published in a newspaper of general circulation within the city by one or more insertions, the first of which shall be at least seven (7) days before the date for opening bids.

3. REQUISITIONING OF GOODS AND SERVICES

All requirements for goods and services with an estimated cost of $5,000 or more shall be confirmed within the Purchasing system in the form of a Purchase Requisition. The requisition requires account numbers and hierarchy approvals. The Departmental fund manager and Department Head shall authorize expenditure funds from the account number listed on the requisition. The requisition is a request for an order and originates in the user department. The requisition will identify the goods and services required, provide recommended or potential vendors and will be approved in the Purchasing system's hierarchy of workflow approvals, authorized management or their designated representative. (see Purchase Workflow and Requisition Workflow in appendices)

Purchasing will review the requisitions to see if the information provided is accurate and complete and approve, reject or contact department to add additional information. Requisition will convert to a purchase order after final approval from the Purchasing Agent. ~~The Purchasing system provides a feature titled "Notes" where employees may insert justification and clarification of the purchase at the time of entry if the backup information attached is not clear. This feature should be used whenever possible.~~

Requisitions must have quotes, estimates, proposals, or bids attached, but not an invoice. If an invoice is present, that demonstrates that departments are not following the purchasing policy procedures.
When applicable, include a copy of the Council Agenda item, a Staff Report, a Contract, an Agreement, ~~or~~ Grant documentation, or~~and~~ sole source justification. Include any other information or documentation that will assist in clarification, explanation, or justification of purchase.

Special Circumstances – Goods or services related to data processing systems, communications equipment, legal services, grant-funded programs and emergency procedures require special processing as follows:

Data Processing Systems – Departments requesting Information Technology processing systems shall refer such requests to the Information Technology division for assistance with written recommendation prior to generating a requisition in the Purchasing system. Information Technology equipment shall describe the hardware or software items and any installation of computer cabling will be managed by the Information

Technology Division.

Lease or Rental – Acquiring equipment through lease or rental is not to be used to circumvent purchasing policy and procedures. Lease or rental contracts will be reviewed by Purchasing Agent and subsequent hierarchy of approvals. Leased Equipment is used when there is a long-term need (greater than 12 months) for items and must be appropriately budgeted and approved at the department level. Rental equipment is used when there is a short-term need (12 months or less) for items and must be appropriately budgeted and approved at the department level.

Grant-Funded Programs – State or federally funded grant programs have special requirements covering the acquisition of goods and services. It is the department's grant manager's responsibility to adhere to the grant agreement, to ensure compliance, and to make the Purchasing Division aware of these provisions so any required procedures may be followed.

Federal Grants – All grant procurement and related expenditures must adhere to the procurement guidelines of the Uniform Guidance (UG), formally Code of Federal Regulations (C.F.R.) Title 2-Grants and Agreements, Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards. Such procurement standards in the UG are covered in paragraphs 200.317 to 200.327.

All City agreements, which expend federal grant award funds, must adhere to Appendix II to CFR Part 200, which outlines contract provisions to be included in agreements expending federal awards.

Emergency Purchases $5,000 or more (an immediate need for the preservation of public health, welfare, safety, or protection of City property) – In the event of a bona fide emergency, the Purchasing Agent shall be contacted (if possible) to discuss the matter. ~~If Purchasing is not available, T~~the ~~department head~~purchaser ~~or designated representative may contact the~~shall provide justification for the emergency and obtain documented approval from the Department Head, ~~Finance Director,~~ or City Manager ~~for approval regarding making the~~=before proceeding with the purchase. In all instances, ~~report the purchase and~~ = immediately prepare a requisition with documented justification and approval attached. When selecting purchase order type, select emergency. Each emergency purchase shall be submitted on a separate requisition and shall not be mixed with routine items being requisitioned in the regular manner.

~~An emergency purchase requires the subsequent approval and confirmation of Purchasing. If the purchase exceedsis over the specified dollar limits, it may also require the approval of the City Manager. Check with Purchasing as soon as possible after the obligation has been made.~~

Emergency purchases that are not approved ~~and confirmed~~ by ~~either~~ the ~~Purchasing Agent~~, Department Head or ~~the~~ City Manager prior to purchase shall be deemed improper and may be subject to further investigation, resulting in suspension of purchasing privileges, reimbursement, disciplinary or legal actions.

Competitive bids or proposals are not required in an emergency when goods or services are immediately necessary for the preservation of the public health, welfare, or safety or for the protection of City property. However, Departments are encouraged to obtain competitive bids or proposals if time allows and doing so will not delay the emergency response. In such circumstances~~ase~~, the Department Head or City Manager may determine and declare that the public interest or necessity demands the immediate expenditure of public money to safeguard life, health or property, and thereupon they may proceed, without advertising for bids, to expend or enter into a contract involving the expenditure of any money required in such emergency.

Per Public Contract Code Section 20168, with respect to projects subject to bidding requirements of the Public Contact Code, in the case of emergency, the City Council may pass a resolution by a four-fifths (4/5ths) vote with its members declaring that public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property. Upon adoption of the resolution, the City may expend the sum required in the emergency without complying with statutory bidding requirements; provided however, the City will comply with the emergency contracting procedures of Public Contract Code Section 22050.

4. REQUISITIONING FLEET EQUIPMENT

Vehicles and equipment are crucial to City operations. Consequently, the development of specifications for both should take into consideration the function for which the equipment or vehicle will be operated;

additional aftermarket required equipment and associated acquisition process; operating and maintenance costs; and other relevant factors.

The acquisition of new vehicles or equipment requires review of the Fleet Services Division. Draft specifications including initial operating requirements of the equipment, vehicles and heavy equipment, in most instances, will be prepared by the Fleet Services who may request assistance regarding the initial operating requirements from the department and Purchasing for bid process.

Non-Budgeted Items: Departments requesting additional or mid-fiscal year vehicles or equipment shall identify additional funding for the purchase of the vehicles or equipment. The purchase and/or appropriation may require City Manager or City Council approval prior to purchase.

5. REQUISITIONING COMMUNICATIONS EQUIPMENT

All requests for communications equipment and service, such as mobile and portable phones and pagers, applications, programs, and software that may impact the City's network infrastructure, require review, assessment and recommendations from the Information Technology Division~~review, assessments and recommendations~~ prior to purchase.

6. DIRECT PURCHASES BY USER DEPARTMENTS

Store Card ~~Direct Nearly all purchases will be reviewed by Purchasing. Purchases~~: ~~can~~ Store cards can be used to~~be~~ make purchases~~de~~ from ~~a~~ local merchants within the City limits or nearby. The City has store cards for~~such as~~ Home Depot, Lowes, Harbor Freight, ~~and~~ Chevron and Smart & Final. Departments are ~~advised~~ to scan copy of receipt with legible detail with required ORG & OBJ and/or PO ~~and submit copies~~ to ~~the~~ Accounts Payable email at billing@hanfordca.gov~~.city~~.

Purchasing Card (P-Card): Purchasing Cards facilitate small-dollar purchases while reducing the administrative costs associated with authorizing, tracking, paying and reconciling those purchases. Employees must enter every P-Card transaction receipt into the Purchasing system~~. If food is bought for a public event, include the event flyer.~~ If a transaction receipt is lost, ~~fill out~~complete a Lost Receipt form and include, as an attachment~~,~~ to the transaction. Habitual lost receipts may result in the suspension, revocation, or termination of the cardholder's purchasing privileges. In addition, noncompliance may further subject the cardholder to disciplinary action, up to and including termination of employment. Refer to section M-5 for additional details.~~.~~

Blanket Purchase Order (BPO): The BPO is a multi-purpose contract serving the ordering, receiving and payment functions. The BPO procedure is intended to facilitate the economical, timely and limited procurement of goods and services by City departments for an indefinite period of time. A Blanket Purchase Order number is given to Vendor prior to order. Departments can view vendor Blanket Purchase orders in the Purchasing system under Module titled "Purchase Order Central." Particular situations may or may not require bids or quotes. When preparing BPO for next new fiscal year, review expenditures of the previous year to confirm if more or less funds are required and reflected on the next fiscal year BPO to be completed by July 1st. Departments are encouraged to provide justification and to obtain competitive pricing when economically practical.

Purchase Order (PO):~~—~~ A Purchase Order is a contract serving the ordering, receiving and payment functions. Purchase Orders are intended to facilitate the economical, timely and limited procurement of goods and services by City departments. A Purchase Order number is given to Vendor prior to order. Departments can view vendor Purchase Orders in the Purchasing system under the Module titled "Purchase Order Central." Purchase Orders are to be used for those goods and services having an aggregate value of $5,000 and above. Purchase Orders must be accompanied by an itemized quote or formal bid that is clear and ~~readable~~legible. If applicable, attach Agenda Item, Staff Report, Contract/Agreement, Grant documents, or sole source justification and any other information that will assist in explaining, clarifying and justifying the purchase.

~~Purchase Order Acceptance/Rejection by Vendor- In instances where a purchase for goods or services is over $5,000 dollars and the vendor does not accept a purchase order, departments are still required to generate a requisition for a purchase order to the vendor prior to making payment with their P-Card.~~

Change Orders: A change order is an approved written modification to a blanket purchase order or purchase order that alters the scope of work, specifications, quantities, pricing, delivery, schedule, or other contract terms. Most common change orders are those for blanket purchases orders where department may determine that the original quantity estimated for the entire fiscal year may need to be increased or decreased. In these situations, department should make best reasonable estimate for the remaining fiscal year to limit the number of change orders processed throughout the year. Other times change orders may be necessary for purchase orders related to additional work needed to complete a service/project. Prior to processing change order, department should verify funding is available as well as include documentation relating to the change order such as an official change order document from the vendor. Change orders follow same purchase authority levels listed in section A-5. The change order must be approved in the Purchasing System prior to service, ordering or allowing vendor to proceed with additional work.

~~Finance, by use of the Purchasing system, requires tracking and regulating and, for auditing purposes, must record purchases above $5,000 and can liquidate a purchase order when purchased and paid with P-Card.~~

In instances where a vendor does not require a purchase order for purchases over $5,000/or purchase over $5,000 with a P-card, the department is still required to generate a requisition for a purchase order prior to placing order with vendor or making payment with P-card.

7. CLAIM POLICY

A single purchase below $5,000 to a vendor may be processed by claim. Departments are responsible for processing claims with appropriate ORG & OBJ. Department should analyze purchase to determine if multiple purchases for the same item/service and vendor will be made over the course of the fiscal year (even if infrequent) and will exceed the $5,000 threshold. If this is likely, a BPO should be processed instead. ~~A Claim form must include ORG & OBJ, authorized department representative signature and printed name.~~

Authorized payments by claim of $5,000 and above are membership dues, software/subscription renewals, periodicals, books, conference preregistrations and travel. ~~Another alternate payment option for the items listed is a P-card.~~

8. INVOICE ENTRY PROCEDURES

After a vendor has completed their contract obligation for goods and/or services, vendors should email invoices and statements to (billing@hanfordca.gov~~.city~~ or mail to 315 N. Douty St. Hanford, CA. 93230. Invoices may also be emailed or mailed directly to the department including the billing email when possible.

Invoices without purchase orders will be emailed to the department to research and enter into the Purchasing System. Each department is advised to review invoice entry to verify vendor, amount, remittance address, invoice date, and that the ORG & OBJ are correct. All purchases will include an invoice as an attachment. Confirm the invoice scan is clear and ~~readable~~legible, in PDF format or format acceptable to the system.

9. PETTY CASH

Finance maintains a petty cash fund to accommodate purchases of a minor amount (less than $25) that cannot be effectively made by Purchase Order or ~~Direct Payment (Accounts Payable~~ claim~~)~~. As authorized, an employee may make a necessary purchase and be reimbursed from petty cash or may draw an advance to cover a purchase. In either instance a receipt from the vendor is required by Finance.

The following conditions apply to utilization of petty cash.

A. The total item cost of such purchases, including sales tax, does not exceed $25.

B. The item represents an unusual or infrequent purchase.

C. An appropriate department supervisor must approve any such procurements.

E. BID REQUIREMENTS AND PROCEDURES

1. OVERVIEW

This chapter includes policies and procedures for the use of each authorized source selection method. In addition, it states policies and procedures on contracts, appeals, plant inspection, audit of vendor records, reporting suspected antitrust practices and retention of procurement records.

2. FAIR AND OPEN COMPETITION

Healthy competition is at the heart of efficient purchasing. Competition is directly related to the prices the City pays and the quality of the goods and services it obtains.

The foundation for effective, fair, and open competition is equal treatment of each vendor, inclusive of Local Vendor Preference and Disadvantaged Business Enterprise goals. It is imperative that no vendor is given an undue advantage over the others. Therefore, vendor offers will be kept confidential during the bidding process. A vendor is not entitled, nor should they ever be given the opportunity to know the bids

of the competitors that would allow a bidder to undersell its competition. In addition, vendors will not be allowed to dictate the specifications and thereby limit the bidding to only their company's product.

A consultant to the City who makes a needs assessment shall not be allowed to bid on a project except when full disclosure is made to the City and if allowed by state law.

Subject to the provisions of "Exceptions to Competitive Bids", no department shall draft, or cause to be drafted any invitation to bid or request for proposal, in such a manner as to limit the bidding, directly or indirectly, to any one bidder.

3. PROCUREMENT OPPORTUNITIES

The City of Hanford encourages businesses located inside and outside the City of Hanford to participate in the City's procurement process. Any fixed business within City limits may be eligible for local vendor preference.

The City will ensure a wide dissemination of bid information by use of the City's solicitation service via the BidNnet Website, the Tulare-Kings Builders Exchange, Central California Builders Exchange of Fresno and advertisements in local newspaper such as the Hanford Sentinel as required.

Bids are normally open for two or more weeks. Potential vendors are encouraged to frequently review the listing of open bids on the City's proposal and bid website (BidNnet), as well as the City of Hanford website under thein the Finance sectiontab. Copies of bid documents should be downloaded from BidNnet.the specific bids will be made available upon request.

4. BIDDING REQUIREMENTS

Exemptions to Competitive Bids: The City of Hanford requires that competitive bids be secured whenever possible for all contracts for goods and services that are proposed to be acquired by the City except in the following cases:

Goods or services are valued at $5,0002,499 or less.

In an emergency when goods or services are immediately necessary for the preservation of public health, welfare or safety or for the protection of City property (see Emergency Purchases).

When in unusual or extraordinary circumstances, the City Council or the City Manager determines that the best interests of the City would not be served by securing competitive bids or issuing a request for proposal. In instances which departments or Purchasing does not conduct the competitive bidding process, solicitation of bids or proposals cannot be secured, provided a full explanation with sufficient reasons and detail as to why no bids are required, justification and reasons from department or department head requesting a sole source for goods or service are in the City's best interests and not seek competitive bids or proposals. (see Sole Source Purchases).

5. COMPETITIVE BIDS

The City of Hanford requires that competitive bids be secured for all contracts for goods or services $2,5,000 and above. This is done to ensure that the goods or services acquired by the City of Hanford are at the lowest cost to the taxpayers.

There are two types of competitive bids - informal and formal. Informal bids consist of phone, and fax, and email quotes e.g. verbal (subsequently documented in writing) and written quotes. Formal bids consist of Requests for Proposals, Requests for Qualifications and Invitations to Bid, to be submitted electronically through the BidNnet website.in sealed envelopes. Normally, goods and services being procured under $50,000 may utilize informal procedures and goods and services being procured over $50,000 require formal procedures.

6. INFORMAL BID PROCESS

Purchases from $~~2,~~5,000 to $49,999 will be subject to the informal bid process. All requests for quotes, bids, estimates, proposals, offers, oral costs or prices solicited by the Purchasing Agent and departments may be in writing, via facsimile or by phone. They should be documented (in writing) and attached to the requisition when generated in the Purchasing system. Finance and Purchasing will have the ultimate responsibility to verify all price quotation information obtained by other City personnel. If the departments are soliciting the product or price information, they may not commit the City with regard to preference for any product or vendor. In addition, vendor pricing shall not be disclosed to any of the prospective vendors until a decision for award has been made. An award is to be made to the most responsive, responsible bidder via a Purchase Order. If the award is to be made to other than the lowest bidder, a written statement justifying the award must be attached to requisition in Purchasing system. In instances of appeal, City Council may become involved and accept or reject solicited quotes, bids, estimates and proposals.

7. FORMAL BID AND PROPOSAL PROCESS

Purchases $50,000 or greater shall be subject to the formal bid process which may consist of Requests for Proposal or Requests for Bid. Formal bids include complete specifications, contractual terms and conditions applicable, distinctly describe the project, state the time and place for receiving bids or proposals and submission instructions. The solicitation will be publicized online and as required with the Tulare-Kings Builders Exchange, Central California Builders Exchange of Fresno, advertisements in local newspaper at least thirty (30) calendar days before the bid opening date.

The following conditions apply to the formal Bid process:

Formal Sealed Bidding: Formal competitive bidding to the extent consistent with State and Federal law is required for the procurement of supplies, equipment and any item, or group of items and services. Additionally, certain requirements must be met in the formal contract process, including advertising requirements, bid opening procedures and award of contract. Professional Service Contracts are generally exempt from the formal sealed bid process.

Public Notice of Bid Advertisements: Bids that have not closed will be available for public inspection on the City's BidN~~n~~et Website.

Public Notice of the Request for Bid shall be a minimum of ten (10) calendar days prior to the date set for the opening of bids. Such notice may include publication in a newspaper, trade publication or other printed matter of general circulation and BidN~~n~~et Website. The public notice shall state the bid item and the place, date and time of the bid opening.

Notification of Potential Bidders: The Purchasing Agent shall solicit bids from prospective vendors, companies and firms by written request, facsimile request, online and as required with Tulare-Kings Builders Exchange, Central California Builders Exchange of Fresno, advertised in local newspaper such as the Hanford Sentinel.

The City's online bid management software (BidNet) is the preferred method of solicitation and will forward bid opportunities~~s~~ to registered vendors. The Purchasing Agent shall solicit bids from all responsible, prospective suppliers whose names are on the Bidder List. In addition, the use of trade journals, City department email lists forwarded to Purchasing, and website search engines should be used to locate additional vendors to obtain the widest possible circulation of the bid.

Bidding Time and Due Date: The bidding time will be determined by the Purchasing Agent or department, consistent with their requirements, but should be no less than (10) calendar days after the bids are advertised online and as required in the local newspaper. All bid solicitations shall provide sufficient time for bidders to prepare and submit their bids.

~~Purchasing may change the bid due date. Such~~ Any changes to the solicitation will be issued in writing in the form of an addendum to all mediums used to disseminate bid notices inviting bids. Any oral interpretations of contract specifications, terms and conditions shall be confirmed in writing by the Purchasing Agent in the form of an addendum.

Form of Bid – To receive consideration, bids shall be made on the Bid form provided within the bid solicitation. Bids must be signed by an authorized representative of the vendor. Invitations for bids shall state that the City reserves the right to waive any informality or irregularity in the bids and the right to reject all bids.

Bid Bonds and Contract Bonds: Bids for construction work shall be presented with the bidder's security required under the Public Contract Code. For matters in which state law does not require bid security, when deemed necessary, a bidder's security, payable to the City may be required. Such a requirement will be included as a part of the Request for Bids. Bid security may be in the form of cash, a certified check payable to the Hanford City Council, cashier's check payable to the Hanford City Council, or surety bond payable to the Hanford City Council. The amount of security shall be not less than ten percent (10%) of the contract price. The bid security will be retained by the City until the related contract is executed. Upon an award to the lowest bidder, the security of unsuccessful bidders shall be returned in a reasonable period of time, but in no event shall the security be held beyond sixty (60) calendar days from the time the award is made. A successful bidder shall forfeit bid security upon refusal or failure to execute the contract within fifteen (15) days after written notice of award of contract. If the successful bidder fails to enter into the contract when offered, the City Council may direct City staff to rebid or may award the contract to the next lowest responsive responsible bidder. If the City Council awards the contract to the next lowest bidder, the amount of the lowest bidder's bid security shall be applied by the City to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder. The Purchasing Agent shall require the contractor or consultant to supply the City with bonds covering faithful performance and labor and materials as required by state or federal law, and, if not required by such law, the Purchasing Agent may require such bonds if he or she believes that security is reasonably required to protect the City's interests.

~~Discussion with responsible responsive competitors, for the purpose of clarification and to assure full understanding of responsiveness to the solicitation requirements, may be entertained through the City's online question and answer tab. During the discussion process, there shall be no disclosure of any information derived from the proposals of the competitors.~~

Bid Opening: Bid results will be publicly available for viewing soon after the bid opening deadline on the City's BidN~~n~~et Website. ~~Bids will be opened publicly in the presence of one or more witnesses at the time and place designated. Online bid viewing is the alternate method currently being used by the City.~~ The amount of each bid and other relevant information, together with the name of each bidder shall be recorded and each bid result shall be viewable and open to public inspection after the evaluation process has completed~~online~~. ~~After the bid submission deadline, the apparent lowest bid will be viewable.~~

Late Bids – All bids must be received by the time specified in the bid solicitation. Late bids will not be considered. ~~and shall be returned unopened to the bidder.~~

Tie Bids – All other things being equal, tie bids shall be granted to the responsible local vendor. If tie bids of two responsible bidders are neither local vendors, the bid shall be awarded by the flip of a coin by the Purchasing Agent in the presence of witnesses.

In accordance with Public Contract Code Section 20167, the City Council may reject any or all bids presented and may, at its discretion, re-advertise for other bids, or the City Council may, after rejecting bids, determine and declare by a four-fifths vote of all of its members, that the work in question may be more economically or satisfactorily performed by day labor, or the labor and materials purchased at a lower price in the open market, and after adoption of a resolution to that effect.

Notice of Cancellation or Rejection of Bids: In the event of ~~a cancellation~~ cancellation of the bid, all participating bidders will be notified. If all bids are rejected, the reason(s) will be documented in the bid file.

Appeals – Because it is essential that bidders, offerors and contractors have confidence in the procurement procedures for soliciting and awarding contracts, it is the policy of the Purchasing Division to offer all bidders, offerors and contractors the opportunity to appeal award of purchases or contracts. The following procedures shall apply with regards to appeals by prospective bidders, offerors or contractors: Any proposer, or contractor who is allegedly aggrieved in connection with the solicitation or award of a contract may protest. Proposers are to be advised that protests of the process, terms, conditions or any other aspect of the solicitation must be made prior to the proposal due date. Proposers may not protest the contents of the specifications of the proposal, nor the award based on the use of the Local Vendor Preference. Protests must be transmitted by facsimile, email or by mail to the attention of the Purchasing Agent.

Award protests must be made immediately, and in no event later than five working days after the close of proposal due date and time. All protests must include the following information:

1. The name, address, telephone number and email address of the protestor.

2. The signature of the protestor or protestor's representative.

3. The solicitation or Proposal number.

4. A detailed statement of the legal and/or factual grounds of the protest and all documentation supporting the proposer's position at the time of the initial protest.

5. The form of relief requested.

In an effort to limit frivolous protests, vendors who file two (2) protests within twelve (12) calendar months, whose protests are not resolved in their favor, may be prohibited from submitting future bids.

Award – The contract shall be awarded by notice with reasonable promptness. Unless bids are rejected, award shall be made to the most responsive, responsible bidder whose proposal meets the requirements and criteria set forth in the Request for Bid. The contract file shall contain a written explanation of the award decision.

A responsible bidder is one who has the capability, financial capacity and integrity to perform the contract. A responsive bidder is one who commits to all the material terms (e.g., price, quantity, quality and delivery) of the Request for Bid.

Request for Proposals (RFP): Detailed procedures for obtaining the services of engineers, architects, land surveyors, planners and other specialized professions. In some cases, the competitive bidding process may not be the best method of acquisition. A viable alternative is the competitive sealed proposal, generally called a Request for Proposals process.

The RFP process is the process used when the City cannot precisely set forth its needs. The Request for Proposals process is a form of soliciting an offer by one party to another with reference to some unique or technical task or equipment. An RFP is primarily used for professional and specialized services such as engineering and architectural services, or for equipment that is complex or highly technical in nature. Instead of specifications, a statement or scope of work is written, and the vendors are asked to propose solutions. This process may be used as a basis for acquiring goods or services or entering into a contract when specification and price will not necessarily be the predominant award criteria. The process may subject to the competitive sealed bid process and the following requirements:

- When there is no clearly established quantifiable standard associated with the service or asset being requested.
- When evaluation factors involve relative technical or professional ability of the offerors to perform.
- When the evaluation process involves weighing artistic and aesthetic values.
- When price or cost may be a secondary consideration.
- When it is likely to best serve the City's interest if a contract award were made to the most advantageous proposal rather than the lowest price submitted.

The award of the contract shall be subject to City Council approval if the contract resulting from the RFP is expected to exceed $50,000.

If the RFP process is used for a public project, as defined in Section 20161 of the California Public Contract Code, the proposal shall be subject to City Council approval regardless of the cost of the project.

The "General Conditions" of the RFP details what information vendors are to submit and in what form, the cost of their proposals, how the City will evaluate the proposals, select the vendor and develop the contract.

Under normal conditions, the time for processing an RFP is ninety (90) days. This allows vendors enough

time to develop their proposals and City departments enough time to schedule and conduct interviews or demonstrations. Departments shall specify any required time frame less or greater than the ninety (90) day period. Complete and acceptable proposals shall include:

- A clear description of the specifications or scope of services.
- Specifically identify, in realistic terms, what the proposer is to accomplish.
- Description of the items to be delivered or services to be performed.
- Format and number of copies if any required.
- Established timeline schedules, including dates for award of contract, commencement of service performance.
- Pre-Proposal Conferences and Equipment Demonstrations.
- The relative importance of each evaluation criteria item
- If deemed appropriate, known or estimated budgetary limitations on the specification or service.
- The professional qualifications of the personnel that the firm will commit to the assignment.
- An overall description of the techniques to be used in solving the problem.
- Amount of time and staff to be expended.
- Facilities and equipment to be utilized.
- Description and percentage of work to be performed by subcontractors.
- Indemnification
- Insurance and bonding requirements
- Data security
- Warranties
- Compliance with applicable City, State and Federal laws, rules and regulations
- If grant-related, compliance with applicable rules and regulations as required by the funding source.

If a sample contract is included, RFP disclaimer language will be included stating that it is a sample contract and may or may not reflect final terms and conditions of the contract.

Amendments to the RFP: Amendments allow for any changes to the RFP, i.e. quantity, descriptions, schedules and opening dates, correct defects or ambiguities. Amendments to the RFP shall be identified as such and shall require that the offeror acknowledge all amendments issued.

Evaluation of Proposals: Selection of the evaluation should consist of knowledgeable individuals from the requesting department, representatives from other involved City departments, and, if deemed desirable, a recognized expert from the private sector. The evaluation committee shall compile scores of participating firm(s) or individual(s) submitting the most responsive proposal(s), price and all other factors considered.

Proposals must be evaluated based on the stated proposal criteria. A public agency in response to an RFP is not subject to disclosure under the California Public Records Act until the agency has completed negotiations with proposers. A major component of an RFP includes determining and specifying the evaluation criteria and the process for selection and award. The evaluation criteria should be tailored to the specific services and concerns and should reflect what matters most for a particular procurement. The evaluation criteria should be sufficiently detailed to enable meaningful comparisons. For a major, high-profile procurement, the City may appoint a panel of evaluators that includes experts in the field from outside the City. For more routine, small-scale procurements, City staff can usually handle the evaluation. When the evaluation is complete, the city must rank at least three entities based on a determination of value provided. The award must be made to the responsible consultant whose proposal is determined by the City to have offered the best value to the City and public.

Evaluation Factors may include but are not limited to:

- General quality and responsiveness of the offeror to terms and conditions and times of performance.
- Completeness and thoroughness of the proposal.
- Grasp of the problem or of the work to be performed and of the approach to be used.
- Evidence of good organizational and management practices.
- Qualifications of personnel.
- Experience and past performance
- Financial condition of the offeror.
- Price and cost breakdown, or price range and cost schedule.

Methods of Evaluation: Utilizing a scoring method, proposals shall be reviewed to determine those that meet the RFP requirements. The evaluation committee shall evaluate and score the proposals using the evaluation criteria specified in the RFP and shall prepare a priority list of offerors. The project manager or requesting department representative, shall meet with the most responsive offeror to seek a clear understanding of the contract provisions and agreement to a fair and reasonable price. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, specification, work or services. Such revisions may be permitted after submission, yet prior to award, for the purpose of obtaining the best and final offer. The last page of the City's Professional Service Agreement "Exhibit A" is for incorporating negotiated, revised, and modified contract provisions or Scope of Services within the RFP. This process may be repeated until agreement of scope of work, timeline and costs are established with a capable firm or consultant.

Double-tiered proposal: The RFP may require that proposals be submitted with price and/or price breakdown in a separate sealed envelope. The evaluation committee shall review all proposals and score each proposal. After the evaluation committee has decided which vendor best fulfills the proposal requirements, sealed costs for only the chosen vendor will be opened and negotiated to come to an agreed upon contract amount.

Request For Qualifications (RFQ) - The City may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform and provide other services.

The RFP and /RFQ processes will be utilized when:

- Staff resources are not sufficient to perform these services and when the services are not of an on-going nature that would require a full-time employee
- Staff does not possess the required expertise
- The nature of the services requires third party objectivity
- State or Federal law prohibits assigning such services to staff
- The required services cannot be provided more economically by staff
- There exists an emergency or urgent need for services to preserve public health and safety

Competitive bidding for specialized services is not in the best public interest because it may lead to employment of the least qualified, rather than the best qualified, as should be the objective. The objective of competitive bidding is low cost. Only when services or a product can be described in sufficient detail,

where all parties can bid on the same basis for comparison, should bidding be considered. Professional services in engineering, law, architecture, medicine, land surveying, and planning, to name a few, are not recognized as being amenable to detailed specifications.

~~The RFP process is the process used when the City cannot precisely set forth its needs. The Request for Proposals process is a form of soliciting an offer by one party to another with reference to some unique or technical task or equipment. An RFP is primarily used for professional and specialized services such as engineering and architectural services, or for equipment that is complex or highly technical in nature. Instead of specifications, a statement or scope of work is written, and the vendors are asked to propose solutions. This process may be used as a basis for acquiring goods or services or entering into a contract when specification and price will not necessarily be the predominant award criteria. The process may subject to the competitive sealed bid process and the following requirements:~~

- ~~When there is no clearly established quantifiable standard associated with the service or asset being requested.~~
- ~~When evaluation factors involve relative technical or professional ability of the offerors to perform.~~
- ~~When the evaluation process involves weighing artistic and aesthetic values.~~
- ~~When price or cost may be a secondary consideration.~~
- ~~When it is likely to best serve the City's interest if a contract award were made to the most advantageous proposal rather than the lowest price submitted.~~

~~The award of the contract shall be subject to City Council approval if the contract resulting from the RFP is expected to exceed $50,000.~~

~~If the RFP process is used for a public project, as defined in Section 20161 of the California Public Contract Code, the proposal shall be subject to City Council approval regardless of the cost of the project.~~

~~The "General Conditions" of the RFP details what information vendors are to submit and in what form, the cost of their proposals, how the City will evaluate the proposals, select the vendor and develop the contract.~~

~~Under normal conditions, the time for processing an RFP is ninety (90) days. This allows vendors enough~~

~~time to develop their proposals and City departments enough time to schedule and conduct interviews or demonstrations. Departments shall specify any required time frame less or greater than the ninety (90) day period. Complete and acceptable proposals shall include:~~

- ~~A clear description of the specifications or scope of services.~~
- ~~Specifically identify, in realistic terms, what the proposer is to accomplish.~~
- ~~Description of the items to be delivered or services to be performed.~~
- ~~Format and number of copies if any required.~~
- ~~Established timeline schedules, including dates for award of contract, commencement of service performance.~~
- ~~Pre-Proposal Conferences and Equipment Demonstrations.~~
- ~~The relative importance of each evaluation criteria item~~
- ~~If deemed appropriate, known or estimated budgetary limitations on the specification or service.~~
- ~~The professional qualifications of the personnel that the firm will commit to the assignment.~~
- ~~An overall description of the techniques to be used in solving the problem.~~
- ~~Amount of time and staff to be expended.~~
- ~~Facilities and equipment to be utilized.~~
- ~~Description and percentage of work to be performed by subcontractors.~~
- ~~Indemnification~~
- ~~Insurance and bonding requirements~~
- ~~Data security~~
- ~~Warranties~~
- ~~Compliance with applicable City, State and Federal laws, rules and regulations~~
- ~~If grant-related, compliance with applicable rules and regulations as required by the funding source.~~

~~If a sample contract is included, RFP disclaimer language will be included stating that it is a sample contract and may or may not reflect final terms and conditions of the contract.~~

~~Amendments to the RFP: Amendments allow for any changes to the RFP, i.e. quantity, descriptions, schedules and opening dates, correct defects or ambiguities. Amendments to the RFP shall be identified as such and shall require that the offeror acknowledge all amendments issued.~~

~~Evaluation of Proposals: Selection of the evaluation should consist of knowledgeable individuals from the requesting department, representatives from other involved City departments, and, if deemed desirable, a recognized expert from the private sector. The evaluation committee shall compile scores of participating firm(s) or individual(s) submitting the most responsive proposal(s), price and all other factors considered.~~

~~**Proposals must be evaluated based on the stated proposal criteria. A** public agency in response to an RFP is not subject to disclosure under the California Public Records Act until the agency has completed negotiations with proposers. A major component of an RFP includes determining and specifying the evaluation criteria and the process for selection and award. The evaluation criteria should be tailored to the specific services and concerns and should reflect what matters most for a particular procurement. The evaluation criteria should be sufficiently detailed to enable meaningful comparisons. For a major, high-profile procurement, the City may appoint a panel of evaluators that includes experts in the field from outside the City. For more routine, small-scale procurements, City staff can usually handle the evaluation. When the evaluation is complete, the city must rank at least three entities based on a determination of value provided. The award must be made to the responsible consultant whose proposal is determined by the City to have offered the best value to the City and public.~~

~~Evaluation Factors may include but are not limited to:~~

- ~~General quality and responsiveness of the offeror to terms and conditions and times of performance.~~
- ~~Completeness and thoroughness of the proposal.~~
- ~~Grasp of the problem or of the work to be performed and of the approach to be used.~~
- ~~Evidence of good organizational and management practices.~~
- ~~Qualifications of personnel.~~
- ~~Experience and past performance~~
- ~~Financial condition of the offeror.~~
- ~~Price and cost breakdown, or price range and cost schedule.~~

~~Methods of Evaluation: Utilizing a scoring method, proposals shall be reviewed to determine those that meet the RFP requirements. The evaluation committee shall evaluate and score the proposals using the evaluation criteria specified in the RFP and shall prepare a priority list of offerors. The project manager or requesting department representative shall meet with the most responsive offeror to seek a clear understanding of the contract provisions and agreement to a fair and reasonable price. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, specification, work or services. Such revisions may be permitted after submission, yet prior to award, for the purpose of obtaining the best and final offer. The last page of the City's Professional Service Agreement "Exhibit A" is for incorporating negotiated, revised, and modified contract provisions or Scope of Services within the RFP. This process may be repeated until agreement of scope of work, timeline and costs are established with a capable firm or consultant.~~

~~Double-tiered proposal: The RFP may require that proposals be submitted with price and/or price breakdown in a separate sealed envelope. The evaluation committee shall review all proposals and score each proposal. After the evaluation committee has decided which vendor best fulfills the proposal requirements, sealed costs for only the chosen vendor will be opened and negotiated to come to an agreed upon contract amount.~~

8. SOLE SOURCE PURCHASES

Invitations to Bid, Requests for Proposals and Requests for Qualifications shall be secured for all contracts for goods or services acquired by the City which are $~~2,~~5,000 or greater in value. However, in rare instances where bids or proposals cannot be secured for a unique or particular good or service and/or would not benefit the City, a full explanation shall be included in the requisition or Agenda Item, as appropriate. A Sole Source Justification memo shall be included stating reasons as to why the goods or services should not be subject to bid, or the reasons there is a single source request for the service, or that the City's interests are better served by the exemption. Such recommendation shall contain information in sufficient detail to support and justify the decision not to seek competitive bids or proposals.

~~Discuss with Purchasing, the specific performance or functional intent that justifies a sole source. Typically, sole source criteria are "match existing in place" or possessing a functional or performance characteristic that is, in the opinion of the requesting department, essential to performance of its mission and available from a single manufacturer or distributor.~~

The City shall search for alternative sources to ensure equal opportunity is extended to all potential vendors and competition is maximized. Multiple distribution for the identical manufacturer and/or functional equivalents of the requested item as determined by the requesting department or technical expert will not be considered sole source and shall be subject to open competitive bidding.

If a sole source decision is reached, the requesting department shall provide Sole Source Justification as supporting documentation with their requisition, contract/agreement into the Purchasing system. Purchasing will review the Sole Source for approval in the Purchasing system.

9. INSPECTION AND TESTING OF SUPPLIES AND EQUIPMENT

All City departments receiving orders shall inspect supplies and equipment to determine their conformance with the specifications set forth in the Purchase Order. The Purchasing Agent shall have the authority to require chemical and physical tests of samples submitted with bids and samples of deliveries that are necessary to determine their quality and conformance with specifications.

10. COOPERATIVE PURCHASING CONTRACTS

Purchasing may use State of California Cooperative Purchasing Contracts if the item on the state contract meets the City's needs and if it is unlikely that a separate City bid would result in more favorable prices, terms and/or conditions. Contracted buying groups are considered to take the place of competition if, in Purchasing's opinion, it is in the best interest of the City. This shall not, however, be interpreted to exempt the City from bidding requirements of the Public Contract Code.

F. GOODS AND SERVICES CONTRACTS

City employees do not have the authority to procure goods and services or make any purchases on behalf of the City without the proper authorization. Failing to obtain the proper authorization can result in the individual being held personally responsible for the obligation.

1. TYPES OF CONTRACTS

A. Service Contracts – A contract between the City and a public or private entity that provides for the contracting of municipal services.

B. Consultant, Professional, Personal Services – A contract between the City and a private firm that provides services of an advisory nature. A service generally provided by individuals or organizations who possess specific knowledge, technical skills or unique abilities not usually available within our City staff or to supplement staff services. The product may include services from attorneys, physicians, architects, engineers, accountants, consultants, specifically anything from answers to specific questions of design of a system or plan and include workshops, seminars, retreats, and conferences for which paid expertise is retained by contract.

C. Grants – A transfer or irrevocable commitment of money from the Federal Government to State or local government (our City), to be expended on particular programs to for the performance of certain duties under the grant specifications. These duties become contractual obligations once the grant is accepted.

D. Lease and Lease Purchase Contracts – A contract by which the City (lessee) enters into a contract with a second Vendor (lessor) for possession and use of equipment for a specified period of time at a negotiated cost.

E. Equipment/Maintenance and Supply Contracts – A contract that outlines the responsibilities the vendor will undertake to ensure the upkeep, repair, and serviceability of equipment listed in the contract. Terms to consider are response time, equipment performance, parts, supplies, reports, networking and consumables.

F. Capital Project/Public Works Contracts – Contracts for such items as the construction, alteration or repair of public buildings, roads, bridges, or other improvements are considered Public Works contracts and are bound by separate regulations. Public Works contract bidding and award procedures comply with the California Public Contract Code, the Municipal Code, and various State and Federal codes and regulations as indicated by the individual project.

Capital projects threshold of $10,000 may require obtaining an asset number prior to generating a requisition. Asset numbers may be obtained from the Finance department. Asset numbers are required for items such as equipment, vehicles and capital improvement projects.

G. Procurement Contracts, Supply Agreements, Annual Contracts – Price agreements for various standard goods and/or services utilized by City departments, executed by the Purchasing Agent and vendor only.

H. Purchase Orders are contracts for goods and services. Typically, its terms and conditions are very simple in nature and require minimal auditing.

I. Lease Contracts – A contract for limited use of real or personal property at an agreed price and for a limited term, i.e., specified period or month-to-month.

J. Blanket Purchase Order – Issued by Purchasing for the purchase of specific goods or services over a set period of time, with general terms and conditions.

K. Emergency Contracts – Contracts where the item or items to be purchased or rented are immediately necessary. Such contracts must later be approved and confirmed by the Purchasing Agent, or the City Council as provided by law.

L. Contracts under $10,000 require signature from the Department Head or Purchasing Agent. If the contract amount is over $10,000 it will require the City Manager's signature. It is advised to attach a copy of a contract to Requisition, Blanket Purchase Order or Purchase Order and keep the file at department level.

2. GENERAL REQUIREMENTS

A. Retroactive Contracts – No City contract shall commence prior to approval by the City Council, City Manager, Finance Director or the Purchasing Agent, as required under the Municipal Code and this Policy. Contractors and vendors shall be advised by the responsible department head that performance under the contract may not commence prior to such approval. No payment shall be made prior to this approval. Any variation of this policy must be justified in writing to the Purchasing Agent for approval.

B. Contract Periods – Contracts for services shall normally cover not more than one to three (1 to 3) years with the option of one (1) extension for a designated timeframe. Normally, multiple-year contracts must include provisions for early termination and must be contingent upon available funding. Unless exempted as provided for above, no contract shall extend, either by original contract or by renewals or amendments, for more than a total period of five (5) years (60 months) unless competitive bids have been sought or an RFP has been processed, or there is a distinct and particular advantage to the City of Hanford to contract for longer periods of time.

C. Compensation for Contracts – 1) A total lump sum or total fixed price for the total project. This avoids detailed accounting and is a contract for a given result. The City's concern is not with the cost incurred by the contractor, but with the end product. 2) Hourly rate plus cost reimbursement, with

a ceiling on the total project or contract amount. The contractor agrees to charge only for the hours utilized at an agreed rate of compensation and reimbursement of costs. This method is also a contract for a given result. Payments by the City in advance are legally permitted, but discouraged and shall be made only when necessary. So that the City may realize income through investment of temporary excess monies, contracts or agreements containing provisions for advance payment by the City shall provide for small, periodic payments which are tied to deliverable goods or services, rather than total contract price or lump sum advances, whenever it is advantageous for the City to do so.

D. Contract Splitting – It is never permissible to split a contract or project in order to evade contract dollar limitation or bidding requirements.

E. Contracts for Approval That Have Not Been Competitively Bid – It is the policy of the City of Hanford that Request for Bid or Requests for Proposals shall be secured for contracts for goods or services which are proposed to be acquired by the City. Any department head who submits a contract to the City Manager or the Purchasing Agent for approval that has not undergone the competitive bid process for selection of a contractor, shall submit with that contract, in a Staff Report a complete explanation of how the recommended vendor was selected. That explanation shall include the names of those prospective contractors contacted and their proposed fee for service; why the negotiated approach for selecting a contractor was used instead of the competitive bid process; and any other comments that support the recommendation.

F. Contract Award –During the process of obtaining contractor signature of contract, all individuals involved are advised that the contract is of no force and may not commence performance until all required certificates of insurance and endorsements and required binding authoritative signatures are shown on contract and recorded with the City.

G. Retention of Contract – In all cases, an original copy of the fully executed contract must remain on file in the office of the Purchasing Agent for no less than four (4) years from the date of completion of the work under the contract. In cases of litigation or other special circumstances (i.e., grant requirements), the contract is to remain on file until those special circumstances have been satisfied.

3. CONTRACT/AGREEMENT PREPARATION AND PROCESSING

Negotiation – The successful vendor has been identified and it is necessary to negotiate a contract. A working draft document is necessary. The Professional Services Template containing mandatory clauses may be obtained from the Purchasing Division. Purchasing and the City Attorney are available to assist in contract drafting and negotiations.

All contracts must contain the vendor's name, address, telephone number, Federal Tax I.D. Number or Social Security Number. Should the contract language differ from standard language or alterations be proposed for insurance clauses, the Department Head and Finance Director will be required to review and approve the proposed changes. Contracts may be accepted or rejected by the City Attorney due to incomplete or otherwise unacceptable language, terms, conditions and clauses.

City departments are not contracting entities. Contracts must be issued in the name of the **City** and service contracts having an aggregate cost ~~exceeding $2,500 but~~ not to exceed $9,999 must be approved by the Finance Director or Purchasing Agent. Contracts having an aggregate cost exceeding $10,000 must be approved by the City Manager and contracts having an aggregate cost exceeding $50,000 must be approved by City Council. Some or all of the following information is required and must be included with contracts being submitted for approval: the City's Service Agreement, Staff Report, Agenda, Contract, proposal, bid and any pertinent documentation.

4. CITY COUNCIL OR CITY MANAGER APPROVED CONTRACTS

Preparing, processing and monitoring contracts are the responsibilities of the department entering into the contract. Adequate time shall be given to the departments to review, approve and make any necessary changes to the contract. The City Manager or City Attorney may also require changes to be made to the contract or request additional information. Contracts with specific execution or renewal dates shall be handled in a timely manner to assure approval prior to such dates. No work shall commence prior to the contract.

5. PURCHASING AGENT CONTRACTS

Procurement contracts for various standard goods and or services utilized by the City departments, where conditions are very simple in nature and delivery of that service can clearly be recognized and defined for purposes of knowing when completion has occurred, are executed by Purchasing and the vendor only. Often, the purchase order will substitute as the contract.

Purchasing may require approval by the City Manager, City Attorney, Finance Manager~~rment~~ or other departmental authority, as deemed necessary. Contracts may be generated at the department level and in conjunction with the assistance of Purchasing. An original copy of the contract will be signed by an authorized City representative, City Manager, City Finance Manager or Purchasing and the duly authorized vendor representative. The original will be digitized and retained by Purchasing and electronic copies will be provided to the department, City Risk Management Division and the vendor.

G. CONTRACT ADMINISTRATION, ENFORCEMENT AND LEGAL REMEDIES

1. OVERVIEW

The procurement process does not end with the award of contract. The contractor's performance must be appropriately monitored. The contract itself may be amended in response to unforeseen ~~problems~~problems, and the contract must eventually be closed out or terminated, if not renewed. In performing these tasks, departments are requested to assure a mutual understanding of the rights, obligations, and responsibilities of both the contractor and the department under the contractual agreement and initiate any contract changes desired by the department. The goal is to protect the City's interests in the event of default by the contractor or contract termination and evaluate the performance of the contractor for future use by other City departments.

2. CONTRACT MONITORING

Contract monitoring allows the department to diagnose problems that may lead to work change orders, schedule slippages, cost overruns or unacceptable product quality. Departments should designate a Contract Administrator at the department level receiving the goods or services and establish administrative controls, monitor work progress regularly and establish cost controls. Vendor performance monitoring is a joint undertaking, and City personnel are active participants.

3. CONTRACT ADMINISTRATOR

The department head or designee shall formally begin contract negotiations with the consultant and request a Professional Service Agreement from Purchasing as a draft to forward to consultant, firm, contractor, or vendor for authorized signature. The department may also request that Purchasing attach the consultant's proposal to the agreement as Exhibit A of the City's Professional Services Agreement template.

After the contract/agreement is returned by the consultant with authorized signatures, the department may obtain the appropriate City signature resulting in a Fully Executed Contract/Agreement. The Department

may keep a copy, if desired, but Purchasing will keep a copy and forward a copy of the Fully Executed Agreement to City Risk Management Division.

4. AMENDING THE CONTRACT

Unforeseen problems, circumstances and events may make a contract amendment necessary. To protect the City's interests, the department head or designee shall supervise all discussion with the contractor regarding amendment and if assistance is needed, contact Purchasing. All amendments must be in writing and executed in the same manner as the original contract. The dollar amount of the amended contract must not exceed the signatory's limitations. If necessary, obtain appropriate City signatures. For purposes of approval, a copy of the original contract must accompany the proposed amendments. All change orders, amendments to contract and supplemental agreements must be signed by a City representative authorized to bind the City financially (generally the City Manager).

5. RENEWAL OF CONTRACTS

Contract for services shall usually not cover a period of more than one (1) year, although longer periods may be approved. Unless exempted from competitive bidding procedures, contracts for goods and service should not extend, either by original contract or by extension, beyond five (5) years unless competitive bids/proposals have been sought or approval is obtained from the Purchasing Agent.

Contracts shall not be renewed without thorough consideration of contract performance, availability of new or better contractors, changing circumstances and other factors which could affect the existing contract to determine whether its renewal is the most appropriate and cost-effective option.

Any decision to renew a contract must be made prior to the termination date of the existing contract. It is recommended that planning for renewal or a new contract begin no later than sixty (60), nor earlier than one hundred twenty (120) days prior to the existing termination date depending on the complexity of the contract and renewal. Prior to any renewals, department heads or contract managers at the department level may consult with Purchasing. Renewal shall not be used to circumvent any required bidding processes.

6. CLOSING OUT OR TERMINATING THE CONTRACT

All contractual relationships must eventually either be closed out upon completion of all the work or terminated prior to completion. A contract closeout is an administrative procedure involving formal acceptance of all contract deliverables and payment of the contractor's final invoice. A contract termination is generally a unilateral action that stops work on all or part of the contract for cause or convenience; termination for convenience may only occur if allowed under the contract. A contract can also be terminated by mutual agreement in the same way that a contract is executed and/or amended.

Close out of a contract should not occur until the City is satisfied that all contractual obligations have been met by the contractor. Confirmation that the required products or services have been delivered and compliance with corresponding technical specifications or scope of services is required prior to close-out. Where appropriate, the City shall formally notify the contractor, in writing, of the department's final acceptance of the services and the contractor's final invoice can now be processed.

When deemed necessary and appropriate, all or part of the contract may be terminated for cause whenever the contractor refuses or clearly fails to meet contractual performance requirements. Common causes for default include failure to deliver acceptable products or services; failure to meet scheduled delivery dates or contractual milestones; failure to resolve disputes or offer explanations on disputed terms, conditions or requirements; or demonstrated lack of progress that is harmful to the City. Prior to terminating a contract for cause, consult with Purchasing.

7. VENDOR REQUESTS FOR CHANGES OR CANCELLATIONS OF CONTRACT

General Policy is that a vendor's request for a change or cancellation to a purchase order or contract, which will result in additional cost to the city, shall be denied, unless denial of such request for a change or cancellation will cause documented undue hardship to the vendor or unless there is no reasonable alternative. If the vendor refuses to perform according to the original contract, they will be in breach of contract.

8. BREACH OF CONTRACT

Actual breach of contract is defined as a failure to perform on time and in the manner required by the contract. This includes failure to perform at all, as well as delivering the wrong goods or defective goods. In the case of breach, the City must have actual evidence of the breach before employing legal remedies.

A vendor shall be offered the opportunity to remedy a breach of contract. The vendor may notify the City of its intention to remedy delivery within the contract time or have further reasonable time to substitute a conforming requirement.

Departments should notify the vendor and Purchasing if a vendor has breached contract and how the breach has occurred. Reach an understanding with the vendor as to what their process is for remedy. If a vendor intends to remain in default, alert vendor of the City's legal rights, which is the right to obtain comparable goods elsewhere and charge the vendor the difference between the contract price and the comparable goods price that may be higher. The City may obtain this reimbursement for damages by deducting it from any money due the vendor or by accepting another form of vendor payment.

Document the verbal understanding, including a summary of the City's legal rights, as appropriate, in writing, and mail to the vendor. Additionally, send a copy to the Purchasing Department and attach a copy of the contract or agreement. The letter should set forth a date by which the vendor must reply or remedy default in order to avoid legal action by the City. Notice should also state that a failure to resolve this problem may result in removal from the City's Purchasing bid list. Preparation of this letter must be coordinated with Purchasing and must be approved by the City Attorney prior to mailing to the vendor.

If the vendor fails to fulfill contract requirements and has not replied in writing with an alternate proposal which is acceptable under the circumstances, Purchasing shall issue a written cancellation, signed by Purchasing, and approved by the City Attorney citing the vendor's breach of contract and shall proceed to obtain comparable goods elsewhere. It is assumed at this point that the City has exhausted all reasonable expectations of obtaining contract performance and cannot wait any longer for the goods.

9. CONTRACT ADMINISTRATION – FILES

It is imperative, from a legal perspective, that contract files, especially those pertaining to construction projects, are detailed and complete. The following is a list of the types of correspondence and documents that should be kept, as originals or copies depending upon the circumstance. This list is by no means exhaustive and merely reflects those documents that would be critical in the event of litigation or disputes.

Copies of All Contracts Pertaining to the Project
Architect
Construction
Consultants
Interlocal/Cooperative Agreements
Grants
Notice of Award Letters
Copy of the Purchase Order
Requests for Insurance and Bonds

Memos/Letters/Emails/Reports
Field Reports
Meeting Notes
Correspondence
Daily Diaries
Orders of Materials
Copies of Bonds and Insurance Certificates
Change Orders and Changer Order Correspondence
Notices of Breach
Notice of Completion

H. VENDOR RELATIONS AND PERFORMANCE

1. VENDOR RELATIONS

It is essential that a professional, business-like relationship of mutual trust and confidence exist between the City and its suppliers. The primary responsibility for establishing this relationship for the City rests with Purchasing.

All City representatives and employees are to demonstrate business-like professionalism when interacting and speaking with vendors and their representatives.

Vendors soliciting sales are to be received and if deemed necessary, forwarded to Purchasing. Purchasing shall not make, nor be asked to make unreasonable or unnecessary demands on suppliers.

2. UNAUTHORIZED VENDOR CONTACT WITH CITY DEPARTMENTS

Once the bid has been issued, prospective bidders are prohibited from contacting any City department during the bid process unless approval is received from Purchasing. Failure to comply with this policy will be considered cause to reject the vendor's bid. This does not preclude the vendor from contacting City departments concerning other ongoing business.

3. VENDOR VISITS

Visits by appointment are preferred since drop-in visits can lead to inconvenience for both parties. Buyers may be in a meeting or away from the office at the time of the unscheduled visit.

When a using department requires information from a vendor, these requests normally will be handled by department in case technical detail or preliminary information is required. If this occurs, keep copies of all supporting documents, especially correspondence that includes pricing.

Departments are advised to refrain from accepting vendors specific brands, products and supplies when legitimate competitive quotes are required and applicable. Visits with City departments may be made upon the recommendation of Purchasing. Purchasing will direct the vendor to the correct person and phone number. City employees should notify Purchasing if they receive a visit from a vendor with useful products and price information and should also encourage the vendor to contact Purchasing to schedule an appointment with the Purchasing Agent. Purchasing can assist vendors in using their sales time more efficiently by informing them about expiration dates of existing contracts, upcoming bids and where similar products are used throughout the City.

4. VENDOR OFFERS OF FREE TRIALS AND SAMPLES

In some industries it is common for vendors to offer free loaners, demonstrator equipment, trial use, free supplies or other promotional items. These offers are sales tactics and acceptance of such "free" equipment, supplies or services may or may not be in the City's best interest.

Any department that receives a "free" offer should contact Purchasing for assistance. The offer will be evaluated, and other alternatives will be considered which may better meet the department's needs. If the offer is in the best interest of the City, Purchasing will advise the department.

Occasionally, the City requires bidders to submit production samples of products that the City intends to purchase. For example, samples may be required for new, untried products where workmanship might be a significant factor or in cases when most of the bidders are expected to be distributors who may offer a wide variety of similar products. Failure to comply with a request for submission of a sample may be cause for the bid to be declared non-responsive and subject to rejection.

The most responsive and responsible bidder's sample is retained to compare with the vendor's shipment of the purchased goods. This sample will be returned at the request of the chosen lowest bidder following acceptance of the total shipment. All other bidders wishing to have samples returned must pick them up at Purchasing within thirty (30) days following award of the bid. Samples not claimed within that period become the property of the City to be disposed of as the City sees fit. Bidders desiring to have samples returned by mail or parcel post must furnish return mail cartons, packing, postage, insurance, etc.

5. COMPETITIVE ELECTRONIC UPLOADED BIDS

When electronic bids are used for goods and services, all bids shall be publicly revealed, and the dollar amount of each bid shall be released and displayed on the City's BidNnet Website. It is to be understood that a bid containing irregularity or minor informality may be waived by the Purchasing Agent when it can be determined that such waivers will not adversely affect the bidding process.

6. RELEASING BID RESULTS

During the bidding process, each vendor's bid is kept confidential and is not shared with anyone. However, any vendor or member of the public is entitled to review Bid Results after the bidding process has been completed. Bid Results will become available to all interested parties by registering for an account with BidNnet Website. BidNnet registration is free and after a BidNnet account is established, access to the City's BidNnet Website will become available to review the bid results.

7. LOCAL VENDORS/ LOCAL VENDOR PREFERENCE

The use of vendors who have a fixed business location within the city limits provides certain benefits to the City and its citizens, including, without limitation, the following:

A. Receipt of sales tax revenue from sales made within the city limits
B. Cost savings resulting from local maintenance, repair, pick-up and delivery
C. Use of the local labor force

When multiple bids are received, the Purchasing Agent under the direction of the City Finance Director will determine if a submitted bid is from a "local vendor" and eligible for the Local Vendor Preference. Therefore, any local responsible vendor maintaining a fixed business location within the City limits who submitted a bid within five percent (5%) of the lowest nonlocal bidder will be deemed eligible for local vendor preference and awarded the bid.

The local vendor preference shall not cumulatively be greater than $150,000 (per Public Contract Code § 2002).

8. VENDOR PROTESTS

The procedures for protesting, both before and after an award, are stated herein. Protests must be made in writing to the Purchasing Agent within five (5) working days so that an objective decision can be made by the City and costly delays in the acquisition process can be avoided.

The Purchasing ~~Manager~~ Agent or designee shall respond in writing within five working days to the protestor. If the protestor wishes to appeal the decision rendered by the Purchasing Agent, such appeal must be made in writing to the City Manager within five (5) working days of the Purchasing Agent's response. The City of Hanford City Manager, Finance Director and Purchasing Agent shall have the authority to settle and resolve a protest of an aggrieved bidder.

Public Records Act (PRA) –All PRA requests shall be forwarded to the City Clerk for processing.

I. INSURANCE AND BONDS

1. OVERVIEW

City policy ~~is to~~ requires contractors providing services, materials or construction to the City to indemnify, defend, and hold the City harmless for claims arising from their performance of the contract and supply proof of insurance coverage to the City. The proof the City requires is usually in the form of certificates of coverage and endorsements provided by the contractor's insurance broker or carrier. All insurance requirements made of the contractor must appear in the City agreement, and in the case of a competitive bid, they must also be in the Request For Bid or Request for Proposal.

2. GENERAL INSURANCE REQUIREMENTS

Most agreements require general liability and workers compensation coverage. In addition, automobile liability, professional liability, crime coverage, and/or some form of bond coverage may be required. As a rule, the insurance must be underwritten by a carrier admitted to transact business in California. The carrier must be able to demonstrate sufficient financial strength to provide the protection the City seeks. Generally, insurers with an A rating in A.M. Best's Guide and a financial size designation of VII or higher will meet the City's requirements. If departments need to determine the Best's rating on a carrier, contact the Risk Management Division. Per the requirements of the City's insurer, PRISM, the City must also be named as additional insured on the general liability and automobile liability coverage; the contractor's insurers must waive subrogation rights; the contractor's insurance must be primary and non-contributory with respect to coverage maintained by the City; and the contractor's coverage may not be modified or canceled without prior written notice to the City. This provision must be stated in the Request For Bid or Request for Proposals.

3. LIMITS OF INSURANCE

Purchasing will assist departments obtaining insurance from vendors, firms and contractors and consultants. Purchasing will include Certificates of Insurance and endorsements with Fully Executed Agreements and forward them to our Risk Management Division.

Commercial General Liability – The rule for minimum limits for general liability coverage is $2 million, per occurrence, combined single limit for bodily injury, personal injury and property damage, with an annual aggregate, if any, of at least $4 million. Any substantial, ongoing business shall carry insurance with these limits. In some instances, insurance requirements may vary ($5 million per occurrence and $10 million aggregate for construction projects with increased risk).

Automobile Liability – Contractors who will drive in the course of performing the service or who deliver and maintain a product must maintain auto liability insurance. The limits must be a minimum of $1 million per occurrence, combined single limit for bodily injury and property damage. Coverage shall include any autos, owned autos and hired autos.

Professional Liability – Contractors who are required to be licensed by the State of California or by an agency designated by the State to perform their work must maintain professional liability insurance. Examples include doctors, nurses, psychologists, licensed clinical social workers, engineers, architects and attorneys. As a rule, the City requires limits of a minimum of $2 million per incident and an annual aggregate of at least $4 million.

Workers Compensation Coverage and Employer's Liability – Insurance with a limit of no less than $1 million per accident for bodily injury or disease. In accordance with the Labor Code of the State of California, every employer must provide workers compensation coverage for their employees. Therefore, all contracts with individuals or organizations who have employees must require workers compensation coverage. Many contractors are sole providers and have no employees. These contractors are not required to cover themselves with workers compensation.

4. INSURANCE CERTIFICATES

Insurance certificates and endorsements providing evidence of coverage must be provided by the following categories of persons:

- Any individual or non-City organization using a City facility.
- Any individual performing a service or delivering a product under contract to the City.
- Any individual or organization constructing something for the City.
- Any agency required to provide such evidence as a condition of participating with the City in any endeavor, such as a joint powers authority.

Responsibility for obtaining Insurance Certificates and endorsements – The department designated as contract administrator for each agreement is responsible to forward any insurance certificates and endorsements on to Purchasing for review and approval. Utilize the current insurance specifications in all contract agreements. Note the expiration dates of the policies. If any expire during the term of the contract, replacement certificates and endorsements must be obtained to assure continuity of coverage. It's recommended vendor insurance certificates and endorsements are filed with the agreement so they can be available for inspection and to use as evidence of coverage in the event of a loss. Copies should also be placed in the bid file in Purchasing, the department designated as contract administrator, and City Risk Management Division. Notify Risk Management immediately in the event of claims or accidents arising from the work performed under the contract.

5. SUBCONTRACTORS

Vendors shall include all subcontractors as insured under its policies or shall require subcontractors to maintain the coverage required under this Policy. If subcontractors maintain their own coverage, the prime contractor shall provide its subcontractors' certificates and endorsements to the City when the prime contractor submits its certificates of insurance and endorsements.

6. INDEMNIFICATION CLAUSES

Defense and indemnification clauses require the contractor to reimburse the City for any costs the City may incur to defend and/or pay damages to a third party because of the contractor's actions or omissions. The City is not permitted to require the contractor to assume responsibility for the City's actions, but the City can require the contractor to defend it and reimburse it for any loss arising out of the contractor's performance of the contract. Occasionally, a contractor will demand that the City defend and indemnify the contractor against losses arising from the City's acts. Risk Management must be consulted in these instances.

7. BONDS

Bonds are policies issued by surety companies which guarantee that the contractor will meet the stated obligation. Types of Surety Bonds the City may use are:

Fidelity Bond – Reimburses an employer for loss sustained because of dishonest acts of employees covered by the bond.

Bid Bond – Guarantees that a contractor will enter into the contract under consideration if consultant is awarded and consultant will comply with all terms and conditions of the bid or proposal.

Payment or Labor and Materials Bond – Guarantees contractors will pay their subcontractors, employees and suppliers for labor, services and goods provided in performance of contracts for "public projects".

Payment bonds should be required for all contracts involving public works or which are valued at more than $50,000.

Performance Bond – Guarantees performance by the contractor of all work under the contract, including replacement or repair of any defective materials or faulty workmanship and compliance with all the terms and conditions of the contract or agreement.

J. INVENTORY CONTROL, FIXED ASSETS AND SURPLUS ITEMS

1. OVERVIEW

Disposition of surplus City property will be accomplished ~~through~~ by each department (Purchasing Division to assist when requested)~~the Purchasing Division~~. Property will be disposed of by the following methods:

Citywide notice of available surplus items.
Negotiate with vendor to remove non- surplus property.
Trade-in on new equipment.
Sale at public auction.
Sale as scrap.
Donation to non-profit organization.

2. CITYWIDE NOTICE OF AVAILABLE SURPLUS PROPERTY

Each Department shall communicate or e-mail the availability, including necessary details of property designated as surplus, to the Finance~~Purchasing~~ department. In some instances, Purchasing may send out a citywide announcement that surplus furniture or items have become available. The goal is to repurpose the surplus items by a different City department that may be in need of the surplus items. The disposition or disposal of City property must be noticed to the Finance Department by submitting an Asset Disposal Form. Disposals may only be authorized by the City Manager and Finance Director (or his designee).

3. NEGOTIATE TO REMOVE NON-SURPLUS PROPERTY

In some instances, departments may need to purchase, replace and/or upgrade assets. As a result, the property which is being replaced is classified as surplus . Surplus property that is non-functional or no longer required, cannot be reused, and is no longer considered an asset, may be disposed of at the department level by negotiating with the vendor to include a fee in their quote to remove and dispose of the property.

4. TRADE-INS OF EQUIPMENT

Departments are encouraged to trade in equipment that is being replaced at the time of the new equipment acquisition. Trade-ins earn credits against the purchase of the new item, it minimizes transfer, moving and storage costs and results in faster, less costly disposition of unwanted equipment or auction processes. Trade-ins may be negotiated at the department level and must be processed through Purchasing. To trade in a unit, the department should attach supporting documentation to the requisition for new equipment purchase.

5. SALE AT PUBLIC AUCTION

~~The Purchasing Agent is responsible for the management of surplus property. Only the City Council, City Manager, City Finance Director and Purchasing Agent have the legal authority to sell or otherwise dispose of personal property owned by the City.~~

~~Departments managing surplus property that is no longer useful may notify Purchasing of I~~items, furniture, materials and equipment ~~to determine if it~~ may potentially be sold at a Public Auction. The Department is to submit an Asset Disposal Form to the Finance Department signifying its intent to sell at a Public Auction.~~also send an email to Purchasing describing the equipment or material, including serial number, location, date available, contact person, their phone number, fixed asset identification number (if applicable) and if~~ . The assistance of Public Works may be requested for~~involvement is required for~~ assistance with moving or transportation of item to be sold at public auction. Purchasing will also assist departments with information regarding selling recyclable materials to local scrap dealers.

K. COST CONTROL METHODS

1. PLANNED PURCHASES

Departments are advised to verify~~check if~~ funds are available when considering purchases and prior to generating a requisition for purchase order. The department's designated employee should review~~check~~ the ORG & OBJ in the Purchasing system. If the Purchasing system queries an amount that is over budget, contact the Finance Director and Finance Manager for funding alternatives.

Departments are advised to monitor project accounts frequently to ensure ~~it is not going over~~expenditures are not exceeding budget. If the project incurs unexpected or unanticipated costs above the original budget, if the incurred overrun costs are
$10,000 to $50,000, City Manager approval is required in order to expense the additional unanticipated incurred costs. However, the approval ~~and~~ does not authorize appropriation for additional money.

Departments that do not have enough budget funds to cover a large purchase or are over-budget on a line item may request a budget amendment to transfer money between object lines within the same fund. However, it's not necessary for small purchases or if the overall net budget is anticipated to be positive at the fiscal year end. Department Heads should send budget amendment requests to the Finance Director including the amount and transfer object lines. The Finance Director does not have the authority to transfer money between different funds or transfer money between salary and operating accounts.

The City Manager does have authority to transfer money between different funds and transfer funds between salary and operating accounts.

Planned purchases save money, and departments are advised to receive, evaluate competitive bids, quotes, estimates, proposals and select the lowest bid. There may be case by case circumstances allowing departments to select other than lowest quote or bid with acceptable justification and proper approval.

2. SPECIFICATIONS

Prepare descriptive specifications for material, supplies and equipment that are sufficiently broad enough to promote competitive and uniform bidding and to attract and develop a group of responsible bidders able to offer the best prices consistent with the required quality, delivery and service.

3. COMPETITION

Procurement transactions must be conducted in a manner providing full and open competition. The basic principle of public purchasing is to promote free and open competition and to incorporate a clear and accurate description of the technical requirements for material, product or service to be procured.

Competition is enhanced by non-restrictive specifications, by allowing adequate time for bidding and by inviting an adequate number of interested vendors to bid. The bidding process allows each vendor a chance

to submit their best price for the item without knowledge of other vendor offers. It's imperative that departments identify all requirements that the offerors must fulfill and all other factors to be used in evaluating quotes, estimates, bids and proposals. Favoritism toward any vendor is strictly prohibited.

4. FREIGHT AND SHIPPING CHARGES

During ordering processes, freight, handling and other related costs incurred to place the purchased item in working order should be included when determining total bid price. In determining freight charges, the cost of transporting an item from its "shipping point" or "point of origin", to the City receiving point or "destination" must be considered during the bid process in order to determine the total actual bid. There are two main methods used in determining freight charges. FOB (Free on Board) Destination and FOB Shipping Point. FOB Destination indicates that title does not pass to the City until we receive the goods at the delivery address stated on the purchase order. FOB Shipping Point indicates that title passes to the City when the vendor delivers the goods to the carrier. Usually, the party holding title bears the risk for loss or damage to the goods and bears the responsibility of filing claims, if any, for such loss or damage.

As a rule, the City requires that materials and equipment purchased be delivered "FOB Destination". This means the purchase price includes delivery of the item and the City takes title to it when it is received on City premises. If a seller insists on shipping "FOB Shipping Point" the City takes title to it when it leaves the seller's dock and assumes the risk of loss during transit.

In the rare case where Purchasing accepts a "price in effect at time of shipment" offer, the purchase order should so state and the quote or bid file should document the necessity of accepting such an offer. If the price increases between the date of order and date of shipment, the vendor should supply the buyer with documentation, generally in the form of old and new published price lists.

If both buyer and vendor have agreed to a specific shipping mode, this should be noted on the purchase order in the description area. The shipping instructions, along with the particulars of the terms, should be included.

L. RECEIVING PROCEDURES

1. AUTHORIZED RECEIVING POINTS

Each department is responsible for receiving goods. Each department is responsible for staff authorized to sign for receipt of delivery. Departments are advised to physically inspect all goods prior to signing for the goods received.

The ordering department is obligated to accept delivery of any merchandise which has been ordered in accordance with purchasing procedures. If there is a change regarding the need for the items, the department should immediately execute a Purchase Order Change Order into the Purchasing system. It should be realized that there may be a restocking charge if the items must be returned through no fault of the supplying vendor. The City's failure to accept and pay for ordered goods is a breach of contract.

2. RECEIVING GOODS FROM THE CARRIER

Avoid accepting delivery of any merchandise until adequate identification from the packaging or delivery tags is obtained. A purchase order number or other suitable identification indicating that the merchandise should be delivered to the department, must be in evidence before the shipment is accepted. Sign only for the number of boxes or parcels which are received from the carrier listed on the delivery tag (carrier's receipt), delivery information on the boxes or parcels, or delivery driver digital handheld computer.

3. INSPECTING GOODS AFTER DELIVERY

Inspect the merchandise promptly after receipt. Inspections of items received and determination of compliance with the ordering description or specifications are the responsibilities of the ordering

department. Check merchandise received against the packing slip and the purchase order. Importantly, if copies of invoices are received, they should be immediately forwarded to the person in the department who is authorized to process invoices.

4. LOST AND DAMAGED GOODS

Document any partial deliveries received on a copy of the purchase order The receiving department should keep all packing materials and merchandise and report damage to the vendor immediately. Importantly, do not destroy damaged item(s) or any packaging materials. In cases of known damage (apparent at the time of delivery), put a note on copies of the delivery tag (carrier's receipt) "case damaged in shipment" and, if the item is visible and the damage is visible, also include "item visibly damaged." Obtain any type of tangible data stating the damage including delivery driver acknowledgement and signature. If possible, take a picture of the damaged box or parcel. Departments may communicate to vendor regarding remedy of damaged shipment. If the department is unsuccessful regarding remedy, forward all pertinent information to Purchasing for assistance. Purchasing will also alert company representative of the damaged shipment and request remedy.

5. INCORRECT GOODS

If the goods shipped do not comply with the purchase order, the receiving department will ask the vendor to bring them into compliance. If the vendor fails to do so within a reasonable time, the receiving department will notify Purchasing. Purchasing will notify the vendor of the breach of contract. It is the receiving department's responsibility to notify Purchasing of the need to charge the defaulting vendor with any additional cost experienced by the City due to the breach of contract.

6. DELIVERY OF GOODS AND SERVICES

Under the Uniform Commercial Code, as a rule, the City requires that goods and services purchased be delivered "FOB Destination". This means the purchase price includes delivery of the item, and the City takes title to it when it is received on City premises. If a seller insists on shipping "FOB Shipping Point" the City takes title to it when it leaves the seller's dock and assumes the risk of loss during transit. Should that occur, Purchasing and/or Risk Management should be consulted to determine the prudence of securing transit insurance.

M. PAYMENT PROCEDURES

1. OVERVIEW

~~Due to the large number of~~Given the high volume of documents processed by the Finance Department, it is ~~extremely~~ important to promptly verify all goods received at the department level and forward ~~all~~ required information to ~~Finance~~ Accounts Payable ~~so they can begin~~ to prepare payment processes as soon as possible. Payment documents that include discounts should be specially handled by both the department receiving the goods and the Accounts Payable~~Finance Department~~ to ensure that payments will be processed in time to receive the discount.

Generally, invoices are sent by the vendor to the ordering department or ~~Finance Department~~Accounts Payable. The requesting department verifies that all goods have been received and compares any packing slips or shipping documents with the purchase order. If the goods received match the purchase order, the department shall approve the invoice in the workflow approval. If there is a problem with the merchandise, i.e., damaged items, an incomplete order, incorrect items received or any other problem, the vendor should be notified, and the problem corrected before the payment document is prepared.

2. VENDOR RESPONSIBILITIES

Packing Slip – A packing slip should be included with each shipment. The related purchase order or contract

number and the purchase order line-item numbers should be referenced.

Invoices – Invoices should refer to the purchase order number. Invoices which do not show a valid purchase order number should be directed to the vendor. Invoices may be mailed to the "Billing Address" shown on the purchase order, emailed or downloaded from vendor online portal. Invoice pricing, terms and conditions must be consistent with the purchase order. Incorrect invoices should be credited by the vendor in their entirety and re-issued. Contact the Finance Department Accounts Payable Division or Purchasing for assistance.

3. PAYMENT PROCESS

Advance payments by the City are legally permitted and require contacting the Finance Department and Accounts Payable to coordinate payment process. Contracts or agreements containing provisions for advance payments shall provide for small periodic payments which are tied to delivered goods or services, rather than total contract price or lump sum advances.

4. ~~REGULAR~~ PURCHASE ORDERS

Purchase Orders generated in the Purchasing system serve as contracts for goods and services. After the Purchase order has been printed, departments may ~~mail, email, or call the vendor and communicate the purchase order number over the phone~~submit to the vendor.Vendor should notate purchase order number on invoice. A Purchase order is a legally binding document for the city financially. It can stand alone or include attachments for clarification purposes. Purchase orders encumber funds and assets. Each department is responsible for verifying quantity, quality and delivery.

Partial Shipments (receipts) - There will be instances when partial shipments are received. In these cases, the department should record the receiving information by attaching it to the purchase order, including any packing and freight slips and invoice.

5. PURCHASING CARD

The Purchasing CAL Card program issues P-Cards to authorized City employees as an alternative method of purchasing and paying for goods and services. Departments are to email Purchasing to request P-Cards for employees. The Department Head should be ~~copied in~~included on the emailed request.

The P-Card is intended for smaller purchases as a convenience when the vendor does not readily accept payment by check and is not to be used to circumvent the City's current Purchasing Policies. There are restrictions. ~~The P-Card is currently being used for all purchases under $2,500 without any additional competitive quotes.~~ Every City employee authorized to possess a P-Card must obtain their activated new card, receive instructions and training for proper use of card, review and understand Purchase Card Policy and sign documents at the Purchasing department. ~~Card holders will receive a copy of the Purchase Card Policy and are advised to read it and familiarize themselves with P-Card use and responsibilities.~~

A. Keep a copy of receipt to scan.
B. Finance does not need originals. Department may keep them on file.
C. Receipt should have vendor name and amount.
D. G~~The g~~eneral rule for food purchases: must list the purpose and who attended. When~~If a~~ food is purchased for a group or public event, attach attendee list or event flyer.
E. Travel-related charges should have name, destination and travel dates. Attach Travel Approval form and brochure and agenda for trip. All P-Card questions should be directed to Purchasing.

Near the end of the month, (approximately the 26th), each departmental P-Card statement approver will receive a statement of P-Card Transactions. It is the P-Card holder's responsibility to provide legible receipts, invoices, or digital electronic proof of payment to be reconciled to the statement in the Purchasing system. The P-Card transactions will be reviewed by a hierarchical approval group in Purchasing and Finance. Departments may be requested to ~~re~~submit missing information during review of receipts and backup documentation.

6. TRAVEL CLAIMS

The following are guidelines to assist with management of ~~travel claims~~the P-Card processes. Updates to the ~~t~~travel policy may be found in Administrative Regulations.

A. Must be submitted at least two (2) weeks in advance of the event or within thirty (30) calendar days after.
B. If entering claim early (such as months in advance), review instructions for early travel claim entry.
C. If reimbursement, receipts required.
D. Lodging and registrations should be paid for using P-Card.
E. Day-only travel requires Supervisor approval and signature.
F. Overnight travel requires Department Head approval and signature.
G. Out-of-state travel requires City Manager approval and signature.
H. Certificates of Completion of training should be forwarded to AP@h~~H~~anfordca.gov.~~city~~ and Human Resources.

7. BLANKET PURCHASE ORDERS

Departments receiving reoccurring materials or services under the provisions of a Blanket Purchase Order shall obtain, at the time of purchase or delivery, a fully itemized invoice. Submit the invoice as soon as possible to the Finance department referencing the BPO Purchase Order Number.

A. Monitor the BPO to determine whether account balance will cover purchases to the end of the year.
B. Should a department project unforeseen new expenditures throughout the year, a purchase order change order should be processed to add more funding to cover the entire year.
C. To assist in monitoring the account budget throughout the year, enter ORG & OBJ into the Purchasing system to verify~~check~~ available funds.
D. City Council approved ongoing expenditures or a competitive bid process for products or services to continue throughout the fiscal year. Include required collected quotes, estimates, proposals or bids.
E. A yearly review should occur after the end of each fiscal year to determine the amount necessary to cover expenditures for the following fiscal year.

~~8. DEPARTMENT PURCHASE ORDERS~~

~~Department Purchase Orders are required for all purchases $5,000 and above. Departments are advised to generate a requisition in the Purchasing system. After the requisition has been submitted by the department into workflow, the requisition will be reviewed to determine all the necessary information and appropriate attachments are included. After all workflow hierarchical approvals have been completed, the requisition will be converted to a Purchase Order and the department will be notified the Purchase Order is ready to be used. The department can notify the vendor of the PO number. The Department may go into the Purchasing system's Purchase Order Central module to print a hard copy of the Purchase Order.~~

~~9. EMERGENCY PURCHASES~~

~~In rare instances, Departments may have a need to obtain goods or services outside normal working hours, due to an emergency. On the day following the emergency, or at the next available opportunity, a requisition shall be prepared and processed as usual. Include in the requisition stating, "emergency purchase" and a brief report including the date, time and nature of the emergency for Purchasing and Finance to review.~~

~~Department shall process the requisition and select "Emergency" as the PO type. This will automatically issue a PO number instead of waiting until the requisition has received all workflow approvals. The following conditions apply.~~

~~A. Department has obtained a single purchase or service from a vendor.~~

~~B. Confirm a condition that poses an immediate threat to the public such as preservation of the public health, welfare, or safety or for the protection of City property.~~
~~C. Quotes and estimates are not required but staff must obtain them when deemed appropriate according to the Purchasing Policy (based on availability and ability).~~
~~D. Emergency purchases must have Department Head or City Manager approval either in writing or verbally prior to purchase. Make sure to include approval and justification for the emergency in your supporting documentation.~~
~~E. On all invoices, indicate emergency purchase, who authorized the required approval, date of approval and a clear reason for the emergency.~~

~~10.~~8. CHECK RUNS

Currently, check runs occur bi-weekly. ~~However,~~ The schedule is subject to change as outlined on Finance's yearly check run schedule.

Workflow approvals must be completed by noon the day prior to check run day. Unscheduled check runs will not occur unless it's an emergency and is approved by the Finance Director.

N. FEDERAL, STATE AND LOCAL TAX REQUIREMENTS

1. SALES AND USE TAX ON TRANSPORTATION CHARGES

The sales tax rate for City of Hanford purchases is ~~7~~8.25%. Depending on how freight charges are billed, they may be subject to sales tax. The following charges for freight are not taxable:

Separately stated charges, direct delivery to purchaser by U.S. mail, independent contractor or common carrier and actual freight charges are borne by the purchaser. These charges could be either FOB Destination or FOB Shipping Point as long as transportation costs are not fixed and are the responsibility of the purchaser and are explicitly separate from the cost of goods purchased.

"Delivered Price", but transportation charges are separately stated, shipment is directed to purchaser, and transportation occurs after the seller completes physical delivery per contract requirements, i.e., FOB Shipping Point.

Delivered by seller's own facilities, but transportation charges are separately stated, shipment is directly to purchaser and transportation occurs after title has passed to the purchaser per an explicit written agreement between seller and purchaser, i.e. FOB Shipping Point.

The following charges are taxable:

Transportation charges that are not separately set forth in the purchase order, contract for sale or invoice. Transportation charges that are "incoming freight" such as shipment to the retailer, to the retailer's agent or the retailer's representative.

Delivered price which is also FOB Destination.

Transportation by seller's own facilities without any explicit written agreement regarding when title passes.

Transportation by seller's own facilities with FOB Destination terms.

2. LIABILITY FOR SALES AND USE TAX

Sales tax is a liability of the seller and is paid for the privilege to sell tangible personal property within the State of California. Sellers who conduct business within California, i.e. have employees, offices, stores or warehouses in California must register with the State of California Dept.~~artment~~ of Revenue to collect sales

tax.~~s~~

tax.

Sellers may add sales tax to the selling price or include it in the selling price; either way, the amount must be remitted to the State by the seller. The buyer is not liable to the State for uncollected sales tax unless the buyer caused the seller to erroneously believe the buyer was exempt from paying sales tax.

Use tax is an excise tax imposed upon the purchaser of goods for storage, use or consumption of goods in California. The City pays use tax directly to the State of California in lieu of paying sales tax whenever it buys tangible personal property from an out-of-state vendor who is not registered to collect California sales tax or whenever an in-state vendor does not charge the proper sales tax rate. Use tax is the liability of the buyer and not of the seller.

3. ITEMS EXEMPT FROM SALES AND USE TAX

Generally, the following items are not taxable. However, frequent changes by the State of California, as a result of court cases, can cause additions or deletions to the list.

- Labor on repairs when stated separately.
- Installation labor, an exception is modular panels from any vendor according to the State of California Franchise Tax Board.
- Parts covered by a maintenance agreement.
- Purchases for resale.
- Professional services.
- Transportation, shipping and freight charges from common carriers when itemized separately from the purchase price.
- Advertising.
- Purchases of property to be resold to the United States Government.
- Subscriptions to newspapers, newsletters, and other periodicals when they are published at stated intervals of at least four times per year but not more than sixty times per year.
- Software downloaded to the City's computer system.

4. MINIMIZING SALES AND USE TAX

Sometimes knowledge of tax laws will allow the City to reduce the amount of sales or use tax which is due and payable. For example, if lubricants are purchased in barrels and the empty barrels are returned to the vendor for credit, tax is only paid on the contents of the barrels and not on the purchase price of the barrels.

Since tax laws are revised frequently, when in doubt as to whether an item is taxable or not, contact the State of California Department of Tax and Fee Administration.

5. SHOWING SALES AND USE TAX ON PURCHASE ORDERS

Purchase orders must specify any applicable state and local taxes or the use tax unless the items are for resale.

If the items on the purchase order are for resale, the City's seller's permit number should be shown on the purchase order.

6. FEDERAL EXCISE TAXES

The City does not pay Federal Excise Taxes (F.E.T.).

O. GENERAL PUBLIC WORKS GUIDELINES

Departments may reach out to Purchasing and Public Works for any additional questions pertaining to their department's projects. Departments may contact Purchasing for assistance with prevailing wage requirements and bid document solicitation of projects on City's BidNet Website. The City adheres to several Public Works guidelines listed in the City of Hanford Municipal Code Chapter 2.50 Public Works Projects.

1. ADHERENCE TO PUBLIC WORKS RULES AND REGULATIONS

The City of Hanford adheres to the California Uniform Construction Cost Accounting Act, California Uniform Public Construction Cost Accounting Act and Public Contract Code (PCC) Sections 22001 and 22030.

2. PREVAILING WAGES RATES REQUIREMENT

There exists California Labor codes established by the Department of Industrial Relations (DIR) requiring Awarding bodies to pay prevailing wage rates to contractors. Our City is required to pay prevailing wage rates to contractors. Contractors, vendors or consultants are responsible for including prevailing wage rates in their quotes, estimates, bids and proposals. The State monitors that contractors are paying appropriate labor wages. Wage determination rates are available to any City employee by visiting the Department of Industrial Relations for the State of California.

A. City departments are advised to ensure prevailing wage rates are included in quotes and bids for public works projects consisting of new construction, alteration, installation demolition, maintenance or repairs. If costs for the work performed is $1,000 dollars and above, prevailing wages must be included in vendor quotes and bids.

B. Projects that meet thresholds will be required to be registered with the Department of Industrial Relations (DIR) online system. Purchasing may reach out to departments to assist in obtaining project information.
   - $25,000 threshold for new construction, alteration, installation, demolition and repair projects.
   - $15,000 threshold for various maintenance projects include minor repainting, resurfacing streets and highways at less than one inch.
   - Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation, sprinkler systems and disking services.
   - Work performed to keep, operate and maintain publicly owned buildings, structures and ground facilities.

3. CALIFORNIA UNIFORM COST ACCOUNTING BID REQUIREMENTS

A. If a project is estimated to be $0.00 to
$~~60~~75,000: Work can be done by City Forces.
Receive proposals from a minimum of 3 contractors.
Work may be negotiated with the contractor or paid by Purchase Order.

B. If project is estimated to be $~~60~~75,001 to $2~~0~~0,000:
May use Informal Bidding procedures which do not require advertising.
Send proposal requests, Notice to Contractors, to contractors on the list that are within the work category.
Send plans and specifications to Exchanges and Plan Houses and post them online.
Three weeks minimum advertisement – four weeks preferred.

C. If the project is $2~~2000~~,00~~01~~ and above:
Must follow Formal bidding procedures.
Advertise in newspaper two (2) times. First advertisement at least 30 days prior to bid opening – second advertisement at least 14 days prior to bid opening.
Send plans and specifications to Exchanges and Plan Houses and post online.
Four weeks minimum advertisement – five weeks preferred.

P. GENERAL FEDERAL PROCUREMENT GUIDELINES

All grant procurement and related expenditures must adhere to the procurement guidelines found in the Code of Federal Regulations (C.F.R.) Title 2-Grants and Agreements, Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards. Such procurement standards in the Uniform Guidance (UG) are covered in paragraphs 200.317 to 200.327. All City agreements, which expend federal grand award funds, must adhere to Part 200, which outlines contract provisions to be included in agreements expending federal awards.

1. FEDERAL GRANT PROCUREMENT STANDARDS

A. Departments are to fully comply with all procurement requirements found at 2 CFR 200.318 through 2 CFR 200.327. The regulations require that procurement activities be performed in an equitable and competitive manner to promote equal treatment, efficiency, and economy in federal grant activities. To ensure objective contractor performance and eliminate an unfair competitive advantage, contractors must be excluded from competing for such procurements if they develop or draft grant applications or contract specifications, requirements, statements of work, invitations for bids, and/or requests for proposals. No City department is exempt from these requirements per the Code of Federal Regulations (CFR).

B. Departments are subject to the following procurement requirements when utilizing Federal Funds for purchase of goods and services, however, the requirements are only summarized and do not cover the entire Uniform Guidance published here at www.ecfr.gov under CFR 200. It is the responsibility of the grantee/department to ensure they follow the guidelines to avoid suspension or revocation of Federal assistance. The Uniform Guidance, or 2 CFR 200, sets strict requirements around procurement and guarding against conflicts of interest that can occur when purchasing goods and services under federally funded grants and contracts.

2. FEDERAL PROCUREMENT METHOD AND THRESHOLDS

The methods departments must follow are outlined in 2 CFR 200.320, 200.317, 200.318, and 200.319. These regulations mandate the following thresholds related to procurement activities with Federal Grant funds.

A. Micro-Purchase Method
Transactions where the aggregate dollar amount does not exceed the amount fixed by the Government Publishing Office (GPO), set to $10,000. To the extent practical, the department must distribute these purchases equitably among qualified suppliers. Micro-purchases may be made with Management approval and with or without a competitive process. May be awarded without soliciting competitive price or rate quotations.

B. Simplified Acquisition Method
Transactions for goods or services where the aggregate dollar amount is higher than the FAR micro-purchase threshold but does not exceed the simplified acquisition, which is currently $250,000,

requires an informal bidding process with price or rate quotations or proposals solicited from at least three (3) contractors, sources or qualified offers.

C. Sealed Bids (Typically Construction Projects) And Competitive Proposals.
Transactions that exceed $250,000, require formal procedures, must be publicized, identify all evaluation factors and their relative importance and the award to the lowest responsive and responsible vendor/contractor shall be made by the City Council with the recommendation from the department overseer of the project or the Purchasing Manager.

D. Noncompetitive Proposals:
Also known as sole-source procurement, this may be appropriate only when specific criteria are met, and the Purchasing Manager or Finance Director approves. Applicable circumstances are:

- The acquisition of property, goods, and services, the aggregate dollar amount of which does not exceed the micro purchase threshold.
- The item is available only from a single source.
- The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation.
- The federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the City.
- The competition is determined inadequate after two (2) failed solicitations, failed contracts with a number of contractors, or lack of resources or qualified offers.

CITY OF HANFORD CITY COUNCIL
STAFF REPORT

MEETING DATE: December 16, 2025

PROJECT: **Annexation165:** a request to annex approximately 141.85 acres into the City of Hanford City Limits from the Kings County Jurisdiction. The annexation area is a combination of the Project Site (83.61 acres) and an area to the north, not proposed to be developed at this time (58.24 acres).

General Plan Amendment No. 0009-24: a request to change the land use designation from a combination of Low- and Medium-Density Residential to Medium-Density Residential (78.16 acres) and Neighborhood Mixed Use (5.45 acres) for 83.61 acres of the project site.

Prezone No. 0013-24: a request to prezone the properties as a R-M Medium-Density Residential (78.16 acres) and MX-N Neighborhood Mixed Use (5.45 acres), consistent with the proposed General Plan Amendment and R-L-5 Low-Density Residential (51.92 acres) and C-N Neighborhood Commercial (6.32 acres), consistent with the General Plan Designation.

Tentative Subdivision Map 00012-24: a request to subdivide 83.61 acres of the annexation area into a 650-unit multi-family (300 units) and single-family (350 units) residential subdivision and a 5.45-acre Neighborhood Mixed Use site with a planned unit development overlay.

Planned Unit Development No. 0037-24: a request to allow various deviations from the regulation of the R-M Medium-Density Residential zone district for the mixed use subdivision, proposed under Tentative Tract 945, including reduced lot size, lot width, lot depth, site area per dwelling unit requirements, setbacks, open space dimensions, and allow removal of the block wall requirement between MX-N Neighborhood Mixed Use and R-M Medium-Density Residential.

Mitigated Negative Declaration No. 2025-73 (SCH #2024121093): a request to certify that the project will have a less than significant adverse impacts on the environment with the incorporation of mitigation measures

LOCATION: The Project site is located north of Grangeville Boulevard and east of 9 ¼ Avenue. The development site includes two parcels, comprising 83.61 acres (APNs 014-143-069 and 014-143-078). The additional Annexation Area encompasses 58.24 acres (APNs 014-143-022, 014-830-011, 014-830-010, 014-830-013, 014-830-014, 014-830-015, 014-830-016, 014-830-017, 014-830-018).

PLANNER: Gabrielle Myers, Principal Planner

STAFF RECOMMENDATION

Environmental:

1. Certify Mitigated Negative Declaration No. 2025-73 (SCH# 2024121093) for the project.

Annexation:

2. Adopt Resolution No. 25-68-R, initiating proceedings for Annexation No. 165 and direct staff to file the appropriate application with the Local Agency Formation Commission (LAFCO) of Kings County.

General Plan Amendment:

3. Adopt Resolution No. 25-69-R, approving General Plan Amendment No. 0009-24.

Pre-Zone:

4. Introduce and waive the first reading of Ordinance No. 25-13, approving Prezone No. 0013-24.

Tentative Subdivision Map:

5. Adopt Resolution No. 25-70-R, approving Tentative Subdivision No. 0012-24 (TT 945).

Planned Unit Development:

6. Adopt Resolution No. 25-71-R, approving Planned Unit Development No. 0037-24.

RECOMMENDED MOTIONS

Environmental:

1. I move to certify Mitigated Negative Declaration No. 2025-73 (SCH# 2024121093) for the project.

Annexation:

2. I move to adopt Resolution No. 25-68-R, initiating proceedings for Annexation No. 165 and direct staff to file the appropriate application with the Local Agency Formation Commission (LAFCO) of Kings County.

General Plan Amendment:

3. I move to adopt Resolution No. 25-69-R, approving General Plan Amendment No. 0009-24.

Pre-Zone:

4. I move to introduce and waive the first reading of Ordinance No. 25-13, approving Prezone No. 0013-24.

Tentative Subdivision Map:

5. I move to adopt Resolution No. 25-70-R, approving Tentative Subdivision No. 0012-24 (TT 945).

Planned Unit Development:

6. I move to adopt Resolution No. 25-71-R, approving Planned Unit Development No. 0037-24.

PROJECT DESCRIPTION

The proposed Project consists of the annexation of 141.85 acres for the proposed development of a 650-unit multi-family (300 units) and single-family (350 units) residential subdivision and a 5.45-acre Neighborhood Mixed Use site on approximately 83.61 acres of the annexation area proposed to be developed over 5 phases.

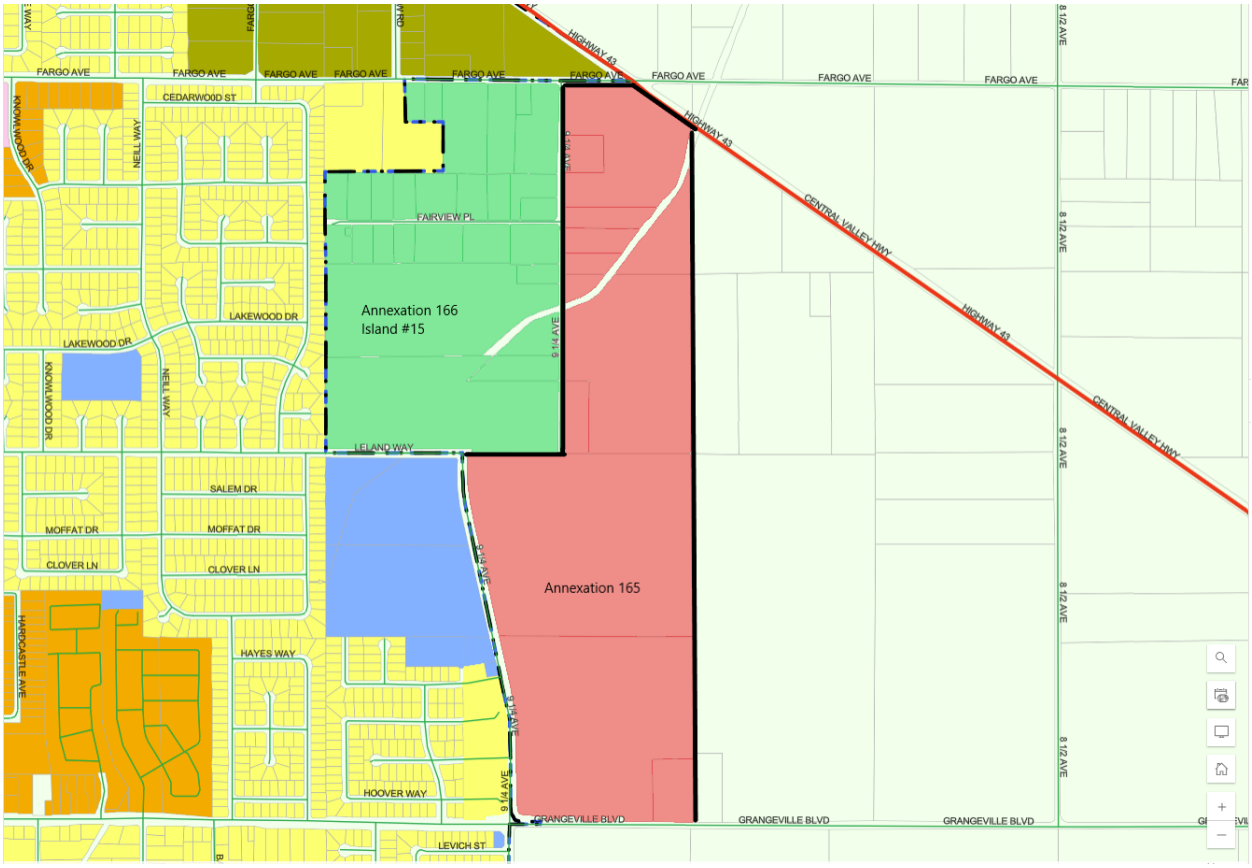
Annexation 165

Annexation 165 is a request to annex approximately 141.85 acres into the City of Hanford City Limits from the Kings County Jurisdiction. The annexation area is a combination of the Project Site (83.61 acres) and an area to the north, not proposed to be developed at this time (58.24 acres). See Figure 1 and **Attachment 1.**

Williamson Act Contract

The property located at APN 014-143-078 is in a Williamson Act Contract that has been protested by the City. The city will not "succeed" the contract for the property that was protested and the contract will be terminated upon annexation.

Figure 1:
Proposed Annexation Area
(shown in red; prior annexation effort 166, shown in green)



General Plan Amendment No. 0009-24

General Plan Amendment No. 0009-24 is a request to change the land use designation from a combination of Low- and Medium-Density Residential to Medium-Density Residential (78.16 acres) and Neighborhood Mixed Use (5.45 acres) for 83.61 acres of the project site.

Figure 2: Existing General Plan Designation
(project site outlined in red)

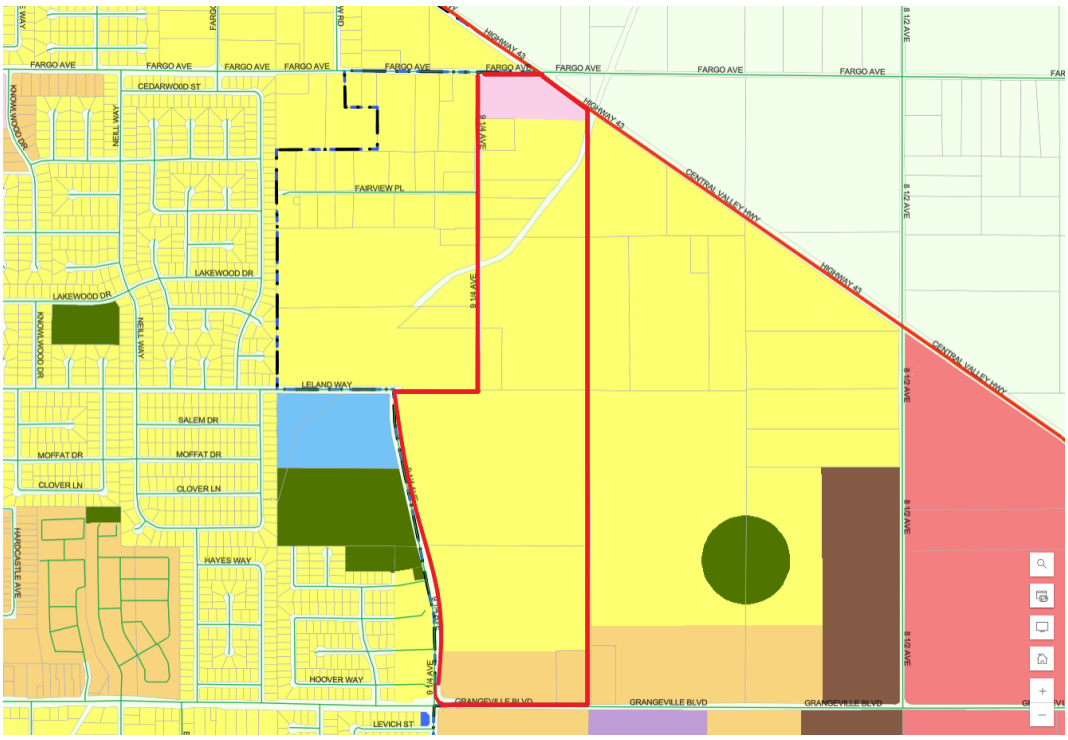
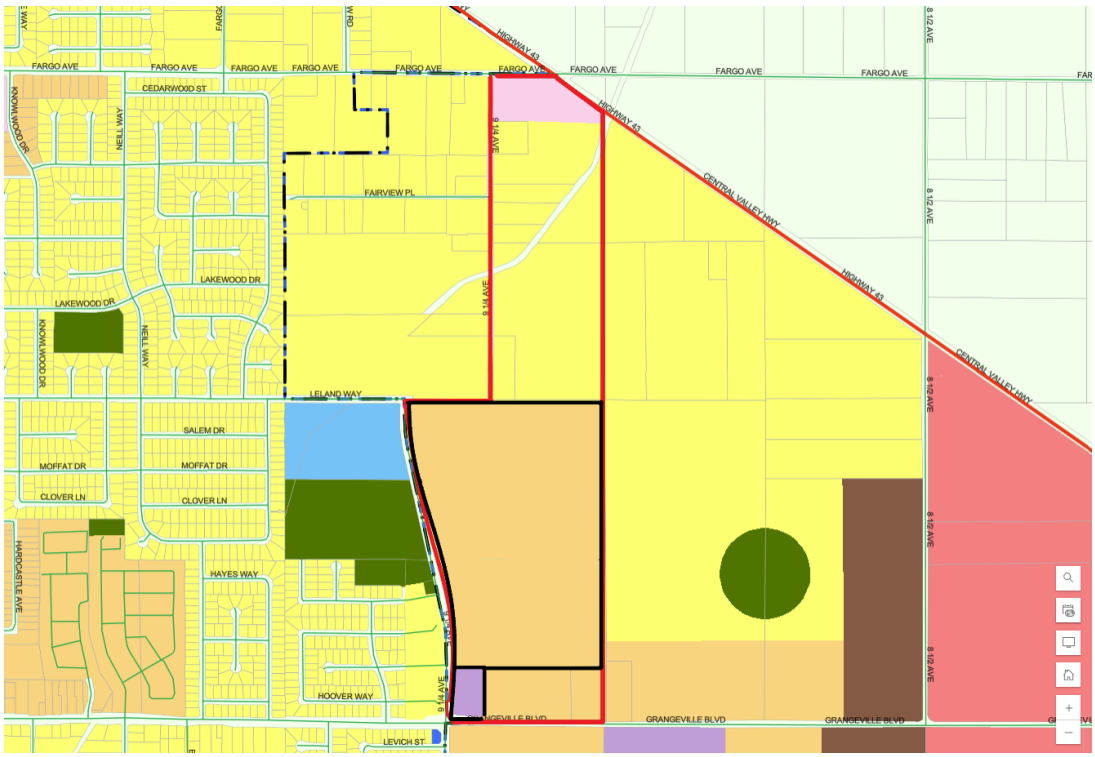


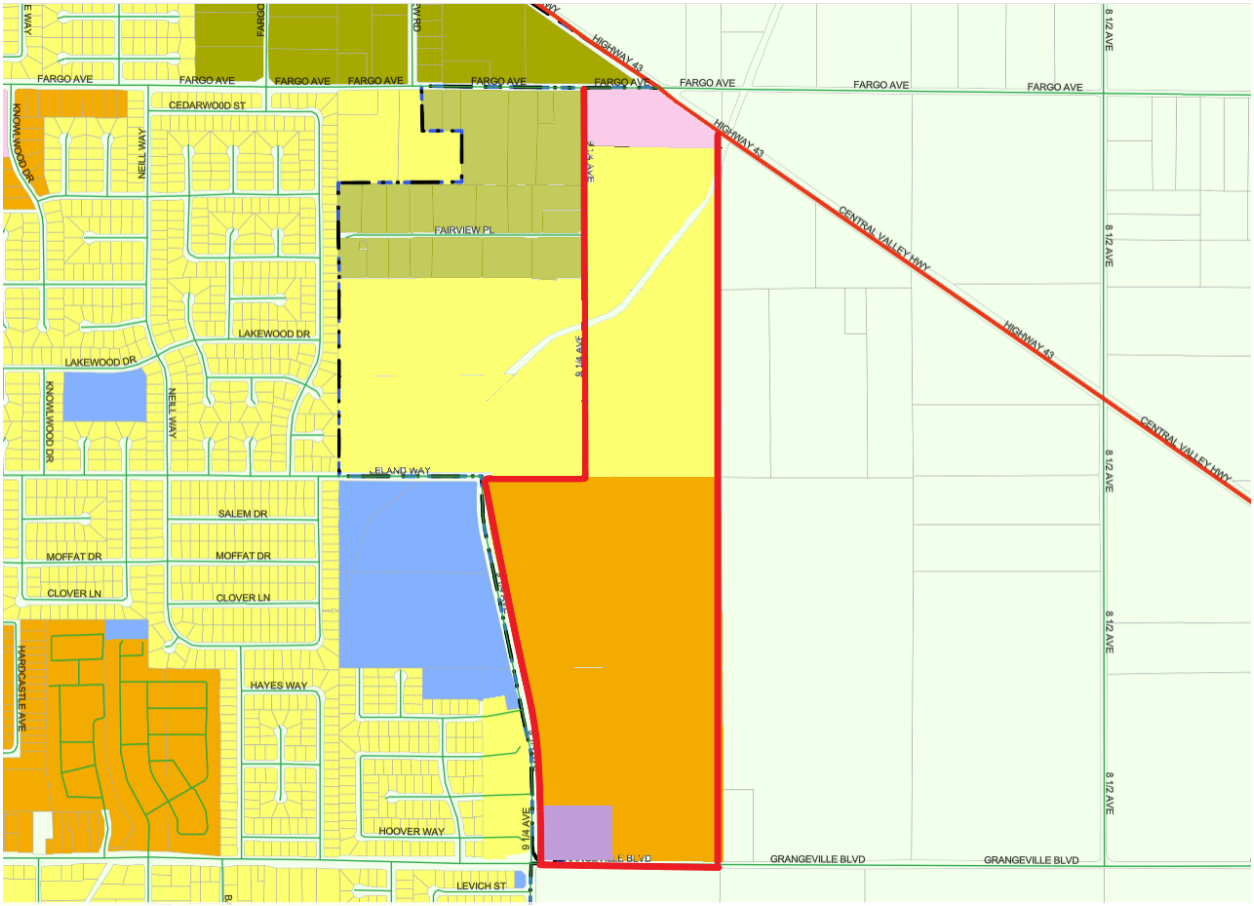
Figure 3: Proposed General Plan Amendment
(project site shown in red; area changed outlined in bold)



Prezone No. 0013-24

Prezone No. 0013-24 is a request to prezone the properties as a R-M Medium-Density Residential (78.16 acres) and MX-N Neighborhood Mixed Use (5.45 acres), consistent with the proposed General Plan Amendment and R-L-5 Low-Density Residential (51.92 acres) and C-N Neighborhood Commercial (6.32 acres), consistent with the General Plan Designation.

Figure 4: Prezone No. 0013-24
(project site outlined in red)

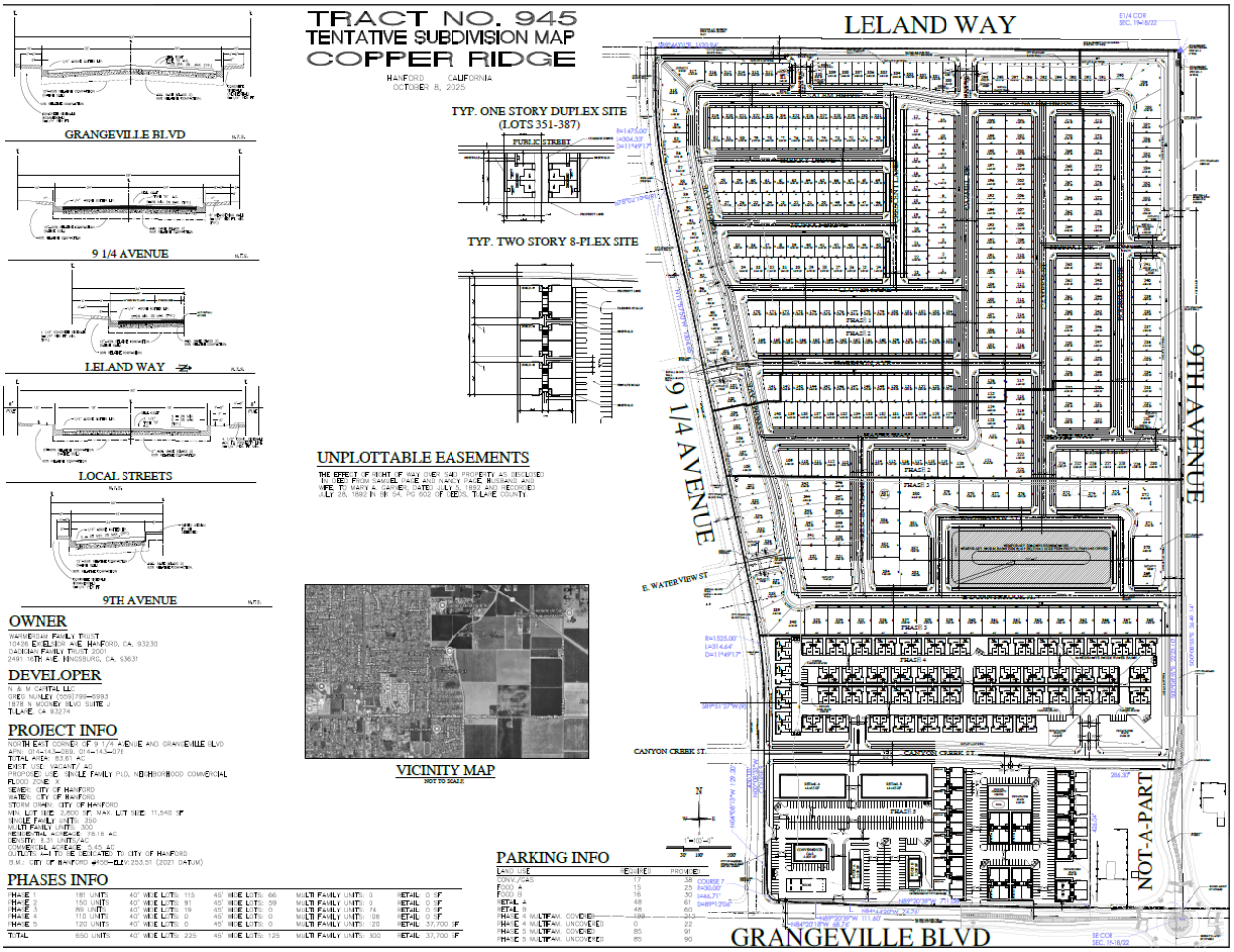


Tentative Subdivision Map 00012-24 (TT 945)

Tentative Subdivision Map No. 00012-24, also known as TT 945 or Copper Ridge, is a request to subdivide 83.61 acres of the annexation area into a 650-unit multi-family (300 units) and single-family (350 units) residential subdivision and a 5.45-acre Neighborhood Mixed Use site.

Vesting Tentative Tract 945 – Attached as **Attachment 2.**

Figure 5: Subdivision Map



Planned Unit Development No. 0037-24

Planned Unit Development No. 0037-24 is a request to allow various deviations from the regulations of the R-M Medium-Density Residential zone district for the residential subdivision, proposed under TT 945, including reduced lot size, lot width, lot depth, and setbacks allowance and allow removal of the block wall requirement between MX-N Neighborhood Mixed Use and R-M Medium-Density Residential.

The requests for deviations are as follows:

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet

	corner lots, except as prescribed in Section 17.10.100.	
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.
§ 17.24.130 Screening, fences, and walls.	A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.	Deviation request to remove the block wall requirement between the MX-N and R-M zone district to allow for integration and mixed uses between sites.

Surrounding Uses

Direction	Existing Land Use	General Plan Designation	Zone District
North	Large-lot single-family residential	Low-Density Residential	R-L-12 Low-Density Residential
South	Vacant and large-lot single-family residential	Medium-Density Residential; Single-Family Residential; Neighborhood Mixed Use	County AL-10
East	Single-family residences	Low-Density Residential; Medium-Density Residential	County AL-10
West	School site; park space; single-family residential	Low-Density Residential, Open Space, Public Facilities	R-L-5 Low-Density Residential, PF Public Facility

Access and Circulation

Vehicular access to the site is proposed to be provided on Grangeville Boulevard and 9 ¼ Avenue for the commercial portion of the site. The low-rise apartments will have primary access to Grangeville Boulevard. The single-family residential portions of the site will be accessed from 9th, 9 ¼ and Leland Avenues, as well as interior local roads.

Utilities

The proposed Project would result in new water services connecting to.an existing City water line located in 9¼ Avenue adjacent to the Project. Sewer service will be provided from an existing main trunk line located in 9th Avenue, south of the Project. Storm drain services will be provided by a permanent storm basin that will be located onsite. Southern California Edison provides electric service to the City. Natural gas service is primarily provided by the Southern California Gas Company. There are three major companies that provide communications services: AT&T, Sprint, and Verizon. Comcast is the primary cable television and internet provider in Kings County. With the Project, new service for all utilities will be constructed into the proposed subdivision.

PROJECT HISTORY AND CHANGES

October 14, 2025 Planning Commission Hearing

The project was presented to the Planning Commission on October 14, 2025. Following staff's presentation, the City Attorney voiced concerns related to the adequacy of the environmental document. At the request of the Planning Commission, the item was continued to November 25, 2025 in order to allow time for staff, the City Attorney, and applicant to review the environmental document and address the deficiencies identified.

Prior to the request to continue, during the public comment portion of the public hearing, two spoke in favor of the project, including Greg Nunley (project applicant) and Melody Haigh (Lennar representative).

One issue raised by the City Attorney on October 14's Planning Commission meeting was regarding the requirement for Ag. Mitigation. Staff conducted a thorough review of the General Plan EIR for the 2035 General Plan, as well as the EIR for the 2002 General Plan. The 2002 General Plan EIR was evaluated because under that General Plan, the conversion from agricultural to urban uses was originally contemplated.

The Agricultural Analysis is attached, **Attachment 7.** The analysis concludes that the 2002 GP EIR evaluated the conversion of farmland, including the Copper Ridge property, and did not identify mitigation.

Following thorough review of the document and supporting reference material by staff and amendments made to the environmental document by the applicant's environmental consultant, the updated document has been determined to be sufficient by staff. The Planning Commission concurred with staff's recommendation and recommended certification of Mitigated Negative Declaration No. 2025-73 (SCH# 2024121093) for the project to the City Council at their November 25, 2025 Planning Commission meeting.

In accordance with Section 15073.5 of the California Environmental Quality Act (CEQA) guidelines, the conditions requiring recirculation are not warranted, as the changes and new information within the environmental document are meant to clarify, addressing the concerns raised.

15073.5. RECIRCULATION OF A NEGATIVE DECLARATION PRIOR TO ADOPTION.

(a) A lead agency is required to recirculate a negative declaration when the document must be substantially revised after public notice of its availability has previously been given pursuant to Section 15072, but prior to its adoption. Notice of recirculation shall comply with Sections 15072 and 15073.

(b) A "substantial revision" of the negative declaration shall mean:

(1) A new, avoidable significant effect is identified and mitigation measures or project revisions must be added in order to reduce the effect to insignificance, or; new, avoidable significant effects will not be identified, and mitigation measures will not be added in order to reduce the effect to insignificance

(2) The lead agency determines that the proposed mitigation measures or project revisions will not reduce potential effects to less than significance and new measures or revisions must be required.

Analysis: New mitigation measures are not required from the project revisions

(c) Recirculation is not required under the following circumstances:

(1) Mitigation measures are replaced with equal or more effective measures pursuant to Section 15074.1.

(2) New project revisions are added in response to written or verbal comments on the project's effects identified in the proposed negative declaration which are not new avoidable significant effects.

(3) Measures or conditions of project approval are added after circulation of the negative declaration which are not required by CEQA, which do not create new significant environmental effects and are not necessary to mitigate an avoidable significant effect.

(4) New information is added to the negative declaration which merely clarifies, amplifies, or makes insignificant modifications to the negative declaration.

(d) If during the negative declaration process there is substantial evidence in light of the whole record, before the lead agency that the project, as revised, may have a significant effect on the environment which cannot be mitigated or avoided, the lead agency shall prepare a draft EIR and certify a final EIR prior to approving the project. It shall circulate the draft EIR for consultation and review pursuant to Sections 15086 and 15087, and advise reviewers in writing that a proposed negative declaration had previously been circulated for the project.

Attachment 6 reflects the updated initial study.

The changes to the initial study include:

1. Addition of information pertaining to the annexation area north of the Project Site, citing the requirement of future development to be developed consistent with the General Plan

designation and the requirement for future review upon application for the physical development.

2. Additional information included to extrapolate upon the VMT analysis conducted for the project.

3. Removal of the conceptual gas station from the environmental document and subdivision map.

   The gas station previously shown was conceptual and able to be screened from VMT review. The gas station has since been removed and staff has amended the conditions of approvals to include a requirement that limits the commercial portion of the site's development to less than 55,000 sq. ft., in order to limit VMT impacts from the project and remain screened. Commercial development of the project site over 55,000 square feet will require further VMT analysis.

November 25, 2025 Planning Commission Hearing

During the continued public hearing for the item, staff addressed the project changes identified above and recommended approval of the various items to the City Council. The Planning Commission voted 4,0 to:

1. Recommend certification of Mitigated Negative Declaration No. 2025-73 (SCH# 2024121093) for the project to the City Council.

2. Find that the proposed Annexation No. 165 is consistent with the Hanford General Plan Policies L15 and L17 and forward Annexation No. 165 to the City Council, with a recommendation that an application be made to the Local Agency Formation Commission (LAFCO) of Kings County.

3. Adopt Resolution No. 2025-30, recommending approval of General Plan Amendment No. 0009-24 to the City Council.

4. Adopt Resolution No. 2025-31, recommending approval Prezone No. 0013-24 to the City Council.

5. Adopt Resolution No. 2025-32, recommending approval of Tentative Subdivision No. 0012-24 (TT 945) to the City Council

6. Adopt Resolution No. 2025-33, recommending approval of Planned Unit Development No. 0037-24 to the City Council.

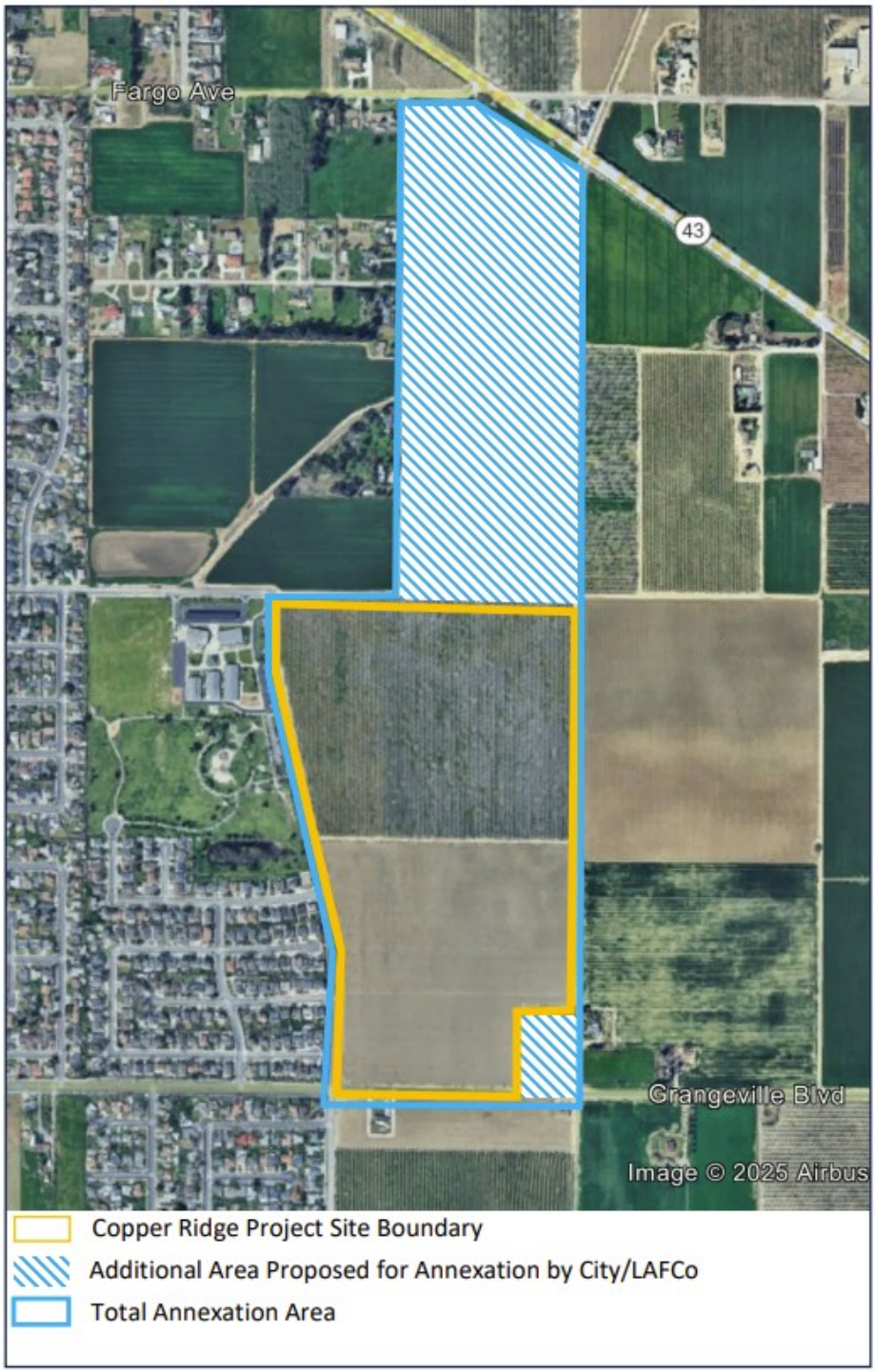
BACKGROUND INFORMATION

Project Location

The Project site is located north of Grangeville Boulevard and east of 9 ¼ Avenue. The development site includes two parcels, comprising 83.61 acres (APNs 014-143-069 and 014-143-078). The

additional Annexation Area encompasses 58.24 acres (APNs 014-143-022, 014-830-011, 014-830-010, 014-830-013, 014-830-014, 014-830-015, 014-830-016, 014-830-017, 014-830-018)

Figure 6: Project Location



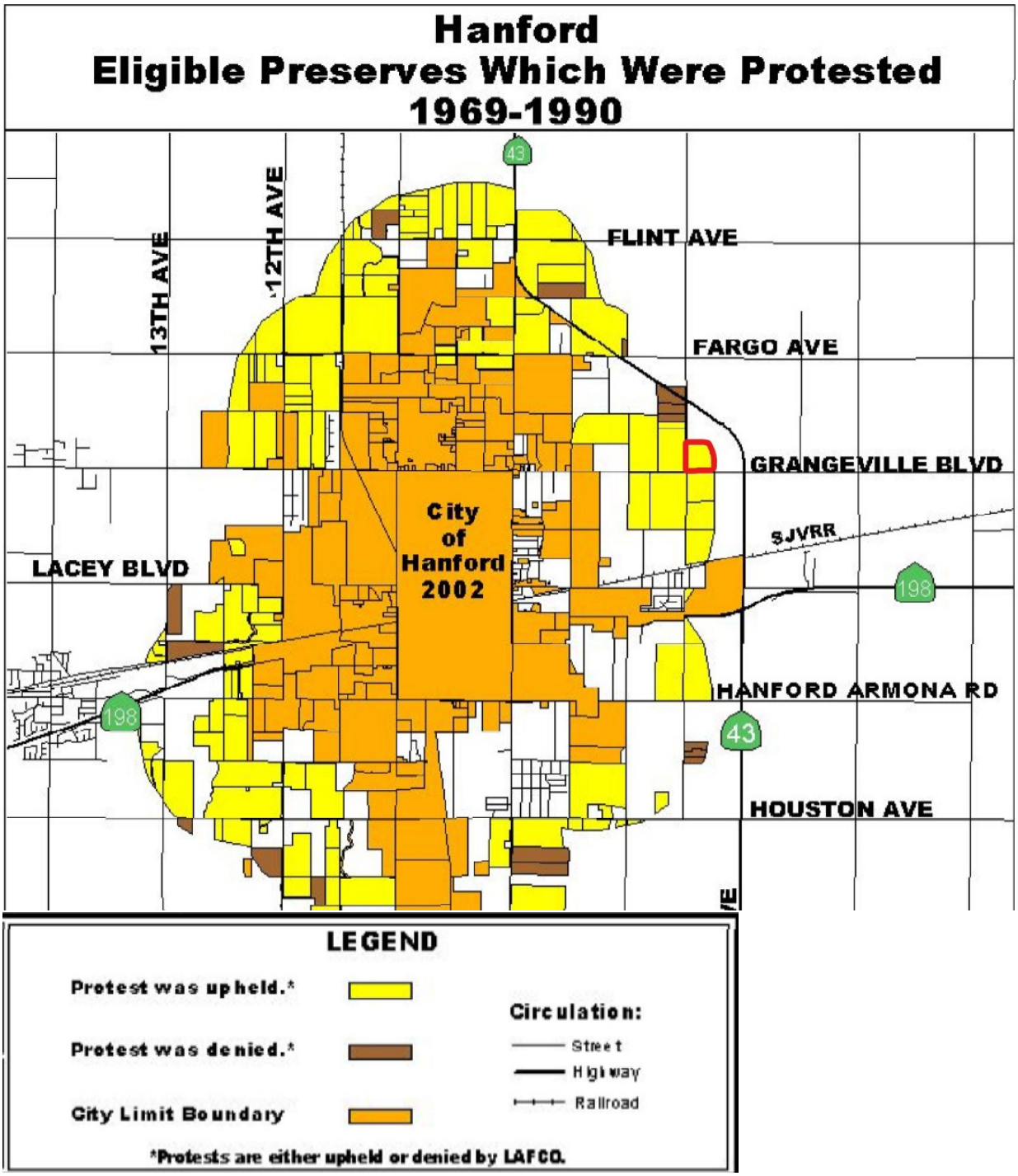
Existing Land Use

The annexation area includes seven large-lot single-family residences, land use for agriculture, and vacant land.

Williamson Act Contract

The property located at APN 014-143-078 (outlined in red) is in a Williamson Act Contract that has been protested by the City. The city will not "succeed" the contract for the property that was protested and the contract will be terminated upon annexation.

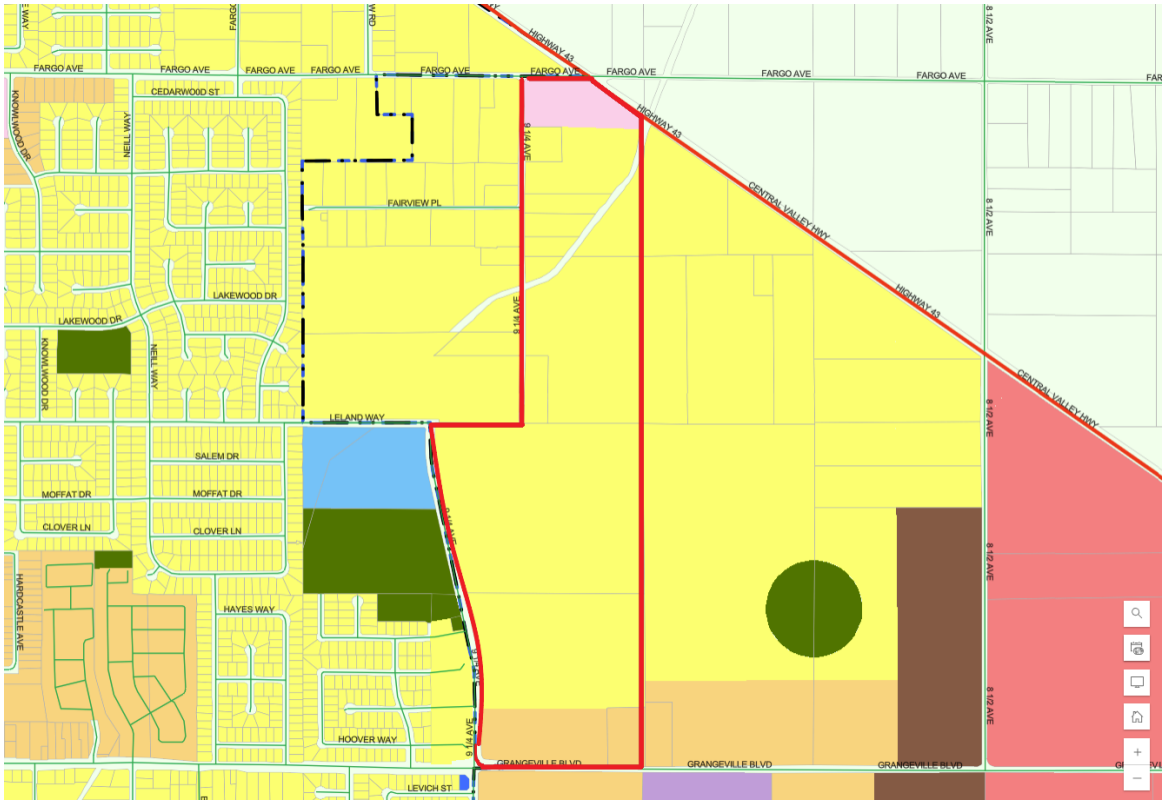
Figure 7



General Plan and Zoning Designation

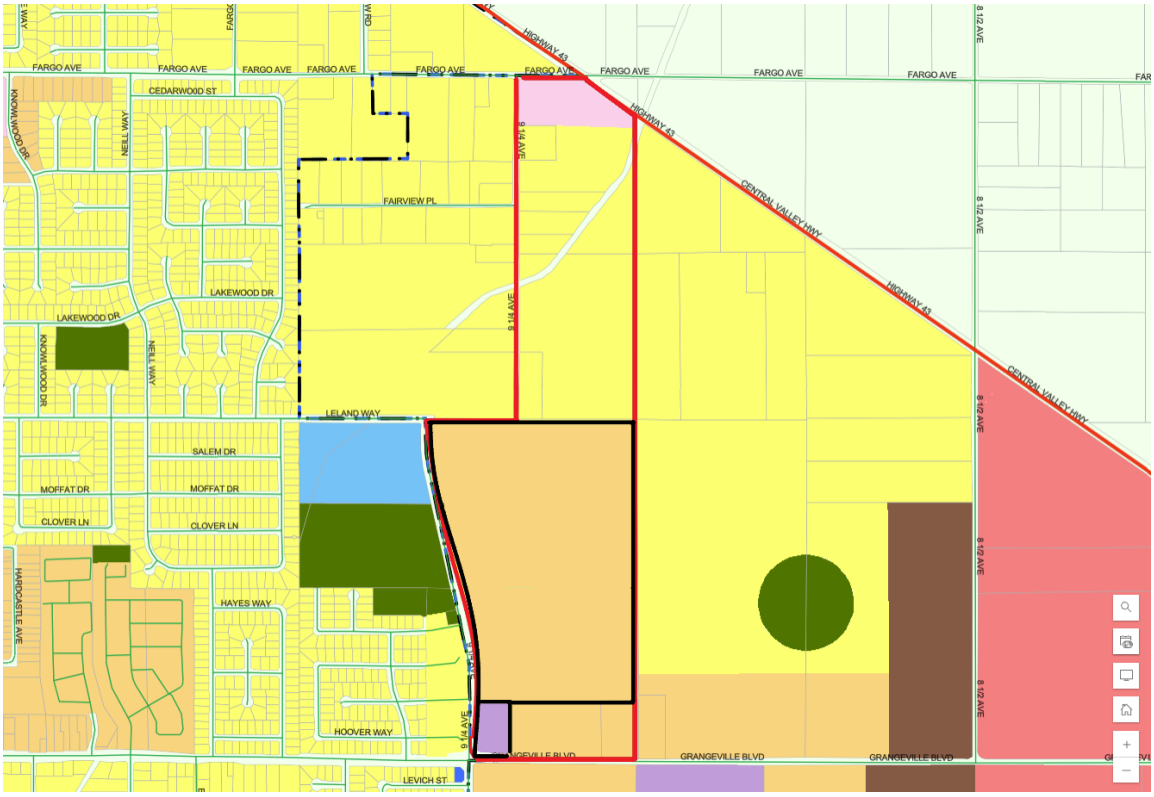
The land is presently designated by the General Plan as a combination of Low-Density Residential, Medium-Density Residential, and Neighborhood Commercial.

Figure 8A: Existing General Plan Designation
(project site outlined in red)



General Plan Amendment No. 0009-24 is a request to change the General Plan Designation for the development project site from Low- and Medium-Density Residential to Medium-Density Residential and Neighborhood Mixed Use.

Figure 8B: Proposed General Plan Amendment
(project site shown in red; area changed outlined in bold)



3.4.1 Low Density Residential

The expected density range for Low Density Residential is 2 to 10 units per gross acre with an expected average of 4 units per gross acre.

Policy L31 Purpose of the Low Density Residential Land Use Designation

Establish the Low Density Residential land use designation to provide mainly single family development on lot sizes typically found in urban settings.

Policy L32 Typical Uses in the Low Density Residential Land Use Designation

Define the uses allowed in the Low Density Residential land use designation to include residential uses in a variety of single-family lot types. Duplexes, second dwelling units, and home occupations can also be allowed when made compatible with the residential nature of the neighborhood.

Policy L33 Size of Lots in the Low Density Residential Land Use Designation

While it is recognized that existing lot sizes of 10,000 to 40,000 square feet are included in this designation, new individual lot sizes shall range from 5,000 to 10,000 square feet in size. Under

Planned Unit Development provisions, smaller lot sizes at higher densities may be permitted when clustered around shared open space amenities or through density bonus policies.

Analysis: The Low-Density Residential designation will be maintained for the northern portion of the annexation area, where development is not taking place. The existing large-lot single-family residences within the annexation area are consistent with the Low-Density Residential land use designation.

3.5.1 Neighborhood Commercial

Policy L42 Purpose of Neighborhood Commercial Land Use Designation

Establish the Neighborhood Commercial land use designation to provide convenience commercial and neighborhood shopping centers serving a localized market that provide a range of necessary day-to-day retail goods and services.

Policy L43 Typical Uses in Neighborhood Commercial Land Use Designation

Define the uses allowed in the Neighborhood Commercial land use designation to include businesses providing day-to-day goods and services for the surrounding and nearby residential neighborhood. Uses that would primarily serve a citywide or regional market area shall not be allowed. Typical uses include markets, small retail shops, eating establishments, service stations, convenience stores, dry cleaning and laundry services, beauty salons, and other similar uses.

Policy L44 Design of Neighborhood Commercial Land Use Designation

Require that new development projects and major site reconfigurations in the Neighborhood Commercial land use designation layout buildings and parking as a single, integrated shopping center with shared driveway access and parking, with walkways connecting buildings to each other and the street so as to promote pedestrian accessibility from nearby residential neighborhoods.

Policy L45 Location and Size of Neighborhood Commercial Land Use Designation

Locate Neighborhood Commercial land use designations on 3 to 10 acres at roughly one-mile intervals on one corner of an intersection of an arterial street and an arterial or collector street.

Policy L46 Anchor Tenants in Neighborhood Commercial Land Use Designation

Limit the total gross building square footage of the anchor tenant, such as a supermarket, in the Neighborhood Commercial land use designation to not exceed 55,000 square feet, and also to not exceed 50% of the shopping center's gross building square footage.

Analysis: The Neighborhood Commercial designation is located at the southwest intersection of Fargo Avenue and Highway 43 within the annexation area. At this time, the area is not proposed to be developed.

3.4.2 Medium Density Residential

The expected density range for Medium Density Residential is 7 to 20 units per gross acre with an expected typical density of 9 units per gross acre. 20 units per gross acre may be achieved with density bonuses and conditional use permits.

Analysis: The southern portion of the annexation area, considered the development project area, is proposed to be developed, as shown in Tentative Tract 945, which proposes to subdivide 78.16 acres into 350 single-family residences and 300 multi-family residences, for a combined total of 650 units, with an estimated 8.31 units per acre. The expected density range is achieved through the development proposed in Tentative Tract 945.

Policy L34 Purpose of the Medium Density Residential Land Use Designation

Establish the Medium Density Residential land use designation to include residential uses such as duplexes, triplexes, fourplexes, townhomes, and lower density apartment complexes, as well as non-traditional, smaller single-family lots with designs such as zero lot lines, patio homes, and townhomes with lot sizes ranging from 4,500 to 7,500 square feet for single family developments. It is intended that development be conveniently serviced by neighborhood commercial and recreational facilities and have access to major collector or arterial streets.

Analysis: The southern area of the annexation area, considered the development project area, is proposed to be developed, as shown in Tentative tract 945, which proposes non-traditional smaller, single-family lots, one-story duplexes, and a two-story apartment complex. The development proposed through Tentative Tract 945 is consistent with the purpose of the medium-density residential land use.

Policy L35 Typical Uses in the Medium Density Residential Land Use Designation

Define the uses allowed in the Medium Density Residential land use designation to include residential uses such as duplexes, triplexes, fourplexes, townhomes, and lower density apartment complexes, as well as non-traditional, smaller single-family lots. It is intended that development be conveniently serviced by neighborhood commercial and recreational facilities and have access to major collector or arterial streets.

Analysis: The southern area of the annexation area, considered the development project area, is proposed to be developed, as shown in Tentative tract 945, which proposes non-traditional smaller, single-family lots, one-story duplexes, and a two-story apartment complex. The development will be conveniently serviced by neighborhood commercial on the southwest corner of the project site, be located across the street from Freedom Park and the future Heroes Park and have access to Grangeville Boulevard and 9th Avenue (arterials) and 9 ¼ and Leland Avenues (collectors). The development proposed through Tentative Tract 945 is consistent with the typical uses in the medium-density residential land use designation.

Policy L36 Design of the Medium Residential Land Use Designation

Develop and enforce design policies and/or ordinances for Medium Density Residential developments that ensure high quality construction, design, open space amenities, safety and security, and overall compatibility with the rest of the neighborhood.

Analysis: The development proposed under Tentative Tract 945 and Planned Unit Development No. 0037-24 will be developed consistently with the regulations set forth in Section 17.12 of the Hanford Municipal Code, except where deviation is proposed through the PUD.

Policy L37 Location and Size of the Medium Density Residential Land Use Designation

Locate the Medium Density Residential land use designation in and around the residential portions of Hanford's original townsite and in existing and new neighborhoods where there is direct access to major streets. The minimum area designated in a single location shall be three (3) acres.

Analysis: The designation will be located with between Grangeville and Leland Avenues, and between 9th and 9 ¼ Avenues, which are considered major streets. The designation will be 78.16 acres.

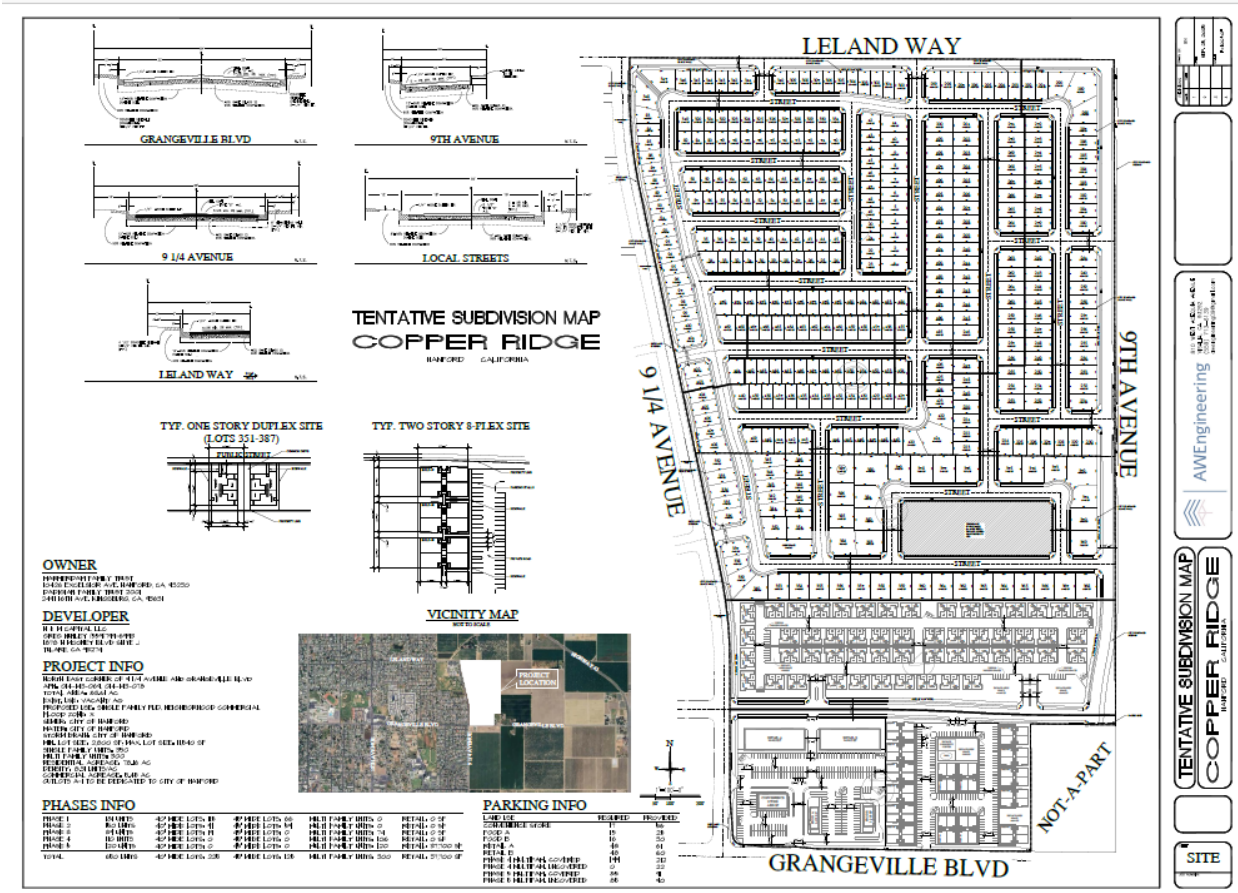
3.6.1 Neighborhood Mixed Use

Policy L60 Purpose of Neighborhood Mixed Use Land Use Designation

Establish the Neighborhood Mixed Use land use designation to promote mixed-use commercial and multi-family residential areas that allow walking to and between the mix of uses. New development may be oriented towards an existing public street or a new street or civic space within the development site.

Analysis: The designation is proposed to be developed as shown in Tentative Tract 945, which promotes mixed-use commercial with surrounding multi-family residential, including the ability to walk in between the mix of uses. The development proposed is oriented towards the public street, Grangeville Boulevard and 9 ¼ Avenue.

Figure 9: Horizontal Mixed Use Integration



Policy L61 Typical Uses in Neighborhood Mixed Use Land Use Designation

Define the uses allowed in the Neighborhood Mixed Use land use designation to include multi-family dwellings along with businesses providing day-to-day goods and services for the surrounding and nearby residential neighborhoods. Commercial uses that would primarily serve a citywide or regional market area shall not be allowed. Typical uses include duplexes, townhomes, apartments, markets, small retail shops, eating establishments, service stations, convenience stores, dry cleaning and laundry services, beauty salons, and other similar uses. Both vertical and horizontal mixed-use developments are encouraged.

Analysis: Although conceptual, the anticipated uses of the Neighborhood Mixed Use designation proposed through Tentative Tract 945 for the project site include a convenience store, fast food establishments, and two retail spaces, which will be limited to the uses permitted in MX-N Neighborhood Mixed Use. Horizontal mixed use is achieved through the blending with the proposed Medium-Density Residential designation where duplexes and multi-family apartments are proposed.

Policy L62 Design of Neighborhood Mixed Use Land Use Designation

Require that new development projects and major site reconfigurations in the Neighborhood Mixed Use land use designation provide site layouts, buildings, landscaping, walkways, and signage that

are oriented primarily to the pedestrian. Require pedestrian access between residential and commercial uses and prohibit parking areas, walls, and landscaping in locations on the site that block or hinder pedestrian access. The maximum residential density permitted in a horizontal mixed use development is fifteen (15) dwelling units per acre.

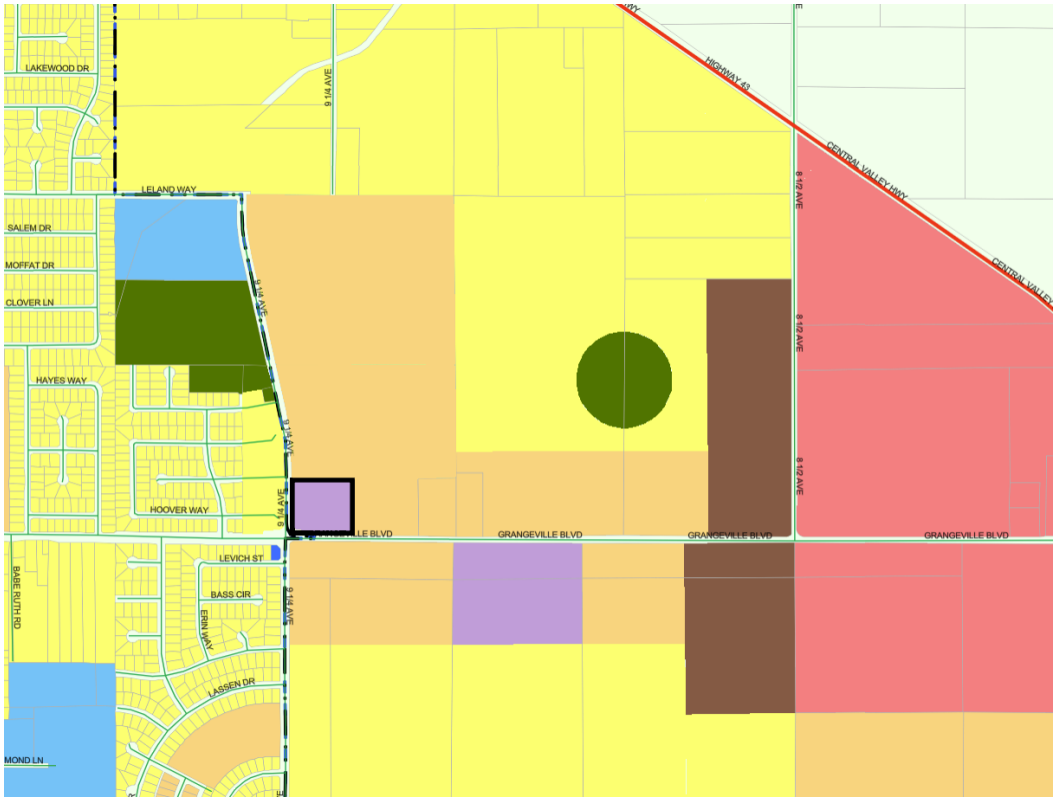
Analysis: Although conceptual, the designation is proposed to be integrated with the Medium-Density Residential land use through walkways and sidewalks, providing pedestrian access between the sites. Pathways between the Neighborhood Mixed Use and Medium-Density Residential designation will be required and verified during future site plan review.

Policy L63 Location and Size of Neighborhood Mixed Use Land Use Designation

Locate Neighborhood Mixed Use land use designations on eight (8) to twenty-five (25) acres at roughly one-mile intervals on one corner of an intersection of an arterial street and an arterial or collector street. This land designation takes the place of the Neighborhood Commercial land use designation on some corners.

Analysis: There is an 18.18-acre Neighborhood Mixed Use designation to the southeast of the project site on the opposite side of Grangeville Boulevard. In combination with this designation, there will be a total of 23.63 acres of Neighborhood Mixed Use, which is within the anticipated acreage for the designation.

Figure 10: Aggregate Neighborhood Mixed Use Designation



Policy L64 Mix of Uses in Neighborhood Mixed Use Land Use Designation

Require that horizontal mixed use developments within the Neighborhood Mixed Use land use designation provide a minimum of thirty percent (30%) and a maximum of seventy percent (70%) of the site for multi-family residential dwellings. Require vertical mixed use developments to provide a minimum of three (3) dwelling units per acre and a minimum of 30,000 square feet of total commercial floor space.

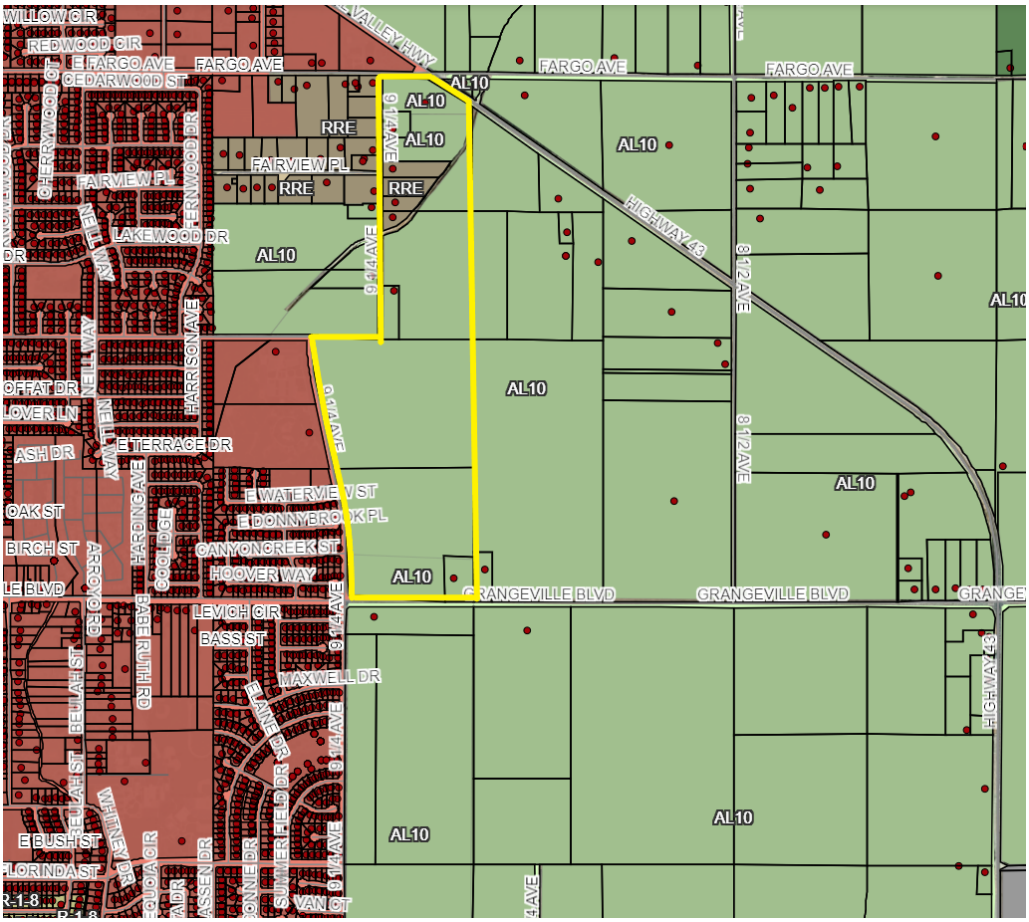
Analysis: Horizontal mixed use is achieved through blending with the surrounding Medium-Density Residential designation, where duplexes and low-rise apartments are proposed.

Zoning

Current

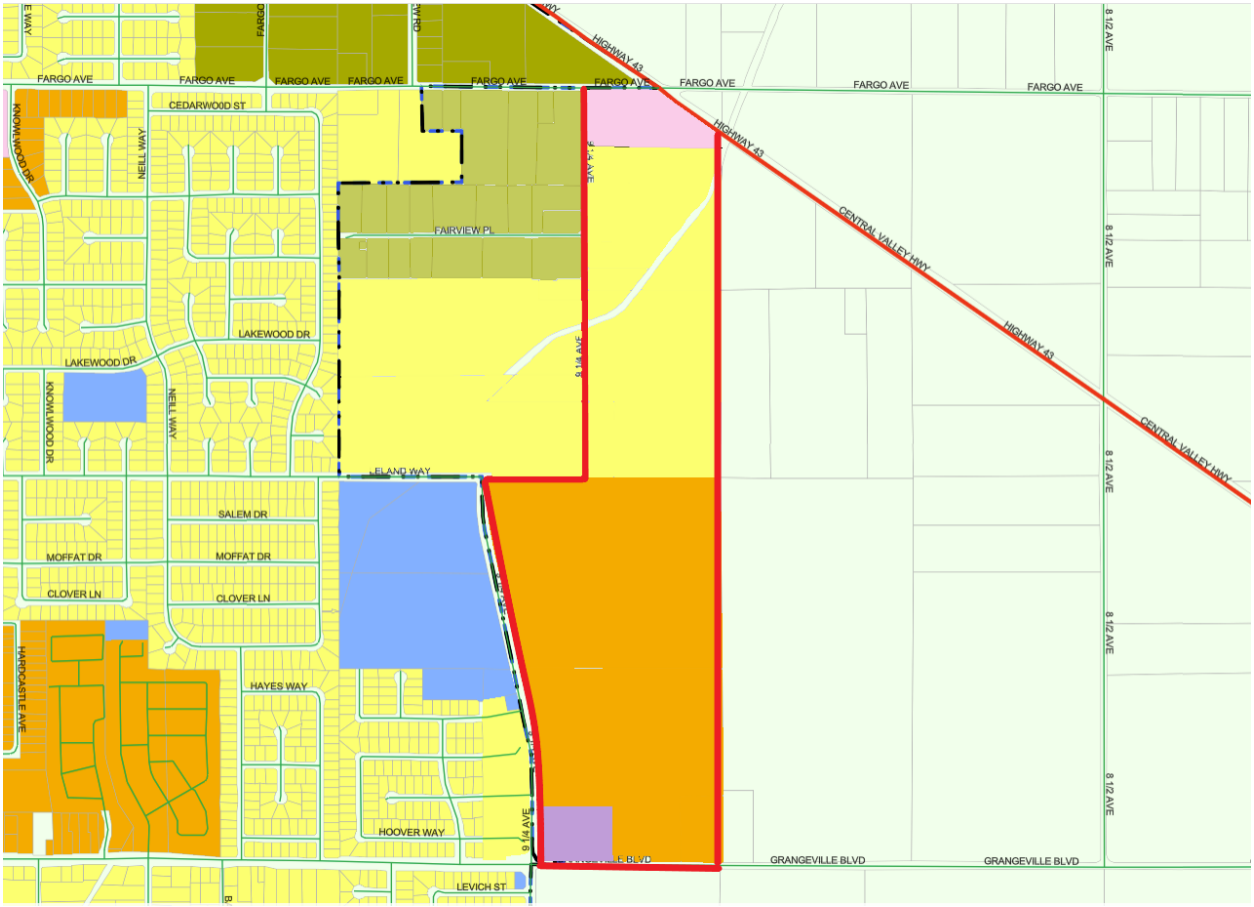
The property is currently in the Kings County Jurisdiction and zoned AL-10 Limited Agriculture and RRE Rural Residential.

Figure 11: Current Zoning



The property is proposed to be prezoned C-N Neighborhood Commercial, R-L-5 Low-Density Residential, R-M Medium-Density Residential, and MX-N Neighborhood Mixed Use, in accordance with the General Plan and General Plan Amendment No. 0009-24.

Figure 12: Prezone No. 0013-24
(project site outlined in red)



PROJECT EVALUATION

Annexation No. 165

Annexation165 is a request to annex approximately 141.85 acres into the City of Hanford City Limits from the Kings County Jurisdiction. The annexation area is a combination of the Project Site (83.61 acres) and an area to the north, not proposed to be developed at this time (58.24 acres).

See Figure 1 and **Attachment 1.**

Annexation of land into Hanford allows previously undeveloped land to become available for development and allows the City of Hanford to provide the territory that is annexed with its full range of City services. The annexation process can serve as an interim growth management tool, by limiting annexation to only the land that is needed for growth at the time.

The Hanford Planning Commission is charged with reviewing proposed annexation and making a finding of consistency with the Hanford General Plan to forward to the City Council. The Planning Commission was able to find Annexation 165 consistent with the Hanford General Plan Policy L15 and L17.

Policy L15 Initiation of Annexations

Consider initiation of annexation of land into the City of Hanford only when the following criteria are met:

1. The land is within the Primary Sphere of Influence.

   Analysis: The property proposed to be annexed is within the City's Primary Sphere of Influence, as shown in **Attachment 3.**

2. The capacity of the water, sewer, fire, school, and police services are adequate to service the area to be annexed or will be adequate at the time that development occurs.

   Analysis: A Plan for Services has been prepared by Engineering for Water, Sanitary Sewer, and Storm Drainage – see **Attachment 4.**

   Fire and Police

   Fire and police services are adequate to service the area to be annexed. Impacts to fire and police services will be mitigated through payment of impact fees.

   School

   Since the proposed Project includes the addition of 650 residential units, the number of students in the school district will increase. The Project will pay school development impact fees to the school districts at the time of building permit issuance in compliance with Education Code Section 17620 and Government Code Section 65995 et. Seq. These fees are used to construct new or expanded school facilities.

   The City's role in development and managing school sites and programs is limited. The various school districts truly govern where a new school site would be located and when it would be necessary to construct or expand facilities, in order to adequately accommodate population growth. Elected governing school boards are responsible for budgeting and decision-making and the State Department of Education establishes school site and construction standards. The General Plan provides policy which focuses on collaboration with school districts in determining new school locations and utilizing school facilities for general public needs. School districts would be able to utilize the General Plan, along with other plans, standards, and codes, to establish new school sites and to make decisions on school amenities and cohesiveness with the surrounding area.

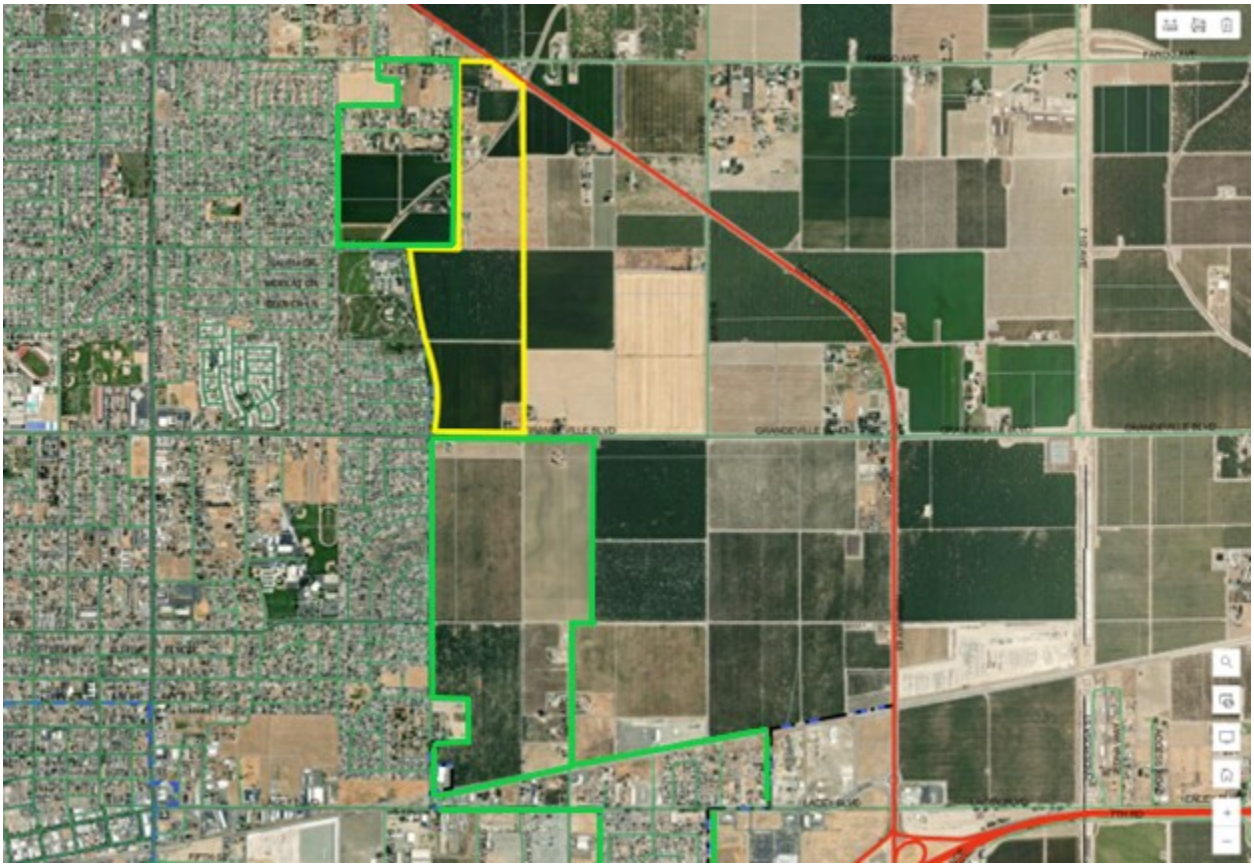
3. Land for development within the City limits is insufficient to meet the current land use needs.

   Analysis: The applicant is proposing an 83.61-acre development in the northeast planning area. Available land for new development within the City limits is limited. Within the existing City limits, the majority of the property available for residential development has been developed or has been entitled. The proposal is considered implementation of the General Plan.

4. The territory to be annexed is contiguous to existing developed areas.

   Analysis: The territory to be annexed is directly contiguous to the current City limits to the north and west. Three annexations are in progress west and south of the project site – shown in green.

Figure 13: Annexations in Progress



Policy L17 Plan for Services

Prepare and make publicly available a written Plan for Services that describes how urban services will be provided prior to initiating an annexation.

Analysis: A Plan for Services is attached **(Attachment 4)**.

Favorable Factors for Annexation

Favorable and unfavorable factors for annexation have been adopted by LAFCO. The existence of favorable or unfavorable factors should not decide approval or denial; however, a substantial number of favorable or unfavorable factors may determine approval or denial of the proposal.

1. The proposed area is close to urban development and municipal-type services and would enhance its potential for full development.

   Analysis: The proposed area is close to the existing City limits and is a logical extension of the City. The annexation area can be served by municipal-type services. The annexation area is designated as a combination of Low-Density Residential, Medium-Density Residential, and Neighborhood Commercial by the General Plan and is proposed to be designated as a combination of Low-Density Residential, Medium-Density Residential, Neighborhood Commercial, and Neighborhood Mixed Use, in accordance with the proposed General Plan Amendment. This area has been considered for urban development by the General Plan and is necessary to accommodate growth within the City of Hanford.

2. The proposed annexation conforms to the adopted General Plan.

   Analysis: The annexation area is designated as a combination of Low-Density Residential, Medium-Density Residential, and Neighborhood Commercial by the General Plan and is proposed to be designated as a combination of Low-Density Residential, Medium-Density Residential, Neighborhood Commercial, and Neighborhood Mixed Use, in accordance with the proposed General Plan Amendment. This area has been considered for urban development by the General Plan and is necessary to accommodate growth within the City of Hanford. The southern portion of the annexation area, considered the development area, is proposed to be developed as shown in Tentative Tract 945. Tentative Tract 945 proposes the development of 650 residential units (350 single-family and 300 multi-family), as well as 5.45 acres of commercial development. The development is consistent with the proposed General Plan Amendment No. 0009-24. All findings have been made in order to support the General Plan Amendment. The northern portion of the annexation area is not proposed to be developed, at this time. The annexation is consistent with the General Plan, as proposed to be amended.

   The annexation is consistent with the General Plan Section 3.2.4, which states, “Annexation of land into Hanford allows previously undeveloped land to become available for development and allows the City of Hanford to provide the territory that is annexed with its full range of City services.” The annexation area is also consistent with Policy L15 and L17 of the General Plan, as analyzed above.

3. The proposed area is consistent with the sphere of influence.

   Analysis: The property proposed to be annexed is within the City’s Primary Sphere of Influence, as shown in **Attachment 3.**

4. The proposed annexation comes with 100% consent of all landowners.

Analysis: **Unable to make finding.** The annexation area comes with consent of two property owners; however, the remaining property owners have not consented to the annexation.

Vesting Tentative Tract 945 and Planned Unit Development No. 0037-24

Tentative Tract 945 (Copper Ridge) is a request, by N&M Capital, LLC, to subdivide 83.61 acres of the annexation area into a 650-unit multi-family (300 units) and single-family (350 units) residential subdivision and a 5.45-acre Neighborhood Mixed Use site.

See proposed subdivision – **Attachment 2.**

Planned Unit Development No. 0037-24

Planned Unit Development No. 0037-24 is a request to allow various deviations from the regulations of the R-M Medium-Density Residential zone district for the residential subdivision, proposed under TT 945, including reduced lot size, lot width, lot depth, and setbacks. The PUD also proposes the removal of the block wall requirement between the MX-N Neighborhood Mixed Use site and the R-M Medium-Density Residential development to allow for integration between the sites.

Elevations are proposed for the subdivision and will be required as a condition of the Planned Unit Development. The elevations are considered enhanced and will provide a cohesive subdivision theme– **Attachment 5.**

Figure x: Copper Ridge Elevations and Renderings





A - STYLE



B - STYLE



C - STYLE









The requests for deviations are as follows:

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.
§ 17.24.130 Screening, fences, and walls.	A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.	Deviation request to remove the block wall requirement between the MX-N and R-M zone district to allow for integration and mixed uses between sites.

APN(s): 014-143-069 and 014-143-078

Total Area: 83.61 acres

Number of Dwelling Units: 650 units; 350 single-family residential dwelling units; 300 multi-family units

Units per acre: 8.31 units per gross acre of Medium-Density Residential development

Potential population increase: 3.08 persons per household x 650 households = 2,002 persons

Conformance with the R-M Medium-Density Residential Zone District Regulations

The residential portions of Tentative Tract 945 have been evaluated for conformance with the R-M Medium-Density Residential zone district regulations, consistent with the proposed prezoning of the site.

17.12.030 Lot area.

Smallest	Largest	Required in R-M
2,800 sq. ft.	11,540 sq. ft.	5,000 sq. ft.

In the R-M Medium-Density Residential zone district, the minimum lot size shall be 5,000 square feet, except as prescribed in Section 17.12.100, which allows lot area between 3,600 square feet and 4,999 square feet.

Analysis: The minimum lot size provided in Tentative Tract 945 is 2,800 sq. ft., which is a proposed deviation through Planned Unit Development No. 0037-24.

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.

17.12.040. Lot dimensions

Lot Frontage

In the R-M Medium- Density Residential zone district, the minimum lot frontage shall be 40 feet.

Analysis: There is a minimum of 40 feet of lot frontage provided for all lots within the subdivision.

Lot Width

In the R-M Medium-Density Residential zone district, there shall be a minimum lot width of 50 feet for interior lots and 60 feet for corner lots.

Analysis: All interior lots are a minimum of 40 feet wide, and each corner lot is a minimum of 45 feet wide, which is a deviation proposed through Planned Unit Development No. 0037-24.

Lot Depth

In the R-M Medium-Density Residential zone district, the lot depth shall be a minimum of 90 feet.

Analysis: The minimum lot depth proposed in the subdivision is 70 feet, which is a deviation proposed through Planned Unit Development No. 0037-24.

Lots developed adjacent to an arterial or collector street are to be designed as walled or fenced back-on or side-on lots with a minimum five and maximum 10 foot wide landscape easement

continuous and adjacent to the street right-of-way line. The minimum lot dimensions are to be exclusive of the landscape easement area. The wall or fence shall be located in the landscape easement area adjacent to the easement line.

Analysis: 9th Avenue is an arterial road, which borders the proposed subdivision to the east. 9 ¼ Avenue and Leland Avenue are designated collectors along the subdivision's exterior. Lots backing onto the adjacent arterial and collector streets are separated by a block wall and a 10-foot wide landscape outlot.

Figure 14: Outlot along 9th Avenue

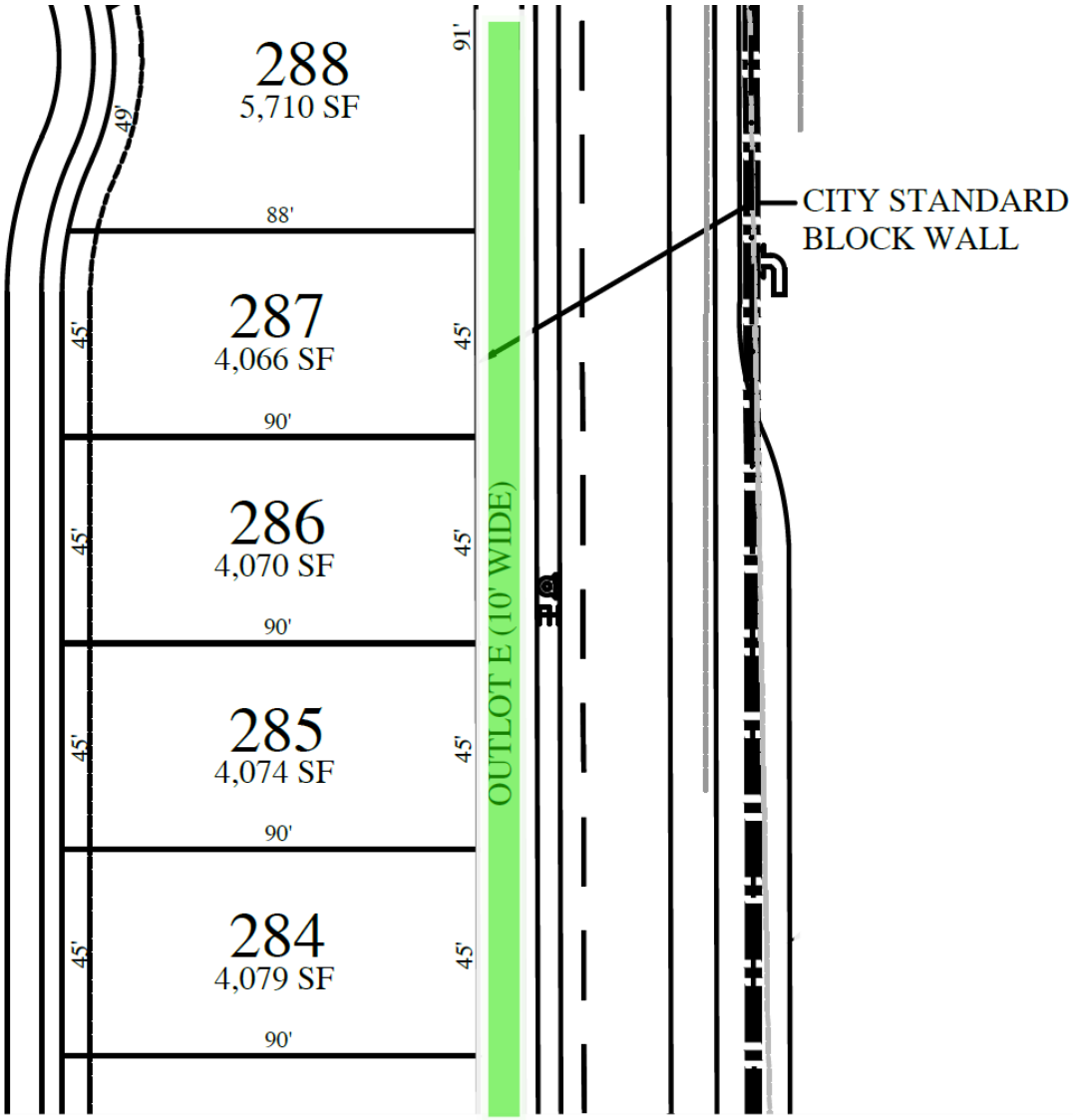


Figure 15: Outlot along 9 ¼ Avenue

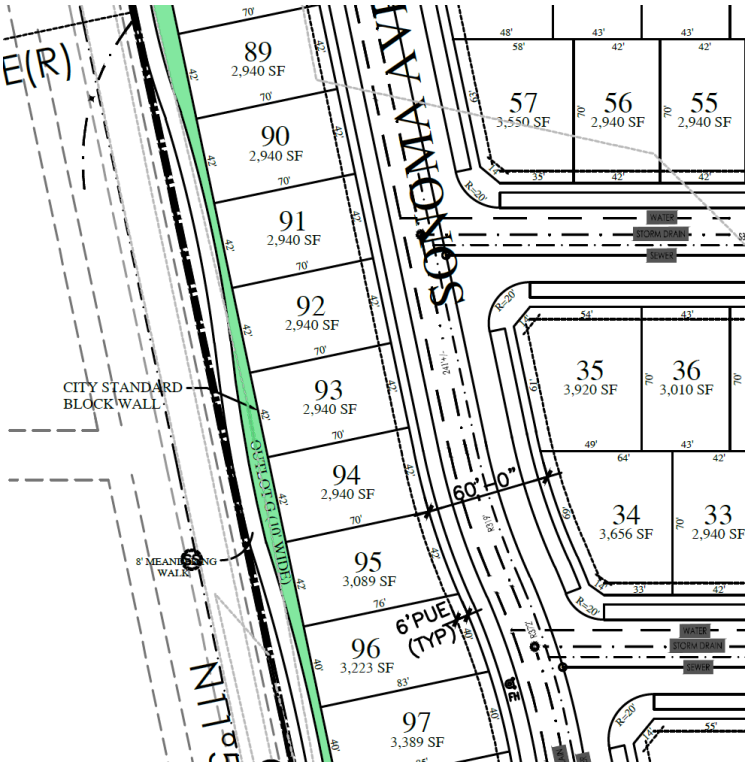
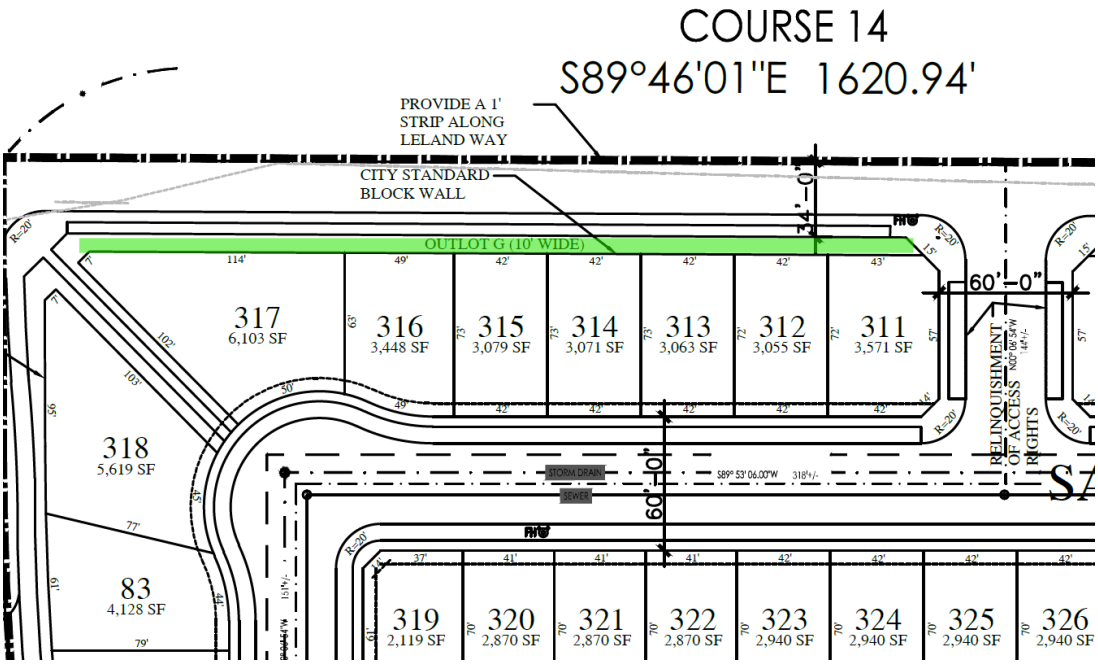


Figure 16: Outlot along Leland Avenue



Section	Requirement	Deviation Requested
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
§ 17.12.040 Lot Dimensions	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet

Density

In accordance with the General Plan, the expected density range for Medium-Density Residential is between seven and 20 units per gross acre.

Analysis: The density provided for Tentative Tract 945 is 8.31 units per gross acre, which is within the allowable and expected density range for Medium-Density Residential.

17.12.050 Site Area per Dwelling Unit.

The minimum site area per dwelling unit shall be three thousand (3,000) square feet.

Analysis: The applicant proposes to deviate from the site area per dwelling unit requirement in order to permit one unit on a minimum lot of 2,800 sq. ft. through Planned Unit Development No. 0037-24.

Section	Requirement	Deviation Requested
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.

17.12.060 Coverage.

The maximum coverage of a lot shall be determined by the combined building setback area requirements, accessory structure limitations, open space requirements, and off-street parking requirements.

Analysis: As a condition of approval of the subdivision, all building setbacks, accessory structure limitations, and off-street parking requirements shall be observed, as modified through Planned Unit Development No. 0037-24.

17.12.070 Building Setback Areas

In the R-M Medium-Density Residential zone district, no structure shall be placed within a building setback area.

<u>Front</u>

The front building setback area shall be 15 feet from the front lot line for livable building space and 20 feet for garages, carports, and other non-livable building space.

Rear

The rear building setback shall be 15 feet from the rear lot line, except where there is a landscape easement with a wall or fence on the rear of the lot then the rear building setback shall be 20 feet. The rear building setback area shall be increased by 10 feet for buildings over one story high.

Side

The side building setback area shall be five feet from an interior side lot line and 10 feet from a street side property line. Where there is a landscape easement with a wall or fence on the street side of the lot the side yard setback area shall be measured from the easement area instead of the side lot line.

Analysis: The applicant proposes to deviate from the R-M Medium-Density Residential zone district standards to allow reduced livable space and rear-yard setbacks through the Planned Unit Development No. 0037-24:

Section	Requirement	Deviation Requested
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet

Typical lot products are attached, as **Attachment 5,** showing elevations, expected layout, and the setback deviation requested.

17.12.080. Distances between structures.

In the R-M-Density Residential zone district the minimum distance between structures shall be 10 feet, except as provided by the building code.

Analysis: Separation will be provided, as required by the building code.

17.12.090. Height of structures.

In the R-M Medium-Density Residential zone district, the maximum structure height shall be 35 feet.

Analysis: The single-family residences within the subdivision are proposed to be one-and two-stories, which are a nine-foot plate line height for single-story and 18-foot plate line height for two-story. The multi-family duplexes will be one-story. The 8-plex multi-family units will be two-story. As a condition of approval of the subdivision, height requirements shall be observed. Height limitations will be verified upon application for building permits.

17.12.110. Driveways.

In the R-M Medium-Density Residential zone district, the width of a driveway and any paved area shall not cumulatively exceed forty percent (40%) of the width of the lot's street frontage on which the driveway and any paved area faces. In the case of "L" or "U" shaped driveways or other configurations besides perpendicular driveways the paved area of these driveways shall not exceed fifty percent (50%) of the front building setback area.

Typical driveway widths are 16 feet. On a 40-foot lot, a 16-foot driveway accounts for 40% of the frontage width. Therefore, the maximum driveway will not be exceeded, however future paved area will not be allowed for lots already at the maximum paved area. As a condition of approval of the subdivision, driveway requirements shall be observed. Driveway locations and paved surface coverage will be verified upon application for building permits.

17.12.120 Accessory Structures

In the R-M Medium-Density Residential zone district, accessory structures may be located within a required rear or side building setback area, subject to all of the following requirements:

A. The floor area shall be a maximum 120 square feet.
B. The walls shall be at least three feet from rear and side lot lines.
C. The roof eaves shall be at least two feet from rear and side lot lines.
D. The accessory structure shall be separated from other structures by a minimum of 10 feet.
E. The plate line height shall be a maximum seven feet high.
F. The roof pitch shall be a maximum 4:12.
G. The roof ridge peak height shall be a maximum of 10 feet.

Analysis: The requirements pertaining to accessory structures are communicated to the public, however, the majority of these structures are exempt from building permits and enforced through Code Compliance. Accessory structure placement would be generally precluded for the smaller lots with 10-foot setbacks, since the separation requirements could not be achieved.

17.12.130 Other Setback Standards

In the R-M Medium-Density Residential zone district, the following setbacks shall also apply:

A. Mechanical equipment shall be located a minimum of five (5) feet from a side lot line that adjoins a neighboring side lot line.

B. Garages or carports opening onto an alley shall be set back twenty-five (25) feet from the far side of the alley, provided that the structure, including roof overhang, shall not extend into the alley right-of-way.

C. Above or below ground swimming pools shall be set back five (5) feet from all lot lines where the lot has a landscape easement with a block wall on the rear or side, the setback shall be taken from the inside of the wall to the water's edge.

D. Decks, balconies, and other types of platforms with a floor height over two (2) feet high shall be set back five (5) feet from the rear and interior side lot lines and ten (10) feet from the street side lot line.

E. Garages and carports opening on the street side lot line of a corner lot shall be set back twenty (20) feet from the street side lot line.

Analysis: As a condition of approval of the subdivision, all setbacks requirements shall be observed, except as expressly modified through the PUD. The setback requirements will be verified upon application for building permits.

17.12.140. Off-street parking.

Off-Street Parking Requirements:

Off-street parking and off-street loading facilities shall be provided on the site for each use as prescribed in Chapter 17.54.

In the R-M Medium-Density Residential zone district, single-family dwellings shall provide a minimum of one covered and one uncovered parking space. Multi-family parking is required, as follows:

Table 17.54.040	
Number of Parking Spaces	
Land Use	**Parking Space Requirement**
Multifamily dwelling, Studio or SRO (no bedroom)	1 space per dwelling unit
Multifamily dwelling, 1-bedroom	1.5 spaces per dwelling unit; 50% of the spaces shall be covered parking
Multifamily dwelling, 2-bedroom	1.75 spaces per dwelling unit; 50% of the spaces shall be covered parking
Multifamily dwelling, 3 or more bedrooms	2 spaces per dwelling unit; 50% of the spaces shall be covered parking
Single- or multifamily dwelling specifically for seniors 55 years of age or older	1 space per dwelling unit or 1 space for every 4 beds

Required parking spaces may not be provided in any front, side, or rear building setback area. Except for driveways allowed in the front building setback area, all additional parking for residential uses shall be to the rear or side of the dwelling. No parking shall occur in the front or street side building setback areas.

Recreational Vehicles:

No recreation vehicle, including without limitation camping trailer, boat trailer, utility trailer, boat, pickup camper, motor home, dune buggy, or similar vehicle/trailer shall be stored or parked, except

within an enclosed side or rear yard or within a garage or carport except if a side or rear yard is not accessible due to existing legal permanent structures, a recreational vehicle or trailer may be parked in a driveway or adjacent to a driveway if it does not create a nuisance or safety problem as determined by the Community Development Director. All recreational vehicles or trailers parked in a location visible from the street are to be clean and maintained so as not to detract from the neighborhood. Also, see Chapter 10.76 of the Hanford Municipal Code. No recreational vehicle or trailer shall be used as a residence.

Vehicles Incapable of Movement Under Their Own Power

All motor vehicles incapable of movement under their own power, other than in cases of emergency, shall be stored in an entirely enclosed space, garage, or carport. Vehicles with custom fitted covers may be stored in an open area when it does not create a nuisance or safety problem as determined by the Community Development Director, cause complaints from neighbors or violate any section of this code.

Repair of vehicles owned by the resident of the property and storage of parts shall be within an enclosed garage or carport, if no garage exists. Repair of vehicles not owned by the resident of the property is prohibited. Vehicle repair and storage of parts are prohibited in a driveway and the front or street side building setback areas. I. Garages and carports are to be primarily used for the parking of four-wheeled vehicles. The use of garages or carports for general storage, recreation activities or other uses that prevent the use of the garage or carport for the parking of at least one four-wheeled vehicle is prohibited.

Analysis: The above requirements pertaining to off-street parking, recreational vehicles, vehicles incapable of movement under their own power, and repair of vehicles appear as conditions of approval of the resolution for the subdivision.

17.12.150. Usable open space.

In the R-M Medium-Density Residential zone district:

Lots with four (4) or less dwelling units shall provide for a usable open space area of a minimum three hundred (300) square feet per dwelling unit. The open space shall be a minimum fifteen (15) feet wide. Lots with five (5) or more dwelling units shall provide for a usable open space area equal to five percent (5%) of the lot area. Where multiple lots that together make up a single development site, the required open space may be combined into common open space areas that are accessible to all residents of the site.

Analysis: The applicant seeks to allow a deviation from the minimum open-space width through the Planned Unit Development. Open space square footage will be provided within the backyard of the single-family residences with a minimum 10-ft. width. On 40-ft.-wide lots, 400 feet of open space will be provided (10’ x 40’). Open space is required in the multi-family project sites equal to five percent of the lot area. For Phase 4, a minimum of 20,200 square feet of open space will be required, based on 404,000 sq. ft. of site area. For Phase 5, a minimum of 10,183 square feet of open space will be required, based on 203,665 sq. ft. of site area. The multi-family open space requirements will be verified during Site Plan Review for the multi-family portions of the development, conceptually, the required open space has been provided, as required.

Open Space is accommodated in Phase 4 and 5, as required.

Figure 18: Phase 4 Open Space, approximately 25,214 sq. ft.

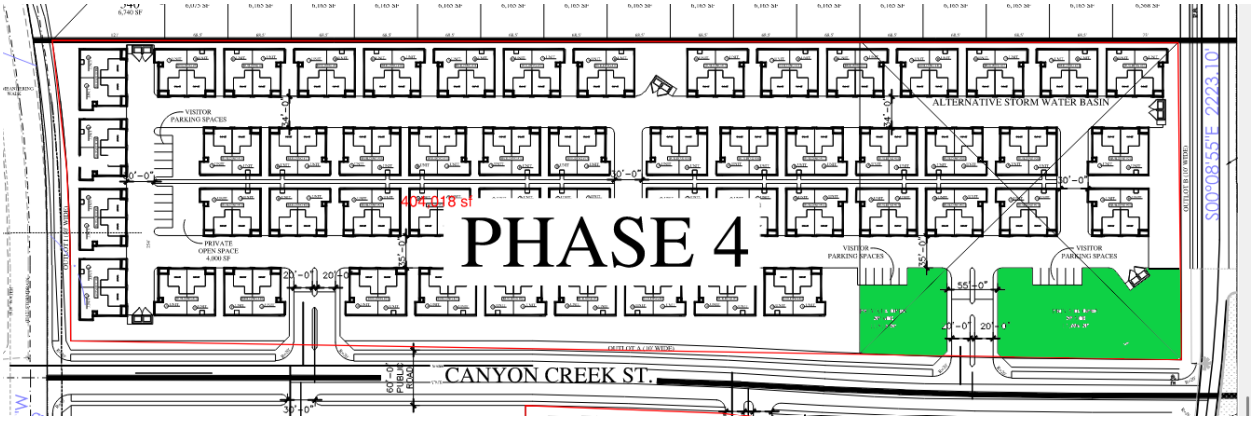
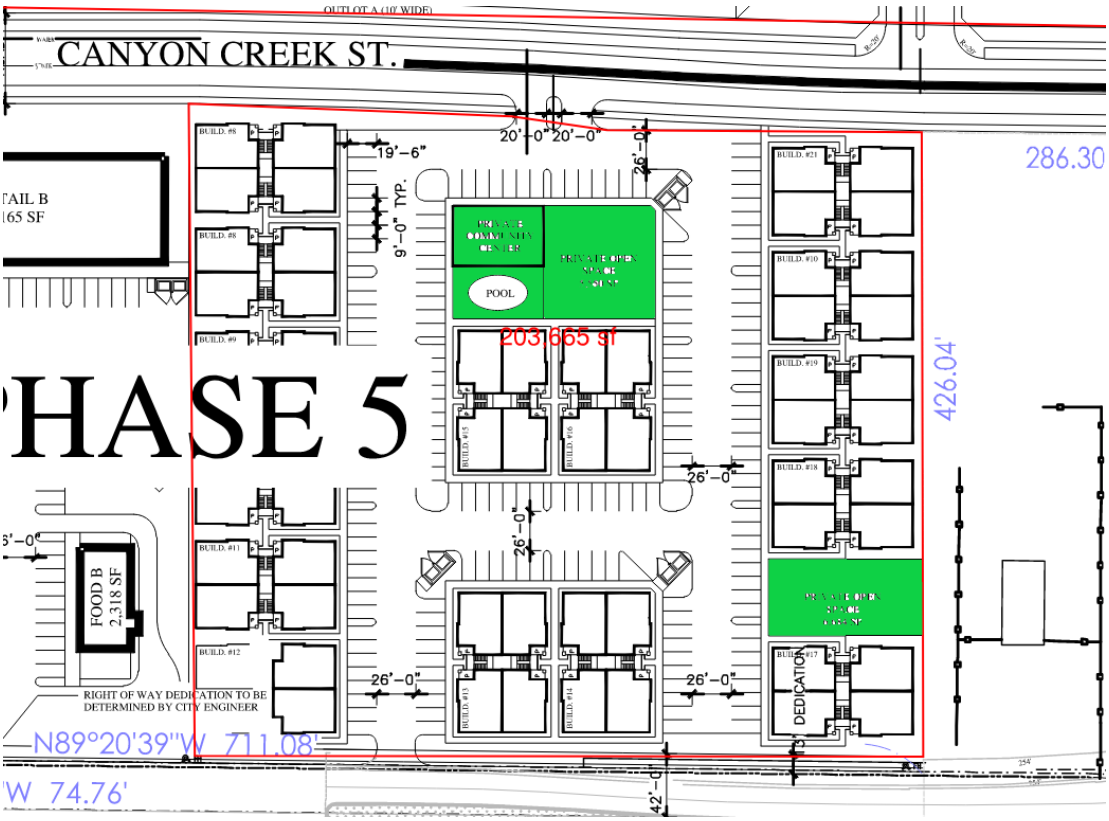


Figure 19: Phase 5 Open Space, approximately 16,748 sq. ft.



17.10.160. Landscaping.

In the R-M Medium-Density Residential zone district, the following landscape standards shall apply:

A. Landscaping shall be provided for each use as prescribed in Section 17.52 Landscape Standards.

B. Except for driveways and approved parking areas, all yard areas and setback areas visible from the street(s) shall be landscaped with live plant materials and ornamentation common to the Hanford area or up to one hundred percent (100%) of the yard and setback area may be landscaped with artificial turf and other permeable surfaces.

C. Required landscaping is to be installed within six (6) months after occupancy of the residence, apartment or office and continually maintained pursuant to Chapter 17.52

D. Landscaped areas are not to be used or converted to parking areas or any other use which results in the damage or removal of the landscaping. However, the widening of an existing paved driveway perpendicular to the street is permitted if the total width of the existing paving and the new paving does not exceed forty percent (40%) of the lot frontage along the street.

E. In order to provide a tree lined street in the residential zone districts, the following requirements shall be provided in the required parkway:

    1. Two (2) street trees, a minimum fifteen (15) gallon size, shall be planted on all lots 6,000 square feet or greater. One of the two (2) front yard trees must be planted twelve (12) feet (no greater or no less) from the face of the front lot line street curb.

    2. One (1) street tree, a minimum fifteen (15) gallon size, shall be planted on all lots less than six thousand (6,000) square feet. The tree shall be planted in the parkway. If there is no parkway the tree shall be planted four (4) feet behind the sidewalk, or if there is no sidewalk then four (4) feet behind the street curb.

    3. There shall be two (2) additional street trees, a minimum fifteen (15) gallon size, planted on all corner lots in the parkway adjacent to the street side lot line.

F. Front yard landscaping. If front yard landscaping is provided by the builder, a prototype landscape plan is required when a building permit is requested to show that the trees will be planted as stated above. The front yard landscaping is to be installed within thirty (30) days from final building inspection approval. If front yard landscaping is not provided by the builder a fee of fifty dollars ($50.00) for each required tree shall be collected when a building permit is requested. When the house is occupied, the builder, within thirty (30) days, is required to plant one fifteen (15) gallon tree at the twelve (12) foot setback line from the street curb. If the homeowner plants the remaining three (3) trees as described above within one year of occupancy, the homeowner will be reimbursed the fifty dollars ($50.00) per tree up to three (3) trees. The builder will be reimbursed the fifty dollars ($50.00) for the required tree at the twelve (12) foot line.

G. On corner lots where the house and garage both front toward the front of the lot the area between the fence and back of sidewalk along the street side lot line shall be landscaped with two (2) of the four (4) required street trees and with live ornamental bushes and shrubs with an automatic irrigation system at the time of house construction.

Analysis: Landscaping permits will be required for the single-family lots and the multi-family developments. The above requirements are conditions of approval of the project.

17.12.170. Screening, Fences, and Walls.

Fences and walls shall be provided on the site for each use in accordance with Section 17.50.120.

Analysis: As a condition of approval of the subdivision, wall placement shall be observed and will be verified where a building permit is required.

17.12.180. Signs.

Signs placed in the R-M zones shall be subject to the requirements and standards prescribed in Chapter 17.56.

Analysis: Signage for the single-family residences are generally limited to temporary signs (political signs), and subject to the requirements of Chapter 17.56. Signage for the multi-family portions of the development will be required to adhere to the table below. A sign permit will be required to be submitted.

Table 17.56.090(A)		
Number and Size of Permanent Signs by Zone		
Zone District	**Building Signs**	**Freestanding Signs**
AP, R-L, R-M, and R-H zones with 4 or less residences per site	1 sign per residence maximum. 4 sq. ft. maximum size per sign. Placement a maximum 8 feet high. External illumination only. None allowed.	
AP, R-M, and R-H zones with 5 or more residences per site or with nonresidential uses on site	1 sign per street frontage maximum. 30 sq. ft. maximum size per sign. Placement a minimum 5 feet below roofline. External illumination only.	1 sign per site maximum. 20 sq. ft. maximum size. 6 feet high maximum. External illumination only.

17.10.190. General Provisions and Standards.

Structures and the use of structures or land shall be subject to the requirements and standards prescribed in Chapter 17.50.

Conclusion: All requirements of the R-M Medium-Density Residential zone district are satisfied in the proposed subdivision, with the deviations permitted through the planned unit development, or will be satisfied by conditions of approval for future building permits.

Conformance with the MX-N Neighborhood Mixed Use Regulations

The commercial portion of Tentative Tract 945 has been evaluated for conformance with the MX-N Neighborhood Mixed Use zone district regulations, consistent with the proposed prezoning of the site.

17.24.020 Permitted uses

Uses shall be permitted or not permitted, conditionally permitted, administratively permitted, or temporarily permitted as prescribed in the land use table in Section 17.08.030.

Analysis: Although the development of the commercial shopping center is conceptual, it is estimated that it may include two fast food restaurants, two general retail stores, and one convenience store. The uses proposed are allowed within the MX-N Neighborhood Mixed Use zone district. Since the commercial portion of the site is considered conceptual, a Site Plan Review will be required for development of the site in the future. All uses proposed for the site will be required to adhere to the land use table and allowable uses in the MX-N Neighborhood Mixed Use zone district.

Figure 20: MX-N Uses

Commercial, Office, and Industrial Use Table

P = Use is Permitted by Right C = Use Requires Conditional Use Permit
A = Use Requires Administrative Use Permit T = Use Requires Temporary Use Permit
Blank = Use is Not Allowed

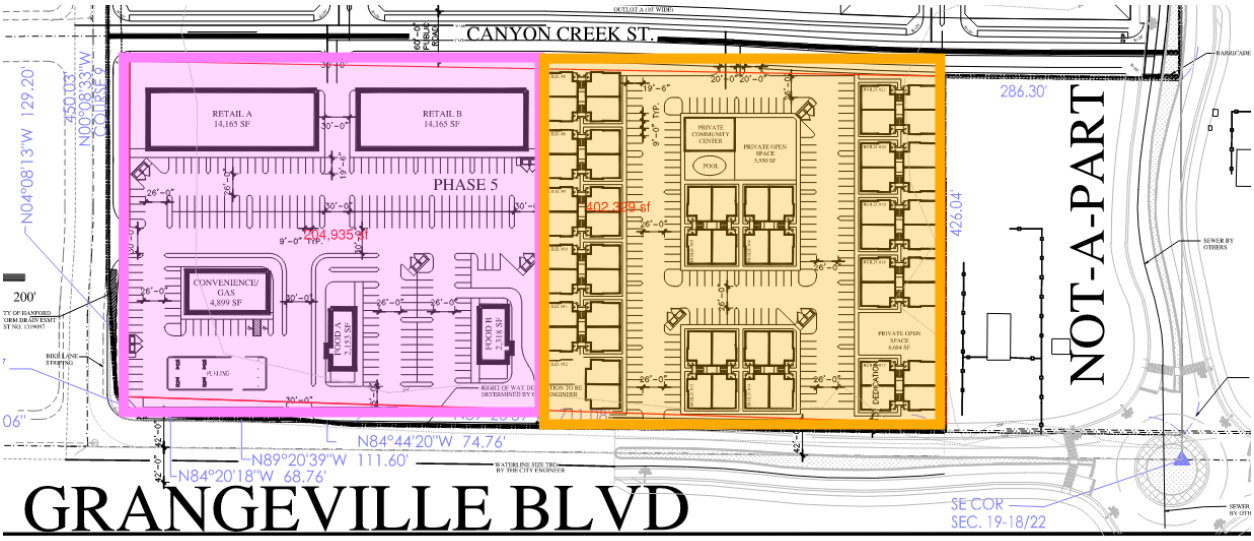
	Land Uses	MX-N	Specific Land Use Standards (See identified Section)
B5	Restaurant, full service	P	
B6	Restaurant, limited service with drive-thru pickup window	P	17.60.070
	Retail Uses		
I6	Automobile and/or motorcycle parts (retail), no installation	P	
I10	Convenience store, with or without fuel sales	P	
I27	Retail sales store	P	

17.24.030 Site area

In the MX-N Neighborhood Mixed Use zone district the minimum site area shall be five thousand (5,000) square feet, unless a smaller site is approved with a conditional use permit in accordance with Chapter 17.80. Between twenty-five percent (25%) and seventy-five percent (75%) of the contiguously zoned parcels in an MX-N zone shall be reserved for residential use.

Analysis: The MX-N Neighborhood Mixed Use portion of the development is 5.45 acres. The entirety of Phase 5 of Tentative Tract 945 is approximately 9.23 acres. Therefore, the residential to commercial percentage is approximately 60% commercial to 40% residential.

Figure 21: MX-N and R-M Ratio



17.24.040 Lot dimensions.

The minimum lot frontage shall be forty (40) feet, unless a reciprocal use agreement for shared common access and parking areas is recorded with the Kings County recorder's office.

Analysis: The MX-N Neighborhood Mixed Use parcel has approximately 400 feet of street frontage on 9 ¼ Avenue and 500 feet of street frontage on Grangeville Boulevard and future Canyon Creek Street.

17.24.050 Coverage.

The maximum coverage of a lot shall be determined by the combined building setback area requirements, open space requirements, and off-street parking and loading requirements.

Analysis: The requirements for setbacks, open space, and off-street parking and loading are addressed below.

17.24.60 Building setback areas

In the MX-N Neighborhood Mixed Use zone district, no structure shall be placed within a building setback area.

The front building setback area shall be fifteen (15) feet.

Analysis: Since development of the commercial portion of the site is conceptual and lot lines have not been identified, the front lot line cannot be identified at this time; however, all structures are setback a minimum of 15 feet from a lot line abutting a street; therefore, the front yard setback is able to be satisfied. Future development of the commercial portion of the site will require Site Plan Review, where the lot lines will be clearly defined and the setback required to be satisfied.

The rear building setback may be zero (0) feet from the rear lot line, except where the rear lot line abuts a public street or an R-L, R-M, R-H, OR, O, PF, AP, or CO zone district then the rear building setback shall be fifteen (15) feet.

Analysis: Since development of the commercial portion of the site is conceptual and lot lines have not been identified, the rear lot line cannot be identified at this time. Future development of the commercial portion of the site will require Site Plan Review, where the lot lines will be clearly defined and the setback required to be satisfied.

The side building setback area shall be zero (0) feet, except where the side lot line abuts a public street or an R-L, R-M, R-H, OR, O, PF, AP, or CO zone district then the side building setback area shall be fifteen (15) feet.

Analysis: Since development of the commercial portion of the site is conceptual and lot lines have not been identified, the side and street-side lines cannot be identified at this time. Future development of the commercial portion of the site will require Site Plan Review, where the lot lines will be clearly defined and the setback required to be satisfied.

17.24.070 Distances between structures.

The minimum distance between a structure used solely for residential purposes and another structure shall be ten (10) feet, except as provided by the building code.

Analysis: There are not residential uses proposed within the MX-N Neighborhood Mixed Use portion of the site, however residential uses are proposed east of the MX-N zone in the R-M zone. A 15-ft setback will be required between the MX-N and R-M zone, therefore, the 10-ft. minimum distance between a structure used solely for residential purposes and another structure will be satisfied and verified during site plan review.

17.24.080 Height of structures.

In the MX-N Neighborhood Mixed Use zone district, the maximum structure height shall be thirty-five (35) feet.

Analysis: The development of the commercial portion of the site is conceptual. A 35-ft height limitation will be a condition of approval and verified during future site plan review for the site's development.

17.24.090 Driveways.

In the MX-N zone district, wherever possible developments shall share driveways to minimize the number of driveways on public streets. New driveways near street corners shall be located a

minimum one hundred (100) feet from the radius curve of the curb, unless otherwise specifically approved by the City Engineer.

Analysis: The commercial portion of the site is considered conceptual. On the conceptual plan, the driveway is shown setback 195 feet from the radius of the curb on 9 ¼ Avenue and 200 feet from the radius of the curb on Grangeville Boulevard and future Canyon Creek Street. Ultimate driveway locations will be verified during Site Plan Review.

17.24.100 Off-street parking

Off-street parking and off-street loading facilities shall be provided on the site for each use as prescribed in Chapter 17.54.

Analysis: Parking requirements will be verified during Site Plan Review. Conceptually, parking has been provided, as shown in the table below:

PARKING INFO

LAND USE	REQUIRED	PROVIDED
CONV./GAS	17	38
FOOD A	15	25
FOOD B	16	30
RETAIL A	48	61
RETAIL B	48	60

Parking requirements and provision of parking spaces will be reviewed and required during site plan review.

17.24.110 Usable open space

New commercial developments shall provide a common outdoor, shaded sitting area for use by customers. The size of this area shall be a minimum two hundred fifty (250) square feet per acre of site area.

Analysis: Open space has not been identified within the conceptual site plan. Open space will be required to be provided within the commercial site's development and will be verified during Site Plan Review.

17.24.120 Landscaping

In the MX-N Neighborhood Mixed Use Landscaping shall be provided for each use as prescribed in Section 17.52 Landscape Standards. Landscaping shall be provided and permanently maintained in the required setback area from a lot line adjoining a street. Required landscaping is to be installed prior to occupancy and continually maintained pursuant to Chapter 17.52.

Analysis: Landscaping has not been identified within the conceptual site plan. Landscaping will be required to be provided within the commercial site's development and will be verified during Site Plan Review.

17.24.130 Screening, fences, and walls.

A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.

Analysis: Although conceptual, a block wall is not provided between the MX-N Neighborhood Mixed Use portion of the site and the R-M Medium-Density Residential designation to the east. A block wall would separate the uses and not provide horizontal mixed use integration. Through the planned unit development, removal of the block wall requirement is sought. Upon Site Plan Review, if pedestrian access between the site is limited and the sites not intended to be integrated, a block wall shall be provided.

C. No fence or wall shall be placed in front of or within any landscaped area located next to a street.

D. The open storage of materials and equipment attendant to a use shall be permitted only within an area surrounded or screened by a solid wall or fence seven (7) feet minimum in height. Such storage shall not be visible above the fence or wall.

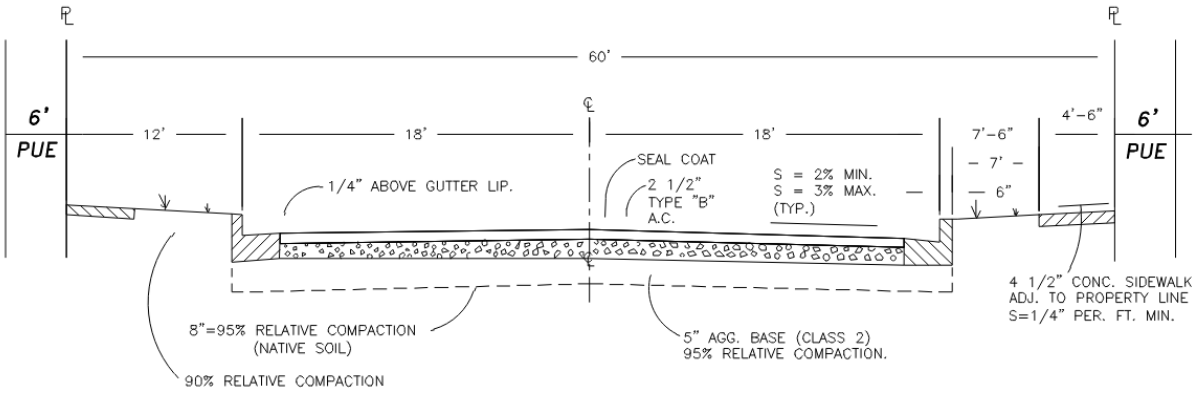
Subdivisions Improvements

Street Improvements:

The improvements consisting of sanitary sewers, storm sewers, water mains, communication conduit, concrete curbs, gutters, sidewalks, street lights, street subgrading and surfacing, signage and striping and all other improvements are required to be installed in accordance with Chapter 16.24 “Improvements” of the Hanford Municipal Code, the City of Hanford’s Active Transportation Plan (ATP), and the resolution pertaining to subdivision improvements in effect at the time of filing the tentative map.

All corner lots will be required to meet the requirements of California's daylighting law (Assembly Bill 413), which prohibits parking within 20 feet of a crosswalk, marked or unmarked, to improve visibility and pedestrian safety. This statewide law, which went into effect January 1, 2024, began being enforced with citations on January 1, 2025. The goal is to give drivers more time to see pedestrians and cyclists approaching or crossing intersections, regardless of whether the curb is painted red
All streets within the subdivision will be developed to residential street standards (City standard ST-32 and ST-39 with a traffic index of 6, except the following:

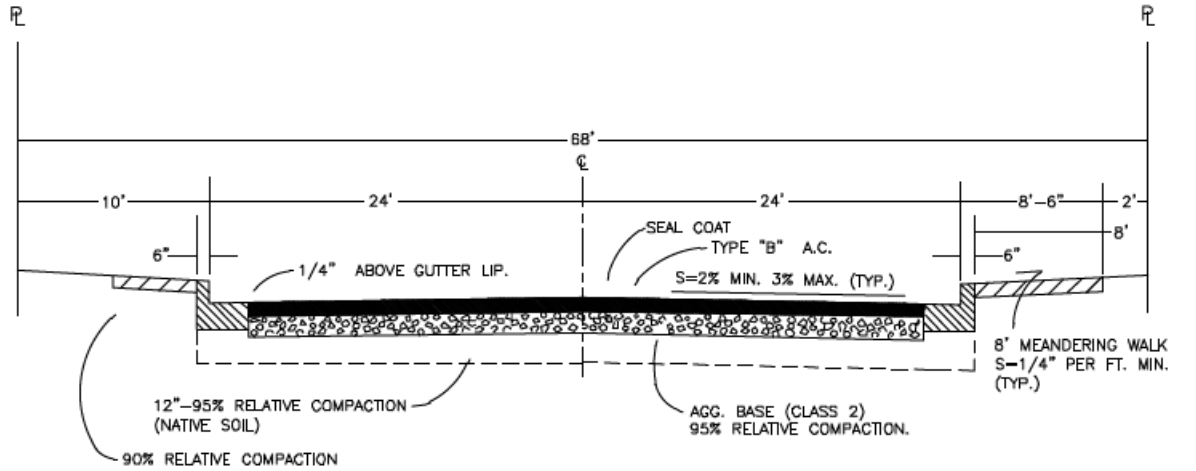
Figure 22 Local Streets



LOCAL STREETS

9 ¼ Avenue shall be developed as a Minor Collector street with an 68 foot right of way width in conformance with City Standard. ST-17 and ST-26 and the City of Hanford's ATP, and a traffic index of 9. Developer shall be required to construct the remaining width of right of way on the east side of 9 ¼ Avenue from Grangeville Boulevard to Leland Avenue.

Figure 23 - 9 ¼ Avenue



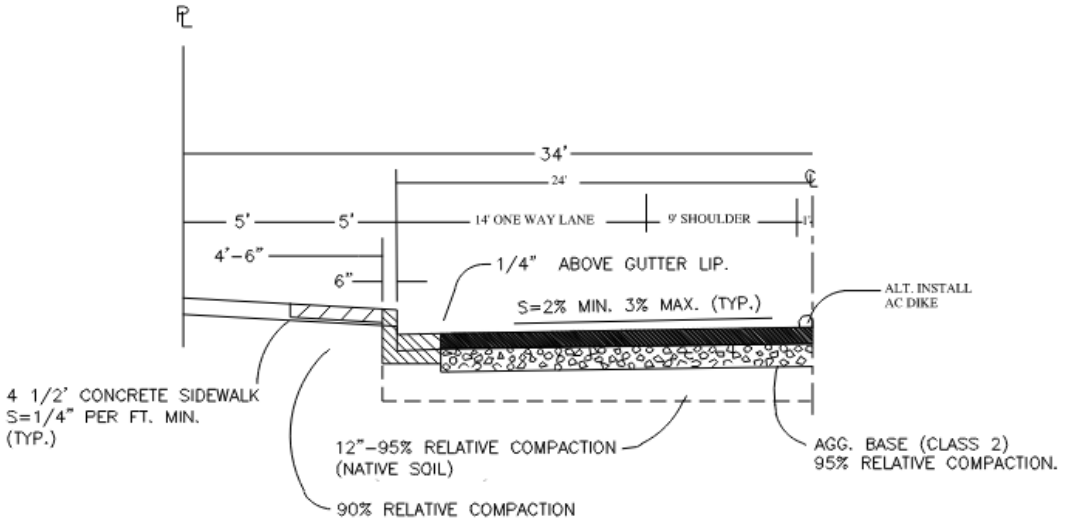
9 1/4 AVENUE

N.T.S.

Developer shall construct the extension of Leland Avenue as a Minor Collector street with a 68' ultimate right of way width between 9 ¼ Avenue and 9th Avenue in conformance with City Standard ST-17 and ST-26 and the City of Hanford's ATP, and a traffic index of 9. Developer shall construct Leland Avenue to the centerline (half width) of ultimate width creating 2-eleven foot travel lanes. An asphalt dike shall be installed along the westbound travel lane edge of pavement for the full length

of the Leland Avenue project frontage. To align the half width street section with the existing lane alignment established on the west side of 9 ¼ Avenue, the developer shall remove the existing lane striping and reinstall a temporary transition stripe in conformance with the Highway Design Manual to align with the travel lanes on the east side of the intersection. Stop signs, stop limit lines and stop legends shall be installed in all directions of the Leland Avenue and 9 ¼ Avenue intersection per City Standard Detail ST-47.

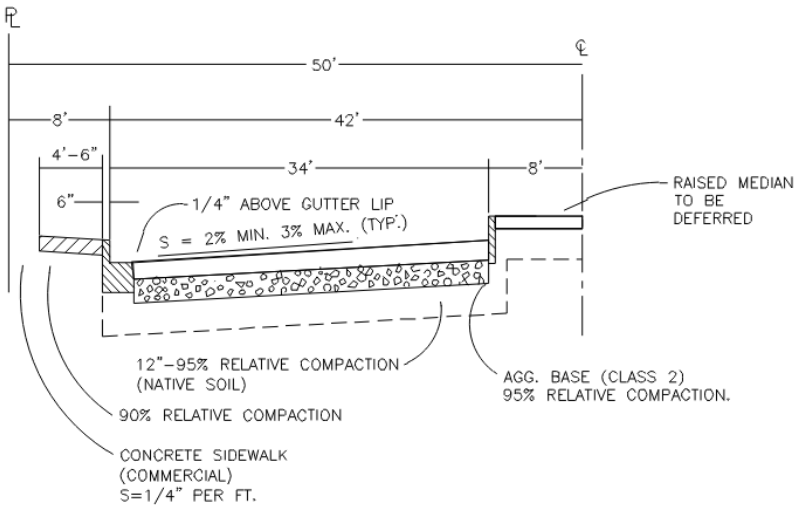
Figure 24 - Leland Way



LELAND WAY N.T.S.

Developer shall construct 9th Avenue as an Arterial Street with a 100 foot ultimate right of way width in conformance with City Standard Detail ST-20 and the City of Hanford's ATP with a traffic index of 11. Developer shall be required to construct half of the raised median width for the full length of the 9th Avenue project frontage in conformance with City Standard Detail CO-17 and CO-18. Turn pockets associated with the ultimate raised median design shall be delineated using 48" high visibility delineators in conformance with CA.M.U.T.C.D. To allow for northbound and southbound traffic on 9th Avenue, a temporary centerline striping shall be installed. A timber barricade per City Standard Detail GE-59 shall be installed on 9th Avenue at the south project boundary. Additionally, the developer will be required to coordinate with the ongoing CIP project on 9th Avenue. The coordination will include, but not be limited to, the ultimate road alignment and location requirements of the CIP Engineering Division.

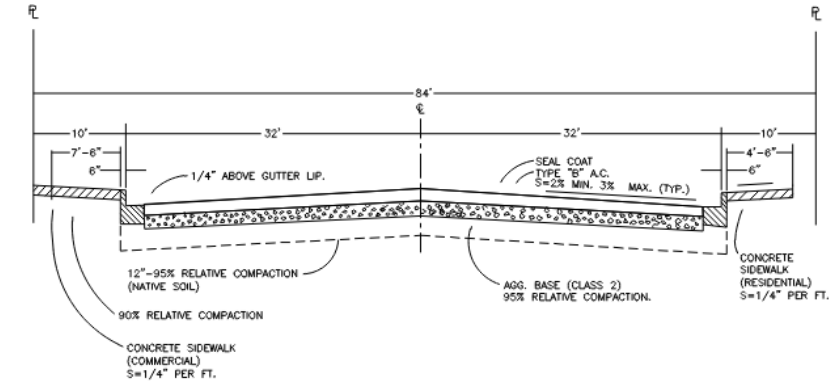
Figure 25 – 9th Avenue



9TH AVENUE N.T.S.

Grangeville Boulevard shall be developed as a Arterial Street with a modified right of way width of 84 foot in conformance with City Standard Detail ST-17 and ST-20 and the City of Hanford's ATP, with a traffic index of 11. Developer shall be required to construct the remaining width of right of way on the north side of Grangeville Boulevard between 9 ¼ Avenue and the eastern boundary of the project. A pavement transition shall be required beyond the east project boundary. The developer shall in good faith attempt to obtain an easement for purposes of pavement transition, and provide documentation of such attempt. Additionally, the developer will be required to coordinate with the ongoing CIP project on Grangeville Boulevard. The coordination will include, but not be limited to, the ultimate road alignment and location requirements of the CIP Engineering Division.

Figure 26 -Grangeville Boulevard



GRANGEVILLE BLVD N.T.S.

That streetlights be installed throughout the interior of the development and along project frontages in conformance with City standard GE-56. Streetlights shall be located as designated by City Engineer.

The development is subject to a transportation mitigation impact fee as required by City Ordinance No. 90-09 and any revisions thereof. Developer shall be entitled to a credit against subject development fee for oversizing of roadway improvements for increased traffic index constructed by developer within Grangeville Boulevard, 9 ¼ Avenue, Leland Avenue and 9th Avenue. Additionally, the developer shall be entitled to credit against the construction of 9th Avenue as determined by the City of Hanford Development Impact Fee Study dated September 2019.

Backup Parkway Improvements

The developer shall design and construct the following improvements along 9 1/4 Avenue, Leland Avenue, 9th Avenue and Grangeville Boulevard frontages of proposed subdivision.

a. A six (6) ft. minimum high ornamental, masonry block fence with continuous footing. Wall shall be treated with an anti-graffiti repellent. (Excluding Grangeville Boulevard). A blockwall easement will be required in any locations where a blockwall footing or foundation encroaches on private property.

b. A sidewalk in conformance with City Standards and the City's adopted ATP.

c. Soil preparation, automatic irrigation and landscaping.

d. Landscape plans for right-of-way and a 10 ft. wide landscape lot.

Sewer Improvements:

The developer's engineer will provide a sanitary sewer master plan complete with calculations for the entire subdivision for City review and approval prior to recording a subdivision final map for the first phase of development. Consideration shall be given for future areas of development located adjacent to proposed subdivision per the City Sanitary Sewer Master Plan.

A minimum 12-inch diameter sanitary sewer main will be installed within 9th Avenue between Leland Avenue and the southern property boundary, subject to reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

A minimum 12-inch diameter sanitary sewer main will be installed within 9th Avenue between the southern property boundary and Grangeville Boulevard, subject to reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

The developer will install a 12-inch sewer main in Grangeville Boulevard from 9 ¼ Avenue to project flow to a future sanitary sewer main planned for the future 9th Avenue alignment, subject to reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

A minimum 12-inch diameter sanitary sewer main will be installed within Leland Avenue between 9 ¼ Avenue and 9th Avenue, subject to reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

The developer is entitled to a reimbursement agreement in accordance with City Municipal Code section 13.08 for sanitary sewer main improvements constructed within 9th 'Avenue, Grangeville Boulevard and Leland Avenue, which also provides a benefit to others. Costs for sanitary sewer main improvements installed within the streets referenced here, if applicable, shall be per the City of Hanford Development Impact Fee Study document dated September of 2019. Reimbursement cost shall be per the Fee Study at time of improvement installation and operational acceptance.

The Copper Ridge development will not be allowed occupancy until a sewer trunk line is installed within 9th Avenue from Grangeville Boulevard to E. Lacey Boulevard.

Storm Drainage Improvements:

The developer's engineer will provide a storm drainage master plan complete with calculations for the entire subdivision for City review and approval prior to recording a subdivision final map for the first phase of development. The Master Plan will determine the ultimate temporary basin location built to City Standard.

The developer is required to obtain an easement and complete construction of the temporary storm drain basin with the first phase of the subdivision. The basin shall be designed in conformance with the City of Hanford's Storm Drainage Design Criteria specifications and shall include a six foot (6') high chain-link fence with privacy slats per City Standard Detail GE-23. A 24' wide drive approach per City Standard Detail CO-41 and access gates per City Standard Detail GE-26 shall also be installed.

The developer is required to comply with the State of California Water Resources Control Board requirements specifically related to the National Pollution Elimination System Permit process.

Water System

The developer's engineer is required to provide a Water System Master Plan complete with calculations for the entire subdivision for City review and approval prior to recording a subdivision final map for the first phase of development. Consideration shall be given for future areas of development located adjacent to proposed subdivision, as shown on the city Water Master Plan.

A minimum 18 inch diameter water main and appurtenances, be extended along the Grangeville Boulevard project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect with the existing water main on 9 ¼ Avenue and shall include a blow off assembly per City Standard Detail WA-26 at the eastern terminus.

A minimum 12 inch diameter water main and appurtenances, be extended along the Leland Avenue project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect to the existing water main at the intersection of Leland Avenue and 9 ¼ Avenue.

As determined by results shown in the Hydraulic Capacity Study provided by Akel Engineering, the developer is required to replace approximately 550 LF of existing 8" water main and install the same LF of 10" water main on 9 ¼ Avenue from Grangeville Boulevard to approximately 550' to the north of Grangeville Boulevard.

A minimum 12 inch diameter water main and appurtenances are required to be extended along the 9th Avenue project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect to the new water main at the intersection of Leland Avenue and 9th Avenue and shall include a blow off assembly per City Standard Detail WA-26 at the southern terminus.

All existing water wells are required to be abandoned in conformance with State of California Department of Health Standards.

Easements and Dedications

Easements:

All easements are required to be designated on the recorded final map as required by the utility companies and where needed for providing service to streetlights as designated by the City of Hanford Engineering Department.

The developer is required to acquire an easement for temporary storm basin purposes be dedicated to the City where it is necessary to facilitate installation of storm drainage facilities connecting the portion of the development to the proposed storm drainage basin. Easements required to serve and maintain the temporary storm drainage basin may include, but are not limited to, access and storm drain pipeline easements. Easement locations and widths are required to be approved by the City Engineer and dedicated on the Final Map or by separate instrument.

The developer shall in good faith attempt to obtain an easement for sanitary sewer purposes from the south development boundary through the Not-A-Part and provide documentation of such attempt. This is to accommodate the installation of the 9th Avenue sanitary sewer main from the south development boundary through the Not-A-Part, to the intersection of 9th Avenue and Grangeville Boulevard. Easement locations and widths shall be approved by the City Engineer and dedicated on the Final Map or by separate instrument.

All easements for irrigation ditches and/or irrigation pipelines are required to be legally abandoned or relocated to the satisfaction of the City Engineer prior to acceptance of the subdivision improvements.

All proposed landscape/public utility easements as shown on the tentative map are required to be dedicated to the City and be included on the subdivision final map. Additional landscape or public utility easements determined necessary by the City Engineer or City Planner during review of the improvement plans shall also be dedicated with the Final Map, as required by the City.

Dedications:

The developer is required to dedicate to the City, additional right of way along the east side of 9 ¼ Avenue, between Grangeville Boulevard and Leland Avenue to facilitate construction of the development frontage improvements as approved on the Tentative Map.

The developer is required to dedicate to the City, additional right of way of Grangeville Boulevard between the eastern project boundary and 9 ¼ Avenue to facilitate construction of the development frontage improvements as approved on the Tentative Map.

The developer is required to dedicate to the City, right of way along the Leland Avenue project frontage to facilitate construction of the development frontage improvements as approved on the Tentative Map.

The developer is required to dedicate to the City, right of way along the 9th Avenue property frontage to facilitate construction of the development frontage improvements as approved on the Tentative Map.

The developer is required to dedicate an easement to the City, for the proposed onsite drainage basin for Tract 945 drainage purposes.

The developer is required to dedicate all Outlots to the City that shall be maintained by the Community Facilities District (CFD). Additionally, at entrances to the development where roads transfer from collectors/arterials to local streets and there are side lot frontages, the outlots need to extend around these side lot frontages (ending where the side lot meets the beginning of the curve) and include block walls. These outlots must fully extend around the side lot frontages, the current configuration on the proposed Tentative Map fails to indicate the entire outlot area.

Assessment District

The developer will enter into an agreement with the City for the formation of a community facilities district tax assessment district for the maintenance of landscaping, decorative block wall/ fencing, roadways, streetlights, curb and gutter, sidewalk, signage, storm drain system and basin and emergency services.

That prior to funds of the tax assessment district being obtained, the developer will be responsible for the maintenance of all items listed above.

Neighborhood Park.

Goal O9: Parks provided at a combined ratio of 3.5 acres per 1,000 residents.

Calculation:

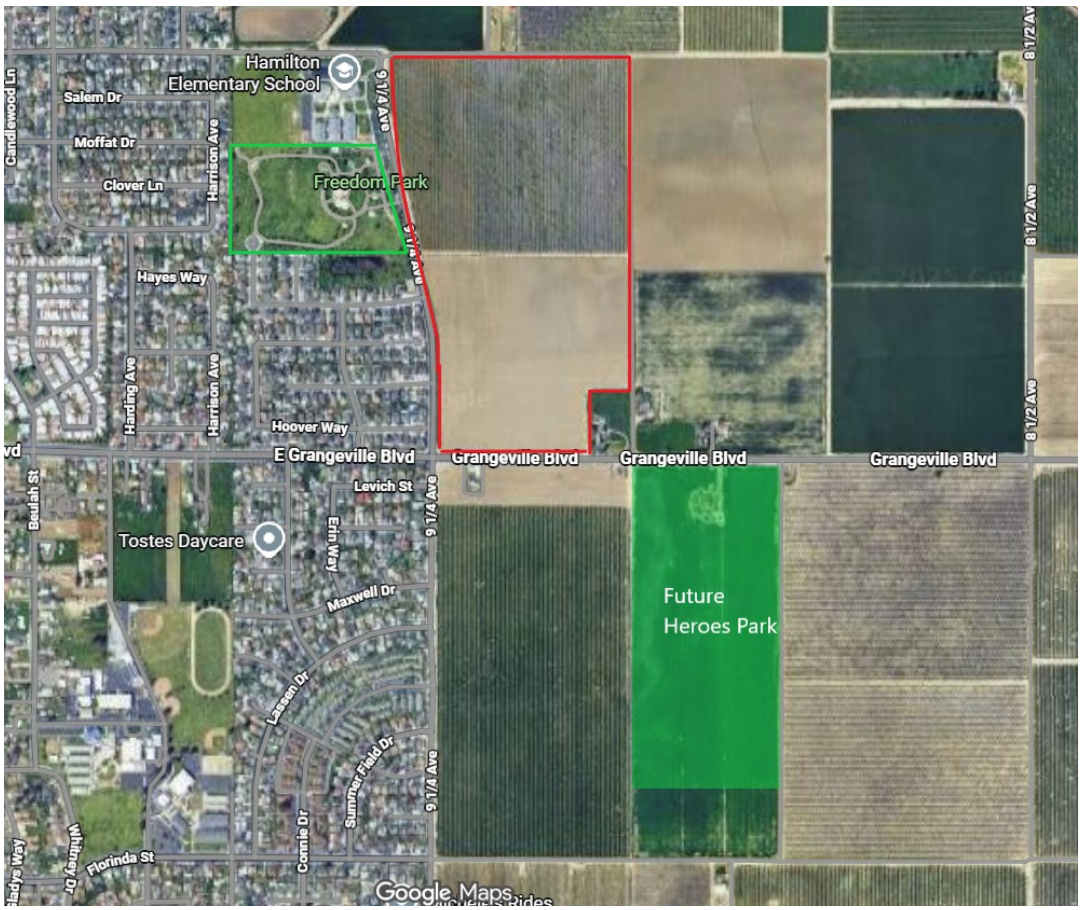
650 units x 3.08 persons per household = 2002 persons

2002 residents ÷ 1,000 = 2.002

2.002 x 3.5 acres = 7.007 acres of park space required

Although the project's population would yield 7 acres of park space, due to the proximity of the project to the future Heroes Park and the existing Freedom Park, the City requested park space be accommodated through the payment of fees, instead of the provision of park space within the development. Therefore, it is at the request of staff that a 7-acre park not be provided within the subdivision.

Figure 26: Proximity to Park Space

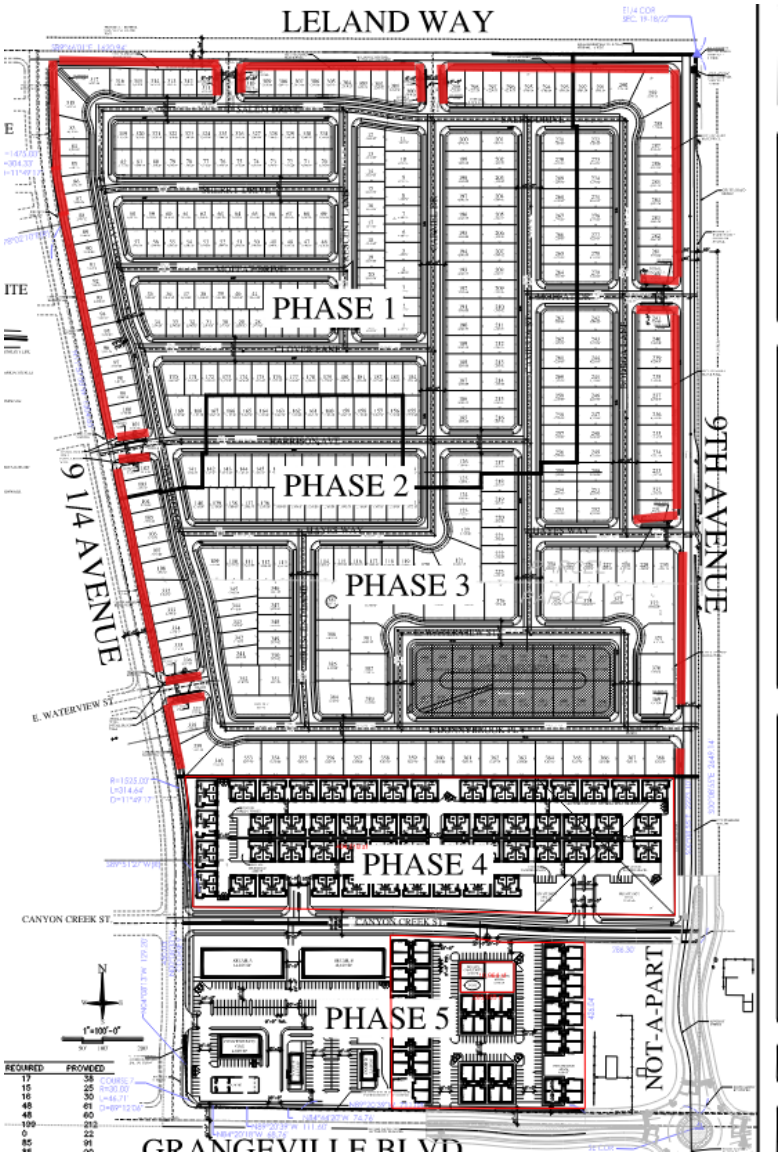


As a condition of approval of a final subdivision map or parcel map, the subdivider shall pay a fee in lieu for park or recreational purposes, at the time and according to the standards and formula contained in this title.

Restricted Access:

A one-foot reservation strip will be established at the end or sides of the roads abutting unsubdivided property and dedicated on the subdivision final map. All access will be restricted from the 9th Avenue, 9 ¼ Avenue, and Leland Avenue for lots backing or siding onto said rights-of-way. Side-lot access shall also be restricted for the following Lots: 369, 337, 336, 231, 241, 280, 299, 300, 310, 311, 101 and 102. A restricted access designation will be depicted on all recorded final maps.

Figure 27: Restricted Access



Special Requirements:

1. That a right-to-farm provision be recorded with the recording of the final subdivision map to insure that future residents of the homes in the subdivision are aware of the adjacent agricultural uses and their right to continue to operate.

2. That each lot owner within Tract No. 945 shall care for and maintain the trees and lawn area located in the parkway in front of their lot(s). For corner lots, the lot owner shall also care for and maintain the parkway trees and lawn area along the street side of their lot. All species of trees shall be selected from a list approved by the City Street Tree Commission. The parkway is defined as that land area located between the street curb and the public sidewalk.

3. That the tree(s) and lawn area are to be properly pruned, mowed, sprayed, watered and fertilized on a regular on-going basis in order to preserve the health and life of the tree(s) and lawn area.

4. That should the tree(s) and lawn area become damaged, severely pruned, neglected, removed or die, the lot owner shall replace said tree(s) and lawn area within thirty (30) days after the date of written notice from the City of Hanford. The tree(s) shall be replaced with a 15 gal. size tree of the same species that was originally planted. The lawn area shall be replaced with lawn. Rocks, bark, ground cover, plants or paving are not allowed in the parkway

5. That the "NOTICE, DISCLOSURE, ACKNOWLEDGMENT AND AGREEMENT OF CONTINUED CARE AND MAINTENANCE BY LOT OWNER OF THE TREES AND LAWN AREA PLANTED IN THE PARKWAY" be recorded concurrent with the recording of the subdivision final map to insure that future residents of homes in the subdivision are aware of the obligation to maintain the landscaping within the park strip. Each lot owner is to be provided a copy of said Notice, Disclosure, Acknowledgement, and Agreement, attached as in Exhibit B.

6. That Lots established as multi-family, particularly Lots 351-387, shall design each parcel to have one (1) shared access drive approach equaling 24' in width per City Standard Detail CO-41. If separate drive approaches are necessary, a 12' wide drive approach per City of Hanford Standard CO-38 for each garage will be required with a minimum of 22' of full height curbing in between the drive approaches. Drive approaches shall not exceed 40% of frontage.

Impact Fees:

Impact fees related to single family residential, multi-family and commercial will be assessed separately. Multi-family and Commercial must be approved through site plan review as individual project.

1. That development is subject to a Police Development Impact Fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

2. That development is subject to a Fire Development Impact Fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

3. That development is subject to a Park Development Impact Fee as required by City Ordinance No. 90-10 and any revisions thereof. Fee payable with each building permit.

4. That development is subject to a Transportation mitigation impact fee as required by City Ordinance No. 90-09 and any revisions thereof. Fee payable with each building permit.

5. That the development is subject to a Wastewater System Development Impact fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

6. That development is subject to a Storm Drainage Development Impact fee, as required by City Ordinance No. 98-14, and any revisions thereof. The development will be constructing a temporary storm basin and the City will acquire property in the future for a regional storm basin that will acquire the storm water from this development.

7. That development is subject to a Water System Development Impact Fee as required by City Ordinance No. 98-14 or any revisions thereof. Fee payable with each building permit.

8. That development is subject to a Refuse and Recycling Development Impact Fee as required by City Ordinance No. 05-16 or any revisions thereof. Fee payable with each building permit.

9. That development is subject to a Sanitary Sewer area of benefit assessment fee in accordance with City Ordinance No. 92-03 and any revisions thereof. Subject fee shall be paid prior to recording a subdivision final map.

General Comments:

1. The approval of this Tentative Map does not authorize construction or development of any multifamily or commercial uses shown on the map. Prior to any development of these areas, the applicant shall obtain Site Plan Review approval in accordance with the Hanford Municipal Code and all other applicable City regulations. Site Plan Review may include review and approval by the Planning Commission and/or City Council, as required at the time of application. If future subdivision of any multifamily or commercial parcel is proposed, additional Tentative and Final Maps or Parcel Maps shall be required in compliance with the California Subdivision Map Act (Government Code §66410 et seq.) and the Hanford Subdivision Ordinance.

2. Per the applicant's direction, the area designated for the temporary storm drainage basin shall not be further subdivided as part of the Final Maps for this subdivision. At such time as the City establishes a regional storm drainage basin to serve this area, any proposal to develop or reuse the temporary basin site shall be required to resubmit for Site Plan Review in accordance with the Hanford Municipal Code and all applicable City regulations. Upon resubmittal, the project shall be subject to all conditions and requirements in effect at that time, including the preparation and approval of a new Tentative Map(s) and any necessary Final or Parcel Maps, consistent with the California Subdivision Map Act (Government Code §66410 et seq.) and the Hanford Subdivision Ordinance.

3. Block wall easements shall be provided wherever block wall footings or foundations encroach onto private property, as determined necessary by the City Engineer. Such easements shall be dedicated on the Final Map.

4. A Declaration of Temporary Building Restrictions shall be recorded concurrently with the Final Map, encompassing the area designated for the temporary storm drainage basin. The restriction shall prohibit any building or structural development within the designated basin area until such time as the City establishes a regional storm drainage facility and the property is subsequently entitled for development through the required Site Plan Review and Subdivision Map Act processes. The document shall be prepared in a form acceptable to the City Attorney and City Engineer and shall be recorded with the Kings County Recorder's Office at the time of final map recordation.

FINDINGS FOR APPROVAL

Annexation No. 165

The Hanford Planning Commission is charged with reviewing the proposed annexation and making a finding of consistency with the Hanford General Plan to forward to the City Council. The Planning

Commission was able to make a finding of General Plan consistency at their meeting on November 25, 2025.

Annexation 165 is consistent with the Hanford General Plan Policy L15 and L17.

Policy L15 Initiation of Annexations

Consider initiation of annexation of land into the City of Hanford only when the following criteria are met:

1. The land is within the Primary Sphere of Influence.

   Analysis: The property proposed to be annexed is within the City's Primary Sphere of Influence, as shown in **Attachment 3.**

2. The capacity of the water, sewer, fire, school, and police services are adequate to service the area to be annexed or will be adequate at the time that development occurs.

   Analysis: A Plan for Services has been prepared by Engineering for Water, Sanitary Sewer, and Storm Drainage – see **Attachment 4.**

   Fire and Police

   Fire and police services are adequate to service the area to be annexed. Impacts to fire and police services will be mitigated through payment of impact fees.

   School

   Since the proposed Project includes the addition of 650 residential units, the number of students in the school district will increase. The Project will pay school development impact fees to the school districts at the time of building permit issuance in compliance with Education Code Section 17620 and Government Code Section 65995 et. Seq.. These fees are used to construct new or expanded school facilities.

   The City's role in development and managing school sites and programs is limited. The various school districts truly govern where a new school site would be located and when it would be necessary to construct or expand facilities, in order to adequately accommodate population growth. Elected governing school boards are responsible for budgeting and decision-making and the State Department of Education establishes school site and construction standards. The General Plan provides policy which focuses on collaboration with school districts in determining new school locations and utilizing school facilities for general public needs. School districts would be able to utilize the General Plan, along with other plans, standards, and codes, to establish new school sites and to make decisions on school amenities and cohesiveness with the surrounding area.

3. Land for development within the City limits is insufficient to meet the current land use needs.

Analysis: The applicant is proposing an 83.61-acre development in the northeast planning area. Available land for new development within the City limits is limited. Within the existing City limits, the majority of the property available for residential development has been developed or has been entitled. The proposal is considered implementation of the General Plan.

4. The territory to be annexed is contiguous to existing developed areas.

   Analysis: The territory to be annexed is directly contiguous to the current City limits to the north and west. Three annexations are in progress west and south of the project site – shown in Figure 13.

Policy L17 Plan for Services

Prepare and make publicly available a written Plan for Services that describes how urban services will be provided prior to initiating an annexation.

Analysis: A Plan for Services is attached **(Attachment 4)**.

Favorable Factors for Annexation

Favorable and unfavorable factors for annexation have been adopted by LAFCO. The existence of favorable or unfavorable factors should not decide approval or denial; however, a substantial number of favorable or unfavorable factors may determine approval or denial of the proposal.

1. The proposed area is close to urban development and municipal-type services and would enhance its potential for full development.

   Analysis: The proposed area is close to the existing City limits and is a logical extension of the City. The annexation area can be served by municipal-type services. The annexation area is designated as a combination of Low-Density Residential, Medium-Density Residential, and Neighborhood Commercial by the General Plan and is proposed to be designated as a combination of Low-Density Residential, Medium-Density Residential, Neighborhood Commercial, and Neighborhood Mixed Use, in accordance with the proposed General Plan Amendment. This area has been considered for urban development by the General Plan and is necessary to accommodate growth within the City of Hanford.

2. The proposed annexation conforms to the adopted General Plan.

   Analysis: The annexation area is designated as a combination of Low-Density Residential, Medium-Density Residential, and Neighborhood Commercial by the General Plan and is proposed to be designated as a combination of Low-Density Residential, Medium-Density Residential, Neighborhood Commercial, and Neighborhood Mixed Use, in accordance with the proposed General Plan Amendment. This area has been considered for urban development by the General Plan and is necessary to accommodate growth within the City of Hanford. The southern portion of the annexation area, considered the development area, is proposed to be developed as shown in Tentative Tract 945. Tentative Tract 945 proposes the development of 650 residential units (350 single-family and 300 multi-family), as well as

5.45 acres of commercial development. The development is consistent with the proposed General Plan Amendment No. 0009-24. All findings have been made in order to support the General Plan Amendment. The northern portion of the annexation area is not proposed to be developed, at this time. The annexation is consistent with the General Plan, as proposed to be amended.

The annexation is consistent with the General Plan Section 3.2.4, which states, "Annexation of land into Hanford allows previously undeveloped land to become available for development and allows the City of Hanford to provide the territory that is annexed with its full range of City services." The annexation area is also consistent with Policy L15 and L17 of the General Plan, as analyzed above.

3. The proposed area is consistent with the sphere of influence.

   Analysis: The property proposed to be annexed is within the City's Primary Sphere of Influence, as shown in **Attachment 3.**

4. The proposed annexation comes with 100% consent of all landowners.

   Analysis: **Unable to make finding.** The annexation area comes with consent of two property owners; however, the remaining property owners have not consented to the annexation.

General Plan Amendment No. 0009-24 and Prezone No. 0013-24

In accordance with HMC Section 17.88.040, before a general plan amendment may be approved, all of the following findings shall be made by the reviewing authority:

In accordance with HMC Section 17.86.030, before a zone change may be approved, all of the following findings shall be made by the reviewing authority:

(Note: the required findings to support the rezone application are the same as the findings used to support the General Plan Amendment).

1. That the amendment is internally consistent with the goals, objectives, and policies of the General Plan and the Municipal Code.

   Analysis: That Prezone No. 0013-24 and General Plan Amendment No. 0009-24 are internally consistent with the goals, objectives, and policies of the General Plan, including Low-Density Residential Policies L31-L33, Medium-Density Residential Policies L34 – L37, Neighborhood Commercial Polices L34-L37, Neighborhood Mixed Use policies L60 – L64, and Annexation Policies L15 and L17. The development proposed in the annexation area, under Tentative Tract 945, conforms with the regulations pertaining to the R-M Medium-Density Residential zone district and MX-N Neighborhood Mixed Use zone district, except where expressly modified under Planned Unit Development No. 0037-24.

2. That the amendment would not be detrimental to the public health, safety, or welfare of the community.

ANALYSIS: That this application has been reviewed by County departments, utility companies, City Fire Department, City Building Department, and other involved departments. Any mitigation required for public health and safety were applied to the proposal and required in the mitigation monitoring and reporting program.

3. That the amendment would maintain the appropriate balance of land uses within the City.

   Analysis: That job-housing balance is achieved by increasing opportunities for people to work and live in close proximity. The ratio is expressed as the number of jobs divided by the number of housing units. The jobs-housing balance is a general tool for analyzing where people work, where they live, and how effectively they can travel between the two. In the planning area, the existing jobs-housing balance ratio in 2013-2014 was 1.17. It is estimated that the implementation of the General Plan would increase the jobs-housing balance by 0.45 to 1.62, which would make the planning area a job-rich area.

   The prezone of the northern portion of the annexation area is consistent with the General Plan designation, Neighborhood Commercial and Low-Density Residential. The southern portion of the site, the planned development area, proposes to align with the land use designations proposed through General Plan Amendment No. 0007-24, Neighborhood Mixed Use and Medium-Density Residential.

   The project proposes the up-zoning of approximately 72.92 acres of Low-Density Residential to Medium-Density Residential and the addition of a 5.45-acre Neighborhood Mixed Use site. The site will increase both housing opportunity and commercial activity, thus maintaining an appropriate balance of land uses within the City.

4. That the anticipated land uses on the subject site would be compatible with existing and future surrounding uses.

   Analysis: That the anticipated land uses on the subject site include single-family residences (existing large-lot single family residential and planned small-lot single family), duplexes, low-rise apartments, and neighborhood commercial uses, as proposed under Tentative Tract 945. The anticipated land uses for the annexation area include low-density residential, medium-density residential, and neighborhood commercial and mixed-use development. The anticipated land uses are compatible with the surrounding land uses and planned land uses in the area, which include agricultural land, a future regional park, single-family and multi-family residential.

Tentative Tract Map 945:

Pursuant to Section 16.04.010 of the Hanford Subdivision Ordinance, Section 66474 of the Subdivision Map Act, and Hanford's Zoning Ordinance, the following findings can be made by the discretionary body:

1. Consistency Finding:

   ANALYSIS: That a consistency finding can be made, because the proposed subdivision map is consistent with the State Subdivision Map Act, General Plan (as proposed to be amended through General Plan Amendment No. 0009-24), Zoning Ordinance, and Subdivision

Ordinance. The subdivision is consistent with the General Plan Designation for the property, as amended through General Plan Amendment No. 0009-24 (for which the required findings can be satisfied), Medium-Density Residential and Neighborhood Mixed Use. All requirements of the Neighborhood Mixed Use zone and the R-M Medium-Density Residential zone district are satisfied, except where expressly modified through Planned Unit Development No. 0037-24 for lot area, lot dimensions, site area per dwelling unit, building setbacks, and usable open space, as set forth below:

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.
§ 17.24.130 Screening, fences, and walls.	A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.	Deviation request to remove the block wall requirement between the MX-N and R-M zone district to allow for integration and mixed uses between sites.

2. Design Finding:

ANALYSIS: That the design and improvement of the subdivision is consistent with the State Subdivision Map Act, General Plan (as amended through General Plan Amendment No. 0009-24), Zoning Ordinance, and Subdivision Ordinance. The subdivision is consistent with the General Plan Designation for the property, as amended through General Plan Amendment No. 0009-24 (for which the required findings can be satisfied), Medium-Density Residential and Neighborhood Mixed Use. All requirements of the Neighborhood Mixed Use zone and the R-M Medium-Density Residential zone district are satisfied, except where

expressly modified through Planned Unit Development No. 0037-24 for lot area, lot dimensions, site area per dwelling unit, building setbacks, and usable open space, as set forth below:

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.
§ 17.24.130 Screening, fences, and walls.	A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.	Deviation request to remove the block wall requirement between the MX-N and R-M zone district to allow for integration and mixed uses between sites.

3. Type of Development Finding:

   ANALYSIS: That the site is physically suitable for the single-family and multi-family residential and Neighborhood Mixed-Use development proposed under Tentative Tract 945. The submitted floorplans demonstrate the ability for the proposed residences to be situated on the proposed lots. All parcels have adequate street frontage on a public street and buildable lot configurations.

4. Density Finding:

   ANALYSIS: That a density finding can be made, because the site is physically suitable for the proposed density of development. The General Plan, as amended through General Plan Amendment No. 0009-24, prescribes a density range between seven and 20 units per gross

acre, with an expected average of nine units per gross acre for the Medium-Density Residential land use designation. The project has a density of 8.31 dwelling units per gross acre.

5. Environmental Finding:

   ANALYSIS: That a in accordance with the California Environmental Quality Act (CEQA), General Plan Amendment No. 0009-24, Prezone No. 0013-24, Tentative Tract 945, and Planned Unit Development No. 0037-24 were evaluated in an Environmental Assessment/Initial Study. Based on the review, it was determined that the proposed project would not result in a significant adverse impact on the environment with the incorporation of mitigation measures, therefore Mitigated Negative Declaration No. 2025-73 has been prepared, attached as **Attachment 6.**

6. Public Health Finding:

   ANALYSIS: That the design of the subdivision and type of improvements are not likely to cause serious health problems. The City of Hanford Building Division is responsible for ensuring that future construction of the site follows adopted building codes, thus reducing exposures to accidents to the general public. Consultation was sent for Tentative Tract 945 to interested agencies, including the County Health Department, Public Works Department, Fire Department, and Building Division. Any improvements or mitigations required for public health and safety were applied to the proposal and required in the conditions of approval and the mitigation monitoring and reporting program.

7. Improvements and Access Findings:

   ANALYSIS: That the design of the subdivision and type of improvements will not conflict with easements acquired by the public at large for access through or use of the property within the proposed subdivision. All easements will be designated on the final subdivision map, as required by the utility companies and where needed for providing service to streetlights and landscape improvements, as designated by the City Public Utilities and Engineering Division.

Planned Unit Development No. 0037-24:

Pursuant to Section 17.82.060 of the Hanford Municipal Code, six findings must be made before approval of the planned unit development application:

1. That the location and design of the PUD is in accordance with the purpose of this title;

Analysis: Location - That in accordance with Section 17.82.050 of the Hanford Municipal Code, a planned unit development shall be a minimum five-acre site area, except that there shall be no minimum site area requirements if the site is an infill development site. The planned unit development pertains to an 83.61-acre development site.

Design – the Planned Unit Development will allow the development of a 650-unit single- and multi-family mixed-use development, proposed under Tentative Tract 945. The design has been

evaluated in accordance with the requirements of the MX-N Neighborhood Mixed Use and R-M Medium-Density Residential zone district.

2. That the PUD is being proposed to achieve one or more of the objectives identified in Section 17.82.030;

Purpose: That planned unit developments are encouraged to achieve a more functional, aesthetically pleasing, and harmonious living and working environment within the City, that otherwise might not be possible by strict adherence to the provisions of the municipal code. In certain instances, the objectives of the municipal code may be achieved by development that does not conform in all respects with the land use pattern designated on the zoning map or in the zone district prescribed. The planned unit development seeks to:

- ✓ To permit a site within more than one zone district to mix the permitted or conditionally permitted land uses of both zones within the site without regard to the zone district boundary.

- ✓ To permit development intensity greater than would otherwise be permitted by the implementation of the standards of the zone district in which the site is located;

- ✓ To permit the lot patterns on size, shape, and layout that would otherwise not be permitted by the standards of the zone district in which the site is located;

- ✓ To modify the required building setbacks, distances between structures, and landscaped areas that would otherwise be required by this title;

- ✓ To permit the implementation of the mixed use provisions in the MX-N, MX-C, or MX-D zone districts.

3. The location and design of the PUD and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety or welfare of the community to properties or improvements in the vicinity.

   Analysis:

   Design and Purpose - That planned unit developments are encouraged to achieve a more functional, aesthetically pleasing, and harmonious living and working environment within the City, that otherwise might not be possible by strict adherence to the provisions of the municipal code. In certain instances, the objectives of the municipal code may be achieved by development that does not conform in all respects with the land use pattern designated on the zoning map or in the zone district prescribed. The planned unit development seeks to:

   - ✓ To permit a site within more than one zone district to mix the permitted or conditionally permitted land uses of both zones within the site without regard to the zone district boundary.

   - ✓ To permit development intensity greater than would otherwise be permitted by the implementation of the standards of the zone district in which the site is located;

- ✓ To permit the lot patterns on size, shape, and layout that would otherwise not be permitted by the standards of the zone district in which the site is located;

- ✓ To modify the required building setbacks, distances between structures, and landscaped areas that would otherwise be required by this title;

- ✓ To permit the implementation of the mixed use provisions in the MX-N, MX-C, or MX-D zone districts.

Design – The Planned Unit Development will allow the development of a 650-unit single- and multi-family mixed-use development, proposed under Tentative Tract 945. The design has been evaluated in accordance with the requirements of the MX-N Neighborhood Mixed Use and R-M Medium-Density Residential zone district.

4. The location and design of the PUD will not generate more traffic than the streets in the vicinity can carry without congestion, and will not overload utilities;

   Analysis: A traffic impact analysis was conducted for the initial study, which demonstrated that the location and design of the proposed development will not generate more traffic than the streets in the vicinity can handle without congestion, with the application of Engineering Conditions of Approval, conditioning the right-of-way development.

5. That the PUD's population density, site area and dimensions, site coverage, yard spaces, height of structures, distances between structures, off-street parking and off-street loading facilities, landscaped areas and street design will produce an environment of stable and desirable character consistent with the purpose of this title;

   Analysis: The PUD's population density is within the allowable range prescribed for the R-M Medium-Density and MX-N Neighborhood Mixed Use zone district. The site area, dimensions, site coverage, yard spaces, height of structures, distances between structures, parking, and landscaping were evaluated for conformance with the MX-N Neighborhood Mixed Use zone district and R-M Medium-Density Residential zone district regulations. Deviations were requested, as follows:

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet

§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.
§ 17.24.130 Screening, fences, and walls.	A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.	Deviation request to remove the block wall requirement between the MX-N and R-M zone district to allow for integration and mixed uses between sites.

The deviations proposed will allow the development, as proposed in Tentative Tract 945 and will produce an environment of stable and desirable character, achieving goals L6 and L7 of the General Plan to provide for a wide range of housing choices that insure opportunities for a variety of age groups, lifestyles, and income levels and allow residential densities that encourage both compact and infill development.

6. The combination of different dwelling types, architectural appearance, and/or varieties of land uses in the development will complement each other and will harmonize with the existing and proposed land uses in the vicinity; and

   Analysis: The combination of single-family and multi-family dwellings and commercial development provides for a mix of uses for the Neighborhood Mixed-Use and R-M Medium-Density Residential zone district. The uses will compliment and harmonize with each other and the surrounding land uses. The deviations proposed will allow the development, as proposed in Tentative Tract 945 which achieves goals L6 and L7 of the General Plan to provide for a wide range of housing choices that ensure opportunities for a variety of age groups, lifestyles, and income levels and allow residential densities that encourage both compact and infill development.

CONSULTATION

Early Consultation

On December 23, 2024, the City of Hanford submitted a pre-consultation request to the Office of Planning and Research (OPR). In response, the California Department of Conservation (DOC) and Department of Toxic Substances Control (DTSC) submitted written comments, which can be found in Appendix A of the Initial Study. A summary of the comments is found in each pertinent discussion in the environmental checklist, Agricultural Resources and Hazards and Hazardous Materials, respectively.

Consultation

In accordance with Section 15073 of the California Environmental Quality Act Guidelines, a Notice of Intent to Adopt a Mitigated Negative Declaration was sent to the concerned agencies, mailed to residents within 300 feet of the project site, and posted on CEQANet on September 12, 2025, for a 30-day review period. No comments have been received as of the date of preparation of this report.

ENVIRONMENTAL ASSESSMENT

In accordance with the California Environmental Quality Act (CEQA), General Plan Amendment No. 0009-24, Prezone No. 0013-24, Tentative Tract 945, and Planned Unit Development No. 0037-24 were evaluated in an Environmental Assessment/Initial Study. The Initial Study analyzed the project's potential impacts on

Aesthetics
Agriculture and Forest Resources
Air Quality
Biological Resources
Cultural Resources
Energy
Geology and Soils
Greenhouse Gas Emissions
Hazards and Hazardous Materials
Hydrology and Water Quality
Land Use and Planning
Mineral Resources
Noise
Population and Housing
Public Services
Parks and Recreation
Transportation
Tribal Cultural Resources
Utilities and Service Systems
Wildfire

Based on the review, it was determined that the proposed project would not result in a significant adverse impact on the environment with the incorporation of mitigation measures, therefore Mitigated Negative Declaration No. 2025-73 has been prepared, attached as **Attachment 6.**

PUBLIC COMMENTS

Notice of Public Hearing for the proposed projects was published in the Hanford Sentinel, posted on the Office of Planning and Research (OPR) CEQANet website, and mailed to property owners within 300 ft. of the project site on September 12, 2025. Notice of the public hearing before the City Council was mailed to property owners within 300 ft. of the project site and published in the Hanford Sentinel on December 5, 2025.

The Community Development Department has not received comments on the projects as of the date of preparation of this report.

STAFF RECOMMENDATION

Environmental:

1. Certify Mitigated Negative Declaration No. 2025-73 (SCH# 2024121093) for the project.

Annexation:

2. Adopt Resolution No. 25-68-R, initiating proceedings for Annexation No. 165 and direct staff to file the appropriate application with the Local Agency Formation Commission (LAFCO) of Kings County.

General Plan Amendment:

3. Adopt Resolution No. 25-69-R, approving General Plan Amendment No. 0009-24.

Pre-Zone:

4. Introduce and waive the first reading of Ordinance No. 25-13, approving Prezone No. 0013-24.

Tentative Subdivision Map:

5. Adopt Resolution No. 25-70-R, approving Tentative Subdivision No. 0012-24 (TT 945).

Planned Unit Development:

6. Adopt Resolution No. 25-71-R, approving Planned Unit Development No. 0037-24.

Applicant:
N&M Tulare, LLC
1878 N. Mooney Boulevard
Tulare, CA 93724

RESOLUTION NO. 25-68-R

A RESOLUTION OF APPLICATION BY THE CITY OF HANFORD REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO INITIATE PROCEEDINGS FOR ANNEXATION NO. 165, A REQUEST TO ANNEX APPROXIMATELY 141.85 ACRES INTO THE CITY OF HANFORD CITY LIMITS FROM THE KINGS COUNTY JURISDICTION. THE PROJECT IS LOCATED NORTH OF GRANGEVILLE BOULEVARD AND EAST OF 9 ¼ AVENUE. (APNS 014-143-022, -069, -078, 014-830-010, -011, AND -013 THROUGH-018).

RESOLVED by the City Council of the City of Hanford on December 16, 2025, that

WHEREAS, the City of Hanford desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Reorganization Act of 2000, Division 3, commencing with Section 5600 of the California Government Code, an affected City, as defined therein, may by resolution adopted by its legislative body make a proposal for a change of organization and request initiation of proceedings thereon; and

WHEREAS, notice of intent to adopt this resolution of application has been given, and this Council has conducted a public hearing based upon this notification; and

WHEREAS, the principal reasons for the proposed annexation are as follows:

1. The land will be within the Primary Sphere of Influence.
2. The capacity of the water, sewer, fire, school, and police services are adequate to service the area to be annexed, or will be adequate at the time that development occurs.
3. Land for development within the City limits is insufficient to meet the current land use needs.
4. The territory to be annexed is contiguous to existing developed areas.

WHEREAS, the following agency would be affected by the proposed jurisdictional changes:

Agency	**Nature of Change**
City of Hanford	Annexation

WHEREAS, the territory proposed to be annexed is inhabited, and a map and description of the boundaries of the territory are attached hereto as **Exhibits A** (annexation map) and **B** (legal description) and by this reference incorporated herein, and,

WHEREAS, the proposal is consistent with the General Plan of the City of Hanford; and

WHEREAS, it is desired to provide that the proposed annexation be subject to the following terms and conditions:

1. That the annexation area be prezoned a combination of R-M Medium-Density Residential (78.16 acres) and MX-N Neighborhood Mixed Use (5.45 acres), consistent with General Plan Amendment 0009-24, and R-L-5 Low-Density Residential (51.92 acres) and C-N Neighborhood Commercial (6.32 acres), consistent with the General Plan Designation.

2. That the Williamson Act contract for APN 014-143-078 be cancelled upon annexation into the City limits.

WHEREAS, this proposal will be consistent with the spheres of influence for all agencies which would be affected by the annexation; and

WHEREAS, The Council certified that an Initial Study was prepared for the project, consistent with the California Environmental Quality Act; and

WHEREAS, the City Council determined that the project would not result in significant impacts to the environment with the incorporation of mitigation measures and Mitigated Negative Declaration No. 2025-73 (SCH #2024121093) was certified and mitigations measures required, as included in the Mitigation Monitoring and Reporting Program, shown in **Exhibit C.**

NOW, THEREFORE, BE IT RESOLVED, this Resolution of Application is hereby adopted and approved by the City Council of the City of Hanford and the Local Agency Formation Commission of Kings County is hereby requested to take proceedings of the annexation of territory as authorized in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

NOW, THEREFORE, BE IT RESOLVED, this Resolution of Application is hereby adopted and approved by the City Council of the City of Hanford and the Local Agency Formation Commission of Kings County is hereby requested to take proceedings of the annexation of territory as authorized in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Hanford held on the 16th day of December 2025 by the following vote:

AYES: Council Member _____

_____

_____

_____

_____

NOES: Council Member _____

ABSTAIN: Council Member _____

ABSENT: Council Member _____

_____

MAYOR

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

I, **Natalie Corral,** City Clerk of the City of Hanford, do hereby certify that the foregoing Resolution was duly passed and adopted by the City Council of the City of Hanford at a regular meeting thereof held on the 16th day of December, 2025.

Dated: _____

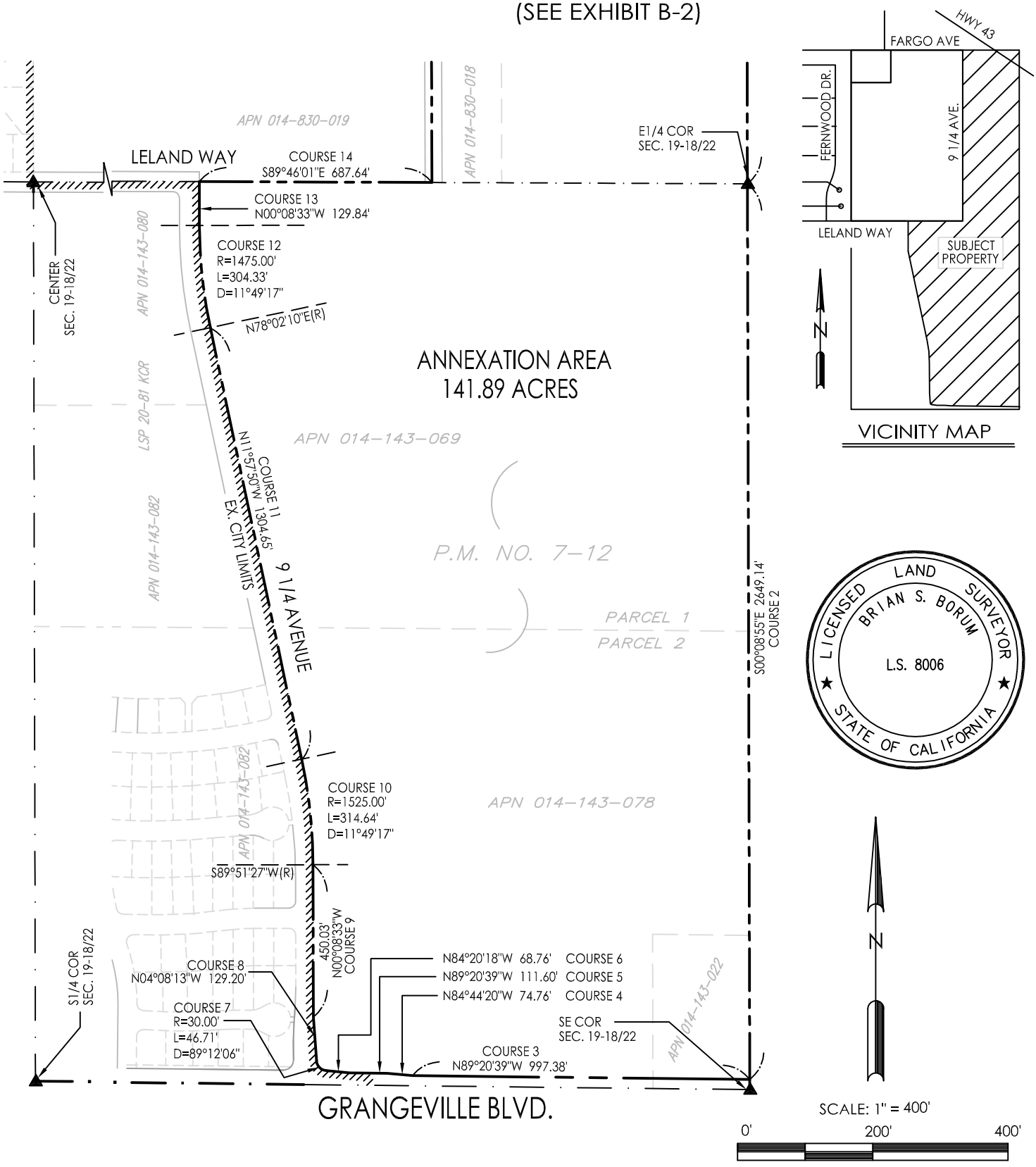
_____

City Clerk

Exhibit A

Annexation Map

(SEE EXHIBIT B-2)

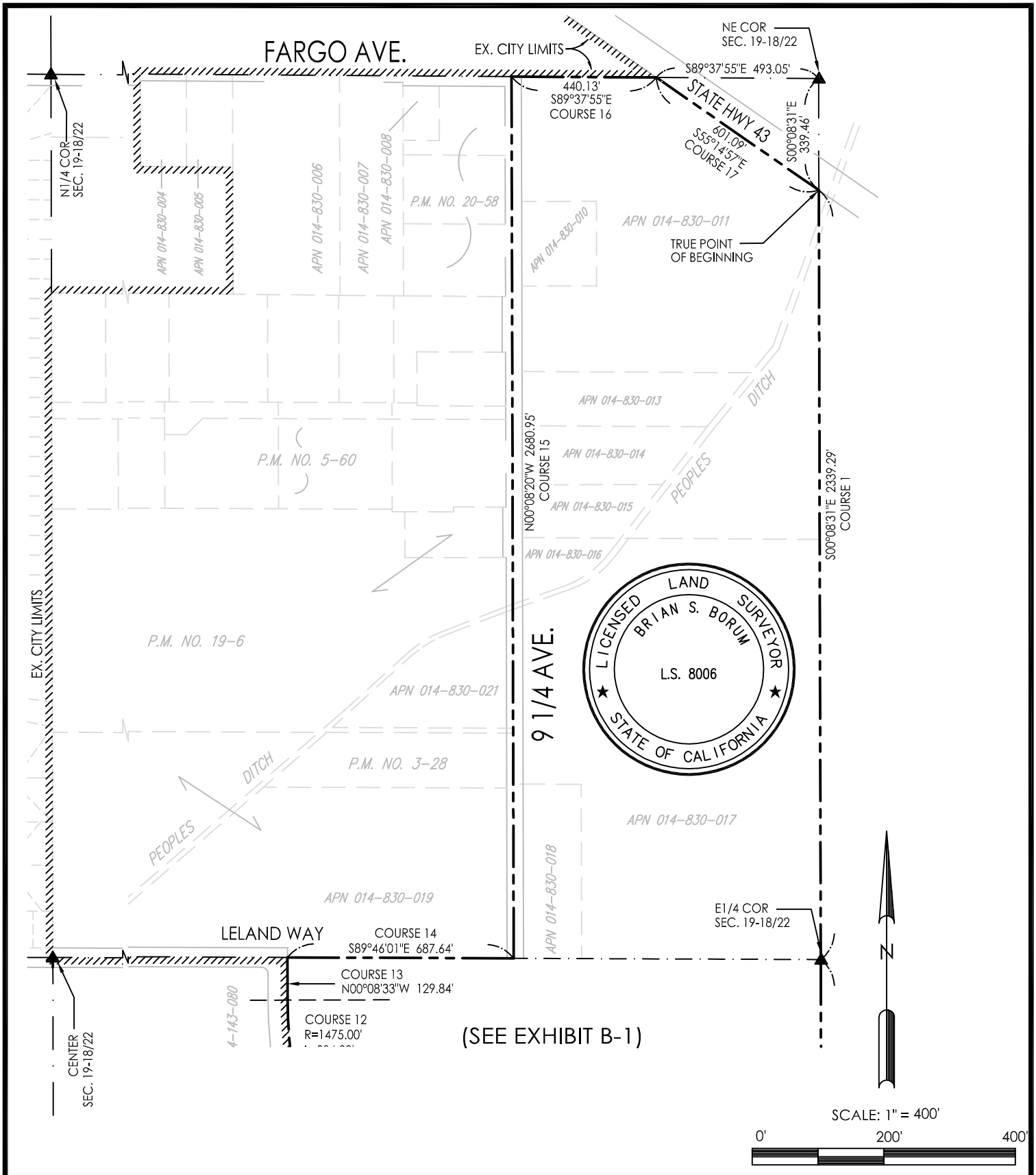


VICINITY MAP

DATE:	1-3-25
DRAWN:	BM
CHECKED:	BB
PROJECT:	24186

EXHIBIT B-1
CITY OF HANFORD
ANNEXATION NO. 2025 - _____
ANNEXATION TO THE CITY OF HANFORD

Borum Land Surveying Inc.
www.borumlandsurveying.com
1445 W. Grand Ave. Ste. C
Grover Beach, Ca 93433



DATE:	1-3-25
DRAWN:	BM
CHECKED:	BB
PROJECT:	24186

EXHIBIT B-2
CITY OF HANFORD
ANNEXATION NO. 2025 - _____
ANNEXATION TO THE CITY OF HANFORD

Borum Land Surveying Inc.
www.borumlandsurveying.com
1445 W. Grand Ave. Ste. C
Grover Beach, Ca 93433

Exhibit B

Legal Description

Exhibit A
Geographic Description
City of Hanford

Annexation 2025-____

Annexation to the City of Hanford

That portion of the East Half of Section 19, Township 18 South, Range 22 East, Mount Diablo Meridian in the County of Kings, State of California, described as follows:

Beginning at the Northeast Corner of said Section 19 thence S00°8'31"E along the East line of said Northeast Quarter, a distance of 339.46 feet to the **True Point of Beginning;**

Course 1: Thence continuing S00°08'31"E along said East line a distance of 2339.29 feet to the East Quarter corner of said Section 19:

Course 2: Thence S00°08'55"E along the East line of the Southeast Quarter a distance of 2649.14 feet to a point on the North right of way line of Grangeville Blvd. located 30 feet north of the Southeast corner of said section 19;

Course 3: Thence N89°20'39"W along said North right of way line a distance of 997.38 feet, thence continuing along said North right of way the following courses;

Course 4: Thence N84°44'20"W a distance of 74.76;

Course 5: Thence N89°20'39"W a distance of 110.60 feet;

Course 6: Thence N84°20'18"W a distance of 68.76 feet to the termination of said North right of way line and the beginning of a tangent curve concave Northeasterly with a radius of 30 feet and a central angle of 89°12'06";

Course 7: Thence Northerly along said curve a distance of 46.71 feet;

Course 8: Thence N04°08'13"W along the Easterly right of way of 9 ¼ Ave a distance of 129.20 feet thence continuing along said Easterly right of way the following courses;

Course 9: Thence N00°08'33"W a distance of 450.03 feet to a tangent curve concave Westerly with a radius of 1525 feet and a central angle of 11°49'17";

Course 10: Thence Northerly along said curve a distance of 314.64 feet;

Course 11: Thence N11°57'50"W a distance of 1304.65 feet to the beginning of a tangent curve concave Easterly with a radius of 1475.00 feet and a central angle of 11°49'17";

Course 12: Thence northerly along said curve a distance of 304.33 feet;

Course 13: Thence N00°08’33”W a distance of 129.84 feet to a point on the North line of the Southeast Quarter of said Section 19 and the termination of said Easterly right of way of 9 ¼ Ave.;

Course 14: Thence S89°46’01”E along the North line of said Southeast Quarter a distance of 687.64 feet to the centerline of 9 ¼ Ave.;

Course 15: Thence N00°08’20”W a distance of 2680.95 feet to a point on the North line of the Northeast Quarter 933.18 feet West of the Northeast Corner of said Section 19;

Course 16: Thence S89°37’55”E along the North Line of said Northeast Quarter a distance of 440.13 feet to a point on the Southwesterly right of way line of State Hwy 43. Said point being located 493.05 feet West of the Northeast Corner of said Section 19;

Course 17: Thence S55°14’57”E along said Southwesterly right of way line a distance of 601.09 feet to the **True Point of Beginning**.

Containing 141.89 acres, more or less.

Exhibit C

Mitigation Monitoring and Reporting Program

MITIGATION MONITORING AND REPORTING PROGRAM

As required by Public Resources Code Section 21081.6, subd. (a)(1), a Mitigation Monitoring and Reporting Program (MMRP) has been prepared for the Project in order to monitor the implementation of the mitigation measures that have been adopted for the Project. This Mitigation Monitoring and Reporting Program (MMRP) has been created based upon the findings of the Initial Study/Mitigated Negative Declaration (IS/MND) for the Copper Ridge Subdivision proposed by Quest Equity LLC in the City of Hanford.

The first column of the table identifies the mitigation measure. The second column names the party responsible for carrying out the required action. The third column, "Timing of Mitigation Measure" identifies the time the mitigation measure should be initiated. The fourth column, "Responsible Party forMonitoring," names the party ensuring that the mitigation measure is implemented. The last column willbe used by the City of Hanford to ensure that the individual mitigation measures have been monitored.

Plan checking and verification of mitigation compliance shall be the responsibility of the City of Hanford.

MITIGATION MEASURE	RESPONSIBLE PARTY FOR IMPLEMENTATION	IMPLEMENTATION TIMING	RESPONSIBLE PARTY FOR MONITORING	VERIFICATION
Biological Resources				
Mitigation Measure BIO 1 (Construction Timing). If feasible, future construction activities will take place entirely outside of the avian nesting season, defined as February 1 to August 31.	Applicant Developer Builder	Ongoing	City of Hanford	
Mitigation Measure BIO 2 (Preconstruction Surveys). If construction must occur between February 1 and August 31, a qualified biologist will conduct surveys for active bird nests within 7 days prior to the start of work during this period. The survey area will encompass the site and accessible surrounding lands within ¼ mile for nesting Swainson's hawks, 500 feet for other nesting raptors, 300 feet for the tricolored blackbird, and 250 feet for	Applicant Developer Builder	7 days prior to construction	City of Hanford	

other nesting birds.				
Mitigation Measure BIO 3 (Avoidance of Active Nests). Should any active nests be discovered in or near proposed construction zones, the biologist will identify a suitable construction-free buffer around the nest. This buffer will be identified on the ground with flagging or fencing and will be maintained until the biologist has determined that the young have fledged and are capable of foraging independently.	Applicant Developer Builder	Ongoing	City of Hanford	
Cultural Resources				
Mitigation Measure CUL-1: In the event of accidental discovery of unidentified archaeological remains during development or ground disturbing activities in the Project area, all work shall be halted in immediate vicinity (within a 100-foot radius) until a qualified archaeologist can identify the discovery and assess its significance.	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	
Mitigation Measure CUL 2: If human remains are uncovered during construction, work shall be halted, and the Kings County Coroner is to be notified to investigate the remains and arrange proper treatment and disposition. If the remains	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	

are identified on the basis of archaeological context, age, cultural associations, or biological traits to be those of a Native American, California Health and Safety Code 7050.5 and California Public Resources Code 5097.98 require that the coroner notify the Native American Heritage Commission (NAHC) within 24 hours of discovery. The NAHC will then identify the Most Likely Descendent who will make recommendations regarding the treatment and disposition of the remains.				
Mitigation Measure CUL 3 A burial Treatment Plan shall be entered into by the Project applicant/property owner prior to any ground disturbing activities.	Applicant Construction Contractor	Prior to ground disturbing activities	City of Hanford	

RESOLUTION NO. 25-69-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING AN AMENDMENT TO THE LAND USE ELEMENT OF THE GENERAL PLAN.

GENERAL PLAN AMENDMENT NO. 0009-24, A REQUEST TO CHANGE THE LAND USE DESIGNATION FROM A COMBINATION OF LOW- AND MEDIUM-DENSITY RESIDENTIAL TO MEDIUM-DENSITY RESIDENTIAL (78.16 ACRES) AND NEIGHBORHOOD MIXED USE (5.45 ACRES).

THE PROJECT IS LOCATED NORTH OF GRANGEVILLE BOULEVARD AND EAST OF 9 ¼ AVENUE. (APNS 014-143-069 AND 014-143-078)

At a regular meeting of the City Council of the City of Hanford, duly called to order and held on December 16, 2025 at 7:00 p.m., it was moved by Council Member _____ , and seconded by Council Member _____ , and duly carried that the following resolution be adopted:

WHEREAS, General Plan Amendment No. 0009-24, proposes to amend the land use designation of certain real property as follows:

General Plan Amendment No. 0009-24

Approximately 83.61 acres from a combination of Low- and Medium-Density Residential to Medium-Density Residential (78.16 acres) and Neighborhood Mixed Use (5.45 acres) as shown in attached **Exhibit A**; and

WHEREAS, the proposed general plan amendment was presented to the Planning Commission of the City of Hanford on October 16 and November 25, 2025; and

WHEREAS, the City of Hanford Planning Commission, at its regularly scheduled meeting on October 16 and November 25, 2025 held a public hearing and received testimony and evidence for and against the proposed general plan amendment. After closing the public hearing, the Planning Commission, by resolution, recommended that the City Council of the City of Hanford approve General Plan Amendment No. 0009-24; and

WHEREAS, the City Council of the City of Hanford, at its regularly scheduled meeting on December16, 2025, held a public hearing and received testimony and evidence regarding proposed General Plan Amendment No. 0009-24; and

WHEREAS, the City Council of the City of Hanford considered the evidence presented in the staff report and testimony presented during the public hearing; and

WHEREAS, the City Council of the City of Hanford finds that no significant environmental impacts would result from the proposed project with the incorporation of mitigations, as presented in the Mitigation Monitoring and Reporting Program, attached as **Exhibit B;** and

WHEREAS, Mitigated Negative Declaration No. 2025-73 (SCH# 2024121093) was prepared and adopted; and,

WHEREAS, on the basis of the application for the amendment to the general plan, the documentation and information provided in the staff report, and the evidence and testimony submitted at the public hearing, the City Council of the City of Hanford hereby makes the following findings in accordance with Section 17.88.040 of the Hanford Municipal Code:

General Plan Amendment No. 0009-24

1. That the amendment is internally consistent with the goals, objectives, and policies of the General Plan and the Municipal Code.

   Analysis: That Prezone No. 0013-24 and General Plan Amendment No. 0009-24 are internally consistent with the goals, objectives, and policies of the General Plan, including Low-Density Residential Policies L31-L33, Medium-Density Residential Policies L34 – L37, Neighborhood Commercial Polices L34-L37, Neighborhood Mixed Use policies L60 – L64, and Annexation Policies L15 and L17. The development proposed in the annexation area, under Tentative Tract 945, conforms with the regulations pertaining to the R-M Medium-Density Residential zone district and MX-N Neighborhood Mixed Use zone district, except where expressly modified under Planned Unit Development No. 0037-24.

2. That the amendment would not be detrimental to the public health, safety, or welfare of the community.

   Analysis: That this application has been reviewed by County departments, utility companies, City Fire Department, City Building Department, and other involved departments. Any mitigation required for public health and safety were applied to the proposal and required in the mitigation monitoring and reporting program.

3. That the amendment would maintain the appropriate balance of land uses within the City.

   Analysis: That job-housing balance is achieved by increasing opportunities for people to work and live in close proximity. The ratio is expressed as the number of jobs divided by the number of housing units. The jobs-housing balance is a general tool for analyzing where people work, where they live, and how effectively they can travel between the two. In the planning area, the existing jobs-housing balance ratio in 2013-2014 was 1.17. It is estimated that the implementation of the General Plan would increase the jobs-housing balance by 0.45 to 1.62, which would make the planning area a job-rich area.

   The prezone of the northern portion of the annexation area is consistent with the General Plan designation, Neighborhood Commercial and Low-Density Residential. The southern portion of the site, the planned development area, proposes to align with the land use designations proposed through General Plan Amendment No. 0007-24, Neighborhood Mixed Use and Medium-Density Residential.

   The project proposes the up-zoning of approximately 72.92 acres of Low-Density Residential to Medium-Density Residential and the addition of a 5.45-acre Neighborhood Mixed Use site. The site will increase both housing opportunity and commercial activity, thus maintaining an appropriate balance of land uses within the City.

4. That the anticipated land uses on the subject site would be compatible with existing and future surrounding uses.

   Analysis: That the anticipated land uses on the subject site include single-family residences (existing large-lot single family residential and planned small-lot single family), duplexes, low-rise apartments, and neighborhood commercial uses, as proposed under Tentative Tract 945. The anticipated land uses for the annexation area include low-density residential, medium-density residential, and neighborhood commercial and mixed-use development. The anticipated land uses are compatible with the surrounding land uses and planned land uses in the area, which include agricultural land, a future regional park, single-family and multi-family residential.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hanford hereby approves General Plan Amendment No. 0009-24, subject to the following condition(s):

ADMINISTRATION DEPARTMENT
Contact the City Attorneys' Office: (559) 584-6656
Concerning questions that you may have on the conditions listed below:

Defense and Indemnification Provisions:

1. That the applicant shall defend, indemnify, and hold harmless the City of Hanford ("City"), its officials, officers, employees, representatives, agents and attorneys, from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the City's act or acts leading up to and including approval of any environmental document and/or granting of any approvals relating to the Project. Applicant's obligation to defend, indemnify and hold the City harmless specifically includes, but is not limited to, any suit or challenge by any third party against the City which challenges or seeks to set aside, void or annul the legality or adequacy of any environmental document approved by the City or any approval related to the Project.

Passed and adopted at a regular meeting of the City Council of the City of Hanford, duly called and held on December 16, 2025, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

_____
TRAVIS PADEN
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 __ day of _____, 2025.

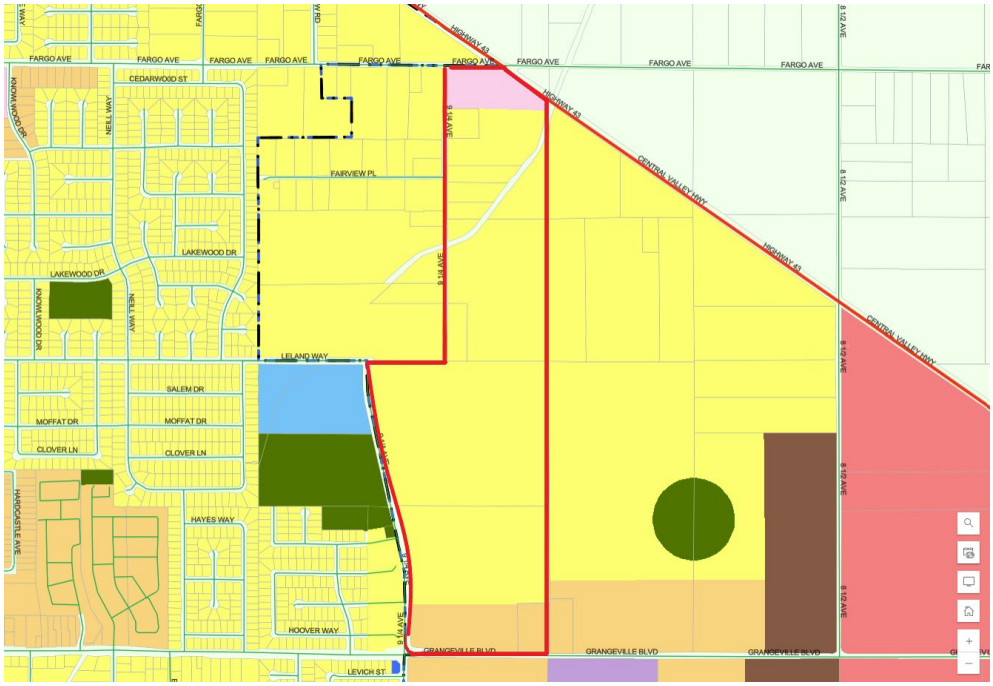
Date: _____

_____

City Clerk

Exhibit A
Current and Proposed General Plan Land Use Designation

Existing General Plan Designation
(project site outlined in red)



General Plan Amendment No. 0009-24
(project site shown in red; area changed outlined in bold)

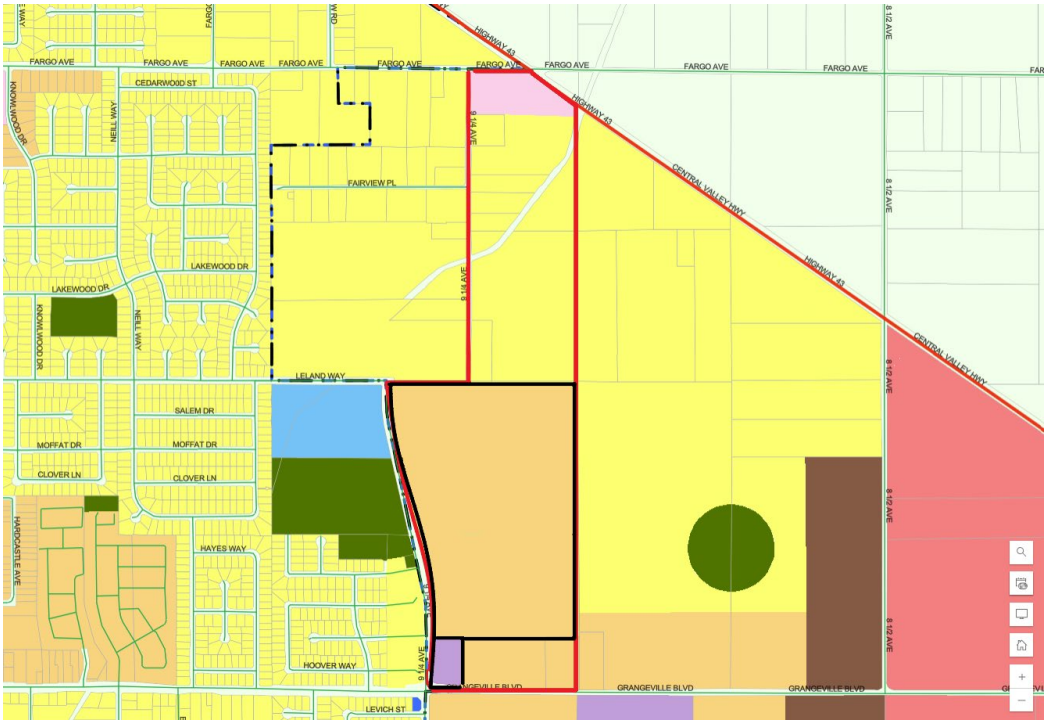


Exhibit B
Mitigation Monitoring and Reporting Program

MITIGATION MONITORING AND REPORTING PROGRAM

As required by Public Resources Code Section 21081.6, subd. (a)(1), a Mitigation Monitoring and Reporting Program (MMRP) has been prepared for the Project in order to monitor the implementation of the mitigation measures that have been adopted for the Project. This Mitigation Monitoring and Reporting Program (MMRP) has been created based upon the findings of the Initial Study/Mitigated Negative Declaration (IS/MND) for the Copper Ridge Subdivision proposed by Quest Equity LLC in the City of Hanford.

The first column of the table identifies the mitigation measure. The second column names the party responsible for carrying out the required action. The third column, "Timing of Mitigation Measure" identifies the time the mitigation measure should be initiated. The fourth column, "Responsible Party forMonitoring," names the party ensuring that the mitigation measure is implemented. The last column willbe used by the City of Hanford to ensure that the individual mitigation measures have been monitored.

Plan checking and verification of mitigation compliance shall be the responsibility of the City of Hanford.

MITIGATION MEASURE	RESPONSIBLE PARTY FOR IMPLEMENTATION	IMPLEMENTATION TIMING	RESPONSIBLE PARTY FOR MONITORING	VERIFICATION
Biological Resources				
Mitigation Measure BIO 1 (Construction Timing). If feasible, future construction activities will take place entirely outside of the avian nesting season, defined as February 1 to August 31.	Applicant Developer Builder	Ongoing	City of Hanford	
Mitigation Measure BIO 2 (Preconstruction Surveys). If construction must occur between February 1 and August 31, a qualified biologist will conduct surveys for active bird nests within 7 days prior to the start of work during this period. The survey area will encompass the site and accessible surrounding lands within ¼ mile for nesting Swainson's hawks, 500 feet for other nesting raptors, 300 feet for the tricolored blackbird, and 250 feet for	Applicant Developer Builder	7 days prior to construction	City of Hanford	

other nesting birds.				
Mitigation Measure BIO 3 (Avoidance of Active Nests). Should any active nests be discovered in or near proposed construction zones, the biologist will identify a suitable construction-free buffer around the nest. This buffer will be identified on the ground with flagging or fencing and will be maintained until the biologist has determined that the young have fledged and are capable of foraging independently.	Applicant Developer Builder	Ongoing	City of Hanford	
Cultural Resources				
Mitigation Measure CUL-1: In the event of accidental discovery of unidentified archaeological remains during development or ground disturbing activities in the Project area, all work shall be halted in immediate vicinity (within a 100-foot radius) until a qualified archaeologist can identify the discovery and assess its significance.	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	
Mitigation Measure CUL 2: If human remains are uncovered during construction, work shall be halted, and the Kings County Coroner is to be notified to investigate the remains and arrange proper treatment and disposition. If the remains	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	

are identified on the basis of archaeological context, age, cultural associations, or biological traits to be those of a Native American, California Health and Safety Code 7050.5 and California Public Resources Code 5097.98 require that the coroner notify the Native American Heritage Commission (NAHC) within 24 hours of discovery. The NAHC will then identify the Most Likely Descendent who will make recommendations regarding the treatment and disposition of the remains.				
Mitigation Measure CUL 3 A burial Treatment Plan shall be entered into by the Project applicant/property owner prior to any ground disturbing activities.	Applicant Construction Contractor	Prior to ground disturbing activities	City of Hanford	

ORDINANCE NO. 25-13

PREZONE NO. 0013-24

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HANFORD PREZONING CERTAIN PROPERTY ADJACENT TO THE CITY OF HANFORD FROM COUNTY ZONING AL-10 LIMITED AGRICULTURE TO A COMBINATION OF R-M MEDIUM-DENSITY RESIDENTIAL (78.16 ACRES) AND MX-N NEIGHBORHOOD MIXED USE (5.45 ACRES), CONSISTENT WITH THE PROPOSED GENERAL PLAN AMENDMENT AND R-L-5 LOW-DENSITY RESIDENTIAL (51.92 ACRES) AND C-N NEIGHBORHOOD COMMERCIAL (6.32 ACRES), CONSISTENT WITH THE GENERAL PLAN DESIGNATION.

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

Section 1: The following described territory situated in the City of Hanford is hereby prezoned under the terms of Chapter 17.86 of the Hanford Municipal Code:

Annexation 165 filed by N&M Tulare, LLC

FROM: County zoning of AL-10 Limited Agriculture

TO: City zoning R-M Medium-Density Residential (78.16 acres), MX-N Neighborhood Mixed Use (5.45 acres), R-L-5 Low-Density Residential (51.92 acres), and C-N Neighborhood Commercial (6.32 acres), as shown in **Exhibit A**

On property described in **Exhibit B,** containing approximately 141.85 acres, as depicted in attached **Exhibit C**; and

Section 2: The Council does hereby find as a fact that this Ordinance has been recommended for passage by the Planning Commission of the City of Hanford after public hearing before the Planning Commission after notice required by Section 17.70.100 of the Hanford Municipal Code and Government Code Section 65854. The City Council finds that Mitigated Negative Declaration No. 2025-73 is approved, in conformance with the California Environmental Quality Act. The City Council hereby finds that the prezoning is required to achieve the objectives of the zoning regulations as set forth in Section 17.06.010 of the Hanford Municipal Code, and that this Ordinance has been introduced by the City Council after public hearing held on the 16th day of December 2025 at 7:00 p.m. of said day after notice required under the provisions of Section 65856 of the Government Code.

Section 3: This Ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage, and the zoning will apply to such property in the event of subsequent annexation to the City under the provisions of Section 65859 of the Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, by the following roll call vote:

APPROVED

_____

ATTEST: **MAYOR** of the City of Hanford

_____

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 ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 16th day of November, 2025 and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _____ day of _____, 2025.

Dated: _____ _____

Natalie Corral
City Clerk

Exhibit A
Prezone No. 0013-24

A request to prezone the properties as a R-M Medium-Density Residential (78.16 acres) and MX-N Neighborhood Mixed Use (5.45 acres), consistent with the proposed General Plan Amendment and R-L-5 Low-Density Residential (51.92 acres) and C-N Neighborhood Commercial (6.32 acres), consistent with the General Plan Designation.

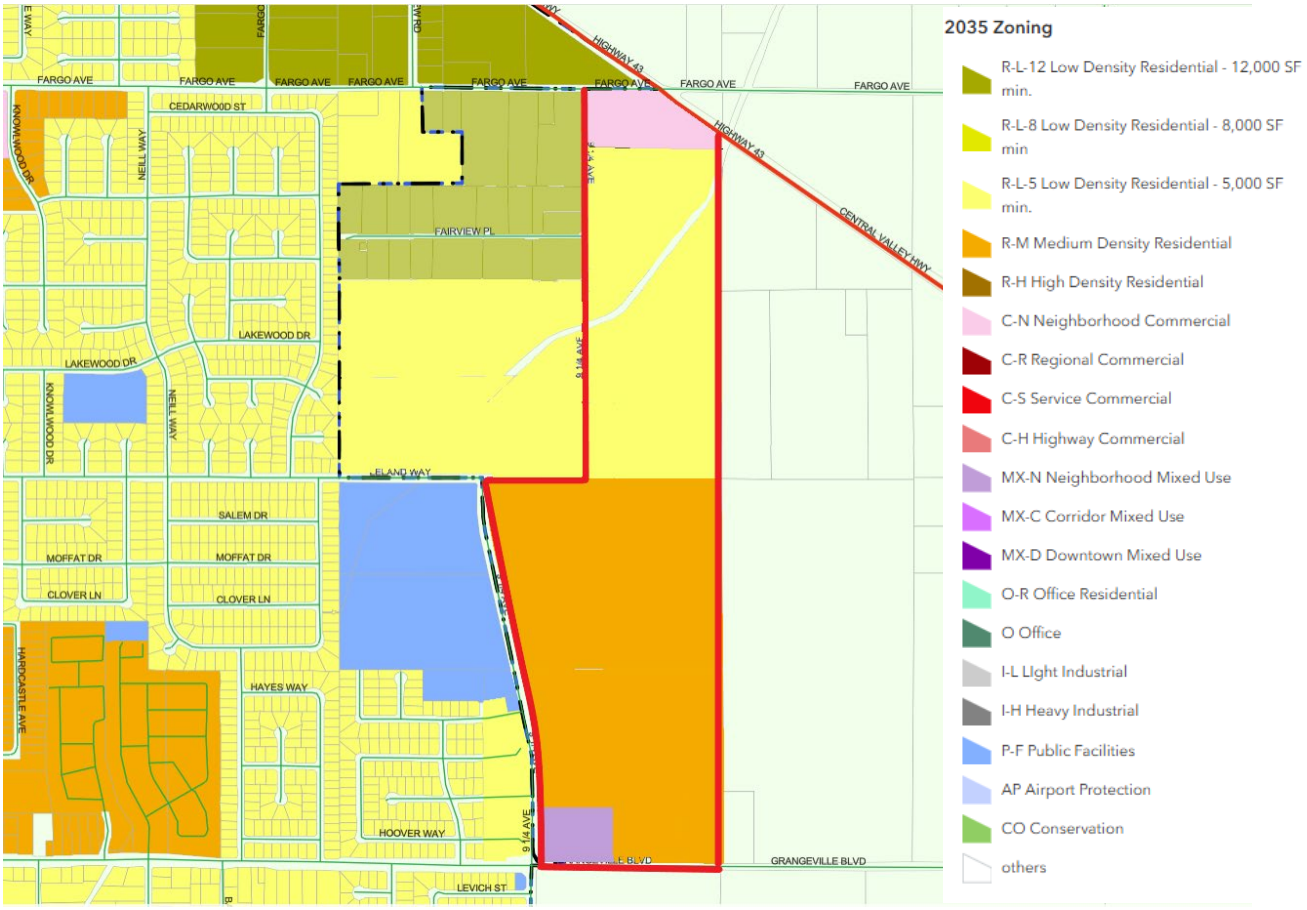


Exhibit B

Legal Description

Exhibit A
Geographic Description
City of Hanford

Annexation 2025-____

Annexation to the City of Hanford

That portion of the East Half of Section 19, Township 18 South, Range 22 East, Mount Diablo Meridian in the County of Kings, State of California, described as follows:

Beginning at the Northeast Corner of said Section 19 thence S00°8'31"E along the East line of said Northeast Quarter, a distance of 339.46 feet to the **True Point of Beginning;**

Course 1: Thence continuing S00°08'31"E along said East line a distance of 2339.29 feet to the East Quarter corner of said Section 19:

Course 2: Thence S00°08'55"E along the East line of the Southeast Quarter a distance of 2649.14 feet to a point on the North right of way line of Grangeville Blvd. located 30 feet north of the Southeast corner of said section 19;

Course 3: Thence N89°20'39"W along said North right of way line a distance of 997.38 feet, thence continuing along said North right of way the following courses;

Course 4: Thence N84°44'20"W a distance of 74.76;

Course 5: Thence N89°20'39"W a distance of 110.60 feet;

Course 6: Thence N84°20'18"W a distance of 68.76 feet to the termination of said North right of way line and the beginning of a tangent curve concave Northeasterly with a radius of 30 feet and a central angle of 89°12'06";

Course 7: Thence Northerly along said curve a distance of 46.71 feet;

Course 8: Thence N04°08'13"W along the Easterly right of way of 9 ¼ Ave a distance of 129.20 feet thence continuing along said Easterly right of way the following courses;

Course 9: Thence N00°08'33"W a distance of 450.03 feet to a tangent curve concave Westerly with a radius of 1525 feet and a central angle of 11°49'17";

Course 10: Thence Northerly along said curve a distance of 314.64 feet;

Course 11: Thence N11°57'50"W a distance of 1304.65 feet to the beginning of a tangent curve concave Easterly with a radius of 1475.00 feet and a central angle of 11°49'17";

Course 12: Thence northerly along said curve a distance of 304.33 feet;

Course 13: Thence N00°08’33”W a distance of 129.84 feet to a point on the North line of the Southeast Quarter of said Section 19 and the termination of said Easterly right of way of 9 ¼ Ave.;

Course 14: Thence S89°46’01”E along the North line of said Southeast Quarter a distance of 687.64 feet to the centerline of 9 ¼ Ave.;

Course 15: Thence N00°08’20”W a distance of 2680.95 feet to a point on the North line of the Northeast Quarter 933.18 feet West of the Northeast Corner of said Section 19;

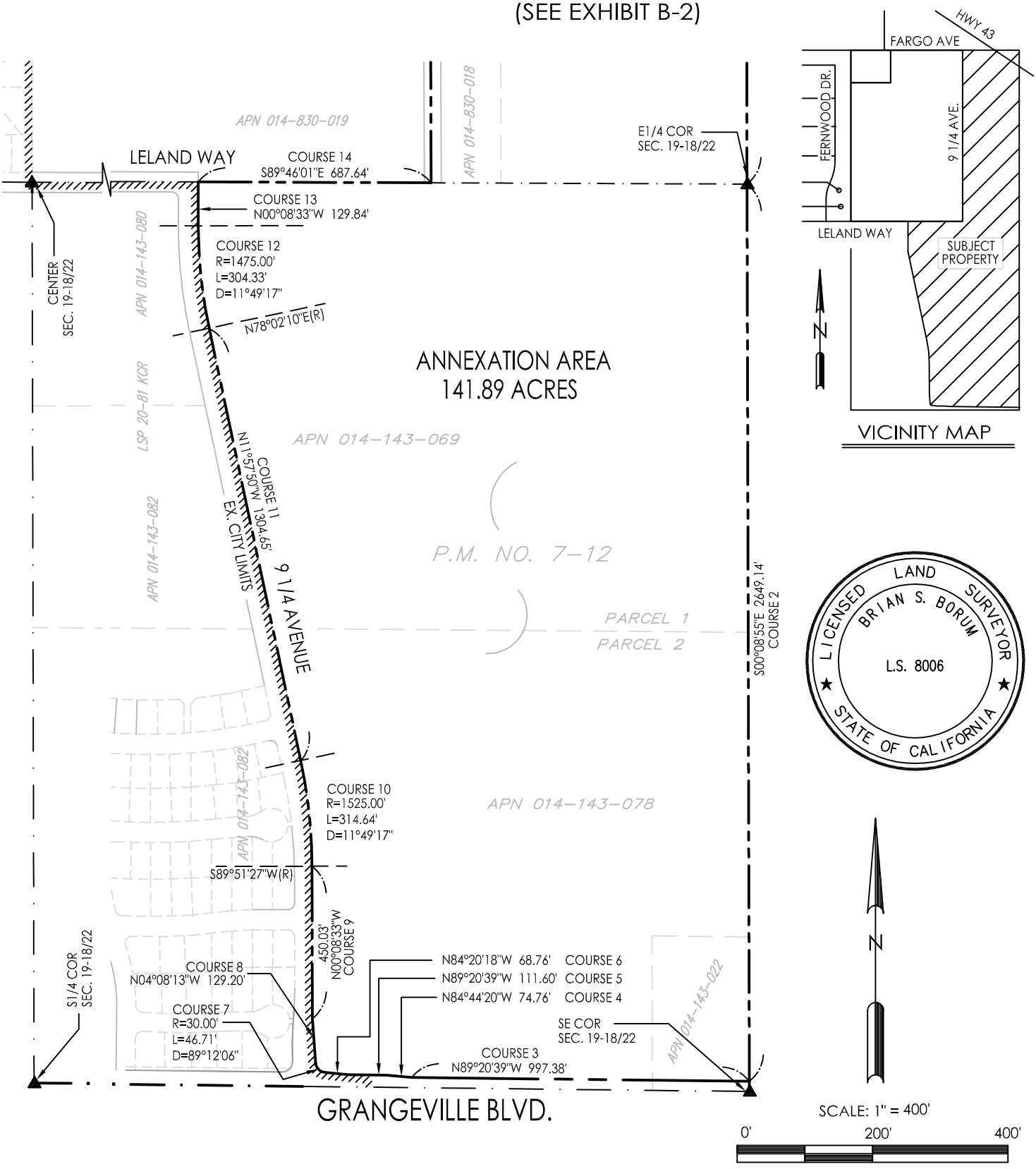
Course 16: Thence S89°37’55”E along the North Line of said Northeast Quarter a distance of 440.13 feet to a point on the Southwesterly right of way line of State Hwy 43. Said point being located 493.05 feet West of the Northeast Corner of said Section 19;

Course 17: Thence S55°14’57”E along said Southwesterly right of way line a distance of 601.09 feet to the **True Point of Beginning**.

Containing 141.89 acres, more or less.

Exhibit C

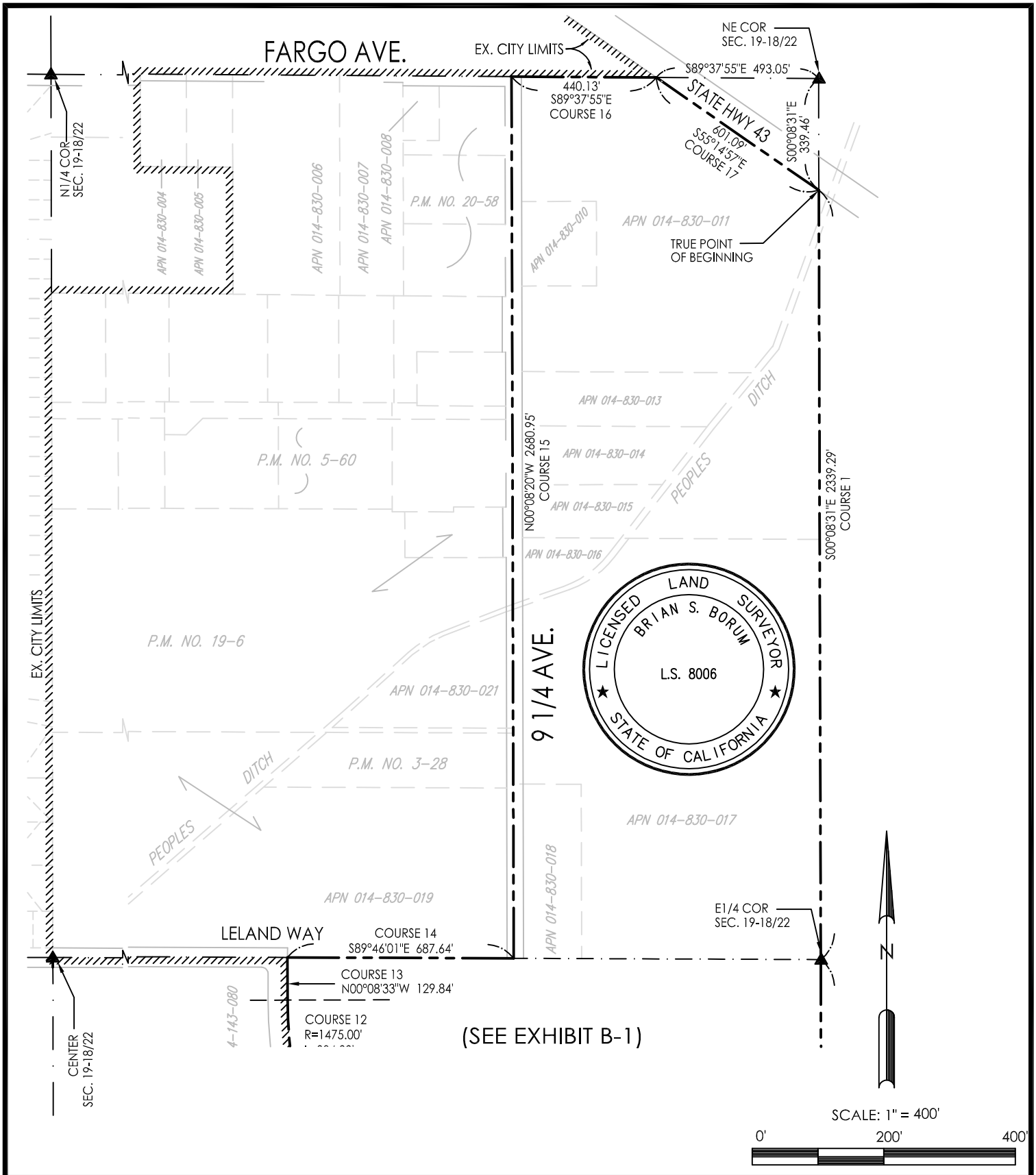
Annexation Area to be Prezoned



DATE:	1-3-25
DRAWN:	BM
CHECKED:	BB
PROJECT:	24186

EXHIBIT B-1
CITY OF HANFORD
ANNEXATION NO. 2025 - _____
ANNEXATION TO THE CITY OF HANFORD

Borum Land Surveying Inc.
www.borumlandsurveying.com
1445 W. Grand Ave. Ste. C
Grover Beach, Ca 93433



DATE:	1-3-25
DRAWN:	BM
CHECKED:	BB
PROJECT:	24186

EXHIBIT B-2
CITY OF HANFORD
ANNEXATION NO. 2025 - _____
ANNEXATION TO THE CITY OF HANFORD

Borum Land Surveying Inc.
www.borumlandsurveying.com
1445 W. Grand Ave. Ste. C
Grover Beach, Ca 93433

RESOLUTION 25-70-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING TENTATIVE TRACT 945, A REQUEST TO A SUBDIVIDE 83.61 ACRES INTO A 650-UNIT MULTI-FAMILY (300 UNITS) AND SINGLE-FAMILY (350 UNITS) RESIDENTIAL SUBDIVISION AND A 5.45-ACRE NEIGHBORHOOD MIXED USE SITE WITH A PLANNED UNIT DEVELOPMENT OVERLAY. THE PROJECT SITE IS LOCATED NORTH OF GRANGEVILLE BOULEVARD AND EAST OF 9 ¼ AVENUE (APNS 014-143-069 AND 014-143-078).

At a regular meeting of the City Council of the City of Hanford duly called and held on December 16, 2025, by motion of Councilmember _____ **,** and seconded by Councilmember _____ **,** and duly carried, the following resolution was adopted:

WHEREAS, Vesting Tentative Subdivision Map No. 945, filed by L&M Tulare, LLC, a request to subdivide 83.61 acres into a 650-unit multi-family (300 units) and single-family (350 units) residential subdivision and a 5.45-acre Neighborhood Mixed Use site with a planned unit development overlay, as shown in **Exhibit A,** has been reviewed by the City Council of the City of Hanford, in accordance with Title 16 of the Hanford Municipal Code; and

WHEREAS, the City Council has carefully considered recommendations and testimony presented at the public hearing of December 16, 2025, and

WHEREAS, all affected public utility companies, various governmental department agencies, staff, and the City Council, have given careful consideration to this tentative subdivision map and have made recommendations thereon; and

WHEREAS, the Initial Study, Mitigated Negative Declaration No. 2025-73, and all notices related thereto were prepared in compliance with the California Environmental Quality Act (CEQA) and the City of Hanford Municipal Code and Policies; and

WHEREAS, the City Council has made the following findings, pursuant to Section 16.04.010 of the Hanford Subdivision Ordinance, Section 66474 of the Subdivision Map Act and Hanford's Zoning Ordinance:

1. Consistency Finding:

ANALYSIS: That a consistency finding can be made, because the proposed subdivision map is consistent with the State Subdivision Map Act, General Plan (as proposed to be amended through General Plan Amendment No. 0009-24), Zoning Ordinance, and Subdivision Ordinance. The subdivision is consistent with the General Plan Designation for the property, as amended through General Plan Amendment No. 0009-24 (for which the required findings can be satisfied), Medium-Density Residential and Neighborhood Mixed Use. All requirements of the Neighborhood Mixed Use zone and the R-M Medium-Density Residential zone district are satisfied, except where expressly modified through Planned Unit Development No. 0037-24 for lot area, lot dimensions, site area per dwelling unit, building setbacks, and usable open space, as set forth below:

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.
§ 17.24.130 Screening, fences, and walls.	A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.	Deviation request to remove the block wall requirement between the MX-N and R-M zone district to allow for integration and mixed uses between sites.

2. Design Finding:

ANALYSIS: That the design and improvement of the subdivision is consistent with the State Subdivision Map Act, General Plan (as amended through General Plan Amendment No. 0009-24), Zoning Ordinance, and Subdivision Ordinance. The subdivision is consistent with the General Plan Designation for the property, as amended through General Plan Amendment No. 0009-24 (for which the required findings can be satisfied), Medium-Density Residential and Neighborhood Mixed Use. All requirements of the Neighborhood Mixed Use zone and the R-M Medium-Density Residential zone district are satisfied, except where expressly modified through Planned Unit Development No. 0037-24 for lot area, lot dimensions, site area per dwelling unit, building setbacks, and usable open space, as set forth below:

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.
§ 17.24.130 Screening, fences, and walls.	A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.	Deviation request to remove the block wall requirement between the MX-N and R-M zone district to allow for integration and mixed uses between sites.

3. Type of Development Finding:

ANALYSIS: That the site is physically suitable for the single-family and multi-family residential and Neighborhood Mixed-Use development proposed under Tentative Tract 945. The submitted floorplans demonstrate the ability for the proposed residences to be situated on the proposed lots. All parcels have adequate street frontage on a public street and buildable lot configurations.

4. Density Finding:

ANALYSIS: That a density finding can be made, because the site is physically suitable for the proposed density of development. The General Plan, as amended through General Plan Amendment No. 0009-24, prescribes a density range between seven and 20 units per gross acre, with an expected average of nine units per gross acre for the Medium-Density Residential land use designation. The project has a density of 8.31 dwelling units per gross acre.

5. Environmental Finding:

ANALYSIS: That a in accordance with the California Environmental Quality Act (CEQA), General Plan Amendment No. 0009-24, Prezone No. 0013-24, Tentative Tract 945, and Planned Unit Development No. 0037-24 were evaluated in an Environmental Assessment/Initial Study. Based on the review, it was determined that the proposed project would not result in a significant adverse impact on the environment with the incorporation of mitigation measures, therefore Mitigated Negative Declaration No. 2025-73 has been prepared, attached as **Attachment 6.**

6. Public Health Finding:

ANALYSIS: That the design of the subdivision and type of improvements are not likely to cause serious health problems. The City of Hanford Building Division is responsible for ensuring that future construction of the site follows adopted building codes, thus reducing exposures to accidents to the general public. Consultation was sent for Tentative Tract 945 to interested agencies, including the County Health Department, Public Works Department, Fire Department, and Building Division. Any improvements or mitigations required for public health and safety were applied to the proposal and required in the conditions of approval and the mitigation monitoring and reporting program.

7. Improvements and Access Findings:

ANALYSIS: That the design of the subdivision and type of improvements will not conflict with easements acquired by the public at large for access through or use of the property within the proposed subdivision. All easements will be designated on the final subdivision map, as required by the utility companies and where needed for providing service to streetlights and landscape improvements, as designated by the City Public Utilities and Engineering Division.

NOW, THEREFORE, BE IT RESOLVED, that the City Council finds that no significant environmental impacts would result from the proposed project with the incorporation of mitigation measures, adopts a Mitigation Monitoring and Reporting Program, attached as **Exhibit B,** and certifies that Mitigated Negative Declaration No. 2025-73 was prepared consistent with the California Environmental Quality Act (CEQA) Guidelines and City of Hanford Environmental Guidelines.

THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Hanford hereby approves Tentative Tract 945, subject to the conditions of approval, attached as **Exhibit C**, and the following:

1. That this tentative subdivision map becomes null and void after 24 months has elapsed from the date of approval, if the above conditions have not been satisfied or bonded for, and a final map recorded. A time extension may be granted by the approving body upon written request by the applicant. The time extension, if approved, will be subject to the improvement standards and fees in effect at the time the time the extension for the tentative subdivision map is granted.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Hanford held on the 16th day of December 2025 by the following vote:

AYES:	Council Member	_____
		_____
		_____
		_____
		_____
NOES:	Council Member	_____
ABSTAIN:	Council Member	_____

ABSENT: Council Member _____

_____

MAYOR

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

I, **Natalie Corral,** City Clerk of the City of Hanford, do hereby certify that the foregoing Resolution was duly passed and adopted by the City Council of the City of Hanford at a regular meeting thereof held on the 16th day of December 2025.

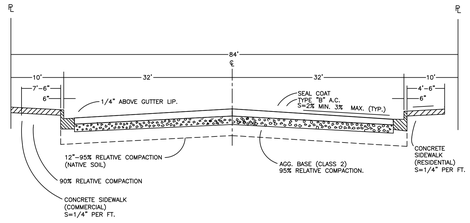
Dated: _____

_____

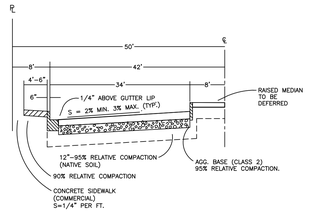
City Clerk

Exhibit A:

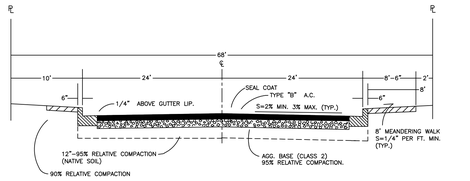
Tentative Tract 945



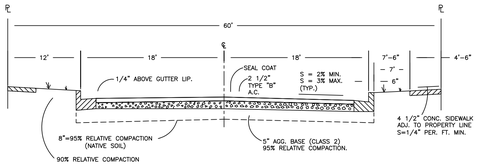
GRANGEVILLE BLVD N.T.S.



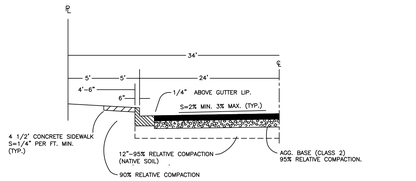
9TH AVENUE N.T.S.



9 1/4 AVENUE N.T.S.



LOCAL STREETS N.T.S.



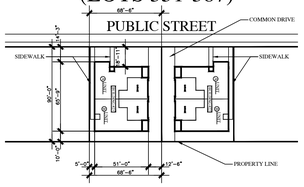
LELAND WAY N.T.S.

TENTATIVE SUBDIVISION MAP

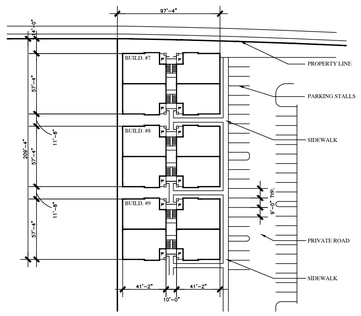
COPPER RIDGE

HANFORD CALIFORNIA

TYP. ONE STORY DUPLEX SITE (LOTS 351-387)



TYP. TWO STORY 8-PLEX SITE



OWNER

WARMERDAM FAMILY TRUST
10426 EXCELSIOR AVE. HANFORD, CA, 93230
DADIGIAN FAMILY TRUST 2001
2491 16TH AVE. KINGSBURG, CA, 93631

DEVELOPER

N & M CAPITAL LLC
GREG NUNLEY (559)799-6993
1878 N MOONEY BLVD SUITE J
TULARE, CA 93274

PROJECT INFO

NORTH EAST CORNER OF 9 1/4 AVENUE AND GRANGEVILLE BLVD
APN: 014-143-069, 014-143-078
TOTAL AREA: 85.61 AC
EXIST. USE: VACANT/ AG
PROPOSED USE: SINGLE FAMILY PUD, NEIGHBORHOOD COMMERCIAL
FLOOD ZONE: X
SEWER: CITY OF HANFORD
WATER: CITY OF HANFORD
STORM DRAIN: CITY OF HANFORD
MIN. LOT SIZE: 2,800 SF; MAX. LOT SIZE: 11,540 SF
SINGLE FAMILY UNITS: 350
MULTI FAMILY UNITS: 300
RESIDENTIAL ACREAGE: 78.16 AC
DENSITY: 8.31 UNITS/AC
COMMERCIAL ACREAGE: 5.45 AC
OUTLOTS A-I TO BE DEDICATED TO CITY OF HANFORD

VICINITY MAP

NOT TO SCALE

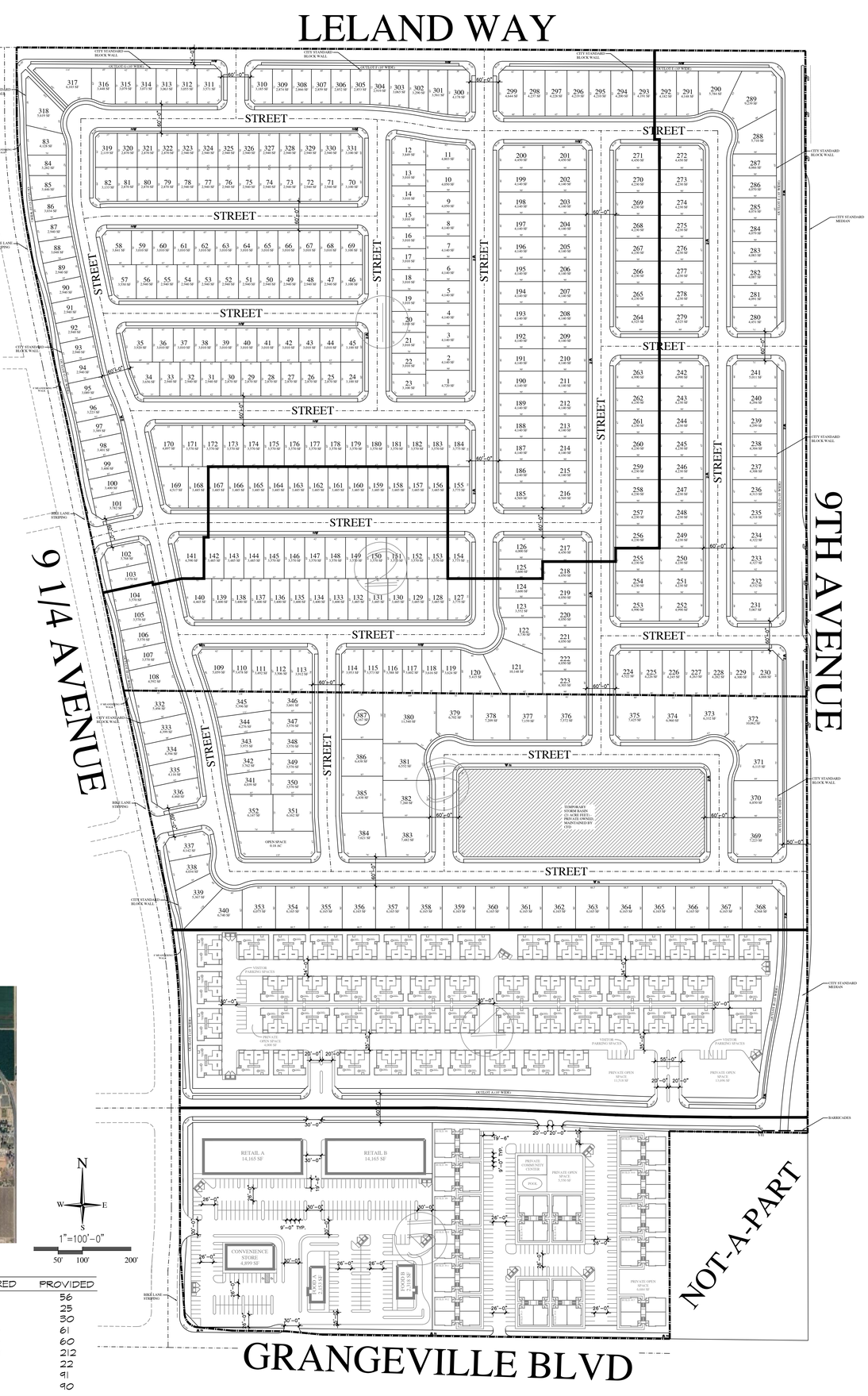


PHASES INFO

PHASE 1	181 UNITS	40' WIDE LOTS: 115	45' WIDE LOTS: 66	MULTI FAMILY UNITS: 0	RETAIL: 0 SF
PHASE 2	150 UNITS	40' WIDE LOTS: 91	45' WIDE LOTS: 59	MULTI FAMILY UNITS: 0	RETAIL: 0 SF
PHASE 3	89 UNITS	40' WIDE LOTS: 19	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 74	RETAIL: 0 SF
PHASE 4	110 UNITS	40' WIDE LOTS: 0	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 106	RETAIL: 0 SF
PHASE 5	120 UNITS	40' WIDE LOTS: 0	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 120	RETAIL: 37,700 SF
TOTAL	650 UNITS	40' WIDE LOTS: 225	45' WIDE LOTS: 125	MULTI FAMILY UNITS: 300	RETAIL: 37,700 SF

PARKING INFO

LAND USE	REQUIRED	PROVIDED
CONVENIENCE STORE	17	56
FOOD A	15	25
FOOD B	16	30
RETAIL A	48	61
RETAIL B	48	60
PHASE 4 MULTIFAM. COVERED	199	212
PHASE 4 MULTIFAM. UNCOVERED	0	22
PHASE 5 MULTIFAM. COVERED	85	91
PHASE 5 MULTIFAM. UNCOVERED	85	90



REVISIONS			
MARK	DATE		
1			
2			
3			
4			

DRAWN BY: EN
DATE: SEP. 25, 2025
SCALE: 1"=100'-0"

AWEngineering
810 WEST ACEQUIA AVENUE
VISALIA, CA. 93292
(559) 713-6139
awengineering09@gmail.com

TENTATIVE SUBDIVISION MAP
COPPER RIDGE
HANFORD CALIFORNIA

SHEET
SITE
JOB NUMBER:

Exhibit B:

Mitigation Monitoring and Reporting Program

MITIGATION MONITORING AND REPORTING PROGRAM

As required by Public Resources Code Section 21081.6, subd. (a)(1), a Mitigation Monitoring and Reporting Program (MMRP) has been prepared for the Project in order to monitor the implementation of the mitigation measures that have been adopted for the Project. This Mitigation Monitoring and Reporting Program (MMRP) has been created based upon the findings of the Initial Study/Mitigated Negative Declaration (IS/MND) for the Copper Ridge Subdivision proposed by Quest Equity LLC in the City of Hanford.

The first column of the table identifies the mitigation measure. The second column names the party responsible for carrying out the required action. The third column, "Timing of Mitigation Measure" identifies the time the mitigation measure should be initiated. The fourth column, "Responsible Party forMonitoring," names the party ensuring that the mitigation measure is implemented. The last column willbe used by the City of Hanford to ensure that the individual mitigation measures have been monitored.

Plan checking and verification of mitigation compliance shall be the responsibility of the City of Hanford.

MITIGATION MEASURE	RESPONSIBLE PARTY FOR IMPLEMENTATION	IMPLEMENTATION TIMING	RESPONSIBLE PARTY FOR MONITORING	VERIFICATION
Biological Resources				
Mitigation Measure BIO 1 (Construction Timing). If feasible, future construction activities will take place entirely outside of the avian nesting season, defined as February 1 to August 31.	Applicant Developer Builder	Ongoing	City of Hanford	
Mitigation Measure BIO 2 (Preconstruction Surveys). If construction must occur between February 1 and August 31, a qualified biologist will conduct surveys for active bird nests within 7 days prior to the start of work during this period. The survey area will encompass the site and accessible surrounding lands within ¼ mile for nesting Swainson's hawks, 500 feet for other nesting raptors, 300 feet for the tricolored blackbird, and 250 feet for	Applicant Developer Builder	7 days prior to construction	City of Hanford	

other nesting birds.				
Mitigation Measure BIO 3 (Avoidance of Active Nests). Should any active nests be discovered in or near proposed construction zones, the biologist will identify a suitable construction-free buffer around the nest. This buffer will be identified on the ground with flagging or fencing and will be maintained until the biologist has determined that the young have fledged and are capable of foraging independently.	Applicant Developer Builder	Ongoing	City of Hanford	
Cultural Resources				
Mitigation Measure CUL-1: In the event of accidental discovery of unidentified archaeological remains during development or ground disturbing activities in the Project area, all work shall be halted in immediate vicinity (within a 100-foot radius) until a qualified archaeologist can identify the discovery and assess its significance.	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	
Mitigation Measure CUL 2: If human remains are uncovered during construction, work shall be halted, and the Kings County Coroner is to be notified to investigate the remains and arrange proper treatment and disposition. If the remains	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	

are identified on the basis of archaeological context, age, cultural associations, or biological traits to be those of a Native American, California Health and Safety Code 7050.5 and California Public Resources Code 5097.98 require that the coroner notify the Native American Heritage Commission (NAHC) within 24 hours of discovery. The NAHC will then identify the Most Likely Descendent who will make recommendations regarding the treatment and disposition of the remains.				
Mitigation Measure CUL 3 A burial Treatment Plan shall be entered into by the Project applicant/property owner prior to any ground disturbing activities.	Applicant Construction Contractor	Prior to ground disturbing activities	City of Hanford	

Exhibit C:

Conditions of Approval

PLANNING DIVISION
SITE PLAN REVIEW COMMENTS

TENTATIVE TRACT NO. 0012-24 V8
CONTACT: Gabrielle Myers, Senior Planner: (559) 585-2578

General Plan Designation: Low-Density Residential and Medium-Density Residential

Proposed GP Designation: Medium-Density Residential and Neighborhood Mixed Use

Zoning: Kings County Jurisdiction

Other Special Districts: N/A

Associated Entitlements

1. Annexation 166

2. General Plan Amendment –request to change from Low-Density Residential to Medium-Density Residential and Neighborhood Mixed Use

3. Prezone –Combination of R-M and MX-N

4. Planned Unit Development – a request to allow various deviations from the regulation of the R-M Medium-Density Residential zone district for the residential subdivision, including reduced lot size, lot width, lot depth, setbacks, and increased driveway paved surface allowance and allow removal of the block wall requirement between MX-N Neighborhood Mixed Use and R-M Medium-Density Residential.

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet

	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.

Planning Division Recommendation ☒ Revise and Proceed ☐ Resubmit

R-M Medium Density Residential Zone District Standards

General Requirements:

☒ **That the multi-family duplexes and 8-plex low-rise apartments depicted in Phase 3, 4 and 5 are considered conceptual. Site Plan Review (and any necessary entitlements) will be required prior to development of the multi-family portion of the site.**

☒ That the applicant hereby agrees to hold the City of Hanford and all of its departments, officers, agents, and employees free and harmless of and from all claims of any kind or nature arising out of or by reason of the approval of this project.

☒ That approval of this project does not exempt compliance with all applicable sections of the Uniform Fire and Building Codes, Zoning Ordinance, Public Works Improvement Standards, and other City Ordinances.

☒ That the final map be submitted to the City Engineer and Community Development Department for compliance with the Tentative Subdivision Map approval prior to recording the final map.

☒ That all conditions of approval listed in this resolution by the City of Hanford be contained in the line drawing submitted for building permits.

☒ That in accordance with Title 16 of the Hanford Municipal Code, all conditions of this subdivision listed herein, and contained in subsequent improvement agreements, excluding the landscape district, must be completed and accepted for maintenance by the City Council prior to the final building inspection and occupancy permits being issued for the first house in the subdivision.

☒ That Vesting Tentative Tract 945 be developed consistent with the approved tentative tract map

☒ That the tentative tract is subject to the mitigations cited in the Mitigation Monitoring and Reporting Program

Right-to-Farm:

☒ Notwithstanding any other provision in this Chapter, agricultural operations are the principal and favored use of land in the areas of Kings County designated “Agricultural” in the Kings County General Plan and included in the agricultural zone districts of the Kings County zoning ordinance.

In order to implement Policy LU 8.2 and Program LU 8.2-A of the city of Hanford General Plan, there is hereby adopted in the city of Hanford a policy to (1) protect agricultural land, operations, and facilities from conflicting use due to the encroachment of incompatible, non-agricultural uses of the land in agricultural areas of the county, and (2) to advise developers, owners, and subsequent purchasers of property in the city of Hanford within one (1) mile of the city's urban limit line of the inherent potential inconveniences and discomforts often associated with agricultural activities and operations, including, but not limited to, equipment and animal noise; farming activities conducted on a 24-hour a day, 7-days a week basis; odors from manure, fertilizers, pesticides, chemicals, or other sources; the aerial and ground application of chemicals and seeds; dust; flies and other insects; and smoke from agriculture operations.

☒ That no lawfully established and otherwise lawful agricultural activity, operation, or facility, or appurtenances thereto, conducted or maintained for commercial agricultural purposes in a manner consistent with proper and accepted customs and standards as established and followed by similar agricultural operations in the same locality, shall be or become a nuisance, private or public, due to any changed condition in or about the locality, including, but not limited to, the encroachment of non-agricultural uses such as residences.

☒ In order to carry out the goals and policies of the city of Hanford General Plan, and the provisions of this chapter, the following notices and disclosures shall be required:

☒ All approvals for improvement or development of property including without limitation application for rezonings, land divisions, zoning permits, and residential building permits, on property in the city of Hanford within one (1) mile of the city's urban limit line, shall include a condition that notice and disclosure of this agricultural land use policy be given by the applicant, or the owner if different from the applicant. The applicant, or owner if different from the applicant, shall also acknowledge the contents of the notice and disclosure, which includes a description of the property the notice and disclosure pertains to, in the Official Records of the Kings County Recorder, and recorded at the applicant's own expense.

Zoning:

☒ That all requirements of the R-M Medium-Density Residential district shall apply, **except as modified through the Planned Unit Development**

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet

	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.

Dwelling Units per Lot (Section 17.12.050)

☒ That the minimum site area per dwelling unit shall be 3,000 square feet, **except as modified through the PUD.**

Section	Requirement	Deviation Requested
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.

Coverage (Section 17.12.060)

☒ That the maximum coverage of a lot shall be determined by the combined building setback area requirements, accessory structure limitations, open space requirements, and off-street parking.

Building Setback Area (Section 17.12.070)

☒ That no structure shall be placed within a building setback area.

☒ The front building setback area shall be 15 feet from the front lot line for livable space and 20 feet for garages, carports, and other non-livable building space, **except as modified through the PUD.**

☒ That the rear building setback shall be 15 feet from the rear lot line, except where there is a landscape easement with a wall or fence on the rear of the lot, then the rear building setback shall be 20 feet, **except as modified through the PUD.**

☒ The rear building setback area shall be increased by 10 feet for buildings over one-story high.

☒ That where there is a landscape easement with a wall or fence on the street side of the lot the side yard setback area shall be measured from the easement area instead of the side lot line.

Section	Requirement	Deviation Requested
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet

Distance between Structures (Section 17.12.080)

☒ The minimum distance between structures shall be 10 feet, except as provided by the building code.

Height of Structures (Section 17.10.090)

☒ The maximum structure height shall be 35 feet.

Driveways (Section 17.12.110)

☒ That the width of a driveway and any paved area shall not cumulatively exceed 40% of the width of the lot's street frontage on which the driveway and any paved area faces. In the case of "L" or "U" shaped driveways or other configurations besides perpendicular driveways, the paved area of these driveways shall not exceed 50% of the front building setback area.

☐ That on corner lots, the driveway shall be located on the side of the lot adjacent to the interior lot line.

☐ That on key lots, the driveway shall be located on the side of the lot, which is not adjacent to the rear lot line of the adjacent reverse corner lot.

Usable Open Space (Section 17.12.150)

☒ That lots with four or less dwelling units shall provide for a usable open space area of a minimum 300 square feet per dwelling unit. The open space shall be a minimum of 15 feet side, **except as modified through the PUD.**

Section	Requirement	Deviation Requested
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.

☒ That lots with five or more dwelling units shall provide for a usable open space area equal to five percent of the lot area. Where multiple lots that together make up a single development site, the

required open space may be combined into common open space areas that are accessible to all residents of the site.

Landscaping (Section 17.12.160 and 17.52)

☒ That landscaping be provided in accordance with Section 17.52 Landscape Standards of the Hanford Municipal Code.

☒ That except for driveways and approved parking areas all yard areas and setback areas visible from the street shall be landscaped with live plant materials and ornamentation common to the Hanford area or up to 100% of the yard and setback area may be landscaped with artificial turf and other permeable surfaces.

☒ That two street trees, a minimum 15 gallon size, shall be planted on all lots 6,000 square feet or greater. One of the two shall be planted 12 feet (no greater or no less) from the face of the font lot line street curb.

☒ That there shall be two additional street trees, a minimum 15 gallon size, planted on all corner lots in the parkway adjacent to the street side lot line.

☒ That all species of trees shall be selected from a list approved by the City Parks and Recreation Commission.

Off Street Parking: (Section 17.54).

☒ That the applicant shall provide two parking spaces per dwelling unit, one of which shall be covered.

☒ In the R-M Medium-Density Residential zone district, single-family dwellings shall provide a minimum of one covered and one uncovered parking space. Multi-family parking is required, as follows:

Table 17.54.040	
Number of Parking Spaces	
Land Use	**Parking Space Requirement**
Multifamily dwelling, Studio or SRO (no bedroom)	1 space per dwelling unit
Multifamily dwelling, 1-bedroom	1.5 spaces per dwelling unit; 50% of the spaces shall be covered parking
Multifamily dwelling, 2-bedroom	1.75 spaces per dwelling unit; 50% of the spaces shall be covered parking
Multifamily dwelling, 3 or more bedrooms	2 spaces per dwelling unit; 50% of the spaces shall be covered parking
Single- or multifamily dwelling specifically for seniors 55 years of age or older	1 space per dwelling unit or 1 space for every 4 beds

Required parking spaces may not be provided in any front, side, or rear building setback area. Except for driveways allowed in the front building setback area, all additional parking for residential uses shall be to the rear or side of the dwelling. No parking shall occur in the front or street side building setback areas. **Parking requirements for the multi-family portions of the development (Phase 4 and 5) shall be evaluated and required at the time of development. Site Plan Review will be required.**

Noise:

☒ That construction equipment is muffled and construction activities be limited to the hours between 7:00 a.m. to 10:00 p.m., Monday through Friday, unless the construction is within the enclosed structure or approved by the Community Development Department.

☒ That noise from fixed mechanical equipment, when measured at the property line, meets the standard of the Hanford Noise Element.

Rooftop Equipment HMC Section 17.50.100

☒ That all elevator housing and mechanical equipment located on the roof of any building shall be screened from adjacent views and contained within a completely enclosed penthouse or portion of the same building having walls and roofs with construction and appearance similar to the building.

Outdoor Lighting Standards HMC Section 17.50.140

☒ That all lights and light fixtures, except public street lights, shall be located, aimed or shielded so as to minimize light trespassing across property boundaries or skyward.

☒ That no lights or light fixtures shall flash, revolve, blink or otherwise resemble a traffic control signal or operate in such a fashion to create a hazard for passing traffic.

☒ That building mounted lighting fixtures shall be attached only to the walls of the building. The top of a light fixture attached to a building wall shall not be higher than the top of the building parapet or the top of the roof eave, whichever is lower.

☒ That canopy ceiling light fixtures shall be recessed or the sides of the lens area shall be shielded in order to eliminate emission of horizontal light.

☒ That mercury vapor lamps shall be a fully shielded fixture with all light directed on-site.

☒ That freestanding light fixtures shall not exceed eighteen (18) feet in height measured from the top of a light fixture to the adjacent grade at the base of the support for that light fixture.

Tents, Tarps, and Other Coverings (Section 17.50.130)

☒ That no front or side building setback area shall be covered by tents, tarps, cloth, fabric, or a wood or metal covering or structure except for the following:

☒ Standard window and door awnings

☒ Ornamental covers, such as a sidewalk or entry awning trellis, or other similar improvement intended as an improved passageway or for aesthetic purposes providing architectural integrity with the building to which it is attached. Supports shall be ninety (90) percent open and shall not be enclosed.

Dust Control:

☒ That the appropriate dust-control practices of the San Joaquin Valley Air Pollution Control District shall be implemented.

☒ That the any necessary permits be obtained through the San Joaquin Valley Air Pollution Control District.

MX-N Neighborhood Mixed Use zone district standards – Applicable to the commercial portion of Phase 5

General:

☒ **That the commercial development of the site, depicted in Phase 5 is considered conceptual. Site Plan Review (and any necessary entitlements) will be required prior to development of the commercial portion of the site.**

☒ That approval of this project does not exempt compliance with all applicable sections of the Zoning Ordinance, Public Works Improvement Standards, fees, or other City Ordinances.

☒ That all approved proposals of the applicant be conditions of development, if not mentioned herein.

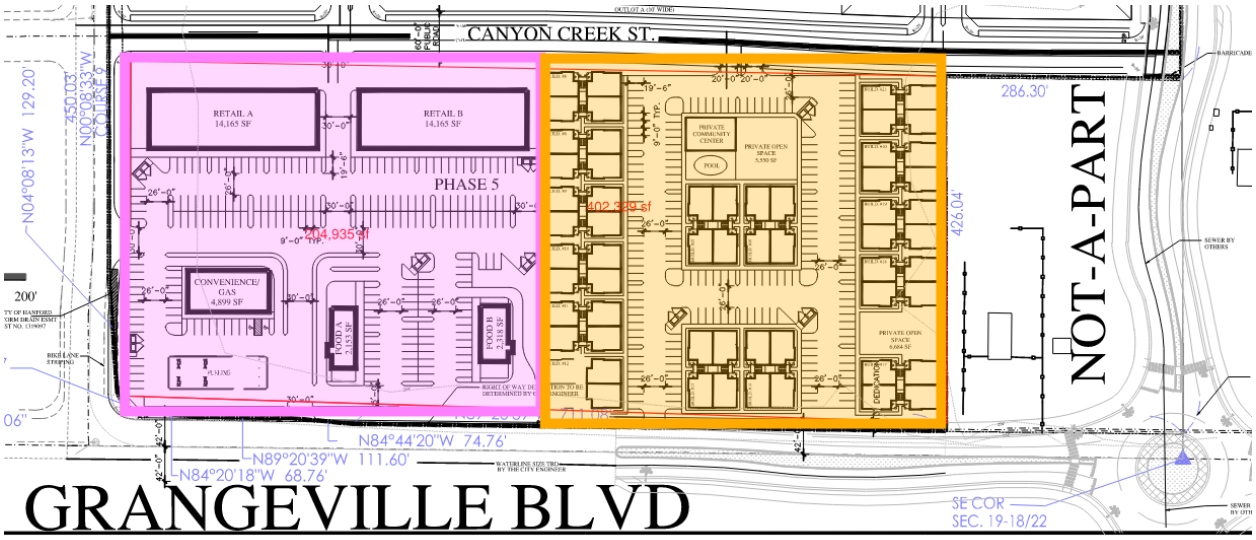
☒ That the site be developed according to the approved site plan, titled Site Plan Review No. **2025-xx (conceptual included in TSM, final to be determined)** with minor modifications to be approved by the Community Development Department.

☒ That no expansion of the use which would tend to increase the projected scale of operations beyond the scope and nature described in this Site Plan Review shall be permitted except upon application for, and approval of, modification of this application according to all procedures and requirements thereof.

☒ That the Mixed Use Neighborhood zone districts shall be designed to provide and encourage walking within the commercial uses and between the commercial uses and the residential uses within the MX-N zone and other nearby residential uses. At a minimum, this shall be accomplished with a minimum 10-foot wide pedestrian path of travel between commercial sites and all residential sites within the MX-N zone.

☒ That between 25% and 75% of the contiguously zoned parcels in MX-N shall be reserved for residential use. (This has been satisfied by Phase 5 overall development proposal). The MX-N Neighborhood Mixed Use portion of the development is 5.45 acres. The entirety of Phase 5 of Tentative Tract 945 is approximately 9.23 acres. Therefore, the residential to commercial percentage is approximately 60% commercial to 40% residential.

That the commercial portion of the site be limited to development less than 55,000 sq. ft., in order to limit VMT impacts from the project and remain screened. Commercial development of the project site over 55,000 square feet will require further VMT analysis.



Cultural Resources:

☒ That if cultural resources are discovered during construction or related activities, all work shall be halted and a qualified archeologist and the City of Hanford shall be notified. The find shall be properly investigated and appropriate measures are to be taken before construction may continue.

Building Setback Areas (Section 17.24.060)

☒ That the appropriate setbacks be maintained, as follows: **lot lines are subject to change based on final site configuration**

- ☒ The front building setback area shall be 15 feet (front considered lot line along 9 ¼ Avenue).
- ☒ The rear building setback shall be 15 feet from the rear lot abutting an R-M zone district (rear considered east lot line abutting not-a-part)
- ☒ The side building setback shall be 15 feet from the side property line abutting an R-M zone and the public street.
- ☒ The street side building setback shall be 15 feet.

Height of Structures (Section 17.24.080)

☒ That the maximum structure height shall be 35 feet.

Off Street Parking: (Section 17.54).

☒ That the applicant shall provide a minimum of 108 parking stalls for the commercial portion of the site, five of which are ADA-accessible, based on the ratio for an integrated shopping center 1 space per 350 square feet.

Calculation: 37,700 square feet of integrated retail space ÷ 350 square feet = 107.7

108 parking spaces required

Parking requirements will be verified during Site Plan Review. Conceptually, parking has been provided, as shown in the table below:

PARKING INFO

LAND USE	REQUIRED	PROVIDED
CONV./GAS	17	38
FOOD A	15	25
FOOD B	16	30
RETAIL A	48	61
RETAIL B	48	60

☒ That the standard parking space shall not be less than 18.5 feet in length and nine feet in width, exclusive of aisles and access drives (Section 17.54.110 A).

☒ That the maximum number of compact-car parking spaces is limited to 30 percent of the total parking spaces required. A compact parking space shall not be less than 16 feet in length and 8 feet in width, and marked for compact cars (Section 17.54.110 B. and C).

☒ There shall be no more than four compact spaces adjacent to each other.

☒ That parking for bicycles and low-emission vehicles shall be provided in accordance with the latest adopted version of the California Building Code (Section 17.54.190).

☒ In the commercial zone district, not less than five percent of the interior square footage of a parking area shall be landscaped with trees and other plant materials suitable for ornamentation. **Parking areas are to have one tree placed at every four lineal parking stalls.**

Usable Open Space: (Section 17.24.110).

☒ **That new commercial developments shall provide a common outdoor area, shaded sitting area for use by customers. The size of this area shall be a minimum 250 square feet per acre of site area.**

☐ That lots with four or less dwelling units shall provide for a usable open space are of a minimum 300 square feet per dwelling unit. The open space shall be a minimum 15 feet wide.

☐ That lots with five or more dwelling units shall provide for a usable open space area equal to five percent of the lot area. Where multiple lots that together make up a single development site, the required open space may be combined into common open space areas that are accessible to all residents of the site.

Signage: (Section 17.56).

☒ That any/all signs proposed for this development shall be subject to the requirements and prescribed in Chapter 17.56 of the Hanford Municipal Code. A separate application is required.

Number and Size of Permanent Signs by Zone		
Zone District	**Building Signs**	**Freestanding Signs**
C-N, C-R, C-S, C-H, MX-N, MX-C, and O zones	No limit to number of signs per business establishment. Allowed square footage per building frontage is cumulative. Establishments with primary building frontage less than 300 feet: 2 sq. ft. per 1 lineal foot up to a maximum 350 sq. ft. along primary frontage. 50 sq. ft. allowed regardless of frontage length. Secondary building frontage: 1 sq. ft. per lineal foot up to a maximum 200 sq. ft. per secondary frontage. 35 sq. ft. allowed regardless of frontage length. Sites within 100 feet of State Route 198 may count the frontage facing State Route 198 as their primary frontage for the purpose of calculating maximum sign size.	1 sign per establishment maximum. 40 sq. ft. maximum sign face size. 6 feet high maximum if set back 10 feet from property line. 5 feet high maximum if set back 5 feet from property line. 4 feet high maximum if set back 0 feet from property line. Sites with an integrated shopping center: 1 additional freestanding sign up to 350 sq. ft. Maximum height not greater than 1.5 times the average height of the building.

Landscaping: (Section 17.24.120 and 17.52).

☒ That landscaping shall be provided and permanently maintained in a setback area not less than 15 feet from a lot line adjoining a street.

☒ General Design Standards: the following features shall be incorporated into the design of the proposed landscape and shown on the required landscape plans:

☒ Publicly maintained landscape areas shall be separated from privately maintained landscape areas with, at a minimum, a four (4) inch wide concrete mow strip.

☒ Pedestrian access to sidewalks and structures shall be integrated with the design of landscaped areas.

☒ Landscape adjacent to driveways and parking areas shall be protected from vehicle damage through the provision of a minimum six (6) inch high and six (6) inch wide concrete curb.

☒ Concrete mow strips, when used, shall be a minimum of four (4) inches in width.

☒ Trees and shrubs shall be planted so that at maturity they do not interfere with utility lines and traffic safety sight areas.

☒ Trees and shrubs shall be planted and maintained in a manner that protects the basic rights of adjacent property owners, particularly the right to solar access.

☒ Trees planted within five (5) feet of sidewalks or curbs shall have an eighteen (18) inch by ten (10) foot long linear root barrier placed at each edge of the sidewalk or face of curb, centered on the tree.

☒ Plant materials. Plant materials shall be selected and installed in accordance with the following requirements:

☒ The size of ten (10) percent of the trees to be planted shall be twenty-four (24) inch box or larger. The remaining trees shall be sized fifteen (15) gallons or larger.

☒ The size of seventy (70) percent of plants and shrubs shall be at five (5) gallon or larger. The remaining plants and shrubs shall be sized one (1) gallon or larger.

☒ The size of groundcover at planting shall be one (1) gallon or larger.

☒ Groundcover shall be designed to have one hundred (100) percent coverage within two (2) years.

☒ Drought tolerant plant material and climate appropriate species shall be emphasized in the design.

☒ That the landscaped area shall be planted with live and healthy plant materials suitable for screening/or ornamenting the site. Landscaped areas shall be watered by automatic systems and designed and developed in accordance with Chapter 12.08 and the most recent State Model Water Efficient Landscaped Ordinance.

☒ That no fence, hedge, or shrub shall be installed, planted, or maintained along a street frontage, which creates a traffic or pedestrian hazard.

Fencing and Walls: (Section 17.24.130)

☒ That a block wall with a minimum height of seven feet shall be provided along any side or rear lot line that abuts an R-L or PF zone district, **requested to be removed between the MX-N**

designation to the south and the R-M designation to the north through the PUD process. A block wall is required between the MX-N designation and R-M designation to the east (not-a-part)

☒ That no fence or wall shall be placed in front of or within any landscaped area located next to a street.

☒ That the open storage of materials and equipment attendant to a use shall be permitted only within an area surrounded or screened by a solid wall or fence seven feet minimum in height.

☒ That any proposed fencing on the site be maintained in good repair.

☒ That no fence or wall shall be placed within the public right-of-way.

☒ That a masonry fence exceeding three (3) feet in height shall require engineered footings and a building permit. All other fencing exceeding seven (7) feet in height shall require engineered post footings and a building permit.

☒ That no hedge, shrub, fence, or wall exceeding the three (3) feet in height, or four (4) feet in height if the upper one (1) foot is fifty (50) percent or more open shall be planted, placed, or maintained within the twenty-five (25) feet corner sight triangle of a corner lot, or along a front or street side property line where the hedge, shrub, fence, or wall creates a traffic or pedestrian hazard as determined by the Community Development Director.

Outdoor Lighting Standards (Section 17.50.140)

☒ That all lights and light fixtures, except public street lights, shall be located, aimed or shielded so as to minimize light trespassing across property boundaries or skyward.

☒ That building mounted lighting fixtures shall be attached only to the walls of the building. The top of a light fixture attached to a building wall shall not be higher than the top of the building parapet or the top of the roof eave, whichever is lower.

☒ That the canopy ceiling light fixtures shall be recessed or the sides of the lens area shall be shielded, in order to eliminate emission of horizontal light.

☒ That the height of freestanding light fixtures, including freestanding parking lot fixtures, shall be measured from the top of a light fixture to the adjacent grade at the base of the support for that light fixture and shall not exceed 30 feet.

Dust Control:

☒ That the appropriate dust-control practices of the San Joaquin Valley Air Pollution Control District shall be implemented.

☒ That the any necessary permits be obtained through the San Joaquin Valley Air Pollution Control District.

BUILDING DIVISION
TSM0012-24
Contact Building Official: Tom Webb (559) 585-2584
Concerning questions that you may have on the conditions listed below:

Soils:

1. That a preliminary soils report, prepared by a qualified soil's engineer, be provided to the Engineering and Building Departments prior to approval of Subdivision Improvement Plans.

2. That a final soils report, prepared by a qualified soils engineer, be provided to the Engineering Department and Building Division prior to acceptance of the subdivision improvements by the City or issuance of building permits or whichever comes first.

3. That the developer retains the design engineer to inspect and verify that grading within the subdivision was constructed as per the approved design, and a copy of the report be provided to the Building Division prior to building permit issuance.

Street Names and Addresses:

1. That street address for each lot, as provided by the Building Division, be included on the subdivision final map.

2. That street names, as shown on the tentative subdivision map, be included on the subdivision final maps.

3. That all single family dwellings within the subdivision have illuminated address numbers 2-¼ inches high or be within an illuminated area with 3-½ inch high address numbers installed on the front most part of the building leading to the entrance. In either case the address numbers shall be of contrasting colors with the background.

4. That all landscaping requires permits and must meet requirements at time of installation.

5. That a map must be provided to show existing streets names of surrounding subdivisions that have City maintained streets.

City of Hanford Fire Department

Fire Prevention and Community Risk Reduction Division

Fire Marshal

Nikkie Chamberland

City Of Hanford Fire Department Plan Review

Approval of all projects does not exempt compliance with all applicable sections of the adopted Fire Codes and local city ordinances. All fire protection systems must be installed and operational prior to occupying the building. All permits shall be issued and paid for prior to scheduling any inspections with the fire department. Please contact the building department for the submittal process. To schedule an inspection please contact the building department at 559-585-2580

The scope of work shall be clearly stated on all the plans submitted for the permit. All deferred submittals shall be listed on the building plan page. All deferred submittals are required to be submitted within 30 days of building permit issuance.

Plan review number: TSM0012-24

Address: NA

Plan Reviewer: Nikkie Chamberland

Date: 9-27-2024

The following are comments that are applicable and pertain to the plans submitted: This project must comply with the latest California Fire Code.

- Project shall meet the minimum fire flow requirements per Appendix B & C of the CFC 2022; Provide the fire flows within one year
- New and existing residences that have an automatic sprinkler system, proposed accessory dwelling units shall have an automatic sprinkler system. A separate fire department permit will be required.
- Fire Riser Room:
    1. a separate room that contains the Fire Riser shall contain one man door, the room shall be a 2-hour rated room with adequate spacing to perform

maintenance, riser room shall be properly labeled with 4" lettering with contrasting background and a knox box shall be installed to contain the riser room key, fire sprinkler coverage required, emergency lighting and illuminated lighting required. The riser shall be interconnected with the fire alarm

- When a sprinkler system is required with more than 21 heads, the system shall be monitored by a central monitoring station. Fire alarm and fire detection systems required by Chapter 9 of CFC, CBC, shall be installed per NFPA 72.
- Knox FDC Locking Caps are required on all Fire Department Connections.
  A fire department access road is required for facilities that are protected by fire sprinklers and are more than 400 feet away; on-site fire hydrants and mains shall be provided where required by the AHJ. Provide a letter of certification from a licensed soil engineer on non-paved all-weather roads that provide fire access, which shall support a 40,000-lb fire apparatus at a minimum.
- All dead-end access roads more than 150 must provide an approved turnaround or hammerhead and comply with city standards.
- All access roads shall not be less than 20 ft wide and 13 ft 6 inches
- Access road turning radius for fire apparatus/
    1. Inside turn: 20ft 10 inch
    2. Curb to Curb: 37 ft 3 inches
    3. Wall to Wal: 42 ft

- Temporary or permanent fire department access roads shall be constructed in accordance with City Standards ST-36. All weather access roads shall be in place prior to any combustible construction being brought onto the premises unless approved by the fire department.

- Additional Hydrants may be required, all hydrants shall be installed and accepted prior to combustibles being dropped on site. All hydrants shall be protected by bollards Hydrant spacing shall be as follows CFC 2022 Appendix C;
    1. Residential area- 500ft
    2. Commercial area-300ft
    3. A hydrant will be required within 50' of Fire Department connection.
    4. Provide a turning template on Plan Review

- No traffic calming devices shall be installed without the Fire Department's approval
- Areas identified as "**Fire lanes**" must be identified as such per requirements set forth in the California Vehicle Code Section 22500.1.

    1. **Access roads 20-26 feet in width:** Fire lanes shall be on both sides of the fire apparatus access roads.
    2. **Access roads 26 to less than 32 feet in width**: Fire lanes shall be on one side of the fire apparatus access roads.
    3. **Access roads 32 feet in width or more:** No fire lanes required.
    4. **Markings shall include "No Parking- Fire Lane**"
- Locked gates installed across fire department access roads:

1. **Manual gates** with a chain lock require a **Knox Padlock** to be installed on them, or a **Knox Box** shall be installed on the exterior of the gate and a key to the lock on the gate must be placed in the Knox Box. **(See www.knoxbox.com for current models)**
2. **Electric Gates** shall be equipped with an electric **Knox Key Switch,** at the gate location.
3. In case of a loss of power, electrically operated gates shall have a means of backup power or shall default in the open position for immediate fire department access.
4. At no time shall the width of the fire department access road be reduced below **20 feet wide through or at any gates** along the fire department's emergency access roads due to protruding objects from gate supports, frames, signs, access booths, curbs, etc.
5. Provide a Knox Box for all structures and gates. In accordance with the 2019 CFC 506.1. Hanford Fire Department shall approve the location.
6. Ordering Knox Box products can be done directly at www.knoxbox.com. Click to choose your local fire department agency, enter "Hanford Fire Dept", and a list of products will populate for you to order.

- All address numbers shall be installed onto the building and shall be visible from the frontage street. The color of the address numbers shall be in a contrasting color to the building.
  Size of Address Numbers:

  1. Downtown area (existing buildings): 4 inch numbers
  2. Buildings 20 ft. or less from the street: 6-inch numbers
  3. Buildings 21- to 40-ft. from the street: 8-inch numbers
  4. Buildings more than 40 ft. from the street: 12-inch numbers

- Commercial cooking
  1. Commercial cooking equipment that produces grease-laden vapors shall be provided with a Type I hood. ***A separate permit is required for the Type I hood***. Contact the **Building** department for submittal information.
  2. All commercial cooking appliances creating grease-laden vapors shall have a K-Class fire extinguisher within 30 feet of cooking appliances in accordance with the most currently adopted edition of the CFC.
  3. Commercial cooking equipment that produces grease-laden vapors shall be provided with a Type I Hood. In accordance with the California Mechanical Code, an automatic fire extinguishing system is listed and labeled for its intended use.
  4. If the fire alarm is present, the hood system shall be interconnected with the fire alarm
- Operational Fire Permit is Required

- Any Special Event project shall comply with the 2019 edition of the California Fire Code, chapter 31 for tent structures, exiting, fire extinguishers, and other fire protection applications.

- Submit plans and information regarding high-piled storage, rack storage, storage of combustible commodities, hazardous materials, and any processes regulated by the Uniform Fire Code

- Fire permits are required for all underground firelines, overhead sprinklers, and fire alarms. These are all separate permits and will be charged accordingly. All deferred submittals shall be submitted, stamped, and approved prior to combustible on site.

- Refer to the 2022 California Fire Code in governing codes

- Shell buildings shall provide a description of the tenant and/or storage of the building.

- A fire pump may be required if the building is over 2 stories in height in a commercial setting.

PUBLIC WORKS DEPARTMENT

Contact Assistant Engineers: Steve Coodey or Robert Buchanan
Concerning questions that you may have on the conditions listed below:

Tentative Tract 945- Copper Ridge Development

Maps and Plans:

1. That the developer submit to the City Engineer a set of construction plans on 24" x 36" sheets for all required improvements. Plans shall be prepared by a registered civil engineer, and shall include a drainage and utility plan identifying sizes and location of sanitary sewer, storm drainage and water mains, curbs, gutters, sidewalks, masonry wall, street improvements and other infrastructure required for development. All plans shall be approved by the City Engineer and all other involved agencies before the release of the building permits.

2. That the developer shall submit to the City Engineer a set of construction plans on 24" X 36" size sheets for all required improvements. The plans shall be prepared by a licensed civil engineer and shall include a site plan showing all on-site and off-site improvements, including but not limited to, sanitary sewer, storm drainage, and water system infrastructure, refuse enclosure locations, public street & parking lot improvements, landscape & irrigation systems and all other improvements as required by the project conditions of approval and the City of Hanford Standards and Specifications. Improvement plans shall include all City of Hanford Construction Standard Detail's pertinent to the project. Plans must be approved by the City of Hanford and any other affected agencies before issuance of building or encroachment permits.

Easements:

1. That easements be designated on the recorded final map as required by the utility companies and where needed for providing service to streetlights as designated by the City of Hanford Engineering Department.

2. That the developer shall acquire an easement for temporary storm basin purposes to be dedicated to the City where necessary to facilitate installation of storm drainage facilities connecting the portion of the development to the proposed storm drainage basin. Easements required to serve and maintain the temporary storm drainage basin may include, but are not limited to, access and storm drain pipeline easements. Easement locations and widths shall be approved by the City Engineer and dedicated on the Final Map or by separate instrument.

3. That an offsite Sanitary Sewer Easement shall be obtained by the developer for the installation of the 9th Avenue sanitary sewer main from the south development boundary through the Not-A-Part, to the intersection of 9th Avenue and Grangeville

Boulevard. Easement locations and widths shall be approved by the City Engineer and dedicated on the Final Map or by separate instrument.

4. That all easements for irrigation ditches and/or irrigation pipelines be legally abandoned or relocated to the satisfaction of the City Engineer prior to acceptance of the subdivision improvements.

5. That all proposed landscape/public utility easements as shown on the tentative map be dedicated to the City and be included on the subdivision final map. Additional landscape or public utility easements determined necessary by the City Engineer or City Planner during review of the improvement plans shall also be dedicated with the Final Map, as required by the City.

Dedications:

1. That all proposed streets, street extensions and easements as shown on the tentative map be dedicated to the City with the subsequent final map(s). The streets/street extensions are to be dedicated as public right-of-way, and any alterations of existing utilities be the responsibility of the developer.

2. That developer dedicate to the City, additional right of way along the east side of 9 ¼ Avenue, between Grangeville Boulevard and Leland Avenue to facilitate construction of the development frontage improvements as approved on the Tentative Map.

3. That the developer dedicate to the City, additional right of way of Grangeville Boulevard between the eastern project boundary and 9 ¼ Avenue to facilitate construction of the development frontage improvements as approved on the Tentative Map.

4. That the developer dedicate to the City, right of way along the Leland Avenue project frontage to facilitate construction of the development frontage improvements as approved on the Tentative Map.

5. That the developer dedicate to the City, right of way along the 9th Avenue property frontage to facilitate construction of the development frontage improvements as approved on the Tentative Map.

6. That developer dedicate an easement to the City, for the proposed of an onsite drainage basin for Tract 945 drainage purposes.

7. That the developer shall dedicate all Outlots to the City that shall be maintained by the Community Facilities District (CFD). Additionally, at entrances to the development where roads transfer from collectors/arterials to local streets and there is side lot frontages, the outlots need to extend around these side lot frontages (ending where the side lot meets the beginning of the curve) and include block walls.

These outlots must fully extend around the side lot frontages, the current configuration on the proposed Tentative Map fails to indicate the entire outlot area.

Street Improvements:

1. That the improvements consisting of sanitary sewers, storm sewers, water mains, communication conduit, concrete curbs, gutters, sidewalks, street lights, street subgrading and surfacing, signage and striping and all other improvements be installed in accordance with Chapter 16.24 “Improvements” of the Hanford Municipal Code, the City of Hanford’s Active Transportation Plan (ATP), and this resolution pertaining to subdivision improvements in effect at the time of filing the tentative map.

2. That all corner lots meet the requirements California's daylighting law (Assembly Bill 413) prohibits parking within 20 feet of a crosswalk, marked or unmarked, to improve visibility and pedestrian safety. This statewide law, which went into effect January 1, 2024, began being enforced with citations on January 1, 2025. The goal is to give drivers more time to see pedestrians and cyclists approaching or crossing intersections, regardless of whether the curb is painted red

3. That all streets within the subdivision shall be developed as Residential Street per City Standard Details ST-32 and ST-39 with a traffic index of 6, except the following:

    a) 9 ¼ Avenue shall be developed as a Minor Collector street with an 68 foot right of way width in conformance with City Standard. ST-17 and ST-26 and the City of Hanford’s ATP, and a traffic index of 9. Developer shall be required to construct the remaining width of right of way on the east side of 9 ¼ Avenue from Grangeville Boulevard to Leland Avenue.

    b) Developer shall construct the extension of Leland Avenue as a Minor Collector street with a 68’ ultimate right of way width between 9 ¼ Avenue and 9th Avenue in conformance with City Standard ST-17 and ST-26 and the City of Hanford’s ATP, and a traffic index of 9. Developer shall construct Leland Avenue to the centerline (half width) of ultimate width creating 2-eleven foot travel lanes. An asphalt dike shall be installed along the westbound travel lane edge of pavement for the full length of the Leland Avenue project frontage. To align the half width street section with the existing lane alignment established on the west side of 9 ¼ Avenue, the developer shall remove the existing lane striping and reinstall a temporary transition stripe in conformance with the Highway Design Manual to align with the travel lanes on the east side of the intersection. Stop signs, stop limit lines and stop legends shall be installed in all directions of the Leland Avenue and 9 ¼ Avenue intersection per City Standard Detail ST-47.

    c) Developer shall construct 9th Avenue as an Arterial Street with a 100 foot ultimate right of way width in conformance with City Standard Detail ST-20 and the City of Hanford’s ATP with a traffic index of 11. Developer shall be required to construct half of the raised median width for the full

length of the 9th Avenue project frontage in conformance with City Standard Detail CO-17 and CO-18. Turn pockets associated with the ultimate raised median design shall be delineated using 48" high visibility delineators in conformance with CA.M.U.T.C.D. To allow for northbound and southbound traffic on 9th Avenue, a temporary centerline striping shall be installed. A timber barricade per City Standard Detail GE-59 shall be installed on 9th Avenue at the south project boundary. Additionally, the developer will be required to coordinate with the ongoing CIP project on 9th Avenue. The coordination will include, but not be limited to, the ultimate road alignment and location requirements of the CIP Engineering Division.

d) Grangeville Boulevard shall be developed as an Arterial Street with a modified right of way width of 84 foot in conformance with City Standard Detail ST-17 and ST-20 and the City of Hanford's ATP, with a traffic index of 11. Developer shall be required to construct the remaining width of right of way on the north side of Grangeville Boulevard between 9 ¼ Avenue and the eastern boundary of the project. A pavement transition shall be required beyond the east project boundary. The developer shall in good faith attempt to obtain an easement for purposes of pavement transition, and provide documentation of such attempt. Additionally, the developer will be required to coordinate with the ongoing CIP project on Grangeville Boulevard. The coordination will include, but not be limited to, the ultimate road alignment and location requirements of the CIP Engineering Division.

3. That streetlights be installed throughout the interior of the development and along project frontages in conformance with City standard GE-56. Streetlights shall be located as designated by City Engineer.

4. That the development is subject to a transportation mitigation impact fee as required by City Ordinance No. 90-09 and any revisions thereof. Developer shall be entitled to a credit against subject development fee for oversizing of roadway improvements for increased traffic index constructed by developer within Grangeville Boulevard, 9 ¼ Avenue, Leland Avenue and 9th Avenue. Additionally, the developer shall be entitled to credit against the construction of 9th Avenue as determined by the City of Hanford Development Impact Fee Study dated September 2019.

Backup Parkway Improvements:

1. That the developer shall design and construct the following improvements along 9 1/4 Avenue, Leland Avenue, 9th Avenue and Grangeville Boulevard frontages of proposed subdivision.

   a. A six (6) ft. minimum high ornamental, masonry block fence with continuous footing. Wall shall be treated with an anti-graffiti repellent. (Excluding Grangeville Boulevard). A blockwall easement will be required in any locations where a blockwall footing or foundation encroaches on private property.

b. A sidewalk in conformance with City Standards and the City's adopted ATP.

c. Soil preparation, automatic irrigation and landscaping.

d. Landscape plans for right-of-way and a 10 ft. wide landscape easement.

2. The species of tree and plants are to be selected from a list approved by the City Street Tree Commission.

3. That the design location of the masonry wall and landscape plans shall be approved by the Community Development Department and City Engineering Department prior to recording a subdivision final map. And the approval of block wall and landscape improvements shall be submitted with initial submittal of project improvement plans.

4. All above ground pedestals and other utility boxes shall be located between back of sidewalk and masonry wall/fence.

Existing Wells:

1. That all existing wells on the property be abandoned in accordance with State of California standards.

Restricted Access:

1. That a one-foot reservation strip be established at the end or sides of the roads abutting unsubdivided property, and dedicated on the applicable subdivision final maps.

2. That all access be restricted from the 9th Avenue, 9 ¼ Avenue and Leland Avenue right-of-way for lots backing onto said rights-of-way. Side-lot access shall also be restricted for the following Lots: 369, 337, 336, 231, 241, 280, 299, 300, 310, 311, 101 and 102. A restricted access designation shall be depicted on all recorded final maps.

3. That the developer construct a barricade to City Standard Detail GE-59 at the end of each future through streets.

Sewer Improvements:

1. That the developer's engineer provide a sanitary sewer master plan complete with calculations for the entire subdivision for City review and approval prior to recording a subdivision final map for the first phase of development. Consideration shall be given for future areas of development located adjacent to proposed subdivision per the City Sanitary Sewer Master Plan.

2. That a minimum 12-inch diameter sanitary sewer main be installed within 9th Avenue between Leland Avenue and the southern property boundary. Applicant shall be entitled to a reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

3. That a minimum 12-inch diameter sanitary sewer main be installed within 9th Avenue between the southern property boundary and Grangeville Boulevard. Applicant shall be entitled to a reimbursement in accordance with City Municipal Code Section 13.08, or any revisions thereof.

4. That developer shall install a 12-inch sewer main in Grangeville Boulevard from 9 ¼ Avenue to project flow to a future sanitary sewer main planned for the future 9th Avenue alignment. Applicant shall be entitled to a reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

5. That a minimum 12-inch diameter sanitary sewer main be installed within Leland Avenue between 9 ¼ Avenue and 9th Avenue. Applicant shall be entitled to a reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

6. That developer is entitled to a reimbursement agreement in accordance with City Municipal Code section 13.08 for sanitary sewer main improvements constructed within 9th 'Avenue, Grangeville Boulevard and Leland Avenue, which also provides a benefit to others. Costs for sanitary sewer main improvements installed within the streets referenced here, if applicable, shall be per the City of Hanford Development Impact Fee Study document dated September of 2019. Reimbursement cost shall be per the Fee Study at time of improvement installation and operational acceptance.

7. The Copper Ridge development will not be issued occupancy until a sewer trunk line is installed within 9th Avenue from Grangeville Boulevard to E. Lacey Boulevard.

Storm Drainage Improvements:

1. That the developer's engineer provide a storm drainage master plan complete with calculations for the entire subdivision for City review and approval prior to recording a subdivision final map for the first phase of development. The Master Plan will determine the ultimate temporary basin location built to City Standard.

2. That the developer is required to obtain an easement and complete construction of the temporary storm drain basin with the first phase of the subdivision. The basin shall be designed in conformance with the City of Hanford's Storm Drainage Design Criteria specifications and shall include a six foot (6') high chainlink fence with privacy slats per City Standard Detail GE-23. A 24' wide drive approach per City Standard Detail CO-41 and access gates per City Standard Detail GE-26 shall also be installed.

3. That developer is required to comply with the State of California Water Resources Control Board requirements specifically related to the National Pollution Elimination System Permit process.

Water System:

1. That the developer's engineer provide a Water System Master Plan complete with calculations for the entire subdivision for City review and approval prior to recording

a subdivision final map for the first phase of development. Consideration shall be given for future areas of development located adjacent to proposed subdivision, as shown on the city Water Master Plan.

2. That a minimum 18 inch diameter water main and appurtenances, be extended along the Grangeville Boulevard project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect with the existing water main on 9 ¼ Avenue and shall include a blow off assembly per City Standard Detail WA-26 at the eastern terminus.

3. That a minimum 12 inch diameter water main and appurtenances, be extended along the Leland Avenue project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect to the existing water main at the intersection of Leland Avenue and 9 ¼ Avenue.

4. As determined by results shown in the Hydraulic Capacity Study provided by Akel Engineering, the developer shall replace approximately 550 LF of existing 8" water main and install the same LF of 10" water main on 9 ¼ Avenue from Grangeville Boulevard to approximately 550' to the north of Grangeville Boulevard.

5. That a minimum 12 inch diameter water main and appurtenances, be extended along the 9th Avenue project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect to the new water main at the intersection of Leland Avenue and 9th Avenue and shall include a blow off assembly per City Standard Detail WA-26 at the southern terminus.

6. That all existing water wells be abandoned in conformance with State of California Department of Health Standards.

Assessment District:

1. That the developer enters into an agreement for the formation of a Community Facilities District (CFD) for the maintenance of landscaping and outlots, decorative block wall/ fencing, roadways, streetlights, curb and gutter, sidewalk, signage, storm drain system and temporary basin and a second CFD for emergency services.

2. That prior to funds of the tax assessment district being obtained, the developer will be responsible for the maintenance of all items listed above.

Special Requirements:

1. That a right-to-farm provision be recorded with the recording of the final subdivision map to insure that future residents of the homes in the subdivision are aware of the adjacent agricultural uses and their right to continue to operate.

2. That each lot owner within Tract No. 945 shall care for and maintain the trees and lawn area located in the parkway in front of their lot(s). For corner lots, the lot owner shall also care for and maintain the parkway trees and lawn area along the street side of their lot. All species of trees shall be selected from a list approved by the City

Street Tree Commission. The parkway is defined as that land area located between the street curb and the public sidewalk.

3. That the tree(s) and lawn area are to be properly pruned, mowed, sprayed, watered and fertilized on a regular on-going basis in order to preserve the health and life of the tree(s) and lawn area.

4. That should the tree(s) and lawn area become damaged, severely pruned, neglected, removed or die, the lot owner shall replace said tree(s) and lawn area within thirty (30) days after the date of written notice from the City of Hanford. The tree(s) shall be replaced with a 15 gal. size tree of the same species that was originally planted. The lawn area shall be replaced with lawn. Rocks, bark, ground cover, plants or paving are not allowed in the parkway

5. That the "NOTICE, DISCLOSURE, ACKNOWLEDGMENT AND AGREEMENT OF CONTINUED CARE AND MAINTENANCE BY LOT OWNER OF THE TREES AND LAWN AREA PLANTED IN THE PARKWAY" be recorded concurrent with the recording of the subdivision final map to insure that future residents of homes in the subdivision are aware of the obligation to maintain the landscaping within the park strip. Each lot owner is to be provided a copy of said Notice, Disclosure, Acknowledgement, and Agreement, attached as in Exhibit B.

6. That Lots established as multi-family, particularly Lots 351-387, shall design each parcel to have one (1) shared access drive approach equaling 24’ in width per City Standard Detail CO-41. If separate drive approaches are necessary, a 12’ wide drive approach per City of Hanford Standard CO-38 for each garage will be required with a minimum of 22’ of full height curbing in between the drive approaches. Drive approaches shall not exceed 40% of frontage.

Impact Fees:

Impact fees related to single family residential, multi-family and commercial will be assessed separately. Multi-family and Commercial must be approved through site plan review as individual project.

1. That development is subject to a Police Development Impact Fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

2. That development is subject to a Fire Development Impact Fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

3. That development is subject to a Park Development Impact Fee as required by City Ordinance No. 90-10 and any revisions thereof. Fee payable with each building permit.

4. That development is subject to a Transportation mitigation impact fee as required by City Ordinance No. 90-09 and any revisions thereof. Fee payable with each building permit.

5. That the development is subject to a Wastewater System Development Impact fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

6. That development is subject to a Storm Drainage Development Impact fee, as required by City Ordinance No. 98-14, and any revisions thereof. The development will be constructing a temporary storm basin and the City will acquire property in the future for a regional storm basin that will acquire the storm water from this development.

7. That development is subject to a Water System Development Impact Fee as required by City Ordinance No. 98-14 or any revisions thereof. Fee payable with each building permit.

8. That development is subject to a Refuse and Recycling Development Impact Fee as required by City Ordinance No. 05-16 or any revisions thereof. Fee payable with each building permit.

9. That development is subject to a Sanitary Sewer area of benefit assessment fee in accordance with City Ordinance No. 92-03 and any revisions thereof. Subject fee shall be paid prior to recording a subdivision final map.

General Comments:

1. The approval of this Tentative Map does not authorize construction or development of any multifamily or commercial uses shown on the map. Prior to any development of these areas, the applicant shall obtain Site Plan Review approval in accordance with the Hanford Municipal Code and all other applicable City regulations. Site Plan Review may include review and approval by the Planning Commission and/or City Council, as required at the time of application. If future subdivision of any multifamily or commercial parcel is proposed, additional Tentative and Final Maps or Parcel Maps shall be required in compliance with the California Subdivision Map Act (Government Code §66410 et seq.) and the Hanford Subdivision Ordinance.
2. Per the applicant's direction, the area designated for the temporary storm drainage basin shall not be further subdivided as part of the Final Maps for this subdivision. At such time as the City establishes a regional storm drainage basin to serve this area, any proposal to develop or reuse the temporary basin site shall be required to resubmit for Site Plan Review in accordance with the Hanford Municipal Code and all applicable City regulations. Upon resubmittal, the project shall be subject to all conditions and requirements in effect at that time, including the preparation and approval of a new Tentative Map(s) and any necessary Final or Parcel Maps, consistent with the California Subdivision Map Act (Government Code §66410 et seq.) and the Hanford Subdivision Ordinance.

3. Block wall easements shall be provided wherever block wall footings or foundations encroach onto private property, as determined necessary by the City Engineer. Such easements shall be dedicated on the Final Map.

4. A Declaration of Temporary Building Restrictions shall be recorded concurrently with the Final Map, encompassing the area designated for the temporary storm drainage basin. The restriction shall prohibit any building or structural development within the designated basin area until such time as the City establishes a regional storm drainage facility and the property is subsequently entitled for development through the required Site Plan Review and Subdivision Map Act processes. The document shall be prepared in a form acceptable to the City Attorney and City Engineer and shall be recorded with the Kings County Recorder's Office at the time of final map recordation.

RESOLUTION 25-71-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING PLANNED UNIT DEVELOPMENT NO. 0037-24: A REQUEST TO ALLOW VARIOUS DEVIATIONS FROM THE REGULATIONS OF THE R-M MEDIUM-DENSITY RESIDENTIAL ZONE DISTRICT FOR THE MIXED USE SUBDIVISION, PROPOSED UNDER TENTATIVE TRACT 945, INCLUDING REDUCED LOT SIZE, LOT WIDTH, LOT DEPTH, SITE AREA PER DWELLING UNIT REQUIREMENTS, SETBACKS, OPEN SPACE DIMENSIONS, AND ALLOW REMOVAL OF THE BLOCK WALL REQUIREMENT BETWEEN MX-N NEIGHBORHOOD MIXED USE AND R-M MEDIUM-DENSITY RESIDENTIAL. THE PROJECT IS APPLICABLE TO TENTATIVE TRACT 945, LOCATED NORTH OF GRANGEVILLE BOULEVARD, EAST OF 9 ¼ AVENUE (APN 014-143-069 AND 014-143-078).

At a regular meeting of the City Council of the City of Hanford duly called and held on December 16, 2025, by motion of Councilmember _____ **,** and seconded by Councilmember _____ _____**,** and duly carried, the following resolution was adopted:

WHEREAS, Planned Unit Development No. 37-24, a request to allow various deviations from the regulation of the R-M Medium-Density Residential zone district for the mixed use subdivision, proposed under Tentative Tract 945, including reduced lot size, lot width, lot depth, site area per dwelling unit requirements, setbacks, open space dimensions, and allow removal of the block wall requirement between MX-N Neighborhood Mixed Use and R-M Medium-Density Residential, has been reviewed by the City Council of the City of Hanford in accordance with Title 17 of the Hanford Municipal Code; and

WHEREAS, the site will be developed, as shown Tentative Tract 945 attached as **Exhibit A,** and substantially conform to the elevations and floorplans, attached as **Exhibit B;** and

WHEREAS, the City Council has carefully considered recommendations and testimony presented at the public hearing of December 16, 2025; and

WHEREAS, all affected public utility companies, various governmental department agencies, staff, and the City Council, have given careful consideration to this planned unit development and have made recommendations thereon; and

WHEREAS, the Initial Study, Mitigated Negative Declaration No. 2025-73 and all notices related thereto were prepared in compliance with the California Environmental Quality Act (CEQA) and the City of Hanford Municipal Code and Policies; and

WHEREAS, the City Council has made the following findings, pursuant to Section 17.82.050 Hanford's Zoning Ordinance:

1. That the location and design of the PUD is in accordance with the purpose of this title

Analysis: Location - That in accordance with Section 17.82.050 of the Hanford Municipal Code, a planned unit development shall be a minimum five-acre site area, except that there shall be no minimum site area requirements if the site is an infill development site. The planned unit development pertains to an 83.61-acre development site.

Design – the Planned Unit Development will allow the development of a 650-unit single- and multi-family mixed-use development, proposed under Tentative Tract 945. The design has been evaluated in accordance with the requirements of the MX-N Neighborhood Mixed Use and R-M Medium-Density Residential zone district.

2. That the PUD is being proposed to achieve one or more of the objectives identified in Section 17.82.030;

Purpose: That planned unit developments are encouraged to achieve a more functional, aesthetically pleasing, and harmonious living and working environment within the City, that otherwise might not be possible by strict adherence to the provisions of the municipal code. In certain instances, the objectives of the municipal code may be achieved by development that does not conform in all respects with the land use pattern designated on the zoning map or in the zone district prescribed. The planned unit development seeks to:

- ✓ To permit a site within more than one zone district to mix the permitted or conditionally permitted land uses of both zones within the site without regard to the zone district boundary.

- ✓ To permit development intensity greater than would otherwise be permitted by the implementation of the standards of the zone district in which the site is located;

- ✓ To permit the lot patterns on size, shape, and layout that would otherwise not be permitted by the standards of the zone district in which the site is located;

- ✓ To modify the required building setbacks, distances between structures, and landscaped areas that would otherwise be required by this title;

- ✓ To permit the implementation of the mixed use provisions in the MX-N, MX-C, or MX-D zone districts.

3. The location and design of the PUD and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety or welfare of the community to properties or improvements in the vicinity.

   Analysis:

   Design and Purpose - That planned unit developments are encouraged to achieve a more functional, aesthetically pleasing, and harmonious living and working environment within the City, that otherwise might not be possible by strict adherence to the provisions of the municipal code. In certain instances, the objectives of the municipal code may be achieved by development that does not conform in all respects with the land use pattern designated on the zoning map or in the zone district prescribed. The planned unit development seeks to:

   - ✓ To permit a site within more than one zone district to mix the permitted or conditionally permitted land uses of both zones within the site without regard to the zone district boundary.

   - ✓ To permit development intensity greater than would otherwise be permitted by the implementation of the standards of the zone district in which the site is located;

   - ✓ To permit the lot patterns on size, shape, and layout that would otherwise not be permitted by the standards of the zone district in which the site is located;

   - ✓ To modify the required building setbacks, distances between structures, and landscaped areas that would otherwise be required by this title;

   - ✓ To permit the implementation of the mixed use provisions in the MX-N, MX-C, or MX-D zone districts.

Design – The Planned Unit Development will allow the development of a 650-unit single- and multi-family mixed-use development, proposed under Tentative Tract 945. The design has been evaluated in accordance with the requirements of the MX-N Neighborhood Mixed Use and R-M Medium-Density Residential zone district.

4. The location and design of the PUD will not generate more traffic than the streets in the vicinity can carry without congestion, and will not overload utilities;

   Analysis: A traffic impact analysis was conducted for the initial study, which demonstrated that the location and design of the proposed development will not generate more traffic than the streets in the vicinity can handle without congestion, with the application of Engineering Conditions of Approval, conditioning the right-of-way development.

5. That the PUD's population density, site area and dimensions, site coverage, yard spaces, height of structures, distances between structures, off-street parking and off-street loading facilities, landscaped areas and street design will produce an environment of stable and desirable character consistent with the purpose of this title;

   Analysis: The PUD's population density is within the allowable range prescribed for the R-M Medium-Density and MX-N Neighborhood Mixed Use zone district. The site area, dimensions, site coverage, yard spaces, height of structures, distances between structures, parking, and landscaping were evaluated for conformance with the MX-N Neighborhood Mixed Use zone district and R-M Medium-Density Residential zone district regulations. Deviations were requested, as follows:

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet

§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.
§ 17.24.130 Screening, fences, and walls.	A block wall with a minimum height of seven (7) feet shall be provided along any side or rear lot line that abuts an R-L, R-M, R-H, OR, PF, AP, or CO zone district.	Deviation request to remove the block wall requirement between the MX-N and R-M zone district to allow for integration and mixed uses between sites.

The deviations proposed will allow the development, as proposed in Tentative Tract 945 and will produce an environment of stable and desirable character, achieving goals L6 and L7 of the General Plan to provide for a wide range of housing choices that insure opportunities for a variety of age groups, lifestyles, and income levels and allow residential densities that encourage both compact and infill development.

6. The combination of different dwelling types, architectural appearance, and/or varieties of land uses in the development will complement each other and will harmonize with the existing and proposed land uses in the vicinity; and

   Analysis: The combination of single-family and multi-family dwellings and commercial development provides for a mix of uses for the Neighborhood Mixed-Use and R-M Medium-Density Residential zone district. The uses will compliment and harmonize with each other and the surrounding land uses. The deviations proposed will allow the development, as proposed in Tentative Tract 945 which achieves goals L6 and L7 of the General Plan to provide for a wide range of housing choices that ensure opportunities for a variety of age groups, lifestyles, and income levels and allow residential densities that encourage both compact and infill development.

NOW, THEREFORE, BE IT RESOLVED, that the City Council finds that no significant environmental impacts would result from the proposed project with the incorporation of mitigation measures, adopts a Mitigation Monitoring and Reporting Program, attached as **Exhibit C,** and certifies that Mitigated Negative Declaration No. 2025-73 was prepared consistent with the California Environmental Quality Act (CEQA) Guidelines and City of Hanford Environmental Guidelines.

THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Hanford hereby approves Planned Unit Development 37-24, subject to the conditions of approval, attached as **Exhibit D**, and the following:

That the Planned Unit Development shall expire with the expiration of Vesting Tentative Map 940, which shall become null and void after 24 months has elapsed from the date of approval, unless a final map has recorded. A time extension may be granted by the Commission upon written request by the applicant. The time extension, if approved, will be subject to the improvement standards and fees in effect at the time the extension for the tentative subdivision map is granted.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Hanford held on the 16th day of December 2025 by the following vote:

AYES:	Council Member	_____
		_____
		_____
		_____
		_____
NOES:	Council Member	_____
ABSTAIN:	Council Member	_____
ABSENT:	Council Member	_____

_____

MAYOR

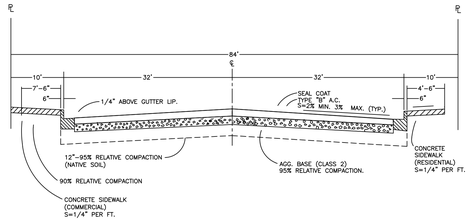
STATE OF CALIFORNIA)
COUNTY OF KINGS)
CITY OF HANFORD) SS

I, **Natalie Corral,** City Clerk of the City of Hanford, do hereby certify that the foregoing Resolution was duly passed and adopted by the City Council of the City of Hanford at a regular meeting thereof held on the 16th day of December 2025.

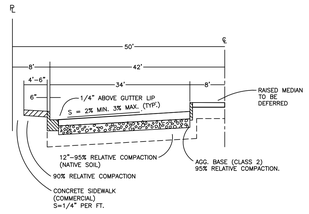
Dated: _____

_____
City Clerk

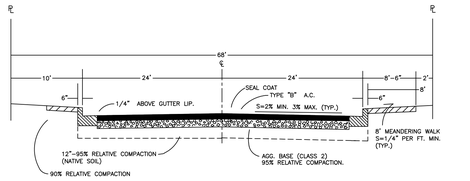
Exhibit A
Tentative Tract 945



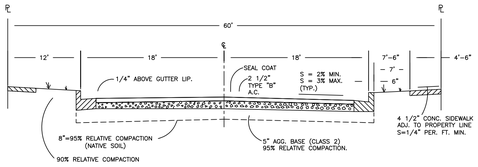
GRANGEVILLE BLVD N.T.S.



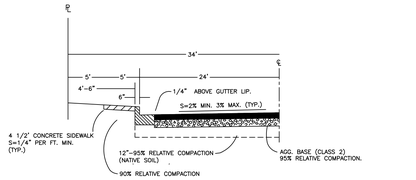
9TH AVENUE N.T.S.



9 1/4 AVENUE N.T.S.



LOCAL STREETS N.T.S.



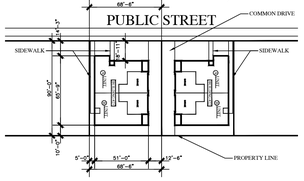
LELAND WAY N.T.S.

TENTATIVE SUBDIVISION MAP

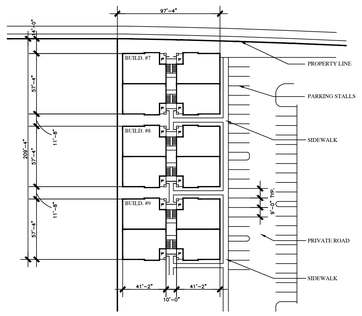
COPPER RIDGE

HANFORD CALIFORNIA

TYP. ONE STORY DUPLEX SITE (LOTS 351-387)



TYP. TWO STORY 8-PLEX SITE



OWNER

WARMERDAM FAMILY TRUST
10426 EXCELSIOR AVE. HANFORD, CA, 93230
DADIGIAN FAMILY TRUST 2001
2491 16TH AVE. KINGSBURG, CA, 93631

DEVELOPER

N & M CAPITAL LLC
GREG NUNLEY (559)799-6993
1878 N MOONEY BLVD SUITE J
TULARE, CA 93274

PROJECT INFO

NORTH EAST CORNER OF 9 1/4 AVENUE AND GRANGEVILLE BLVD
APN: 014-143-069, 014-143-078
TOTAL AREA: 85.61 AC
EXIST. USE: VACANT/ AG
PROPOSED USE: SINGLE FAMILY PUD, NEIGHBORHOOD COMMERCIAL
FLOOD ZONE: X
SEWER: CITY OF HANFORD
WATER: CITY OF HANFORD
STORM DRAIN: CITY OF HANFORD
MIN. LOT SIZE: 2,800 SF; MAX. LOT SIZE: 11,540 SF
SINGLE FAMILY UNITS: 350
MULTI FAMILY UNITS: 300
RESIDENTIAL ACREAGE: 78.16 AC
DENSITY: 8.31 UNITS/AC
COMMERCIAL ACREAGE: 5.45 AC
OUTLOTS A-I TO BE DEDICATED TO CITY OF HANFORD

VICINITY MAP

NOT TO SCALE



PHASES INFO

PHASE 1	181 UNITS	40' WIDE LOTS: 115	45' WIDE LOTS: 66	MULTI FAMILY UNITS: 0	RETAIL: 0 SF
PHASE 2	150 UNITS	40' WIDE LOTS: 91	45' WIDE LOTS: 59	MULTI FAMILY UNITS: 0	RETAIL: 0 SF
PHASE 3	89 UNITS	40' WIDE LOTS: 19	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 74	RETAIL: 0 SF
PHASE 4	110 UNITS	40' WIDE LOTS: 0	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 106	RETAIL: 0 SF
PHASE 5	120 UNITS	40' WIDE LOTS: 0	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 120	RETAIL: 37,700 SF
TOTAL	650 UNITS	40' WIDE LOTS: 225	45' WIDE LOTS: 125	MULTI FAMILY UNITS: 300	RETAIL: 37,700 SF

PARKING INFO

LAND USE	REQUIRED	PROVIDED
CONVENIENCE STORE	17	56
FOOD A	15	25
FOOD B	16	30
RETAIL A	48	61
RETAIL B	48	60
PHASE 4 MULTIFAM. COVERED	199	212
PHASE 4 MULTIFAM. UNCOVERED	0	22
PHASE 5 MULTIFAM. COVERED	85	91
PHASE 5 MULTIFAM. UNCOVERED	85	90



N
W E
S
1"=100'-0"
50' 100' 200'

REVISIONS			
MARK	DATE		
1			
2			
3			
4			

DRAWN BY: EN
DATE: SEP. 25, 2025
SCALE: 1"=100'-0"

AWEngineering
810 WEST ACEQUIA AVENUE
VISALIA, CA. 93292
(559) 713-6139
awengineering09@gmail.com

TENTATIVE SUBDIVISION MAP
COPPER RIDGE
HANFORD CALIFORNIA

SHEET
SITE
JOB NUMBER:

Exhibit B
Elevations and Floor Plans

LENNAR®

rrm design group

COPPER RIDGE



HOUSE PLAN 1

FIRST FLOOR: 589 SF
SECOND FLOOR: 824 SF
TOTAL 1,413 SF

HOUSE PLAN 2

FIRST FLOOR: 659 SF
SECOND FLOOR: 905 SF
TOTAL 1,564 SF

HOUSE PLAN 3

FIRST FLOOR: 752 SF
SECOND FLOOR: 935 SF
TOTAL 1,687 SF

ELEVATIONS "TRADITIONAL"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

5

#3151-02-HS24
10 APRIL 2024

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COPPER RIDGE



HOUSE PLAN 1

FIRST FLOOR: 589 SF
SECOND FLOOR: 824 SF
TOTAL 1,413 SF

HOUSE PLAN 2

FIRST FLOOR: 659 SF
SECOND FLOOR: 905 SF
TOTAL 1,564 SF

HOUSE PLAN 3

FIRST FLOOR: 752 SF
SECOND FLOOR: 935 SF
TOTAL 1,687 SF

ELEVATIONS "FARMHOUSE"

SCALE
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1/8" = 1'-0" (12X18 SHEET)

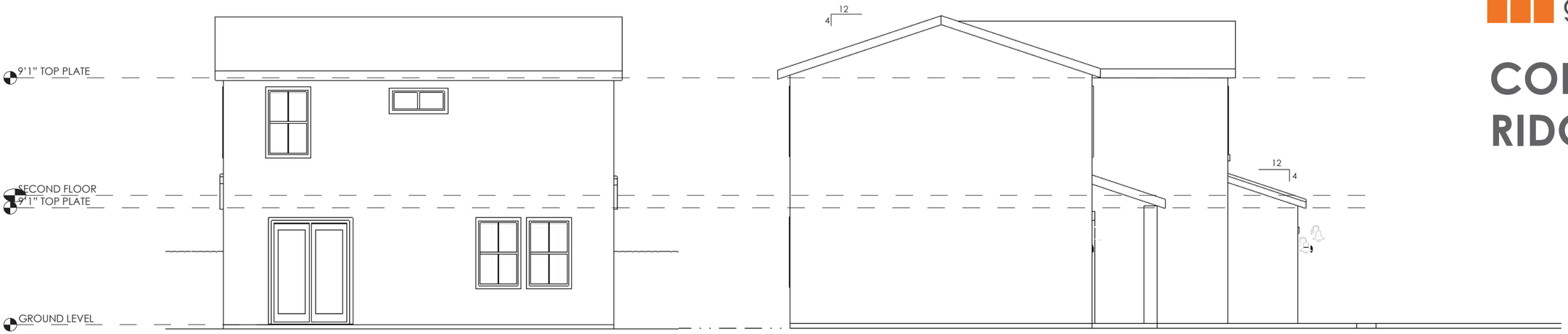
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#3151-02-HS24
10 APRIL 2024

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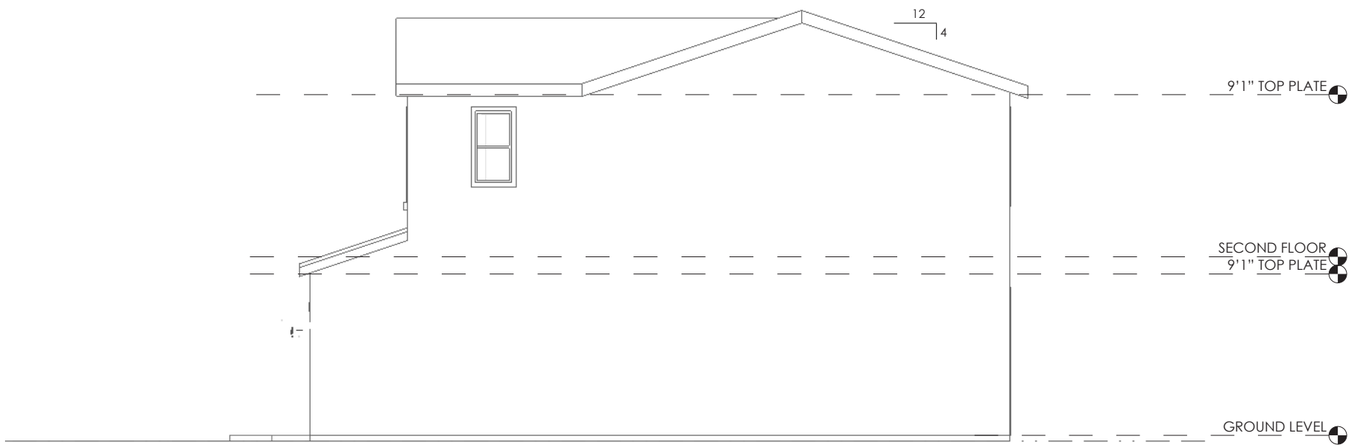
rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 1

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

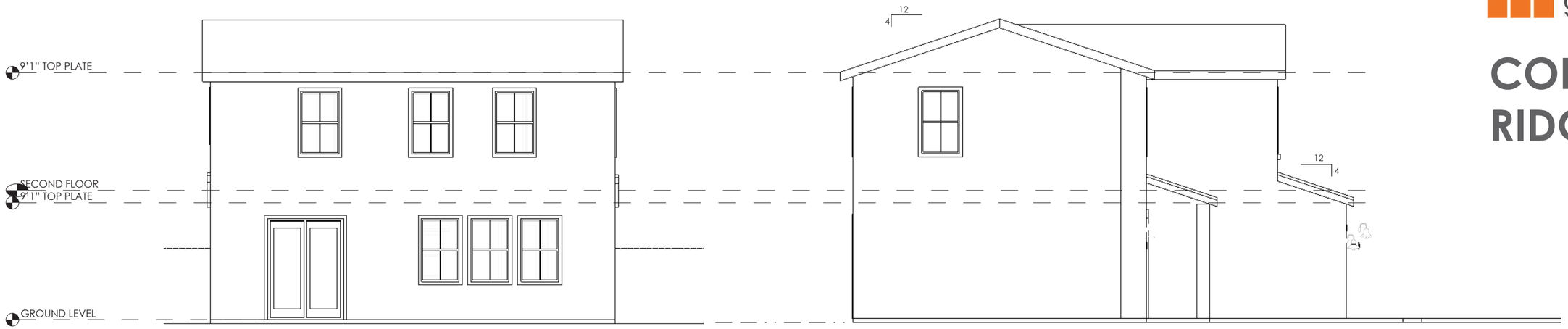
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#3151-02-HS24
10 APRIL 2024

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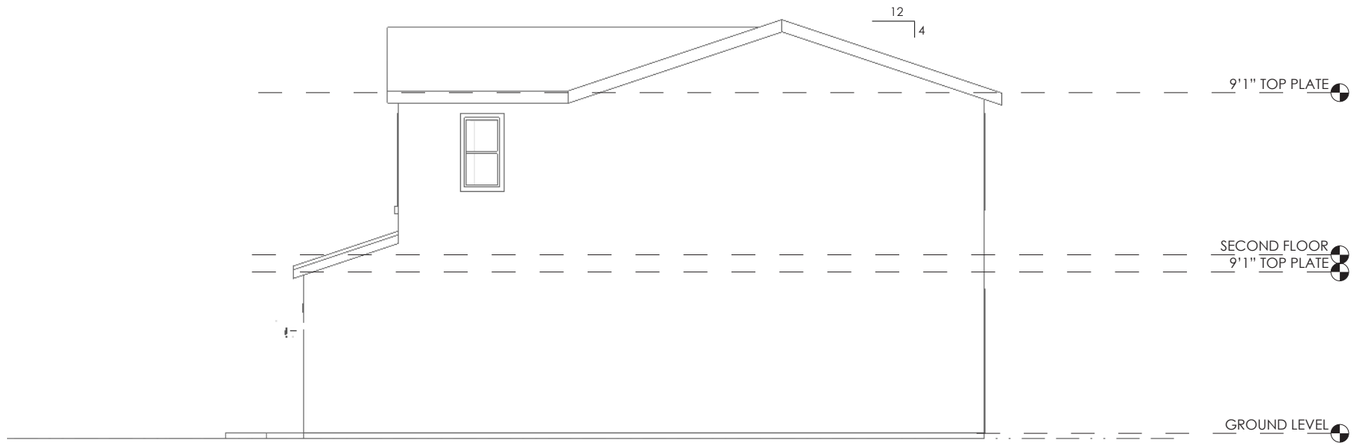
rrm design group

COPPER RIDGE



1 REAR ELEVATION
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2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 2

SCALE
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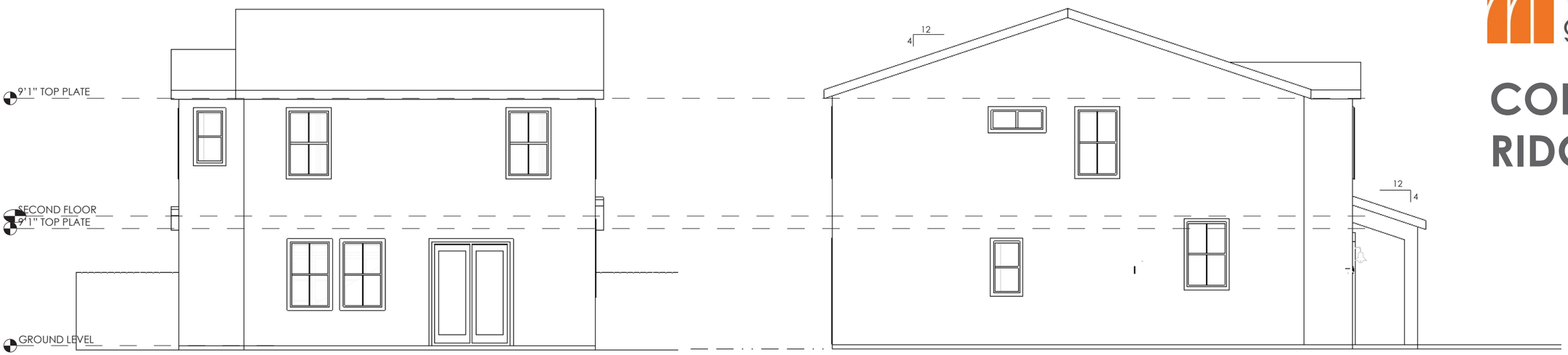
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#3151-02-HS24
10 APRIL 2024

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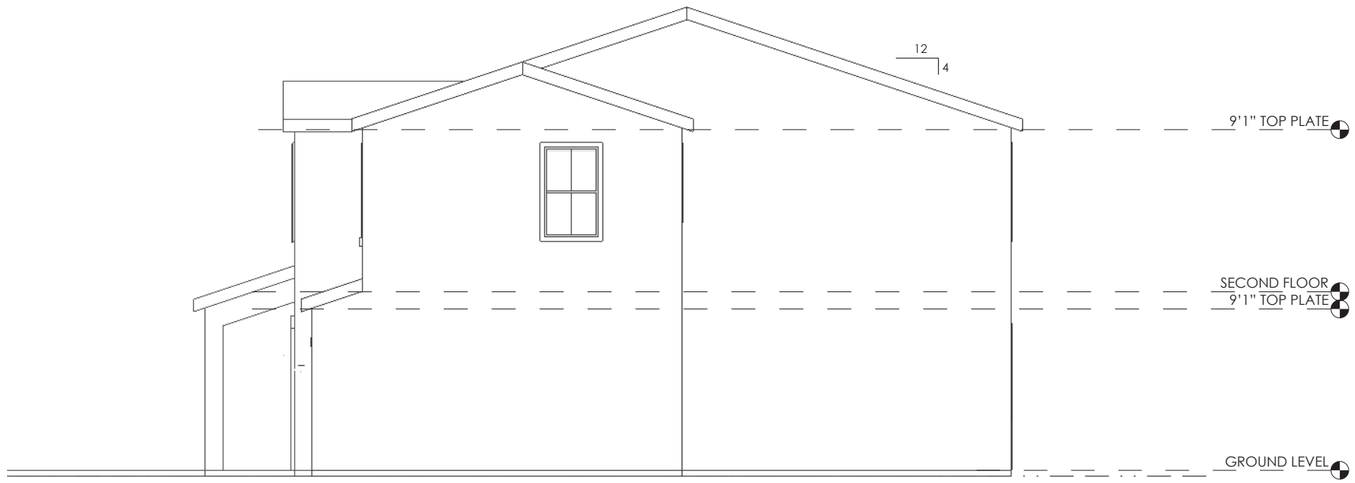
rrm design group

COPPER RIDGE



1 REAR ELEVATION
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2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



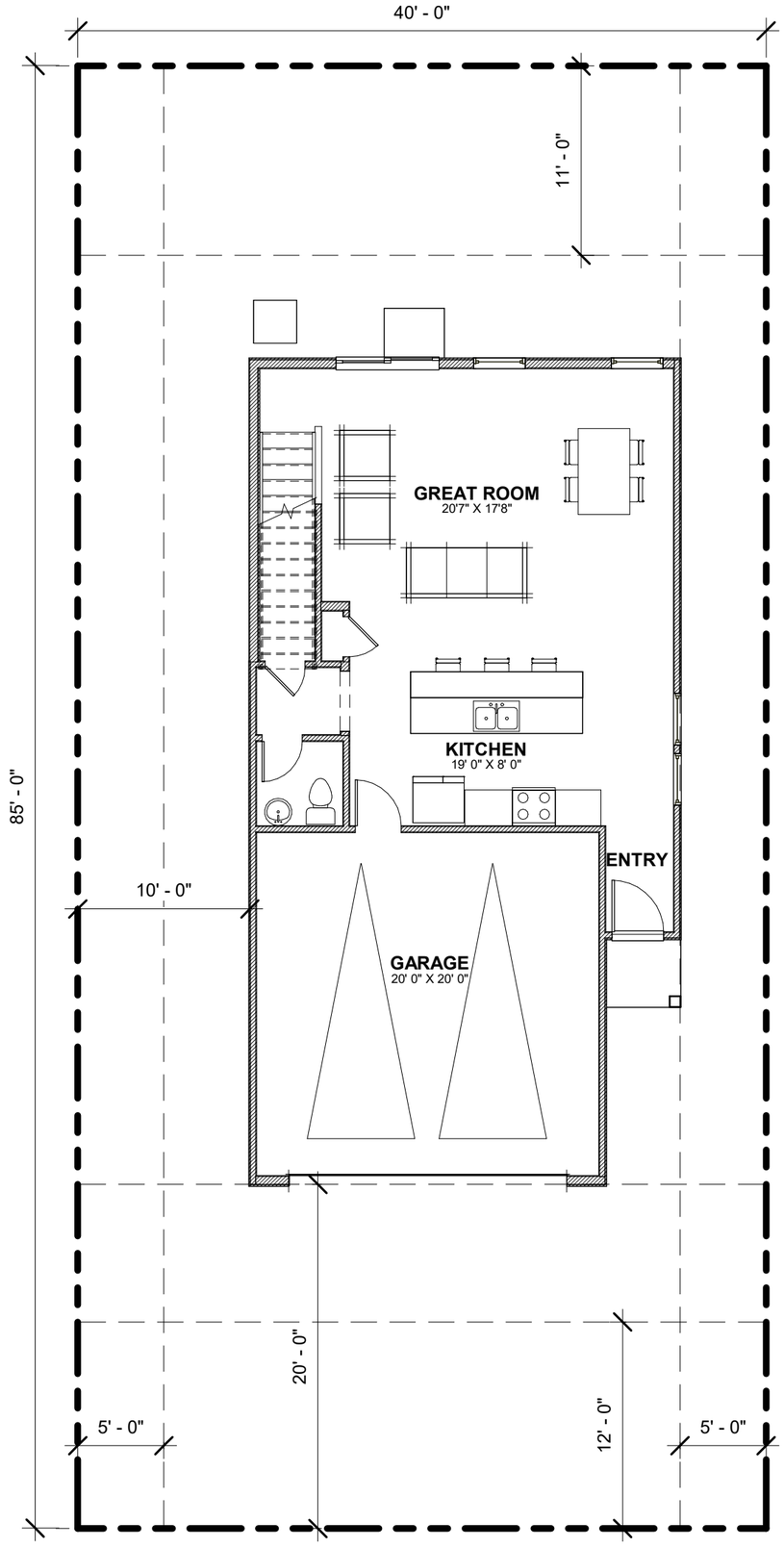
3 RIGHT ELEVATION
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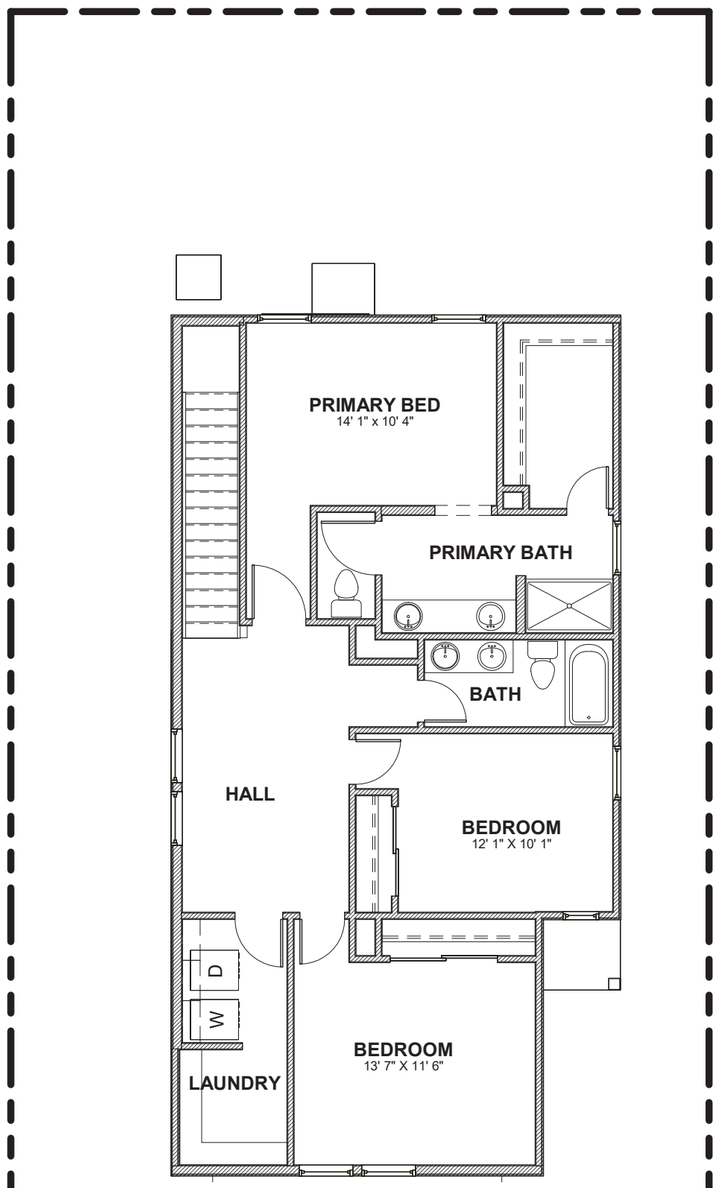
ELEVATIONS PLAN 3

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

9

#3151-02-HS24
10 APRIL 2024





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COPPER RIDGE

HOUSE PLAN 1

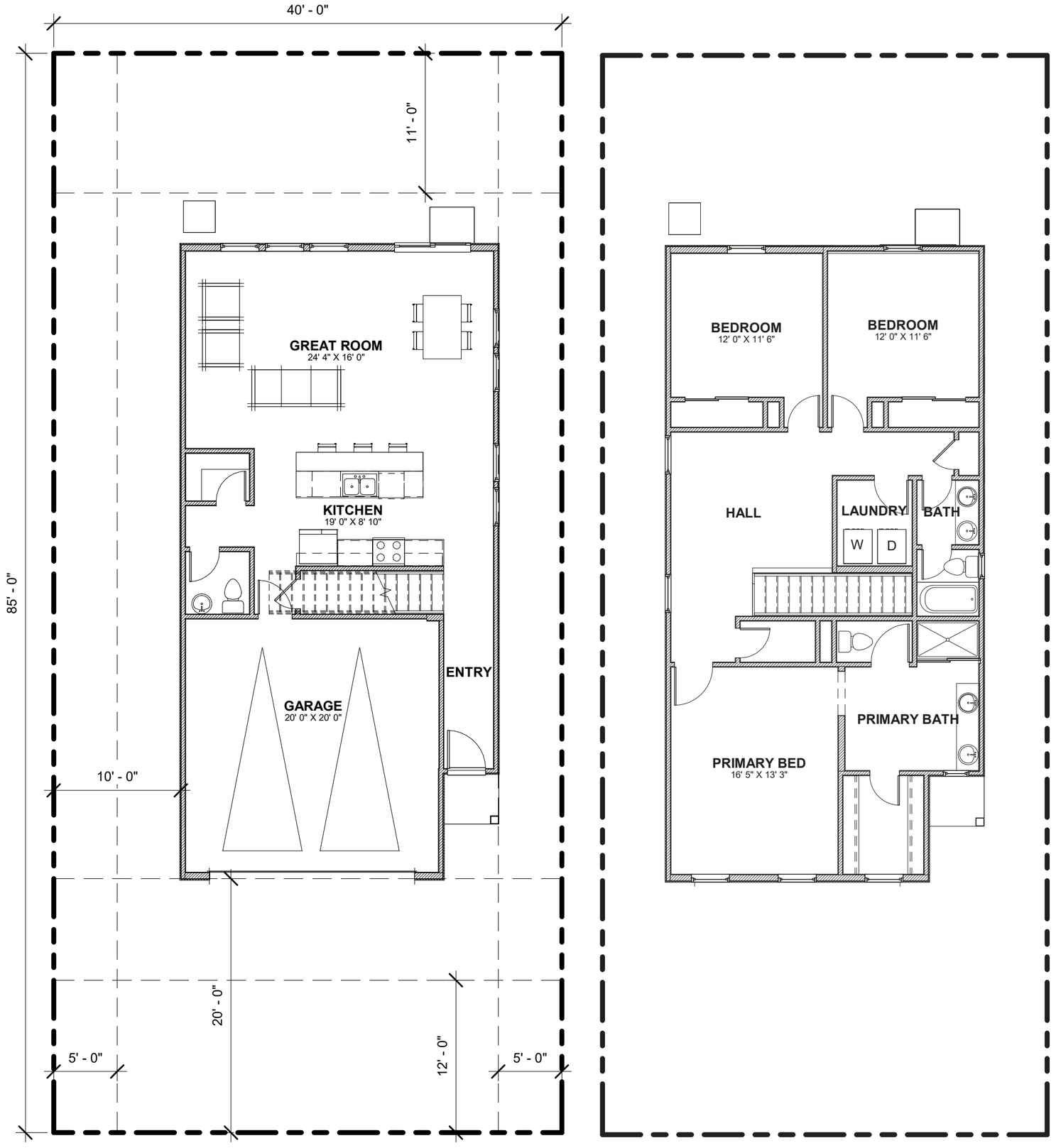
FIRST FLOOR: 1,148SF
SECOND FLOOR: 1,148SF
TOTAL 2,296SF

FLOOR PLAN - CELESTIAL

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

#31.51-02-HS24
10 APRIL 2024

10



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rrm design group

COPPER RIDGE

HOUSE PLAN 2

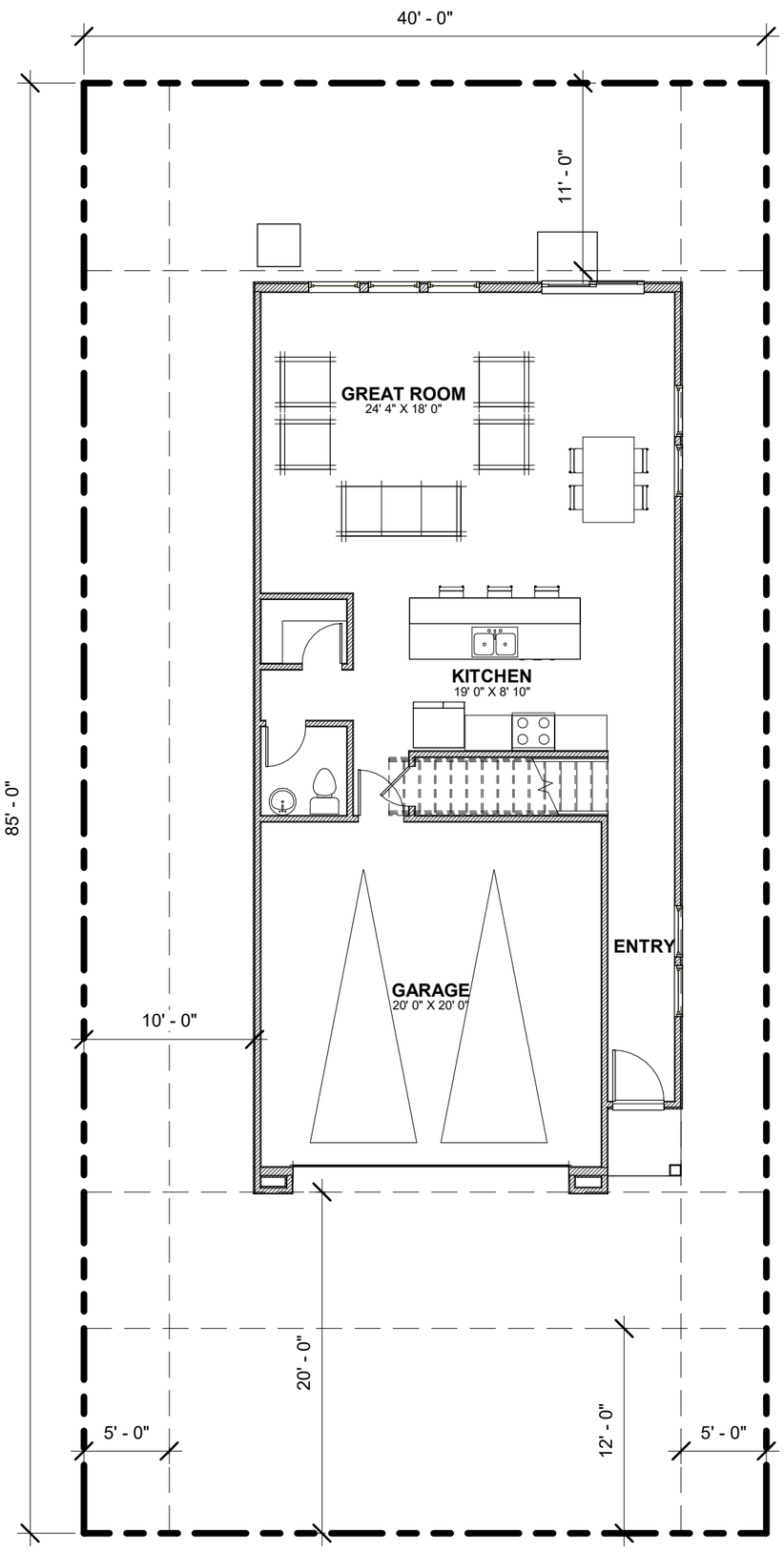
FIRST FLOOR: 1,225SF
SECOND FLOOR: 1,225SF
TOTAL 2,450SF

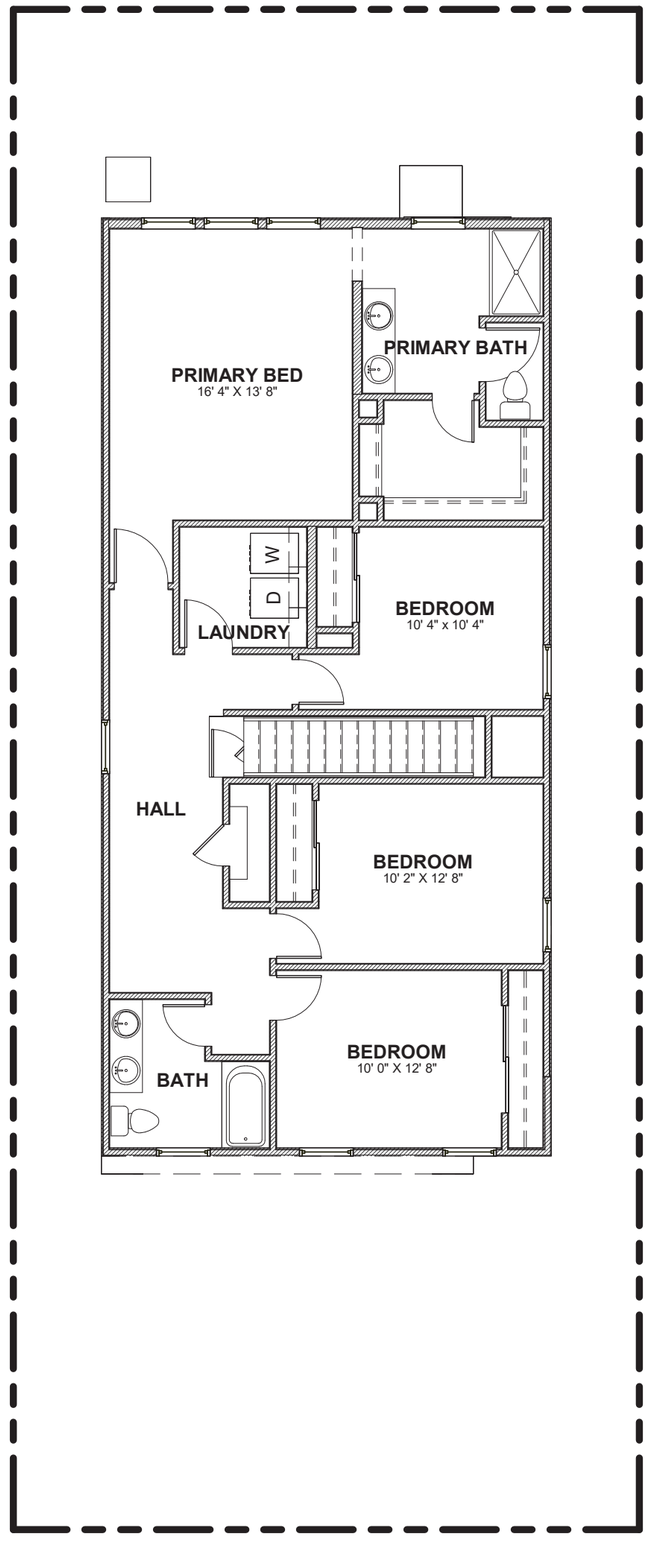
FLOOR PLAN - CELESTIAL

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

11

#3151-02-HS24
10 APRIL 2024





LENNAR®

rrm design group

COPPER RIDGE

HOUSE PLAN 3

FIRST FLOOR: 1,300SF
SECOND FLOOR: 1,320SF
TOTAL 2,620SF

FLOOR PLAN - CELESTIAL

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

12

#3151-02-HS24
10 APRIL 2024

LENNAR®

rrm design group

COPPER RIDGE



HOUSE PLAN 1

FIRST FLOOR: 1,148SF
SECOND FLOOR: 1,148SF
TOTAL 2,296SF

HOUSE PLAN 2

FIRST FLOOR: 1,225SF
SECOND FLOOR: 1,225SF
TOTAL 2,450SF

HOUSE PLAN 3

FIRST FLOOR: 1,300SF
SECOND FLOOR: 1,320SF
TOTAL 2,620SF

ELEVATIONS "TRADITIONAL"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

#3151-02-HS24
10 APRIL 2024

LENNAR

rrm design group

COPPER RIDGE



HOUSE PLAN 1

FIRST FLOOR: 1,148SF
SECOND FLOOR: 1,148SF
TOTAL 2,296SF

HOUSE PLAN 2

FIRST FLOOR: 1,225SF
SECOND FLOOR: 1,225SF
TOTAL 2,450SF

HOUSE PLAN 3

FIRST FLOOR: 1,300SF
SECOND FLOOR: 1,320SF
TOTAL 2,620SF

ELEVATIONS "FARMHOUSE"

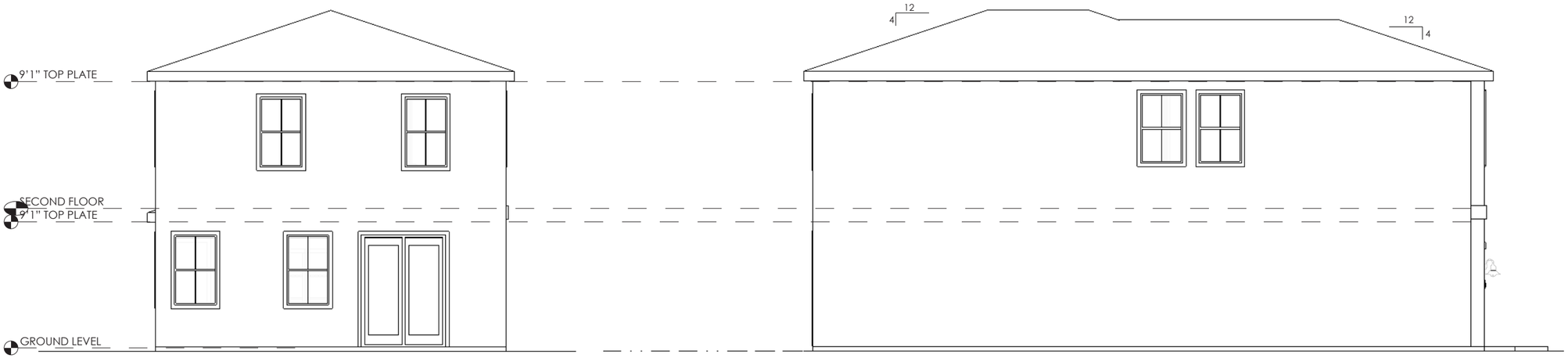
SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

#3151-02-HS24
10 APRIL 2024

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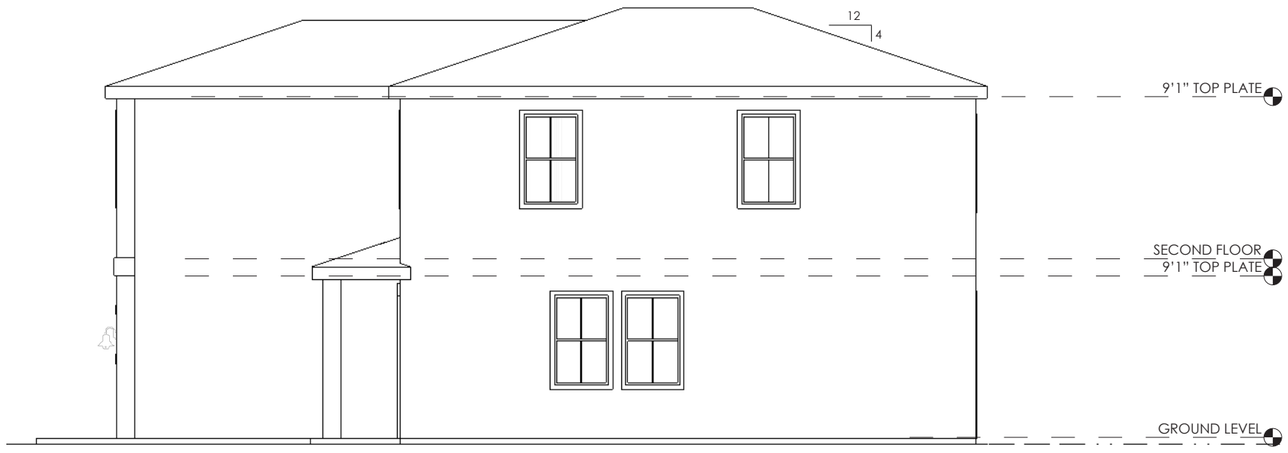
rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 1

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

15

#3151-02-HS24
10 APRIL 2024

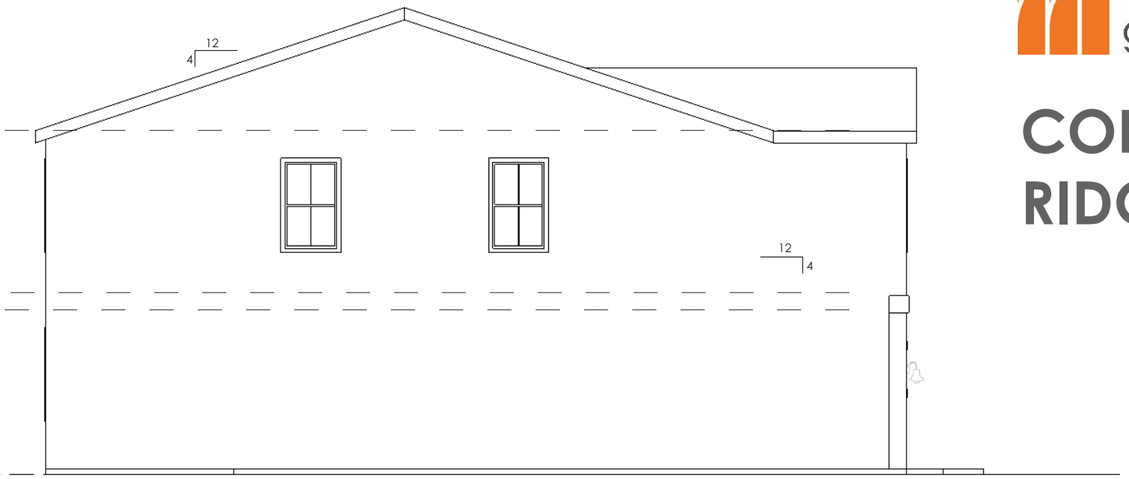
LENNAR®

rrm design group

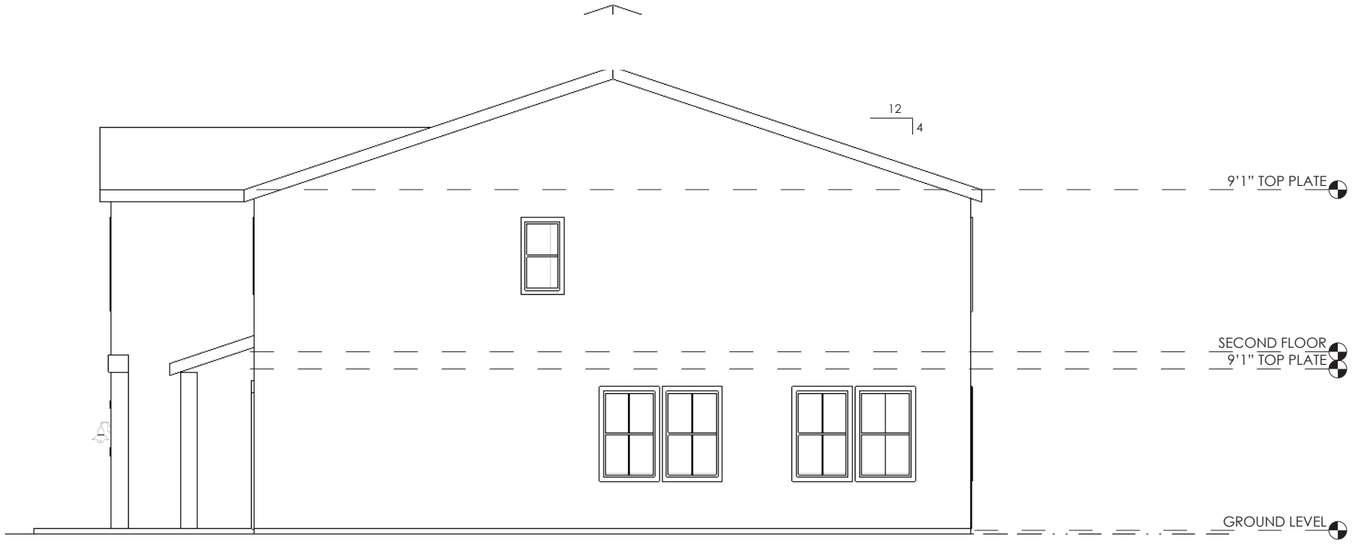
COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 2

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

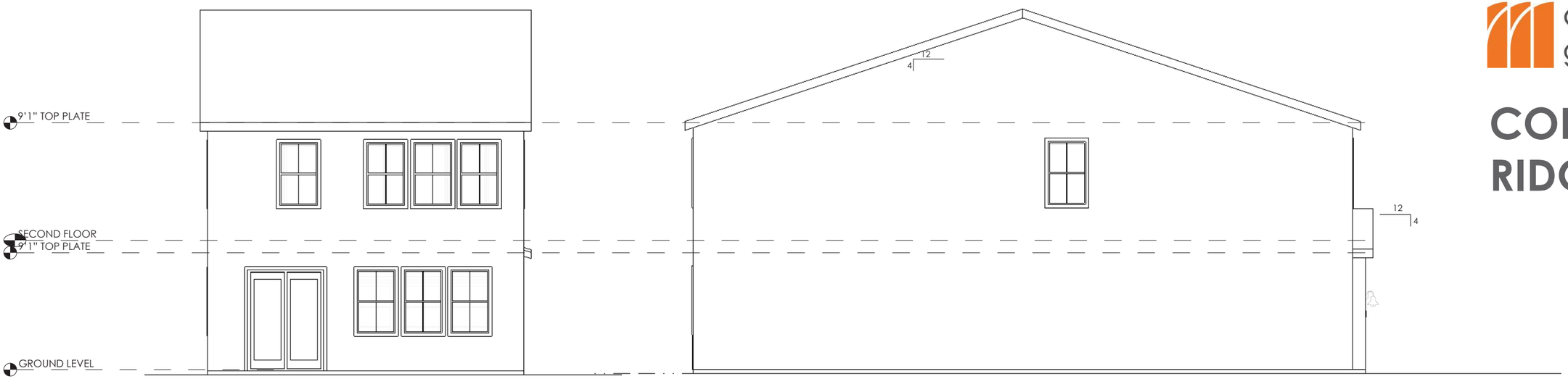
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#3151-02-HS24
10 APRIL 2024

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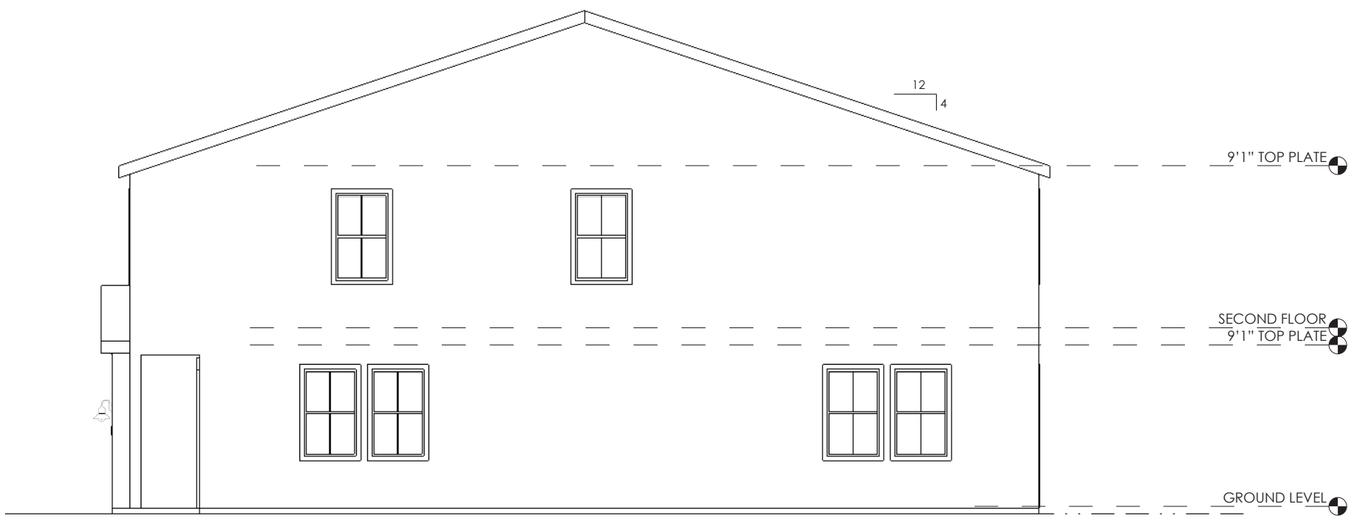
rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



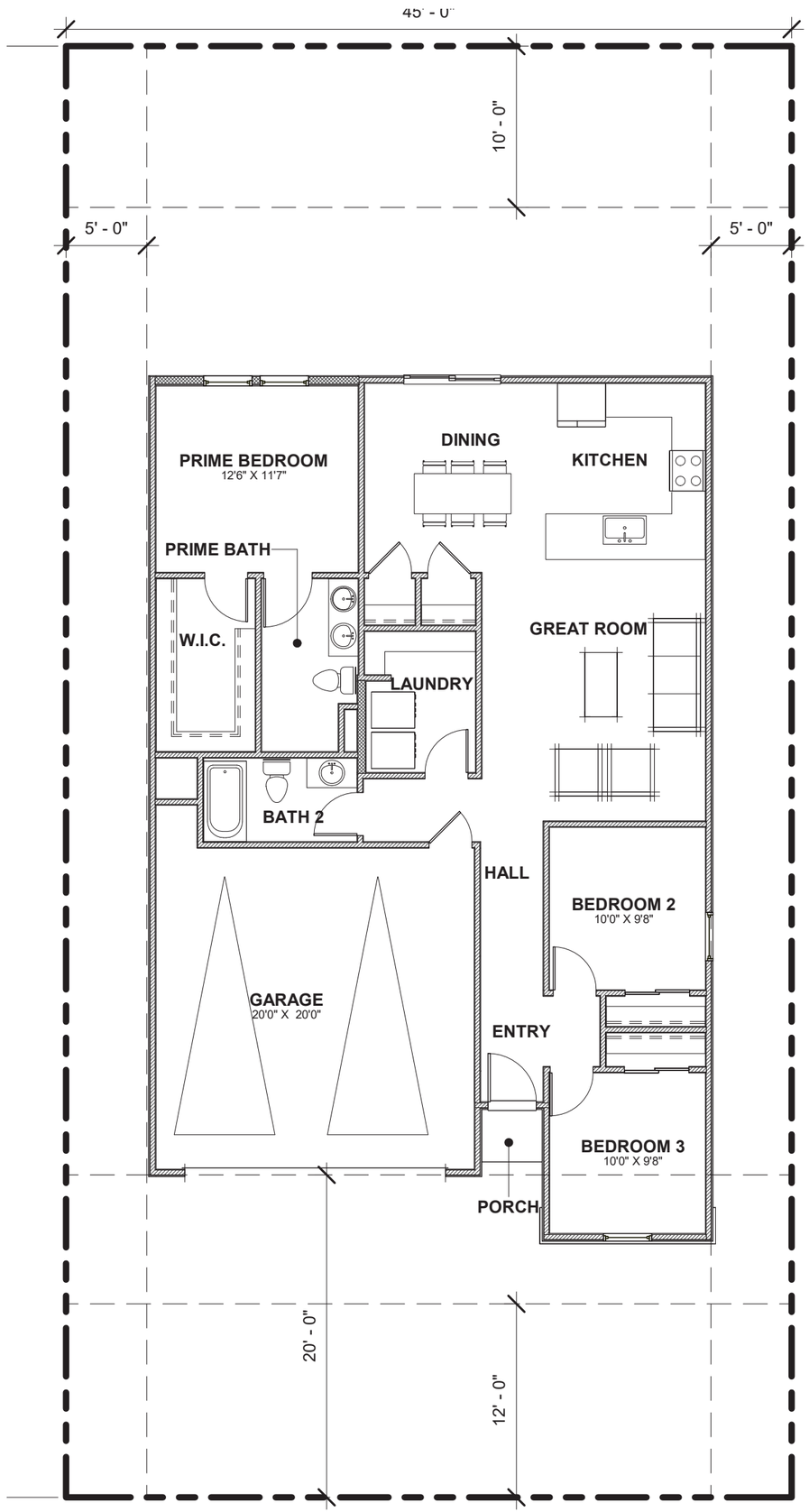
3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 3

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

17

#3151-02-HS24
10 APRIL 2024



LENNAR®

rrm design group

COPPER RIDGE

HOUSE PLAN 1

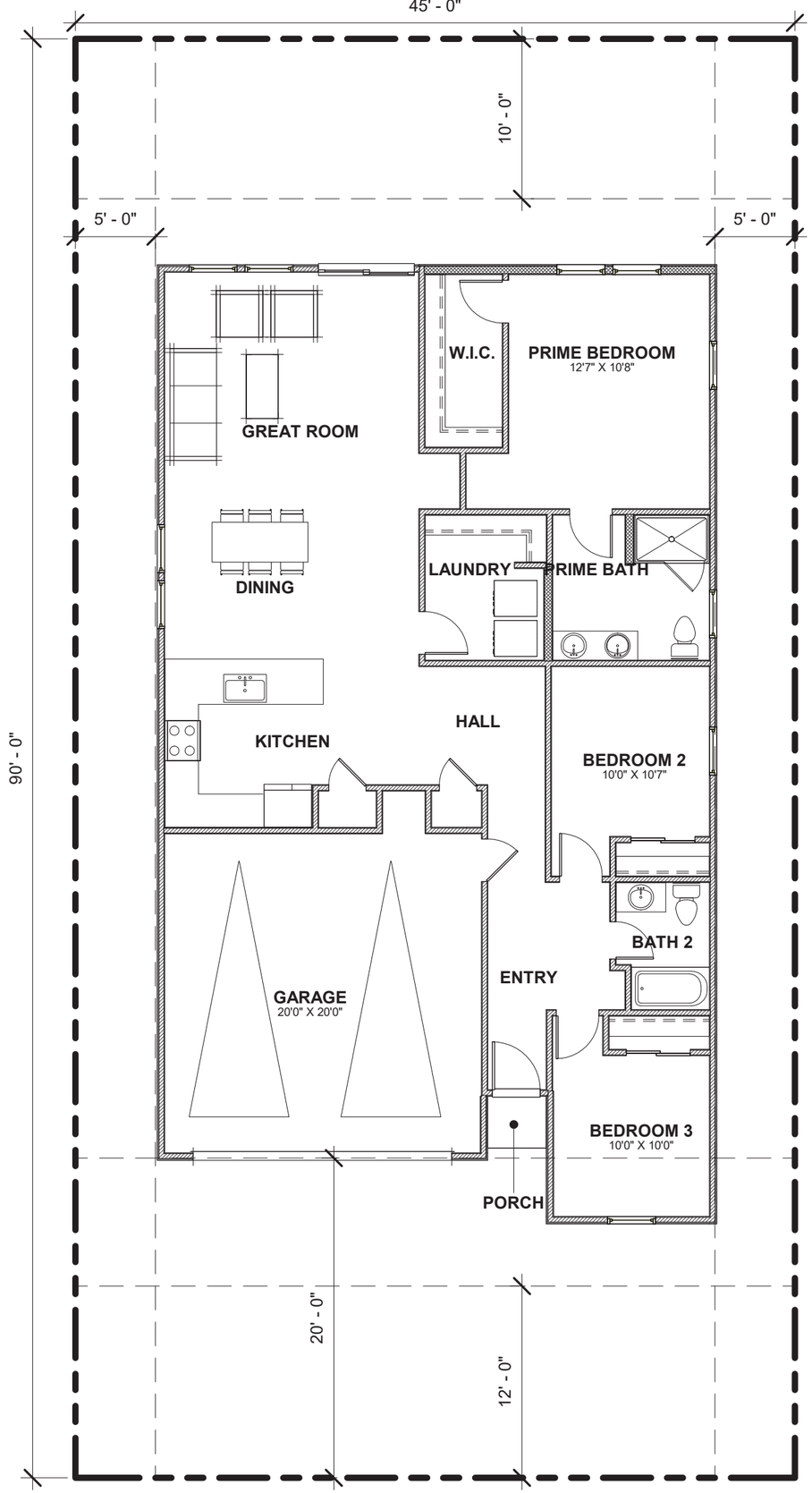
TOTAL AREA: 1,341SF

FLOOR PLAN "TREASURES"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

18

#3151-02-HS24
10 APRIL 2024



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rrm design group

COPPER RIDGE

HOUSE PLAN 2

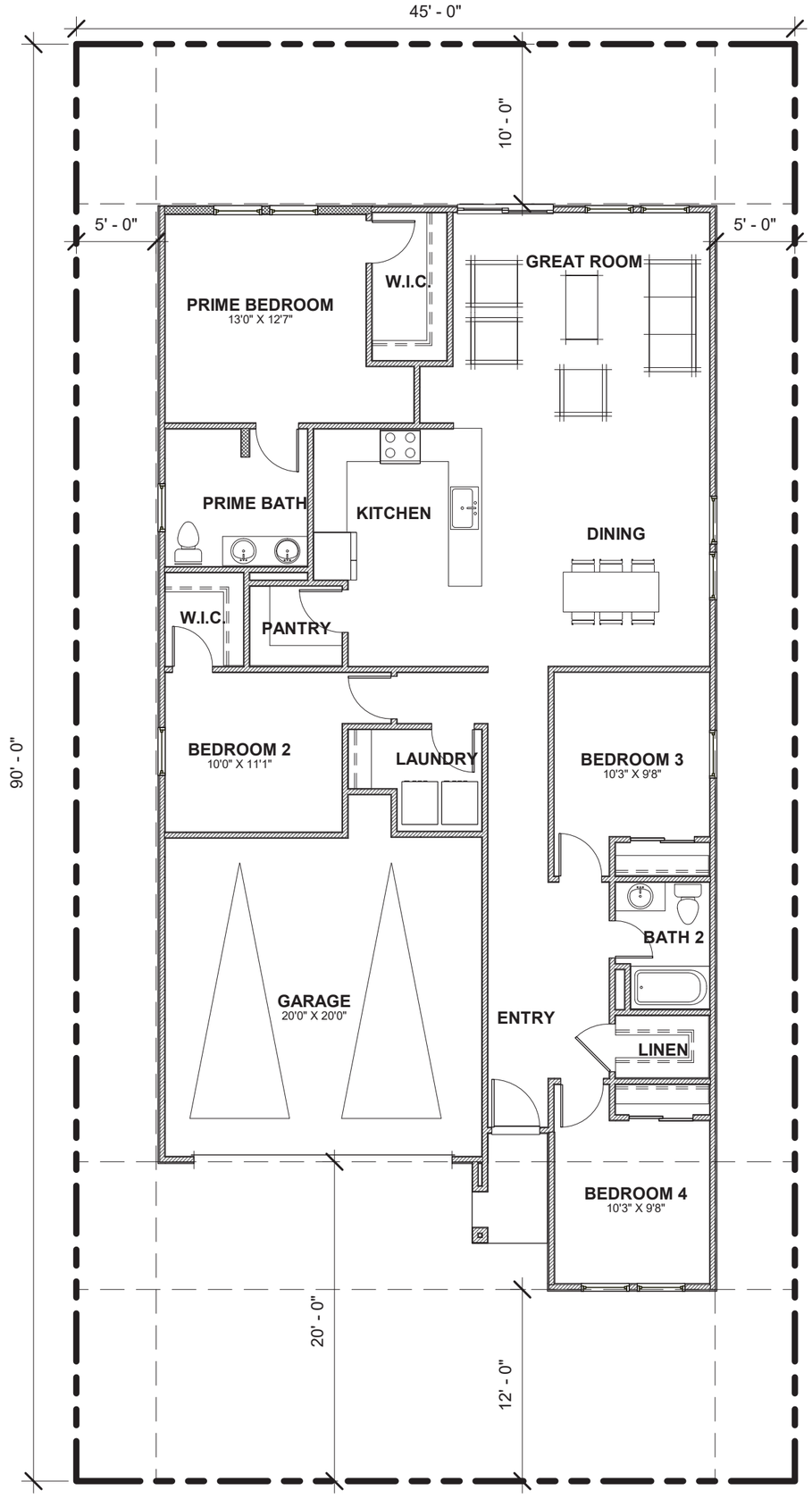
TOTAL AREA: 1,564 SF

FLOOR PLAN "TREASURES"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

19

#31.51-02-HS24
10 APRIL 2024



LENNAR®

rrm design group

COPPER RIDGE

HOUSE PLAN 3

TOTAL AREA: 1,755 SF

FLOOR PLAN "TREASURES"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

20

#3151-02-HS24
10 APRIL 2024

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rrm design group

COPPER RIDGE



HOUSE PLAN 1

TOTAL AREA: 1,341SF

HOUSE PLAN 2

TOTAL AREA: 1,564 SF

HOUSE PLAN 3

TOTAL AREA: 1,755 SF

ELEVATIONS "TRADITIONAL"

LENNAR

rrm design group

COPPER RIDGE



HOUSE PLAN 1

TOTAL AREA: 1,341SF

HOUSE PLAN 2

TOTAL AREA: 1,564 SF

HOUSE PLAN 3

TOTAL AREA: 1,755 SF

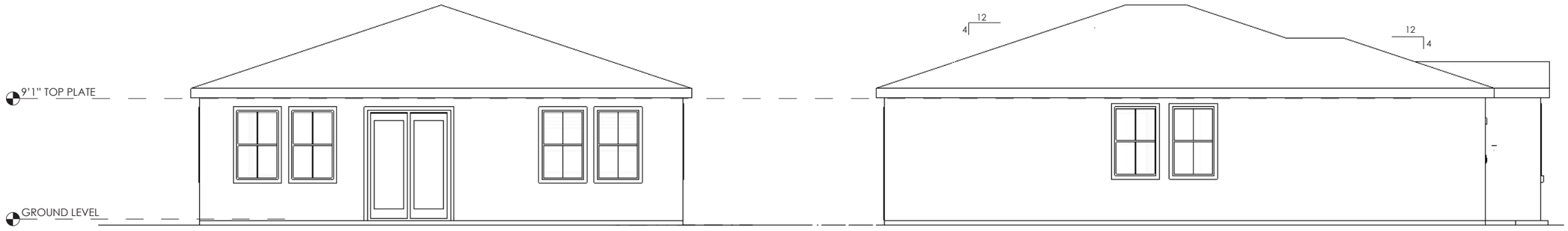
ELEVATIONS "FARMHOUSE"

#3151-02-HS24
10 APRIL 2024

LENNAR®

rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 1

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

23

#3151-02-HS24
10 APRIL 2024

LENNAR®

rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



2 LEFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 2

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

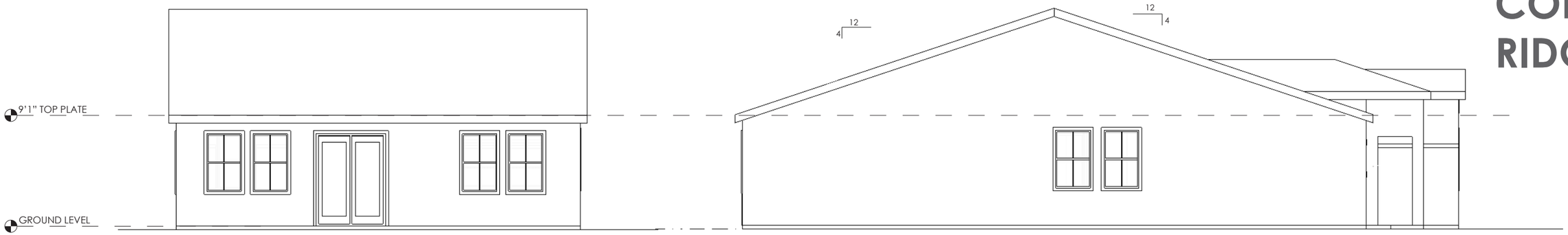
24

#3151-02-HS24
10 APRIL 2024

LENNAR®

rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 3

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

25

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10 APRIL 2024



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A - STYLE



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B - STYLE



© 2024 Kevin L. Crook Architect, Inc. Refer to landscape drawings for wall, tree, and shrub locations

C - STYLE

L017 JOYCE (1703)

FRONT ELEVATIONS

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

0 2 4 8 12

Kevin L. Crook Architect Inc

PLANNING + ARCHITECTURE

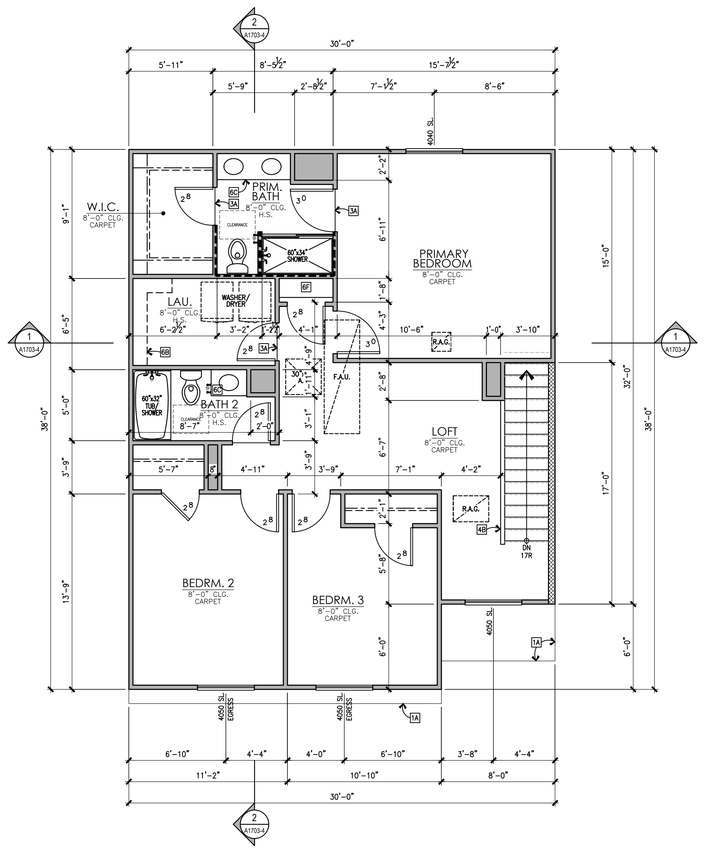
klcarch.com

JOB #: 24018

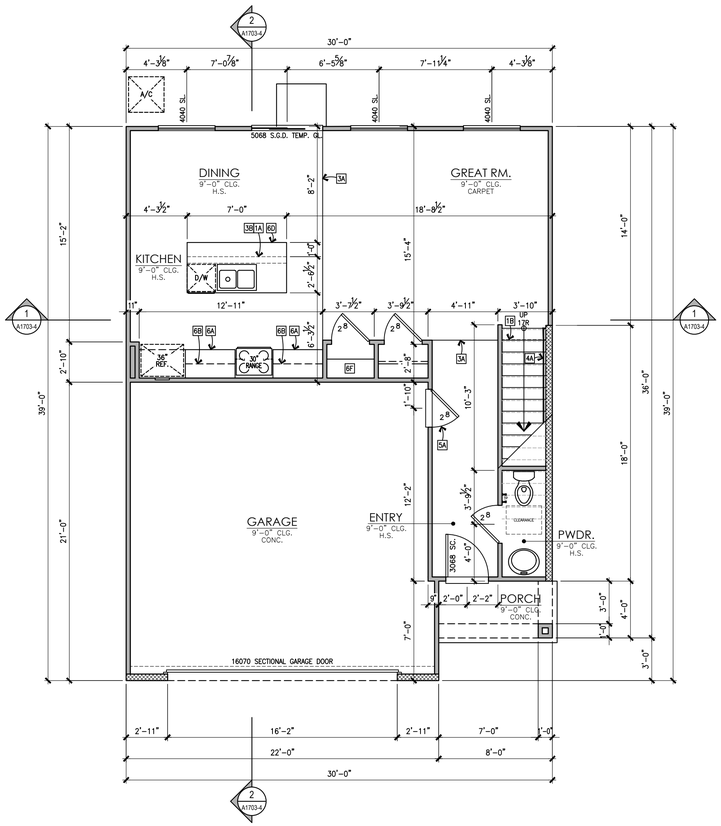
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Plot Dated: Oct 02, 2024

Drawn By: Name



SECOND FLOOR



FIRST FLOOR

PLAN 1
AREA TABULATION

CONDITIONED SPACE	
FIRST FLOOR AREA	653 SQ. FT.
SECOND FLOOR AREA	1,050 SQ. FT.
TOTAL DWELLING	1,703 SQ. FT.
UNCONDITIONED SPACE	
GARAGE	461 SQ. FT.
PORCH "A"	32 SQ. FT.

L017 JOYCE (1703)

3 BEDROOM, 2.5 BATH, LOFT
FLOOR PLAN

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

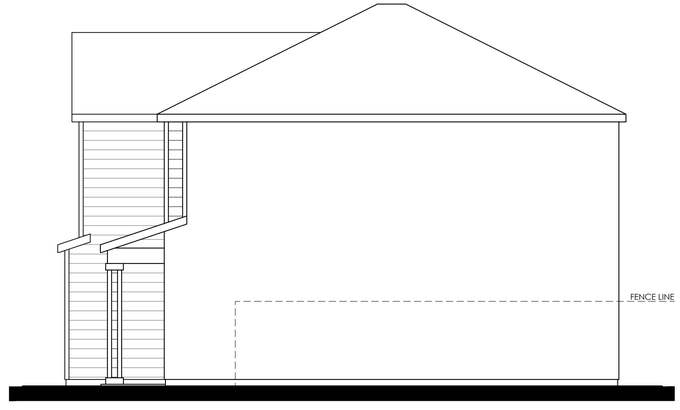
09/18/24

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Plot Dated: Oct 02, 2024
Drawn By: Norm



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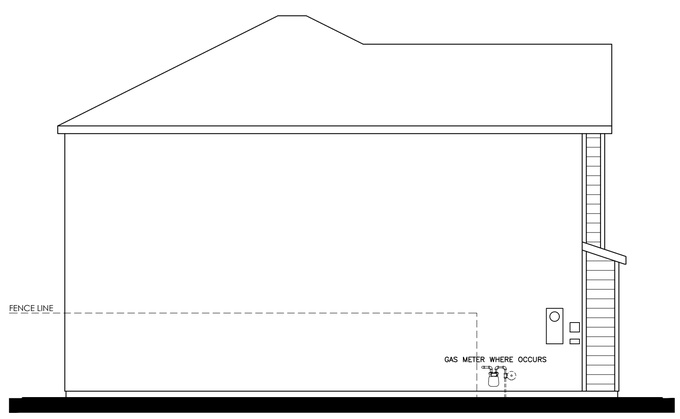
FRONT



RIGHT



REAR



LEFT

L017 JOYCE (1703)

"A" -STYLE- ELEVATIONS

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

LENNAR

0 2 4 8 12

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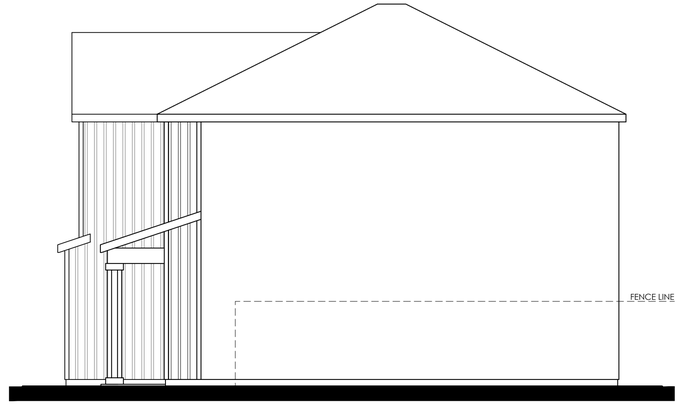
Plot Dated: Oct 02, 2024

Drawn By: Name



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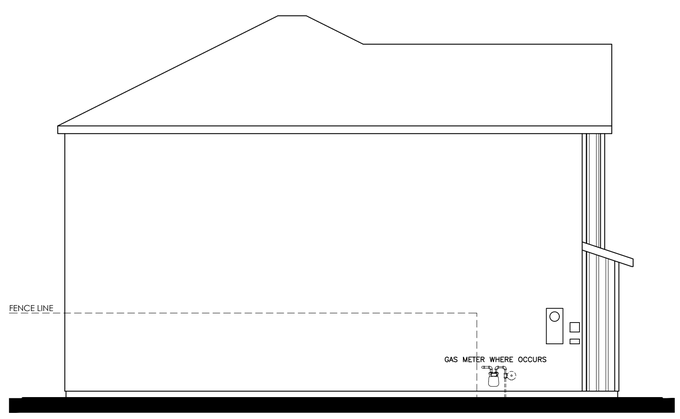
FRONT



RIGHT



REAR



LEFT

L017 JOYCE (1703)

"B" -STYLE- ELEVATIONS

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

LENNAR

0 2 4 8 12

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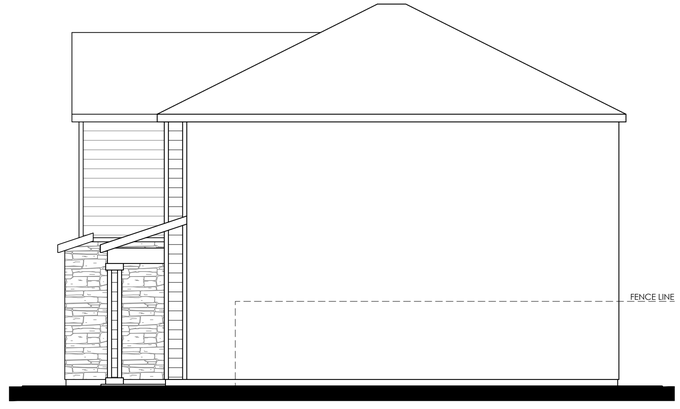
Plot Dated: Oct 02, 2024

Drawn By: Norm



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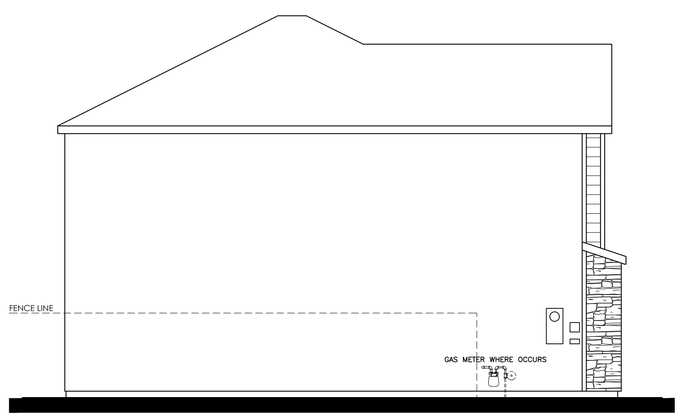
FRONT



RIGHT



REAR



LEFT

L017 JOYCE (1703)

"C" -STYLE- ELEVATIONS

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

0 2 4 8 12

LENNAR

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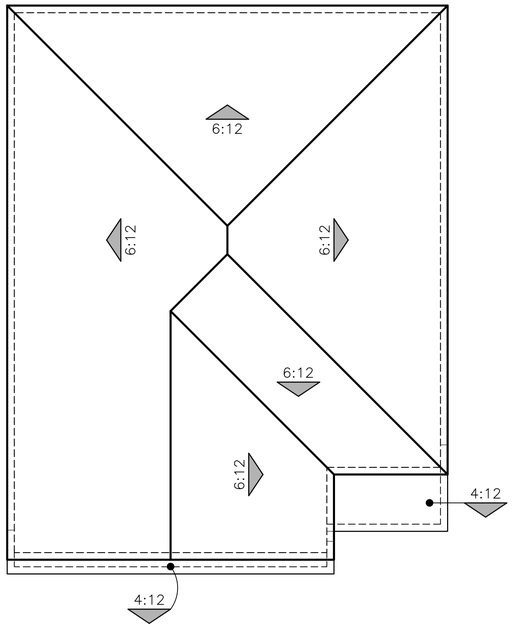
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v 3.0

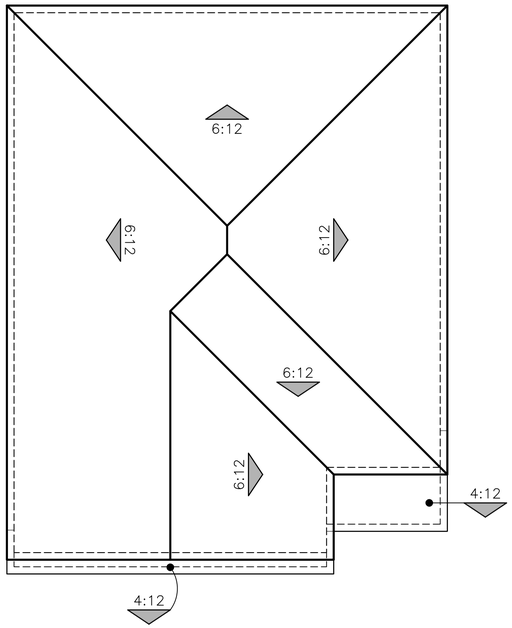
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Plot Dated: Oct 02, 2024

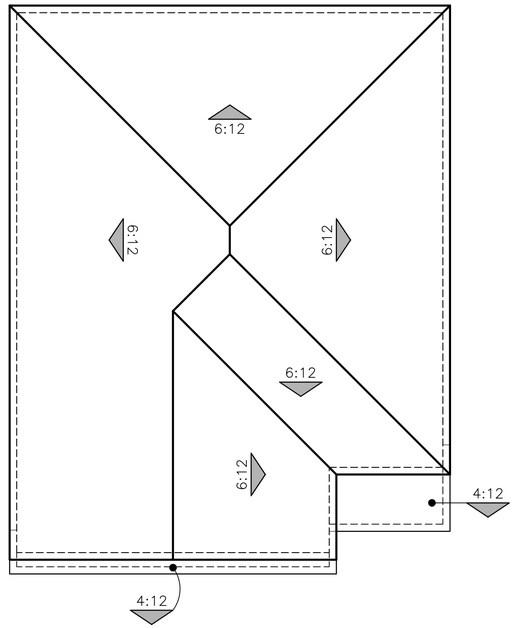
Drawn By: Name



A - STYLE



B - STYLE



C - STYLE

L017 JOYCE (1703)

ROOF PLANS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

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A - STYLE



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B - STYLE



© 2024 Kevin L. Crook Architect, Inc. Refer to landscape drawings for wall, tree, and shrub locations

C - STYLE

L016 VAIL (1855)

FRONT ELEVATIONS

0 2 4 8 12

LENNAR

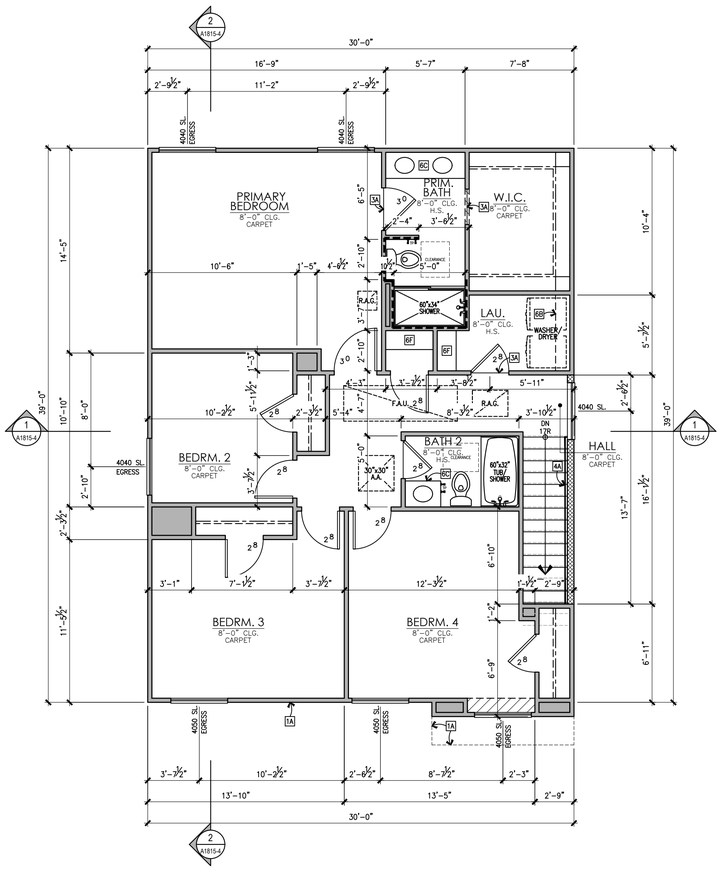
CENTRAL VALLEY 30'

CALIFORNIA

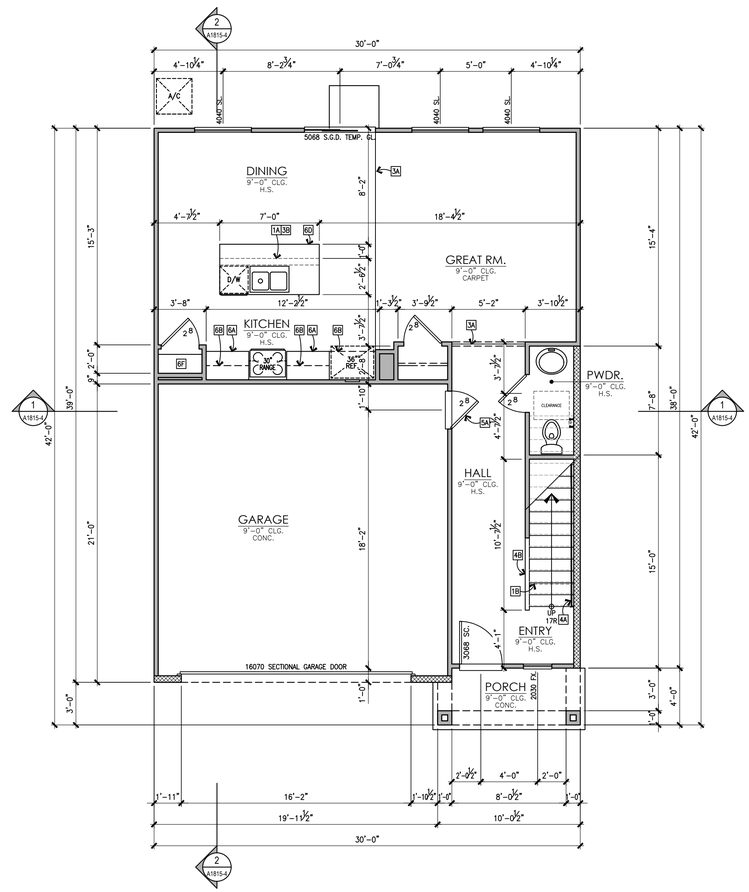
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SECOND FLOOR



FIRST FLOOR

L016 VAIL (1855)

4 BEDROOM, 2.5 BATH
FLOOR PLAN

PLAN 2
AREA TABULATION

CONDITIONED SPACE	
FIRST FLOOR AREA	727 SQ. FT.
SECOND FLOOR AREA	1,128 SQ. FT.
TOTAL DWELLING	1,855 SQ. FT.
UNCONDITIONED SPACE	
GARAGE	434 SQ. FT.
PORCH "A"	39 SQ. FT.

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

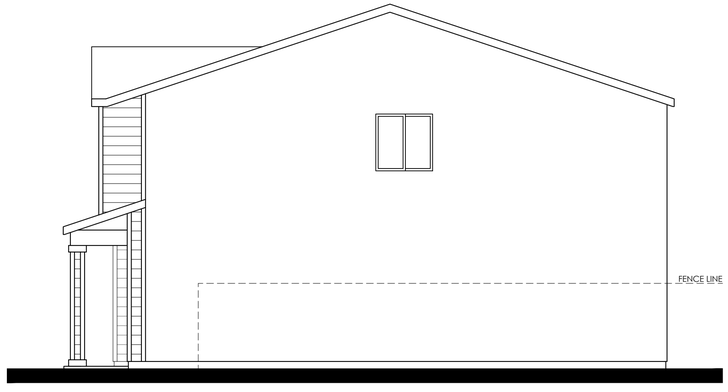
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Drawn By: Nom



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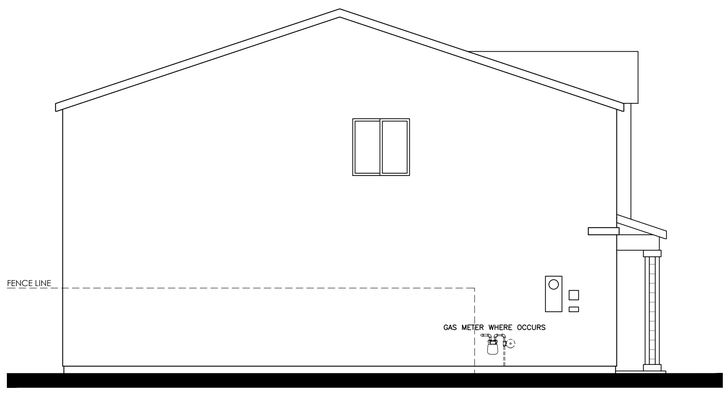
FRONT



RIGHT



REAR



LEFT

L016 VAIL (1855)

"A" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

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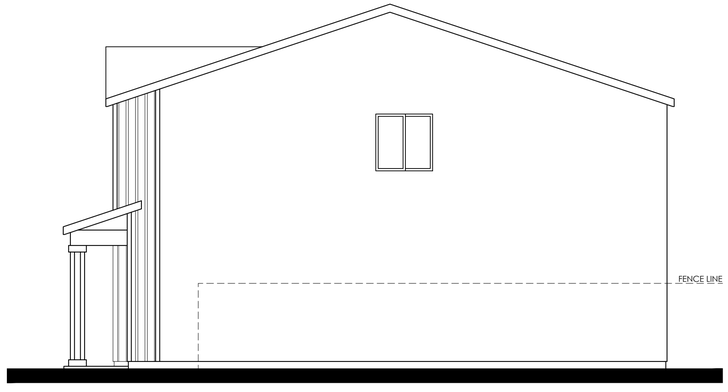
Plot Dated: Oct 02, 2024

Drawn By: Name



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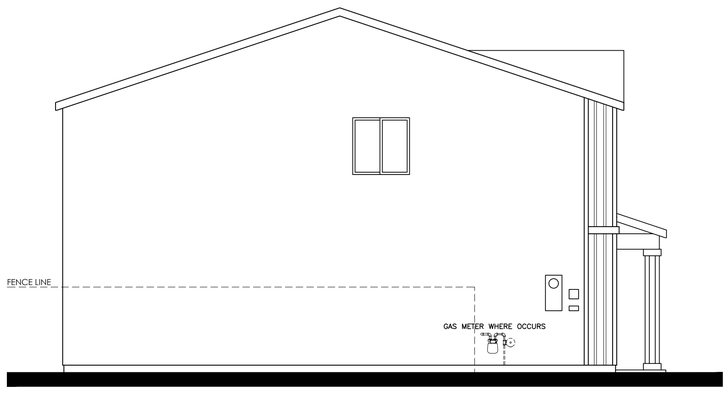
FRONT



RIGHT



REAR



LEFT

L016 VAIL (1855)

"B" -STYLE- ELEVATIONS

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

LENNAR

0 2 4 8 12

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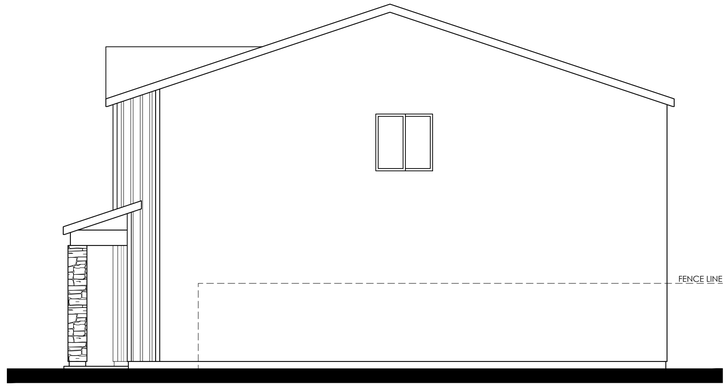
Plot Dated: Oct 02, 2024

Drawn By: Name



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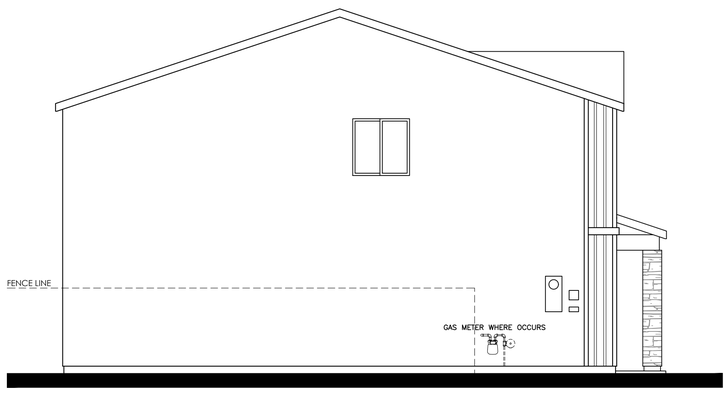
FRONT



RIGHT



REAR



LEFT

L016 VAIL (1855)

"C" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

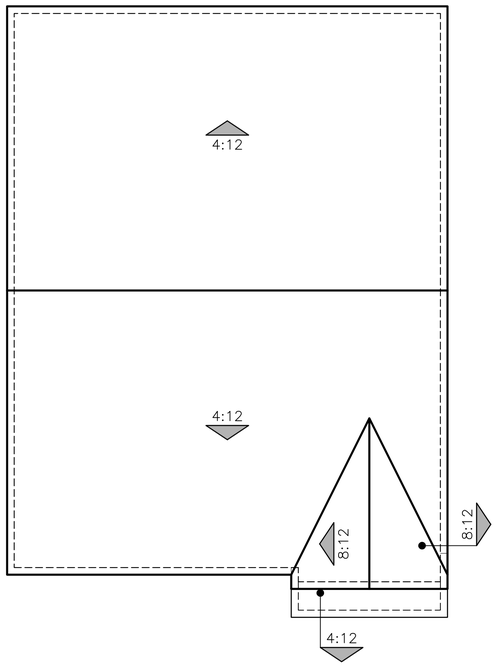
CENTRAL VALLEY 30'

CALIFORNIA

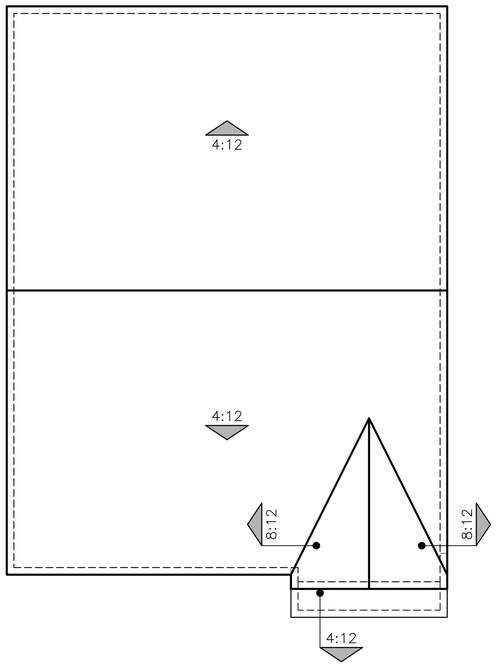
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PLANNING + ARCHITECTURE
v 3.0

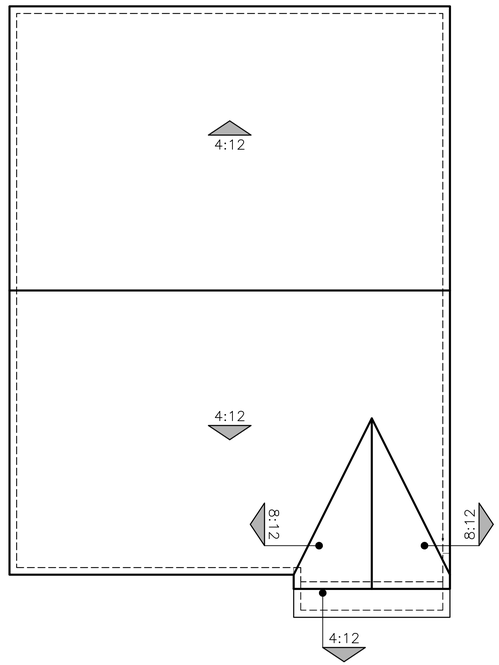
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Plot Dated: Oct 02, 2024
Drawn By: Norma



A - STYLE



B - STYLE



C - STYLE

L016 VAIL (1855)

ROOF PLANS

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

0 2 4 8 12

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© 2024 Kevin L. Crook Architect, Inc. Refer to landscape drawings for wall, tree, and shrub locations

A - STYLE



© 2024 Kevin L. Crook Architect, Inc. Refer to landscape drawings for wall, tree, and shrub locations

B - STYLE



© 2024 Kevin L. Crook Architect, Inc. Refer to landscape drawings for wall, tree, and shrub locations

C - STYLE

L034 BROADMOOR (1980)

FRONT ELEVATIONS

0 2 4 8 12

LENNAR

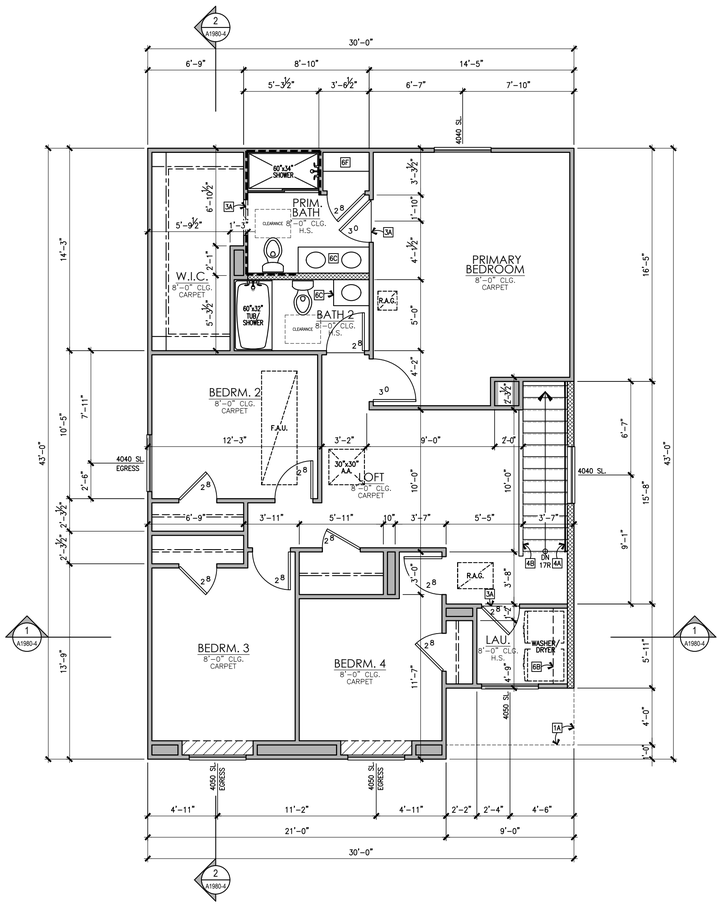
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CALIFORNIA

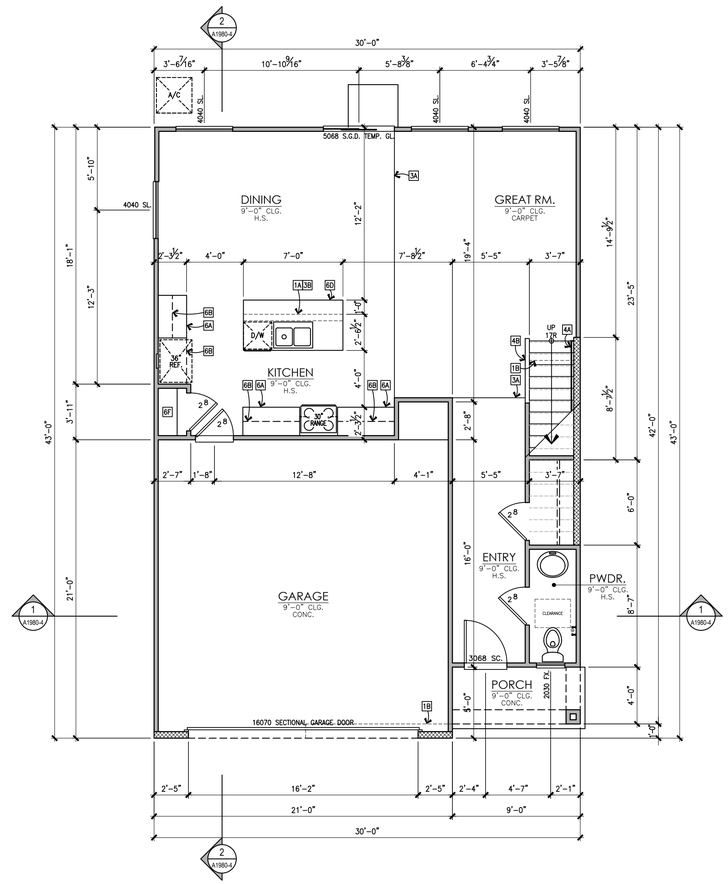
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SECOND FLOOR



FIRST FLOOR

PLAN 3
AREA TABULATION

CONDITIONED SPACE	
FIRST FLOOR AREA	799 SQ. FT.
SECOND FLOOR AREA	1,181 SQ. FT.
TOTAL DWELLING	1,980 SQ. FT.
UNCONDITIONED SPACE	
GARAGE	446 SQ. FT.
PORCH "A"	36 SQ. FT.

L034 BROADMOOR (1980)

4 BEDROOM, 2.5 BATH, LOFT
FLOOR PLAN

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

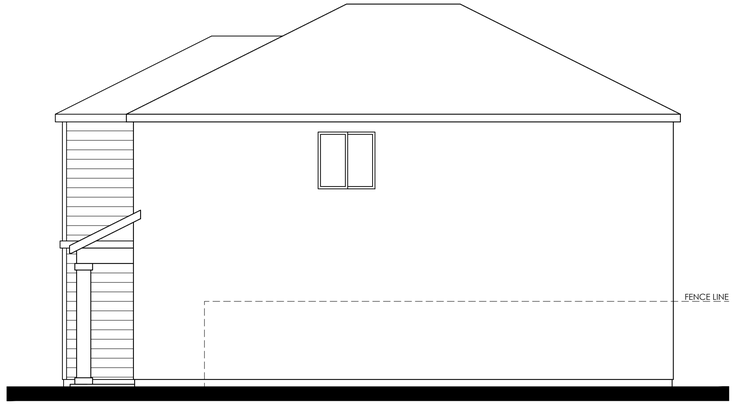
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Drawn By: Norm



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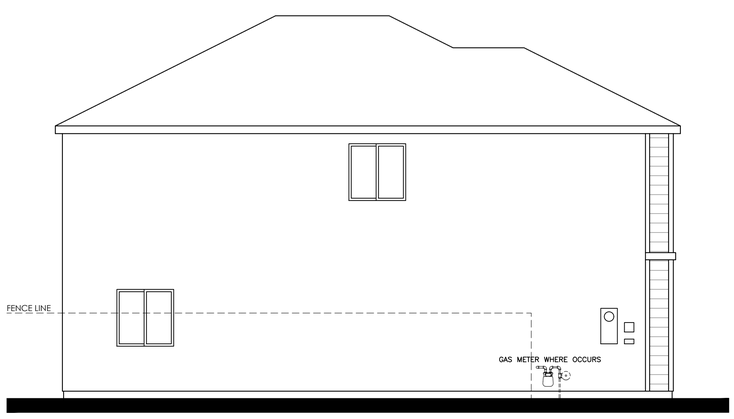
FRONT



RIGHT



REAR



LEFT

L034 BROADMOOR (1980)

"A" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

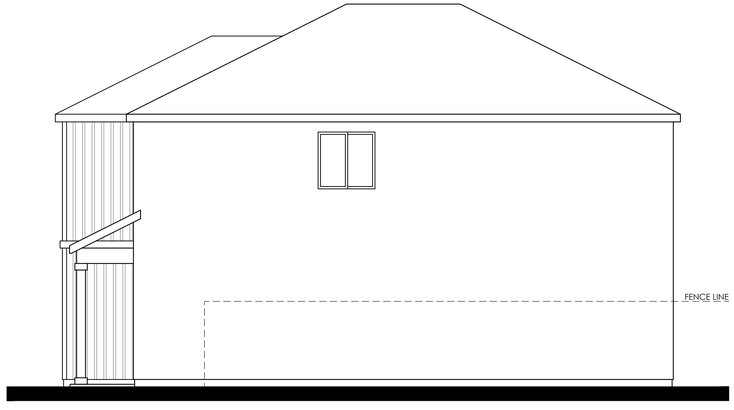
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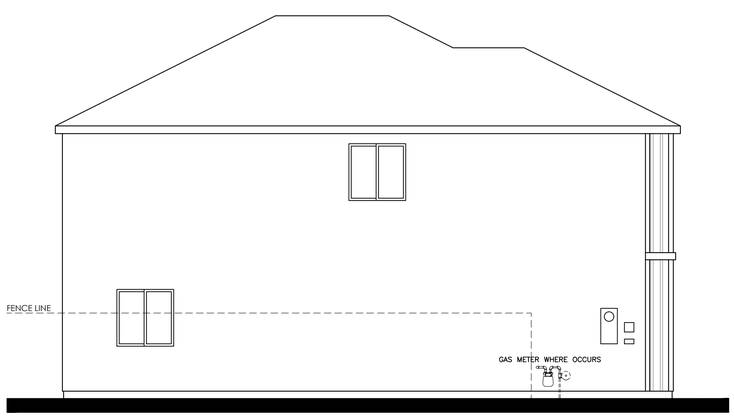
FRONT



RIGHT



REAR



LEFT

L034 BROADMOOR (1980)

"B" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

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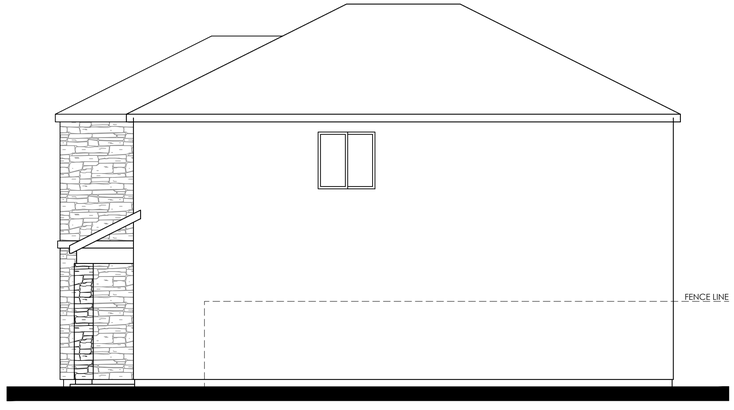
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© 2024 Kevin L. Crook Architect, Inc. Refer to landscape drawings for wall, tree, and shrub locations

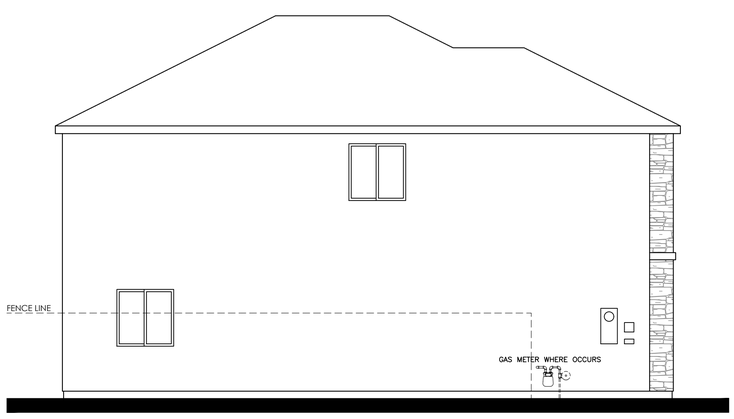
FRONT



RIGHT



REAR



LEFT

L034 BROADMOOR (1980)

"C" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

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JOB #: 24018

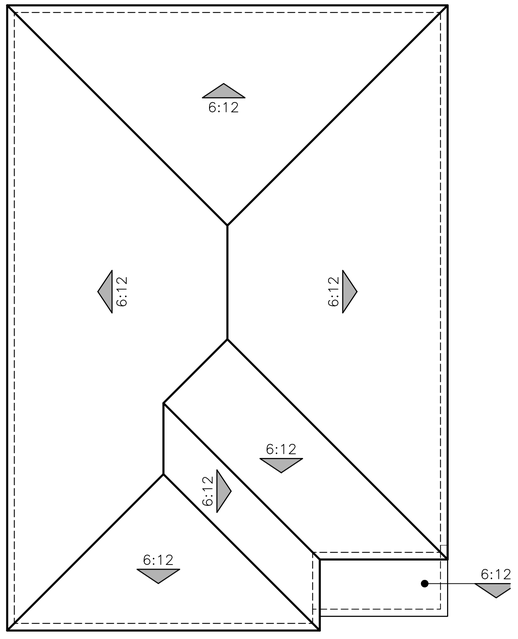
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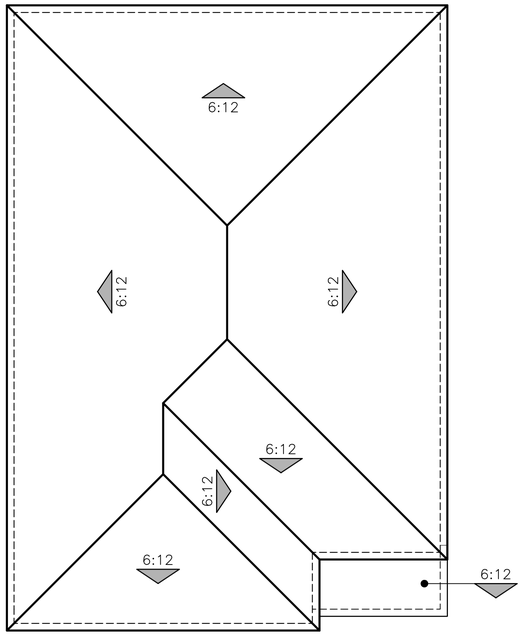
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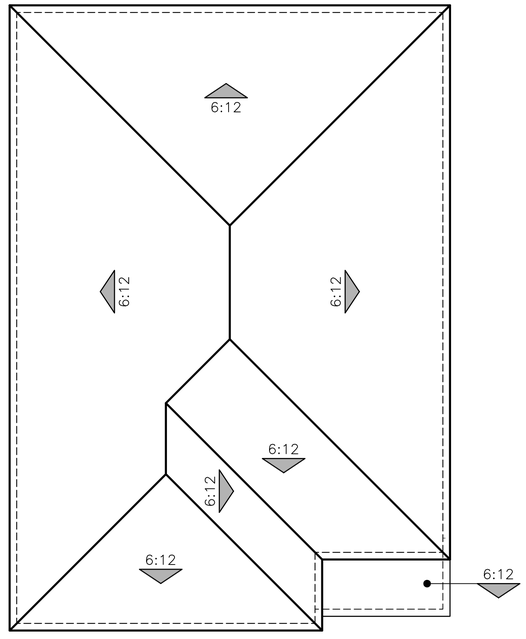
Drawn By: Norm



A - STYLE



B - STYLE



C - STYLE

L034 BROADMOOR (1980)

ROOF PLANS

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

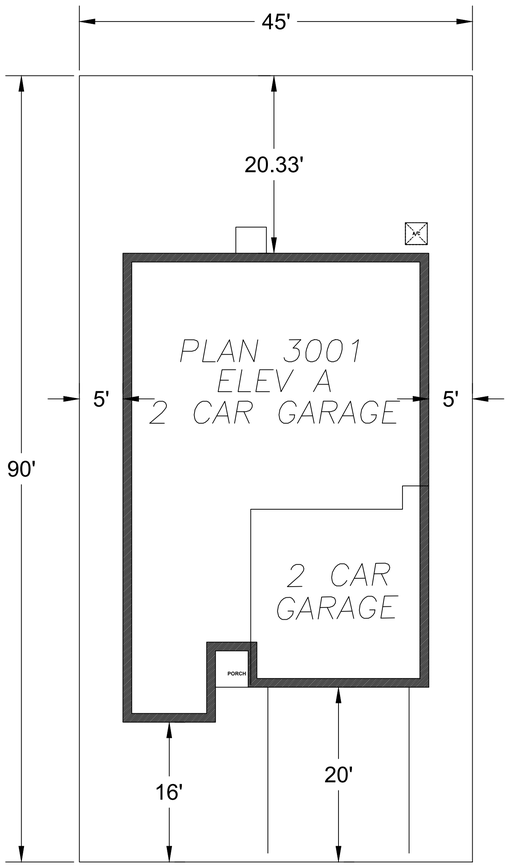
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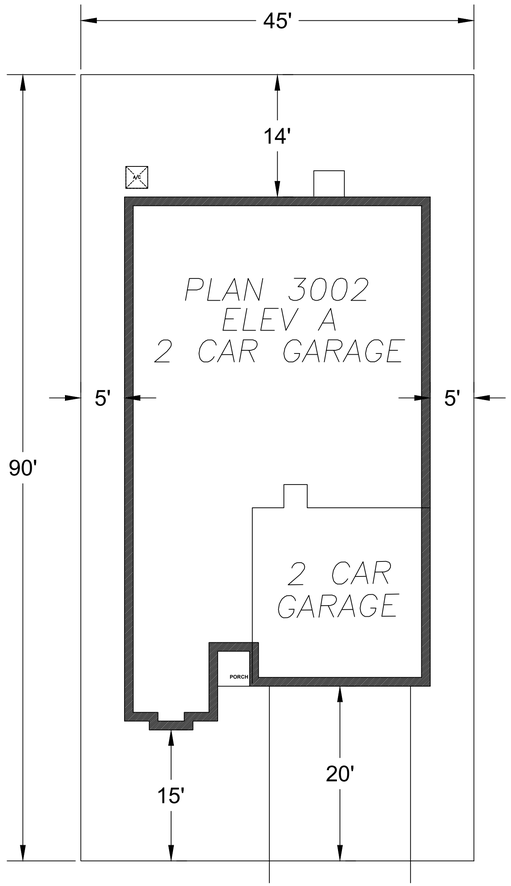
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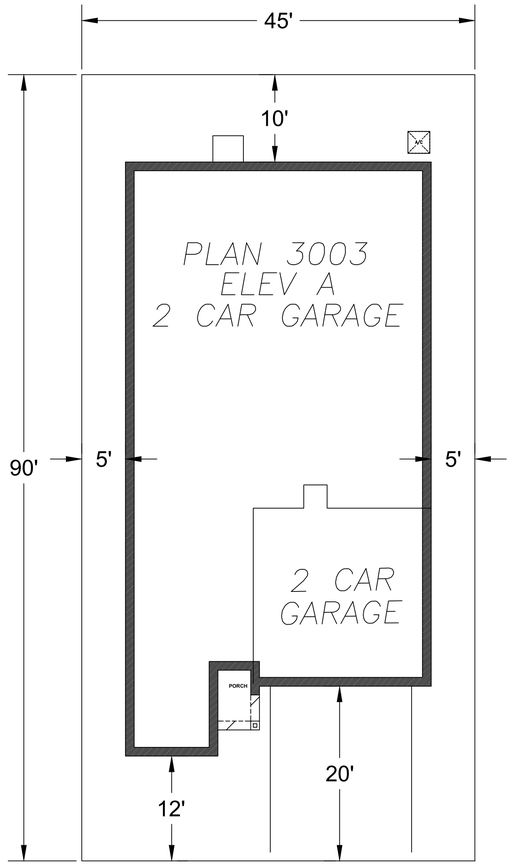
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Plot Dated: Oct 02, 2024
Drawn By: Name

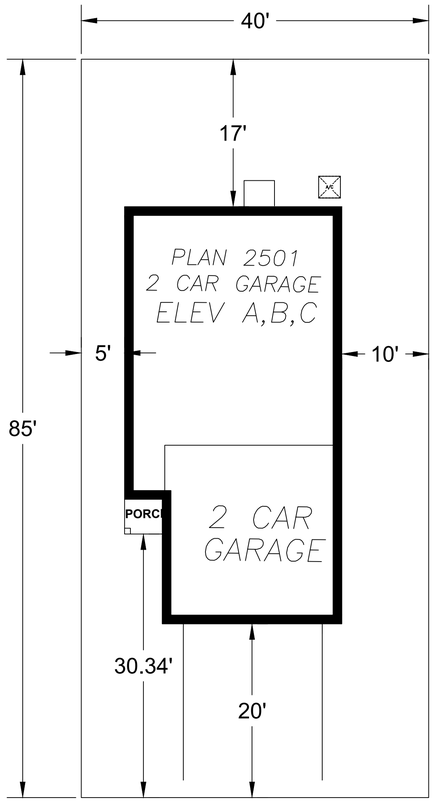
WARMERDAM - TREASURES 45'x90'

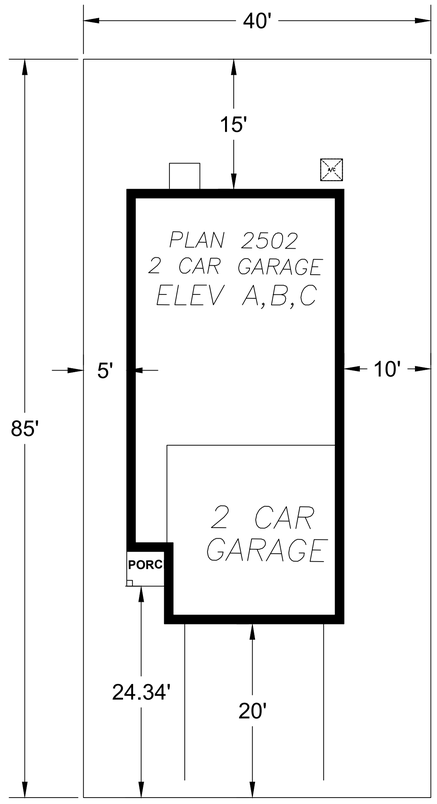


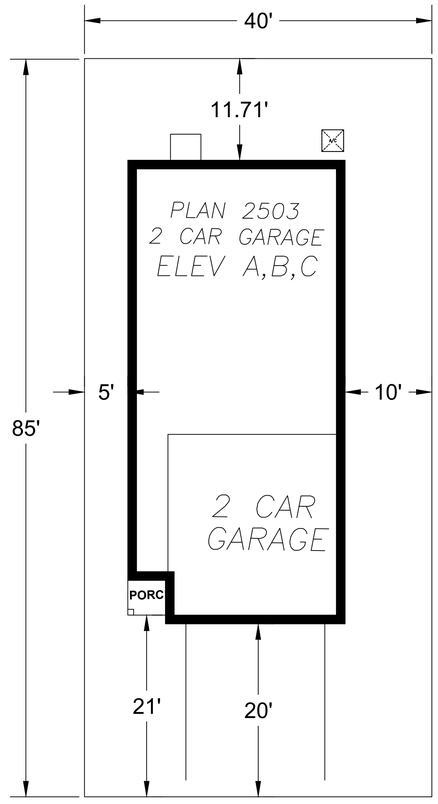




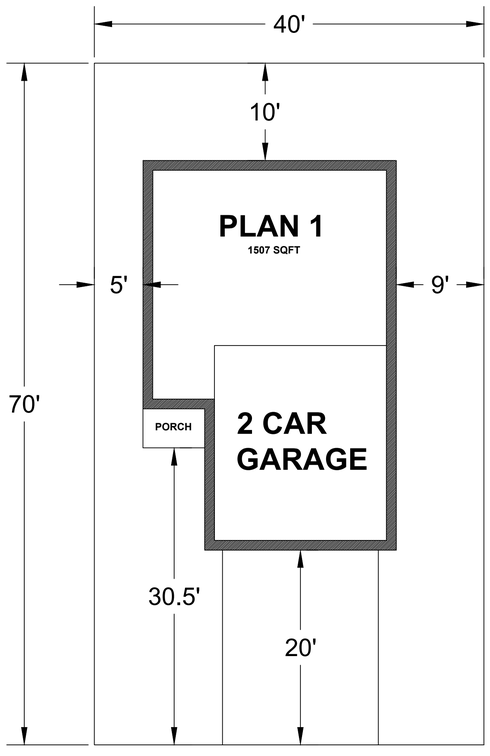
WARMERDAM - CELESTIAL (40'X85')

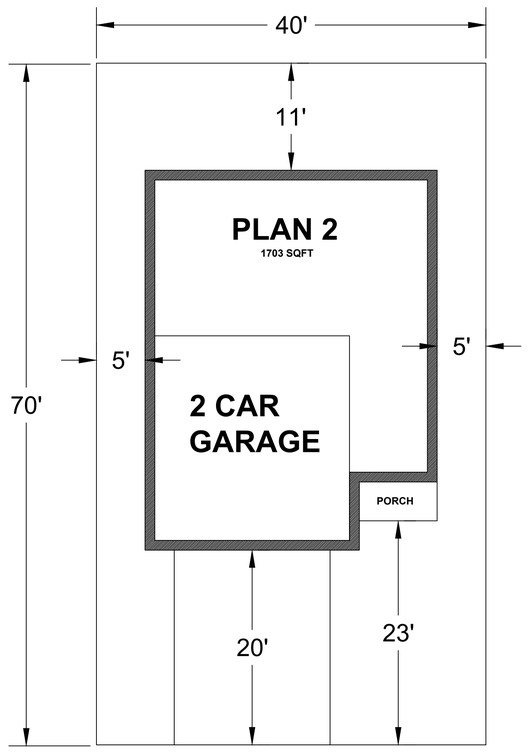






WARMERDAM - CORE 30 (40'X70')





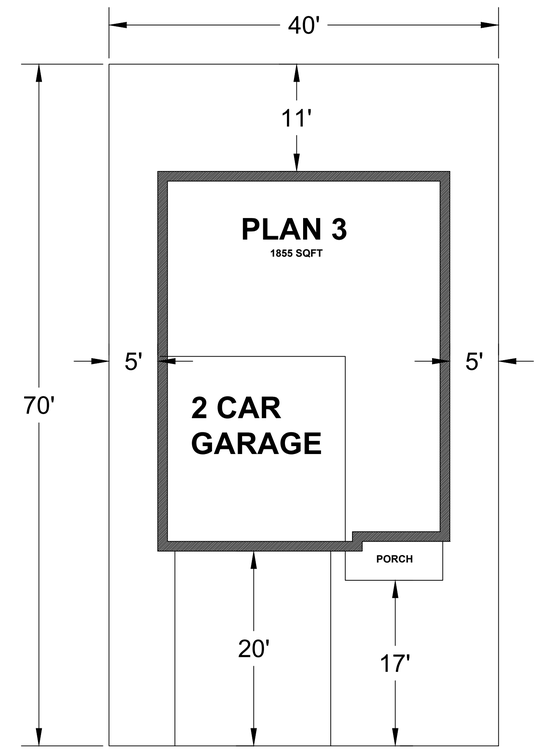


Exhibit C
Mitigation Monitoring and Reporting Program

MITIGATION MONITORING AND REPORTING PROGRAM

As required by Public Resources Code Section 21081.6, subd. (a)(1), a Mitigation Monitoring and Reporting Program (MMRP) has been prepared for the Project in order to monitor the implementation of the mitigation measures that have been adopted for the Project. This Mitigation Monitoring and Reporting Program (MMRP) has been created based upon the findings of the Initial Study/Mitigated Negative Declaration (IS/MND) for the Copper Ridge Subdivision proposed by Quest Equity LLC in the City of Hanford.

The first column of the table identifies the mitigation measure. The second column names the party responsible for carrying out the required action. The third column, "Timing of Mitigation Measure" identifies the time the mitigation measure should be initiated. The fourth column, "Responsible Party forMonitoring," names the party ensuring that the mitigation measure is implemented. The last column willbe used by the City of Hanford to ensure that the individual mitigation measures have been monitored.

Plan checking and verification of mitigation compliance shall be the responsibility of the City of Hanford.

MITIGATION MEASURE	RESPONSIBLE PARTY FOR IMPLEMENTATION	IMPLEMENTATION TIMING	RESPONSIBLE PARTY FOR MONITORING	VERIFICATION
Biological Resources				
Mitigation Measure BIO 1 (Construction Timing). If feasible, future construction activities will take place entirely outside of the avian nesting season, defined as February 1 to August 31.	Applicant Developer Builder	Ongoing	City of Hanford	
Mitigation Measure BIO 2 (Preconstruction Surveys). If construction must occur between February 1 and August 31, a qualified biologist will conduct surveys for active bird nests within 7 days prior to the start of work during this period. The survey area will encompass the site and accessible surrounding lands within ¼ mile for nesting Swainson's hawks, 500 feet for other nesting raptors, 300 feet for the tricolored blackbird, and 250 feet for	Applicant Developer Builder	7 days prior to construction	City of Hanford	

other nesting birds.				
Mitigation Measure BIO 3 (Avoidance of Active Nests). Should any active nests be discovered in or near proposed construction zones, the biologist will identify a suitable construction-free buffer around the nest. This buffer will be identified on the ground with flagging or fencing and will be maintained until the biologist has determined that the young have fledged and are capable of foraging independently.	Applicant Developer Builder	Ongoing	City of Hanford	
Cultural Resources				
Mitigation Measure CUL-1: In the event of accidental discovery of unidentified archaeological remains during development or ground disturbing activities in the Project area, all work shall be halted in immediate vicinity (within a 100-foot radius) until a qualified archaeologist can identify the discovery and assess its significance.	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	
Mitigation Measure CUL 2: If human remains are uncovered during construction, work shall be halted, and the Kings County Coroner is to be notified to investigate the remains and arrange proper treatment and disposition. If the remains	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	

are identified on the basis of archaeological context, age, cultural associations, or biological traits to be those of a Native American, California Health and Safety Code 7050.5 and California Public Resources Code 5097.98 require that the coroner notify the Native American Heritage Commission (NAHC) within 24 hours of discovery. The NAHC will then identify the Most Likely Descendent who will make recommendations regarding the treatment and disposition of the remains.				
Mitigation Measure CUL 3 A burial Treatment Plan shall be entered into by the Project applicant/property owner prior to any ground disturbing activities.	Applicant Construction Contractor	Prior to ground disturbing activities	City of Hanford	

Exhibit D
Conditions of Approval
Planned Unit Development No. 37-24 and Tentative Tract 945

PLANNING DIVISION
SITE PLAN REVIEW COMMENTS

TENTATIVE TRACT NO. 0012-24 V8
CONTACT: Gabrielle Myers, Senior Planner: (559) 585-2578

General Plan Designation: Low-Density Residential and Medium-Density Residential

Proposed GP Designation: Medium-Density Residential and Neighborhood Mixed Use

Zoning: Kings County Jurisdiction

Other Special Districts: N/A

Associated Entitlements

1. Annexation 166

2. General Plan Amendment –request to change from Low-Density Residential to Medium-Density Residential and Neighborhood Mixed Use

3. Prezone –Combination of R-M and MX-N

4. Planned Unit Development – a request to allow various deviations from the regulation of the R-M Medium-Density Residential zone district for the residential subdivision, including reduced lot size, lot width, lot depth, setbacks, and increased driveway paved surface allowance and allow removal of the block wall requirement between MX-N Neighborhood Mixed Use and R-M Medium-Density Residential.

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet
	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet

	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.

Planning Division Recommendation ☒ Revise and Proceed ☐ Resubmit

R-M Medium Density Residential Zone District Standards

General Requirements:

☒ **That the multi-family duplexes and 8-plex low-rise apartments depicted in Phase 3, 4 and 5 are considered conceptual. Site Plan Review (and any necessary entitlements) will be required prior to development of the multi-family portion of the site.**

☒ That the applicant hereby agrees to hold the City of Hanford and all of its departments, officers, agents, and employees free and harmless of and from all claims of any kind or nature arising out of or by reason of the approval of this project.

☒ That approval of this project does not exempt compliance with all applicable sections of the Uniform Fire and Building Codes, Zoning Ordinance, Public Works Improvement Standards, and other City Ordinances.

☒ That the final map be submitted to the City Engineer and Community Development Department for compliance with the Tentative Subdivision Map approval prior to recording the final map.

☒ That all conditions of approval listed in this resolution by the City of Hanford be contained in the line drawing submitted for building permits.

☒ That in accordance with Title 16 of the Hanford Municipal Code, all conditions of this subdivision listed herein, and contained in subsequent improvement agreements, excluding the landscape district, must be completed and accepted for maintenance by the City Council prior to the final building inspection and occupancy permits being issued for the first house in the subdivision.

☒ That Vesting Tentative Tract 945 be developed consistent with the approved tentative tract map

☒ That the tentative tract is subject to the mitigations cited in the Mitigation Monitoring and Reporting Program

Right-to-Farm:

☒ Notwithstanding any other provision in this Chapter, agricultural operations are the principal and favored use of land in the areas of Kings County designated “Agricultural” in the Kings County General Plan and included in the agricultural zone districts of the Kings County zoning ordinance.

In order to implement Policy LU 8.2 and Program LU 8.2-A of the city of Hanford General Plan, there is hereby adopted in the city of Hanford a policy to (1) protect agricultural land, operations, and facilities from conflicting use due to the encroachment of incompatible, non-agricultural uses of the land in agricultural areas of the county, and (2) to advise developers, owners, and subsequent purchasers of property in the city of Hanford within one (1) mile of the city's urban limit line of the inherent potential inconveniences and discomforts often associated with agricultural activities and operations, including, but not limited to, equipment and animal noise; farming activities conducted on a 24-hour a day, 7-days a week basis; odors from manure, fertilizers, pesticides, chemicals, or other sources; the aerial and ground application of chemicals and seeds; dust; flies and other insects; and smoke from agriculture operations.

☒ That no lawfully established and otherwise lawful agricultural activity, operation, or facility, or appurtenances thereto, conducted or maintained for commercial agricultural purposes in a manner consistent with proper and accepted customs and standards as established and followed by similar agricultural operations in the same locality, shall be or become a nuisance, private or public, due to any changed condition in or about the locality, including, but not limited to, the encroachment of non-agricultural uses such as residences.

☒ In order to carry out the goals and policies of the city of Hanford General Plan, and the provisions of this chapter, the following notices and disclosures shall be required:

☒ All approvals for improvement or development of property including without limitation application for rezonings, land divisions, zoning permits, and residential building permits, on property in the city of Hanford within one (1) mile of the city's urban limit line, shall include a condition that notice and disclosure of this agricultural land use policy be given by the applicant, or the owner if different from the applicant. The applicant, or owner if different from the applicant, shall also acknowledge the contents of the notice and disclosure, which includes a description of the property the notice and disclosure pertains to, in the Official Records of the Kings County Recorder, and recorded at the applicant's own expense.

Zoning:

☒ That all requirements of the R-M Medium-Density Residential district shall apply, **except as modified through the Planned Unit Development**

Section	Requirement	Deviation Requested
§ 17.12.030 Lot area	The minimum lot area shall be 5,000 square feet, except as prescribed in Section 17.12.100	Minimum lot size of 2,800 sq. ft.
§ 17.12.040 Lot Dimensions	Frontage: The minimum lot frontage shall be 40 feet	Minimum frontage 40
	Width: The minimum lot width shall be 50 feet for interior lots and 60 feet for corner lots, except as prescribed in Section 17.10.100.	Minimum interior lot width: 40 feet Minimum corner lot width: 45 feet

	Depth: The minimum lot depth shall be 90 feet	Minimum depth: 70 feet
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.

Dwelling Units per Lot (Section 17.12.050)

☒ That the minimum site area per dwelling unit shall be 3,000 square feet, **except as modified through the PUD.**

Section	Requirement	Deviation Requested
§ 17.12.050 Site Area per Dwelling Unit	The minimum site area per dwelling unit shall be 3,000 square feet	Minimum site area per dwelling unit 2,800 sq. ft.

Coverage (Section 17.12.060)

☒ That the maximum coverage of a lot shall be determined by the combined building setback area requirements, accessory structure limitations, open space requirements, and off-street parking.

Building Setback Area (Section 17.12.070)

☒ That no structure shall be placed within a building setback area.

☒ The front building setback area shall be 15 feet from the front lot line for livable space and 20 feet for garages, carports, and other non-livable building space, **except as modified through the PUD.**

☒ That the rear building setback shall be 15 feet from the rear lot line, except where there is a landscape easement with a wall or fence on the rear of the lot, then the rear building setback shall be 20 feet, **except as modified through the PUD.**

☒ The rear building setback area shall be increased by 10 feet for buildings over one-story high.

☒ That where there is a landscape easement with a wall or fence on the street side of the lot the side yard setback area shall be measured from the easement area instead of the side lot line.

Section	Requirement	Deviation Requested
§ 17.12.070 Building Setback Areas	Front – Livable: 15 feet	Front – Livable: 12 feet
	Front – Garage: 20 feet	Front – Garage: 20 feet
	Rear – one-story: 15 feet	Rear – one-story: 10 feet
	Rear – two-story: 25 feet	Rear – two-story: 10 feet
	Side – Interior: 5 feet	Side – Interior: 5 feet
	Side – Street-Side: 10 feet	Side – Street-Side: 10 feet

Distance between Structures (Section 17.12.080)

☒ The minimum distance between structures shall be 10 feet, except as provided by the building code.

Height of Structures (Section 17.10.090)

☒ The maximum structure height shall be 35 feet.

Driveways (Section 17.12.110)

☒ That the width of a driveway and any paved area shall not cumulatively exceed 40% of the width of the lot's street frontage on which the driveway and any paved area faces. In the case of "L" or "U" shaped driveways or other configurations besides perpendicular driveways, the paved area of these driveways shall not exceed 50% of the front building setback area.

☐ That on corner lots, the driveway shall be located on the side of the lot adjacent to the interior lot line.

☐ That on key lots, the driveway shall be located on the side of the lot, which is not adjacent to the rear lot line of the adjacent reverse corner lot.

Usable Open Space (Section 17.12.150)

☒ That lots with four or less dwelling units shall provide for a usable open space area of a minimum 300 square feet per dwelling unit. The open space shall be a minimum of 15 feet side, **except as modified through the PUD.**

Section	Requirement	Deviation Requested
§ 17.12.150 Usable Open Space	300 square feet per dwelling unit. The open space shall be a minimum 15-feet wide	Deviation from the minimum width dimension requested, 10 feet. 300 sq. ft. of open space will still be accommodated.

☒ That lots with five or more dwelling units shall provide for a usable open space area equal to five percent of the lot area. Where multiple lots that together make up a single development site, the

required open space may be combined into common open space areas that are accessible to all residents of the site.

Landscaping (Section 17.12.160 and 17.52)

☒ That landscaping be provided in accordance with Section 17.52 Landscape Standards of the Hanford Municipal Code.

☒ That except for driveways and approved parking areas all yard areas and setback areas visible from the street shall be landscaped with live plant materials and ornamentation common to the Hanford area or up to 100% of the yard and setback area may be landscaped with artificial turf and other permeable surfaces.

☒ That two street trees, a minimum 15 gallon size, shall be planted on all lots 6,000 square feet or greater. One of the two shall be planted 12 feet (no greater or no less) from the face of the font lot line street curb.

☒ That there shall be two additional street trees, a minimum 15 gallon size, planted on all corner lots in the parkway adjacent to the street side lot line.

☒ That all species of trees shall be selected from a list approved by the City Parks and Recreation Commission.

Off Street Parking: (Section 17.54).

☒ That the applicant shall provide two parking spaces per dwelling unit, one of which shall be covered.

☒ In the R-M Medium-Density Residential zone district, single-family dwellings shall provide a minimum of one covered and one uncovered parking space. Multi-family parking is required, as follows:

Table 17.54.040	
Number of Parking Spaces	
Land Use	**Parking Space Requirement**
Multifamily dwelling, Studio or SRO (no bedroom)	1 space per dwelling unit
Multifamily dwelling, 1-bedroom	1.5 spaces per dwelling unit; 50% of the spaces shall be covered parking
Multifamily dwelling, 2-bedroom	1.75 spaces per dwelling unit; 50% of the spaces shall be covered parking
Multifamily dwelling, 3 or more bedrooms	2 spaces per dwelling unit; 50% of the spaces shall be covered parking
Single- or multifamily dwelling specifically for seniors 55 years of age or older	1 space per dwelling unit or 1 space for every 4 beds

Required parking spaces may not be provided in any front, side, or rear building setback area. Except for driveways allowed in the front building setback area, all additional parking for residential uses shall be to the rear or side of the dwelling. No parking shall occur in the front or street side building setback areas. **Parking requirements for the multi-family portions of the development (Phase 4 and 5) shall be evaluated and required at the time of development. Site Plan Review will be required.**

Noise:

☒ That construction equipment is muffled and construction activities be limited to the hours between 7:00 a.m. to 10:00 p.m., Monday through Friday, unless the construction is within the enclosed structure or approved by the Community Development Department.

☒ That noise from fixed mechanical equipment, when measured at the property line, meets the standard of the Hanford Noise Element.

Rooftop Equipment HMC Section 17.50.100

☒ That all elevator housing and mechanical equipment located on the roof of any building shall be screened from adjacent views and contained within a completely enclosed penthouse or portion of the same building having walls and roofs with construction and appearance similar to the building.

Outdoor Lighting Standards HMC Section 17.50.140

☒ That all lights and light fixtures, except public street lights, shall be located, aimed or shielded so as to minimize light trespassing across property boundaries or skyward.

☒ That no lights or light fixtures shall flash, revolve, blink or otherwise resemble a traffic control signal or operate in such a fashion to create a hazard for passing traffic.

☒ That building mounted lighting fixtures shall be attached only to the walls of the building. The top of a light fixture attached to a building wall shall not be higher than the top of the building parapet or the top of the roof eave, whichever is lower.

☒ That canopy ceiling light fixtures shall be recessed or the sides of the lens area shall be shielded in order to eliminate emission of horizontal light.

☒ That mercury vapor lamps shall be a fully shielded fixture with all light directed on-site.

☒ That freestanding light fixtures shall not exceed eighteen (18) feet in height measured from the top of a light fixture to the adjacent grade at the base of the support for that light fixture.

Tents, Tarps, and Other Coverings (Section 17.50.130)

☒ That no front or side building setback area shall be covered by tents, tarps, cloth, fabric, or a wood or metal covering or structure except for the following:

☒ Standard window and door awnings

☒ Ornamental covers, such as a sidewalk or entry awning trellis, or other similar improvement intended as an improved passageway or for aesthetic purposes providing architectural integrity with the building to which it is attached. Supports shall be ninety (90) percent open and shall not be enclosed.

Dust Control:

☒ That the appropriate dust-control practices of the San Joaquin Valley Air Pollution Control District shall be implemented.

☒ That the any necessary permits be obtained through the San Joaquin Valley Air Pollution Control District.

MX-N Neighborhood Mixed Use zone district standards – Applicable to the commercial portion of Phase 5

General:

☒ **That the commercial development of the site, depicted in Phase 5 is considered conceptual. Site Plan Review (and any necessary entitlements) will be required prior to development of the commercial portion of the site.**

☒ That approval of this project does not exempt compliance with all applicable sections of the Zoning Ordinance, Public Works Improvement Standards, fees, or other City Ordinances.

☒ That all approved proposals of the applicant be conditions of development, if not mentioned herein.

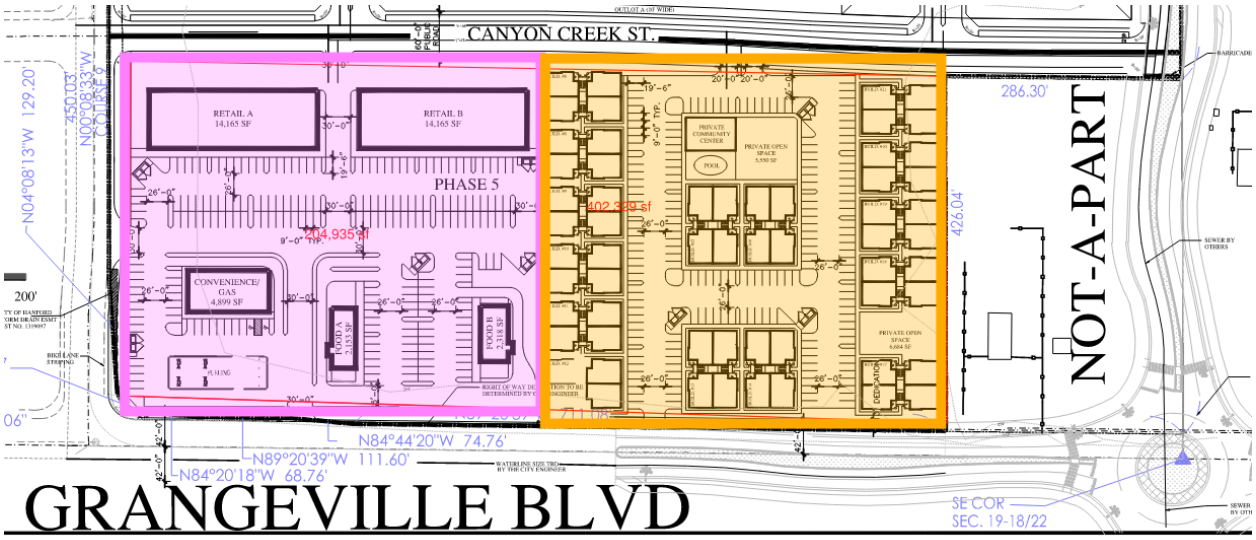
☒ That the site be developed according to the approved site plan, titled Site Plan Review No. **2025-xx (conceptual included in TSM, final to be determined)** with minor modifications to be approved by the Community Development Department.

☒ That no expansion of the use which would tend to increase the projected scale of operations beyond the scope and nature described in this Site Plan Review shall be permitted except upon application for, and approval of, modification of this application according to all procedures and requirements thereof.

☒ That the Mixed Use Neighborhood zone districts shall be designed to provide and encourage walking within the commercial uses and between the commercial uses and the residential uses within the MX-N zone and other nearby residential uses. At a minimum, this shall be accomplished with a minimum 10-foot wide pedestrian path of travel between commercial sites and all residential sites within the MX-N zone.

☒ That between 25% and 75% of the contiguously zoned parcels in MX-N shall be reserved for residential use. (This has been satisfied by Phase 5 overall development proposal). The MX-N Neighborhood Mixed Use portion of the development is 5.45 acres. The entirety of Phase 5 of Tentative Tract 945 is approximately 9.23 acres. Therefore, the residential to commercial percentage is approximately 60% commercial to 40% residential.

That the commercial portion of the site be limited to development less than 55,000 sq. ft., in order to limit VMT impacts from the project and remain screened. Commercial development of the project site over 55,000 square feet will require further VMT analysis.



Cultural Resources:

☒ That if cultural resources are discovered during construction or related activities, all work shall be halted and a qualified archeologist and the City of Hanford shall be notified. The find shall be properly investigated and appropriate measures are to be taken before construction may continue.

Building Setback Areas (Section 17.24.060)

☒ That the appropriate setbacks be maintained, as follows: **lot lines are subject to change based on final site configuration**

- ☒ The front building setback area shall be 15 feet (front considered lot line along 9 ¼ Avenue).
- ☒ The rear building setback shall be 15 feet from the rear lot abutting an R-M zone district (rear considered east lot line abutting not-a-part)
- ☒ The side building setback shall be 15 feet from the side property line abutting an R-M zone and the public street.
- ☒ The street side building setback shall be 15 feet.

Height of Structures (Section 17.24.080)

☒ That the maximum structure height shall be 35 feet.

Off Street Parking: (Section 17.54).

☒ That the applicant shall provide a minimum of 108 parking stalls for the commercial portion of the site, five of which are ADA-accessible, based on the ratio for an integrated shopping center 1 space per 350 square feet.

Calculation: 37,700 square feet of integrated retail space ÷ 350 square feet = 107.7

108 parking spaces required

Parking requirements will be verified during Site Plan Review. Conceptually, parking has been provided, as shown in the table below:

PARKING INFO

LAND USE	REQUIRED	PROVIDED
CONV./GAS	17	38
FOOD A	15	25
FOOD B	16	30
RETAIL A	48	61
RETAIL B	48	60

☒ That the standard parking space shall not be less than 18.5 feet in length and nine feet in width, exclusive of aisles and access drives (Section 17.54.110 A).

☒ That the maximum number of compact-car parking spaces is limited to 30 percent of the total parking spaces required. A compact parking space shall not be less than 16 feet in length and 8 feet in width, and marked for compact cars (Section 17.54.110 B. and C).

☒ There shall be no more than four compact spaces adjacent to each other.

☒ That parking for bicycles and low-emission vehicles shall be provided in accordance with the latest adopted version of the California Building Code (Section 17.54.190).

☒ In the commercial zone district, not less than five percent of the interior square footage of a parking area shall be landscaped with trees and other plant materials suitable for ornamentation. **Parking areas are to have one tree placed at every four lineal parking stalls.**

Usable Open Space: (Section 17.24.110).

☒ **That new commercial developments shall provide a common outdoor area, shaded sitting area for use by customers. The size of this area shall be a minimum 250 square feet per acre of site area.**

☐ That lots with four or less dwelling units shall provide for a usable open space are of a minimum 300 square feet per dwelling unit. The open space shall be a minimum 15 feet wide.

☐ That lots with five or more dwelling units shall provide for a usable open space area equal to five percent of the lot area. Where multiple lots that together make up a single development site, the required open space may be combined into common open space areas that are accessible to all residents of the site.

Signage: (Section 17.56).

☒ That any/all signs proposed for this development shall be subject to the requirements and prescribed in Chapter 17.56 of the Hanford Municipal Code. A separate application is required.

Number and Size of Permanent Signs by Zone		
Zone District	**Building Signs**	**Freestanding Signs**
C-N, C-R, C-S, C-H, MX-N, MX-C, and O zones	No limit to number of signs per business establishment. Allowed square footage per building frontage is cumulative. Establishments with primary building frontage less than 300 feet: 2 sq. ft. per 1 lineal foot up to a maximum 350 sq. ft. along primary frontage. 50 sq. ft. allowed regardless of frontage length. Secondary building frontage: 1 sq. ft. per lineal foot up to a maximum 200 sq. ft. per secondary frontage. 35 sq. ft. allowed regardless of frontage length. Sites within 100 feet of State Route 198 may count the frontage facing State Route 198 as their primary frontage for the purpose of calculating maximum sign size.	1 sign per establishment maximum. 40 sq. ft. maximum sign face size. 6 feet high maximum if set back 10 feet from property line. 5 feet high maximum if set back 5 feet from property line. 4 feet high maximum if set back 0 feet from property line. Sites with an integrated shopping center: 1 additional freestanding sign up to 350 sq. ft. Maximum height not greater than 1.5 times the average height of the building.

Landscaping: (Section 17.24.120 and 17.52).

☒ That landscaping shall be provided and permanently maintained in a setback area not less than 15 feet from a lot line adjoining a street.

☒ General Design Standards: the following features shall be incorporated into the design of the proposed landscape and shown on the required landscape plans:

☒ Publicly maintained landscape areas shall be separated from privately maintained landscape areas with, at a minimum, a four (4) inch wide concrete mow strip.

☒ Pedestrian access to sidewalks and structures shall be integrated with the design of landscaped areas.

☒ Landscape adjacent to driveways and parking areas shall be protected from vehicle damage through the provision of a minimum six (6) inch high and six (6) inch wide concrete curb.

☒ Concrete mow strips, when used, shall be a minimum of four (4) inches in width.

☒ Trees and shrubs shall be planted so that at maturity they do not interfere with utility lines and traffic safety sight areas.

☒ Trees and shrubs shall be planted and maintained in a manner that protects the basic rights of adjacent property owners, particularly the right to solar access.

☒ Trees planted within five (5) feet of sidewalks or curbs shall have an eighteen (18) inch by ten (10) foot long linear root barrier placed at each edge of the sidewalk or face of curb, centered on the tree.

☒ Plant materials. Plant materials shall be selected and installed in accordance with the following requirements:

☒ The size of ten (10) percent of the trees to be planted shall be twenty-four (24) inch box or larger. The remaining trees shall be sized fifteen (15) gallons or larger.

☒ The size of seventy (70) percent of plants and shrubs shall be at five (5) gallon or larger. The remaining plants and shrubs shall be sized one (1) gallon or larger.

☒ The size of groundcover at planting shall be one (1) gallon or larger.

☒ Groundcover shall be designed to have one hundred (100) percent coverage within two (2) years.

☒ Drought tolerant plant material and climate appropriate species shall be emphasized in the design.

☒ That the landscaped area shall be planted with live and healthy plant materials suitable for screening/or ornamenting the site. Landscaped areas shall be watered by automatic systems and designed and developed in accordance with Chapter 12.08 and the most recent State Model Water Efficient Landscaped Ordinance.

☒ That no fence, hedge, or shrub shall be installed, planted, or maintained along a street frontage, which creates a traffic or pedestrian hazard.

Fencing and Walls: (Section 17.24.130)

☒ That a block wall with a minimum height of seven feet shall be provided along any side or rear lot line that abuts an R-L or PF zone district, **requested to be removed between the MX-N**

designation to the south and the R-M designation to the north through the PUD process. A block wall is required between the MX-N designation and R-M designation to the east (not-a-part)

☒ That no fence or wall shall be placed in front of or within any landscaped area located next to a street.

☒ That the open storage of materials and equipment attendant to a use shall be permitted only within an area surrounded or screened by a solid wall or fence seven feet minimum in height.

☒ That any proposed fencing on the site be maintained in good repair.

☒ That no fence or wall shall be placed within the public right-of-way.

☒ That a masonry fence exceeding three (3) feet in height shall require engineered footings and a building permit. All other fencing exceeding seven (7) feet in height shall require engineered post footings and a building permit.

☒ That no hedge, shrub, fence, or wall exceeding the three (3) feet in height, or four (4) feet in height if the upper one (1) foot is fifty (50) percent or more open shall be planted, placed, or maintained within the twenty-five (25) feet corner sight triangle of a corner lot, or along a front or street side property line where the hedge, shrub, fence, or wall creates a traffic or pedestrian hazard as determined by the Community Development Director.

Outdoor Lighting Standards (Section 17.50.140)

☒ That all lights and light fixtures, except public street lights, shall be located, aimed or shielded so as to minimize light trespassing across property boundaries or skyward.

☒ That building mounted lighting fixtures shall be attached only to the walls of the building. The top of a light fixture attached to a building wall shall not be higher than the top of the building parapet or the top of the roof eave, whichever is lower.

☒ That the canopy ceiling light fixtures shall be recessed or the sides of the lens area shall be shielded, in order to eliminate emission of horizontal light.

☒ That the height of freestanding light fixtures, including freestanding parking lot fixtures, shall be measured from the top of a light fixture to the adjacent grade at the base of the support for that light fixture and shall not exceed 30 feet.

Dust Control:

☒ That the appropriate dust-control practices of the San Joaquin Valley Air Pollution Control District shall be implemented.

☒ That the any necessary permits be obtained through the San Joaquin Valley Air Pollution Control District.

BUILDING DIVISION
TSM0012-24
Contact Building Official: Tom Webb (559) 585-2584
Concerning questions that you may have on the conditions listed below:

Soils:

1. That a preliminary soils report, prepared by a qualified soil's engineer, be provided to the Engineering and Building Departments prior to approval of Subdivision Improvement Plans.

2. That a final soils report, prepared by a qualified soils engineer, be provided to the Engineering Department and Building Division prior to acceptance of the subdivision improvements by the City or issuance of building permits or whichever comes first.

3. That the developer retains the design engineer to inspect and verify that grading within the subdivision was constructed as per the approved design, and a copy of the report be provided to the Building Division prior to building permit issuance.

Street Names and Addresses:

1. That street address for each lot, as provided by the Building Division, be included on the subdivision final map.

2. That street names, as shown on the tentative subdivision map, be included on the subdivision final maps.

3. That all single family dwellings within the subdivision have illuminated address numbers 2-¼ inches high or be within an illuminated area with 3-½ inch high address numbers installed on the front most part of the building leading to the entrance. In either case the address numbers shall be of contrasting colors with the background.

4. That all landscaping requires permits and must meet requirements at time of installation.

5. That a map must be provided to show existing streets names of surrounding subdivisions that have City maintained streets.

City of Hanford Fire Department

Fire Prevention and Community Risk Reduction Division

Fire Marshal

Nikkie Chamberland

City Of Hanford Fire Department Plan Review

Approval of all projects does not exempt compliance with all applicable sections of the adopted Fire Codes and local city ordinances. All fire protection systems must be installed and operational prior to occupying the building. All permits shall be issued and paid for prior to scheduling any inspections with the fire department. Please contact the building department for the submittal process. To schedule an inspection please contact the building department at 559-585-2580

The scope of work shall be clearly stated on all the plans submitted for the permit. All deferred submittals shall be listed on the building plan page. All deferred submittals are required to be submitted within 30 days of building permit issuance.

Plan review number: TSM0012-24

Address: NA

Plan Reviewer: Nikkie Chamberland

Date: 9-27-2024

The following are comments that are applicable and pertain to the plans submitted: This project must comply with the latest California Fire Code.

- Project shall meet the minimum fire flow requirements per Appendix B & C of the CFC 2022; Provide the fire flows within one year
- New and existing residences that have an automatic sprinkler system, proposed accessory dwelling units shall have an automatic sprinkler system. A separate fire department permit will be required.
- Fire Riser Room:
    1. a separate room that contains the Fire Riser shall contain one man door, the room shall be a 2-hour rated room with adequate spacing to perform

maintenance, riser room shall be properly labeled with 4" lettering with contrasting background and a knox box shall be installed to contain the riser room key, fire sprinkler coverage required, emergency lighting and illuminated lighting required. The riser shall be interconnected with the fire alarm

- When a sprinkler system is required with more than 21 heads, the system shall be monitored by a central monitoring station. Fire alarm and fire detection systems required by Chapter 9 of CFC, CBC, shall be installed per NFPA 72.
- Knox FDC Locking Caps are required on all Fire Department Connections.
  A fire department access road is required for facilities that are protected by fire sprinklers and are more than 400 feet away; on-site fire hydrants and mains shall be provided where required by the AHJ. Provide a letter of certification from a licensed soil engineer on non-paved all-weather roads that provide fire access, which shall support a 40,000-lb fire apparatus at a minimum.
- All dead-end access roads more than 150 must provide an approved turnaround or hammerhead and comply with city standards.
- All access roads shall not be less than 20 ft wide and 13 ft 6 inches
- Access road turning radius for fire apparatus/
    1. Inside turn: 20ft 10 inch
    2. Curb to Curb: 37 ft 3 inches
    3. Wall to Wal: 42 ft

- Temporary or permanent fire department access roads shall be constructed in accordance with City Standards ST-36. All weather access roads shall be in place prior to any combustible construction being brought onto the premises unless approved by the fire department.

- Additional Hydrants may be required, all hydrants shall be installed and accepted prior to combustibles being dropped on site. All hydrants shall be protected by bollards Hydrant spacing shall be as follows CFC 2022 Appendix C;
    1. Residential area- 500ft
    2. Commercial area-300ft
    3. A hydrant will be required within 50' of Fire Department connection.
    4. Provide a turning template on Plan Review

- No traffic calming devices shall be installed without the Fire Department's approval
- Areas identified as "**Fire lanes**" must be identified as such per requirements set forth in the California Vehicle Code Section 22500.1.

    1. **Access roads 20-26 feet in width:** Fire lanes shall be on both sides of the fire apparatus access roads.
    2. **Access roads 26 to less than 32 feet in width**: Fire lanes shall be on one side of the fire apparatus access roads.
    3. **Access roads 32 feet in width or more:** No fire lanes required.
    4. **Markings shall include "No Parking- Fire Lane**"
- Locked gates installed across fire department access roads:

1. **Manual gates** with a chain lock require a **Knox Padlock** to be installed on them, or a **Knox Box** shall be installed on the exterior of the gate and a key to the lock on the gate must be placed in the Knox Box. **(See www.knoxbox.com for current models)**
2. **Electric Gates** shall be equipped with an electric **Knox Key Switch,** at the gate location.
3. In case of a loss of power, electrically operated gates shall have a means of backup power or shall default in the open position for immediate fire department access.
4. At no time shall the width of the fire department access road be reduced below **20 feet wide through or at any gates** along the fire department's emergency access roads due to protruding objects from gate supports, frames, signs, access booths, curbs, etc.
5. Provide a Knox Box for all structures and gates. In accordance with the 2019 CFC 506.1. Hanford Fire Department shall approve the location.
6. Ordering Knox Box products can be done directly at www.knoxbox.com. Click to choose your local fire department agency, enter "Hanford Fire Dept", and a list of products will populate for you to order.

- All address numbers shall be installed onto the building and shall be visible from the frontage street. The color of the address numbers shall be in a contrasting color to the building.
  Size of Address Numbers:

  1. Downtown area (existing buildings): 4 inch numbers
  2. Buildings 20 ft. or less from the street: 6-inch numbers
  3. Buildings 21- to 40-ft. from the street: 8-inch numbers
  4. Buildings more than 40 ft. from the street: 12-inch numbers

- Commercial cooking
  1. Commercial cooking equipment that produces grease-laden vapors shall be provided with a Type I hood***. A separate permit is required for the Type I hood***. Contact the **Building** department for submittal information.
  2. All commercial cooking appliances creating grease-laden vapors shall have a K-Class fire extinguisher within 30 feet of cooking appliances in accordance with the most currently adopted edition of the CFC.
  3. Commercial cooking equipment that produces grease-laden vapors shall be provided with a Type I Hood. In accordance with the California Mechanical Code, an automatic fire extinguishing system is listed and labeled for its intended use.
  4. If the fire alarm is present, the hood system shall be interconnected with the fire alarm
- Operational Fire Permit is Required

- Any Special Event project shall comply with the 2019 edition of the California Fire Code, chapter 31 for tent structures, exiting, fire extinguishers, and other fire protection applications.

- Submit plans and information regarding high-piled storage, rack storage, storage of combustible commodities, hazardous materials, and any processes regulated by the Uniform Fire Code

- Fire permits are required for all underground firelines, overhead sprinklers, and fire alarms. These are all separate permits and will be charged accordingly. All deferred submittals shall be submitted, stamped, and approved prior to combustible on site.

- Refer to the 2022 California Fire Code in governing codes

- Shell buildings shall provide a description of the tenant and/or storage of the building.

- A fire pump may be required if the building is over 2 stories in height in a commercial setting.

PUBLIC WORKS DEPARTMENT

Contact Assistant Engineers: Steve Coodey or Robert Buchanan
Concerning questions that you may have on the conditions listed below:

Tentative Tract 945- Copper Ridge Development

Maps and Plans:

1. That the developer submit to the City Engineer a set of construction plans on 24" x 36" sheets for all required improvements. Plans shall be prepared by a registered civil engineer, and shall include a drainage and utility plan identifying sizes and location of sanitary sewer, storm drainage and water mains, curbs, gutters, sidewalks, masonry wall, street improvements and other infrastructure required for development. All plans shall be approved by the City Engineer and all other involved agencies before the release of the building permits.

2. That the developer shall submit to the City Engineer a set of construction plans on 24" X 36" size sheets for all required improvements. The plans shall be prepared by a licensed civil engineer and shall include a site plan showing all on-site and off-site improvements, including but not limited to, sanitary sewer, storm drainage, and water system infrastructure, refuse enclosure locations, public street & parking lot improvements, landscape & irrigation systems and all other improvements as required by the project conditions of approval and the City of Hanford Standards and Specifications. Improvement plans shall include all City of Hanford Construction Standard Detail's pertinent to the project. Plans must be approved by the City of Hanford and any other affected agencies before issuance of building or encroachment permits.

Easements:

1. That easements be designated on the recorded final map as required by the utility companies and where needed for providing service to streetlights as designated by the City of Hanford Engineering Department.

2. That the developer shall acquire an easement for temporary storm basin purposes to be dedicated to the City where necessary to facilitate installation of storm drainage facilities connecting the portion of the development to the proposed storm drainage basin. Easements required to serve and maintain the temporary storm drainage basin may include, but are not limited to, access and storm drain pipeline easements. Easement locations and widths shall be approved by the City Engineer and dedicated on the Final Map or by separate instrument.

3. That an offsite Sanitary Sewer Easement shall be obtained by the developer for the installation of the 9th Avenue sanitary sewer main from the south development boundary through the Not-A-Part, to the intersection of 9th Avenue and Grangeville

Boulevard. Easement locations and widths shall be approved by the City Engineer and dedicated on the Final Map or by separate instrument.

4. That all easements for irrigation ditches and/or irrigation pipelines be legally abandoned or relocated to the satisfaction of the City Engineer prior to acceptance of the subdivision improvements.

5. That all proposed landscape/public utility easements as shown on the tentative map be dedicated to the City and be included on the subdivision final map. Additional landscape or public utility easements determined necessary by the City Engineer or City Planner during review of the improvement plans shall also be dedicated with the Final Map, as required by the City.

Dedications:

1. That all proposed streets, street extensions and easements as shown on the tentative map be dedicated to the City with the subsequent final map(s). The streets/street extensions are to be dedicated as public right-of-way, and any alterations of existing utilities be the responsibility of the developer.

2. That developer dedicate to the City, additional right of way along the east side of 9 ¼ Avenue, between Grangeville Boulevard and Leland Avenue to facilitate construction of the development frontage improvements as approved on the Tentative Map.

3. That the developer dedicate to the City, additional right of way of Grangeville Boulevard between the eastern project boundary and 9 ¼ Avenue to facilitate construction of the development frontage improvements as approved on the Tentative Map.

4. That the developer dedicate to the City, right of way along the Leland Avenue project frontage to facilitate construction of the development frontage improvements as approved on the Tentative Map.

5. That the developer dedicate to the City, right of way along the 9th Avenue property frontage to facilitate construction of the development frontage improvements as approved on the Tentative Map.

6. That developer dedicate an easement to the City, for the proposed of an onsite drainage basin for Tract 945 drainage purposes.

7. That the developer shall dedicate all Outlots to the City that shall be maintained by the Community Facilities District (CFD). Additionally, at entrances to the development where roads transfer from collectors/arterials to local streets and there is side lot frontages, the outlots need to extend around these side lot frontages (ending where the side lot meets the beginning of the curve) and include block walls.

These outlots must fully extend around the side lot frontages, the current configuration on the proposed Tentative Map fails to indicate the entire outlot area.

Street Improvements:

1. That the improvements consisting of sanitary sewers, storm sewers, water mains, communication conduit, concrete curbs, gutters, sidewalks, street lights, street subgrading and surfacing, signage and striping and all other improvements be installed in accordance with Chapter 16.24 “Improvements” of the Hanford Municipal Code, the City of Hanford’s Active Transportation Plan (ATP), and this resolution pertaining to subdivision improvements in effect at the time of filing the tentative map.

2. That all corner lots meet the requirements California's daylighting law (Assembly Bill 413) prohibits parking within 20 feet of a crosswalk, marked or unmarked, to improve visibility and pedestrian safety. This statewide law, which went into effect January 1, 2024, began being enforced with citations on January 1, 2025. The goal is to give drivers more time to see pedestrians and cyclists approaching or crossing intersections, regardless of whether the curb is painted red

3. That all streets within the subdivision shall be developed as Residential Street per City Standard Details ST-32 and ST-39 with a traffic index of 6, except the following:

    a) 9 ¼ Avenue shall be developed as a Minor Collector street with an 68 foot right of way width in conformance with City Standard. ST-17 and ST-26 and the City of Hanford’s ATP, and a traffic index of 9. Developer shall be required to construct the remaining width of right of way on the east side of 9 ¼ Avenue from Grangeville Boulevard to Leland Avenue.

    b) Developer shall construct the extension of Leland Avenue as a Minor Collector street with a 68’ ultimate right of way width between 9 ¼ Avenue and 9th Avenue in conformance with City Standard ST-17 and ST-26 and the City of Hanford’s ATP, and a traffic index of 9. Developer shall construct Leland Avenue to the centerline (half width) of ultimate width creating 2-eleven foot travel lanes. An asphalt dike shall be installed along the westbound travel lane edge of pavement for the full length of the Leland Avenue project frontage. To align the half width street section with the existing lane alignment established on the west side of 9 ¼ Avenue, the developer shall remove the existing lane striping and reinstall a temporary transition stripe in conformance with the Highway Design Manual to align with the travel lanes on the east side of the intersection. Stop signs, stop limit lines and stop legends shall be installed in all directions of the Leland Avenue and 9 ¼ Avenue intersection per City Standard Detail ST-47.

    c) Developer shall construct 9th Avenue as an Arterial Street with a 100 foot ultimate right of way width in conformance with City Standard Detail ST-20 and the City of Hanford’s ATP with a traffic index of 11. Developer shall be required to construct half of the raised median width for the full

length of the 9th Avenue project frontage in conformance with City Standard Detail CO-17 and CO-18. Turn pockets associated with the ultimate raised median design shall be delineated using 48" high visibility delineators in conformance with CA.M.U.T.C.D. To allow for northbound and southbound traffic on 9th Avenue, a temporary centerline striping shall be installed. A timber barricade per City Standard Detail GE-59 shall be installed on 9th Avenue at the south project boundary. Additionally, the developer will be required to coordinate with the ongoing CIP project on 9th Avenue. The coordination will include, but not be limited to, the ultimate road alignment and location requirements of the CIP Engineering Division.

d) Grangeville Boulevard shall be developed as an Arterial Street with a modified right of way width of 84 foot in conformance with City Standard Detail ST-17 and ST-20 and the City of Hanford's ATP, with a traffic index of 11. Developer shall be required to construct the remaining width of right of way on the north side of Grangeville Boulevard between 9 ¼ Avenue and the eastern boundary of the project. A pavement transition shall be required beyond the east project boundary. The developer shall in good faith attempt to obtain an easement for purposes of pavement transition, and provide documentation of such attempt. Additionally, the developer will be required to coordinate with the ongoing CIP project on Grangeville Boulevard. The coordination will include, but not be limited to, the ultimate road alignment and location requirements of the CIP Engineering Division.

3. That streetlights be installed throughout the interior of the development and along project frontages in conformance with City standard GE-56. Streetlights shall be located as designated by City Engineer.

4. That the development is subject to a transportation mitigation impact fee as required by City Ordinance No. 90-09 and any revisions thereof. Developer shall be entitled to a credit against subject development fee for oversizing of roadway improvements for increased traffic index constructed by developer within Grangeville Boulevard, 9 ¼ Avenue, Leland Avenue and 9th Avenue. Additionally, the developer shall be entitled to credit against the construction of 9th Avenue as determined by the City of Hanford Development Impact Fee Study dated September 2019.

Backup Parkway Improvements:

1. That the developer shall design and construct the following improvements along 9 1/4 Avenue, Leland Avenue, 9th Avenue and Grangeville Boulevard frontages of proposed subdivision.

   a. A six (6) ft. minimum high ornamental, masonry block fence with continuous footing. Wall shall be treated with an anti-graffiti repellent. (Excluding Grangeville Boulevard). A blockwall easement will be required in any locations where a blockwall footing or foundation encroaches on private property.

b. A sidewalk in conformance with City Standards and the City's adopted ATP.

c. Soil preparation, automatic irrigation and landscaping.

d. Landscape plans for right-of-way and a 10 ft. wide landscape easement.

2. The species of tree and plants are to be selected from a list approved by the City Street Tree Commission.

3. That the design location of the masonry wall and landscape plans shall be approved by the Community Development Department and City Engineering Department prior to recording a subdivision final map. And the approval of block wall and landscape improvements shall be submitted with initial submittal of project improvement plans.

4. All above ground pedestals and other utility boxes shall be located between back of sidewalk and masonry wall/fence.

Existing Wells:

1. That all existing wells on the property be abandoned in accordance with State of California standards.

Restricted Access:

1. That a one-foot reservation strip be established at the end or sides of the roads abutting unsubdivided property, and dedicated on the applicable subdivision final maps.

2. That all access be restricted from the 9th Avenue, 9 ¼ Avenue and Leland Avenue right-of-way for lots backing onto said rights-of-way. Side-lot access shall also be restricted for the following Lots: 369, 337, 336, 231, 241, 280, 299, 300, 310, 311, 101 and 102. A restricted access designation shall be depicted on all recorded final maps.

3. That the developer construct a barricade to City Standard Detail GE-59 at the end of each future through streets.

Sewer Improvements:

1. That the developer's engineer provide a sanitary sewer master plan complete with calculations for the entire subdivision for City review and approval prior to recording a subdivision final map for the first phase of development. Consideration shall be given for future areas of development located adjacent to proposed subdivision per the City Sanitary Sewer Master Plan.

2. That a minimum 12-inch diameter sanitary sewer main be installed within 9th Avenue between Leland Avenue and the southern property boundary. Applicant shall be entitled to a reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

3. That a minimum 12-inch diameter sanitary sewer main be installed within 9th Avenue between the southern property boundary and Grangeville Boulevard. Applicant shall be entitled to a reimbursement in accordance with City Municipal Code Section 13.08, or any revisions thereof.

4. That developer shall install a 12-inch sewer main in Grangeville Boulevard from 9 ¼ Avenue to project flow to a future sanitary sewer main planned for the future 9th Avenue alignment. Applicant shall be entitled to a reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

5. That a minimum 12-inch diameter sanitary sewer main be installed within Leland Avenue between 9 ¼ Avenue and 9th Avenue. Applicant shall be entitled to a reimbursement for over sizing in accordance with City Municipal Code Section 13.08, or any revisions thereof.

6. That developer is entitled to a reimbursement agreement in accordance with City Municipal Code section 13.08 for sanitary sewer main improvements constructed within 9th 'Avenue, Grangeville Boulevard and Leland Avenue, which also provides a benefit to others. Costs for sanitary sewer main improvements installed within the streets referenced here, if applicable, shall be per the City of Hanford Development Impact Fee Study document dated September of 2019. Reimbursement cost shall be per the Fee Study at time of improvement installation and operational acceptance.

7. The Copper Ridge development will not be issued occupancy until a sewer trunk line is installed within 9th Avenue from Grangeville Boulevard to E. Lacey Boulevard.

Storm Drainage Improvements:

1. That the developer's engineer provide a storm drainage master plan complete with calculations for the entire subdivision for City review and approval prior to recording a subdivision final map for the first phase of development. The Master Plan will determine the ultimate temporary basin location built to City Standard.

2. That the developer is required to obtain an easement and complete construction of the temporary storm drain basin with the first phase of the subdivision. The basin shall be designed in conformance with the City of Hanford's Storm Drainage Design Criteria specifications and shall include a six foot (6') high chainlink fence with privacy slats per City Standard Detail GE-23. A 24' wide drive approach per City Standard Detail CO-41 and access gates per City Standard Detail GE-26 shall also be installed.

3. That developer is required to comply with the State of California Water Resources Control Board requirements specifically related to the National Pollution Elimination System Permit process.

Water System:

1. That the developer's engineer provide a Water System Master Plan complete with calculations for the entire subdivision for City review and approval prior to recording

a subdivision final map for the first phase of development. Consideration shall be given for future areas of development located adjacent to proposed subdivision, as shown on the city Water Master Plan.

2. That a minimum 18 inch diameter water main and appurtenances, be extended along the Grangeville Boulevard project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect with the existing water main on 9 ¼ Avenue and shall include a blow off assembly per City Standard Detail WA-26 at the eastern terminus.

3. That a minimum 12 inch diameter water main and appurtenances, be extended along the Leland Avenue project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect to the existing water main at the intersection of Leland Avenue and 9 ¼ Avenue.

4. As determined by results shown in the Hydraulic Capacity Study provided by Akel Engineering, the developer shall replace approximately 550 LF of existing 8" water main and install the same LF of 10" water main on 9 ¼ Avenue from Grangeville Boulevard to approximately 550' to the north of Grangeville Boulevard.

5. That a minimum 12 inch diameter water main and appurtenances, be extended along the 9th Avenue project frontage. Applicant shall be entitled to a refund for water main oversizing in accordance with City Municipal Code Section 13.04. The new water main shall connect to the new water main at the intersection of Leland Avenue and 9th Avenue and shall include a blow off assembly per City Standard Detail WA-26 at the southern terminus.

6. That all existing water wells be abandoned in conformance with State of California Department of Health Standards.

Assessment District:

1. That the developer enters into an agreement for the formation of a Community Facilities District (CFD) for the maintenance of landscaping and outlots, decorative block wall/ fencing, roadways, streetlights, curb and gutter, sidewalk, signage, storm drain system and temporary basin and a second CFD for emergency services.

2. That prior to funds of the tax assessment district being obtained, the developer will be responsible for the maintenance of all items listed above.

Special Requirements:

1. That a right-to-farm provision be recorded with the recording of the final subdivision map to insure that future residents of the homes in the subdivision are aware of the adjacent agricultural uses and their right to continue to operate.

2. That each lot owner within Tract No. 945 shall care for and maintain the trees and lawn area located in the parkway in front of their lot(s). For corner lots, the lot owner shall also care for and maintain the parkway trees and lawn area along the street side of their lot. All species of trees shall be selected from a list approved by the City

Street Tree Commission. The parkway is defined as that land area located between the street curb and the public sidewalk.

3. That the tree(s) and lawn area are to be properly pruned, mowed, sprayed, watered and fertilized on a regular on-going basis in order to preserve the health and life of the tree(s) and lawn area.

4. That should the tree(s) and lawn area become damaged, severely pruned, neglected, removed or die, the lot owner shall replace said tree(s) and lawn area within thirty (30) days after the date of written notice from the City of Hanford. The tree(s) shall be replaced with a 15 gal. size tree of the same species that was originally planted. The lawn area shall be replaced with lawn. Rocks, bark, ground cover, plants or paving are not allowed in the parkway

5. That the "NOTICE, DISCLOSURE, ACKNOWLEDGMENT AND AGREEMENT OF CONTINUED CARE AND MAINTENANCE BY LOT OWNER OF THE TREES AND LAWN AREA PLANTED IN THE PARKWAY" be recorded concurrent with the recording of the subdivision final map to insure that future residents of homes in the subdivision are aware of the obligation to maintain the landscaping within the park strip. Each lot owner is to be provided a copy of said Notice, Disclosure, Acknowledgement, and Agreement, attached as in Exhibit B.

6. That Lots established as multi-family, particularly Lots 351-387, shall design each parcel to have one (1) shared access drive approach equaling 24’ in width per City Standard Detail CO-41. If separate drive approaches are necessary, a 12’ wide drive approach per City of Hanford Standard CO-38 for each garage will be required with a minimum of 22’ of full height curbing in between the drive approaches. Drive approaches shall not exceed 40% of frontage.

Impact Fees:

Impact fees related to single family residential, multi-family and commercial will be assessed separately. Multi-family and Commercial must be approved through site plan review as individual project.

1. That development is subject to a Police Development Impact Fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

2. That development is subject to a Fire Development Impact Fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

3. That development is subject to a Park Development Impact Fee as required by City Ordinance No. 90-10 and any revisions thereof. Fee payable with each building permit.

4. That development is subject to a Transportation mitigation impact fee as required by City Ordinance No. 90-09 and any revisions thereof. Fee payable with each building permit.

5. That the development is subject to a Wastewater System Development Impact fee as required by City Ordinance No. 98-14, and any revisions thereof. Fee payable with each building permit.

6. That development is subject to a Storm Drainage Development Impact fee, as required by City Ordinance No. 98-14, and any revisions thereof. The development will be constructing a temporary storm basin and the City will acquire property in the future for a regional storm basin that will acquire the storm water from this development.

7. That development is subject to a Water System Development Impact Fee as required by City Ordinance No. 98-14 or any revisions thereof. Fee payable with each building permit.

8. That development is subject to a Refuse and Recycling Development Impact Fee as required by City Ordinance No. 05-16 or any revisions thereof. Fee payable with each building permit.

9. That development is subject to a Sanitary Sewer area of benefit assessment fee in accordance with City Ordinance No. 92-03 and any revisions thereof. Subject fee shall be paid prior to recording a subdivision final map.

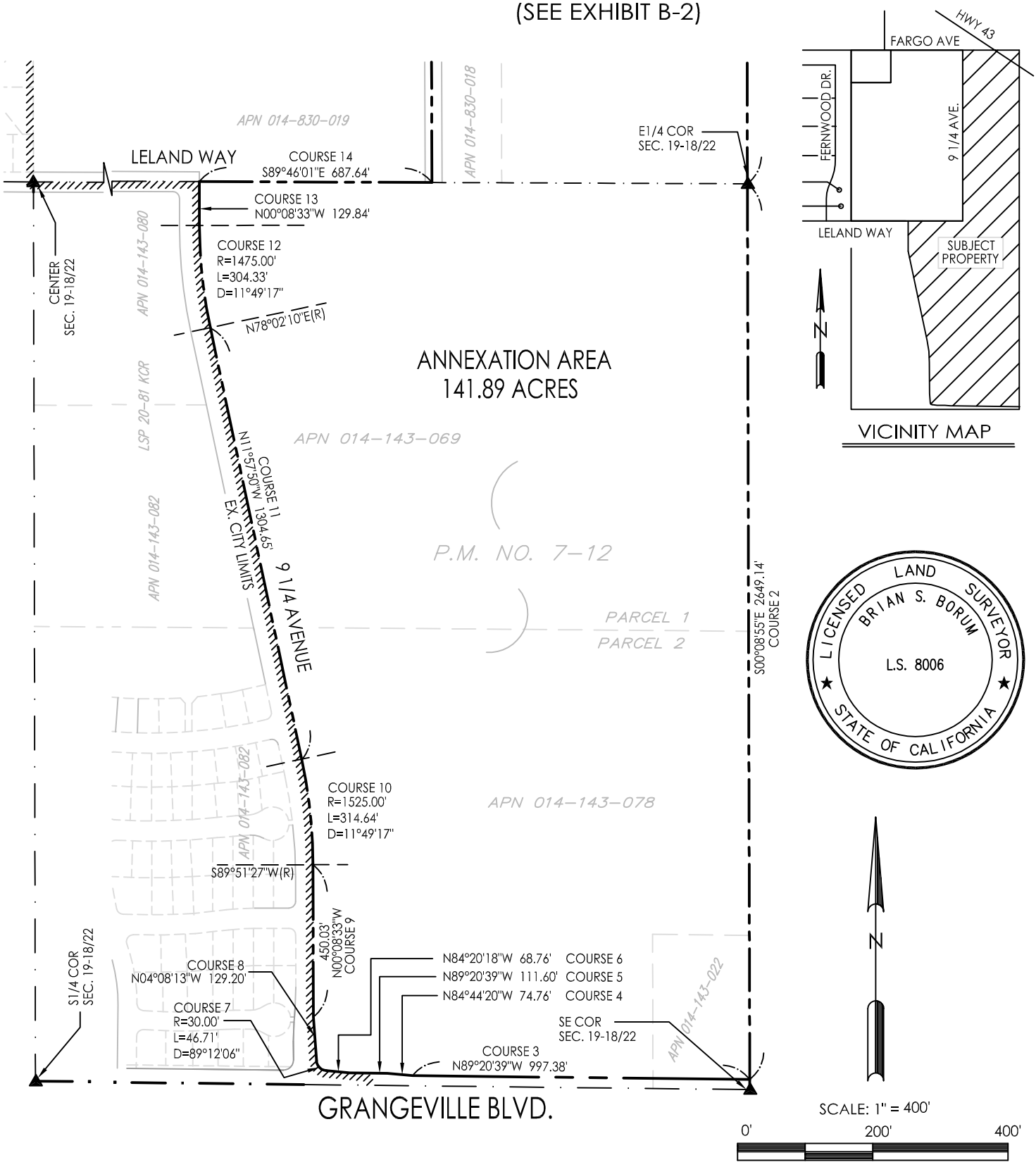
General Comments:

1. The approval of this Tentative Map does not authorize construction or development of any multifamily or commercial uses shown on the map. Prior to any development of these areas, the applicant shall obtain Site Plan Review approval in accordance with the Hanford Municipal Code and all other applicable City regulations. Site Plan Review may include review and approval by the Planning Commission and/or City Council, as required at the time of application. If future subdivision of any multifamily or commercial parcel is proposed, additional Tentative and Final Maps or Parcel Maps shall be required in compliance with the California Subdivision Map Act (Government Code §66410 et seq.) and the Hanford Subdivision Ordinance.
2. Per the applicant's direction, the area designated for the temporary storm drainage basin shall not be further subdivided as part of the Final Maps for this subdivision. At such time as the City establishes a regional storm drainage basin to serve this area, any proposal to develop or reuse the temporary basin site shall be required to resubmit for Site Plan Review in accordance with the Hanford Municipal Code and all applicable City regulations. Upon resubmittal, the project shall be subject to all conditions and requirements in effect at that time, including the preparation and approval of a new Tentative Map(s) and any necessary Final or Parcel Maps, consistent with the California Subdivision Map Act (Government Code §66410 et seq.) and the Hanford Subdivision Ordinance.

3. Block wall easements shall be provided wherever block wall footings or foundations encroach onto private property, as determined necessary by the City Engineer. Such easements shall be dedicated on the Final Map.

4. A Declaration of Temporary Building Restrictions shall be recorded concurrently with the Final Map, encompassing the area designated for the temporary storm drainage basin. The restriction shall prohibit any building or structural development within the designated basin area until such time as the City establishes a regional storm drainage facility and the property is subsequently entitled for development through the required Site Plan Review and Subdivision Map Act processes. The document shall be prepared in a form acceptable to the City Attorney and City Engineer and shall be recorded with the Kings County Recorder's Office at the time of final map recordation.

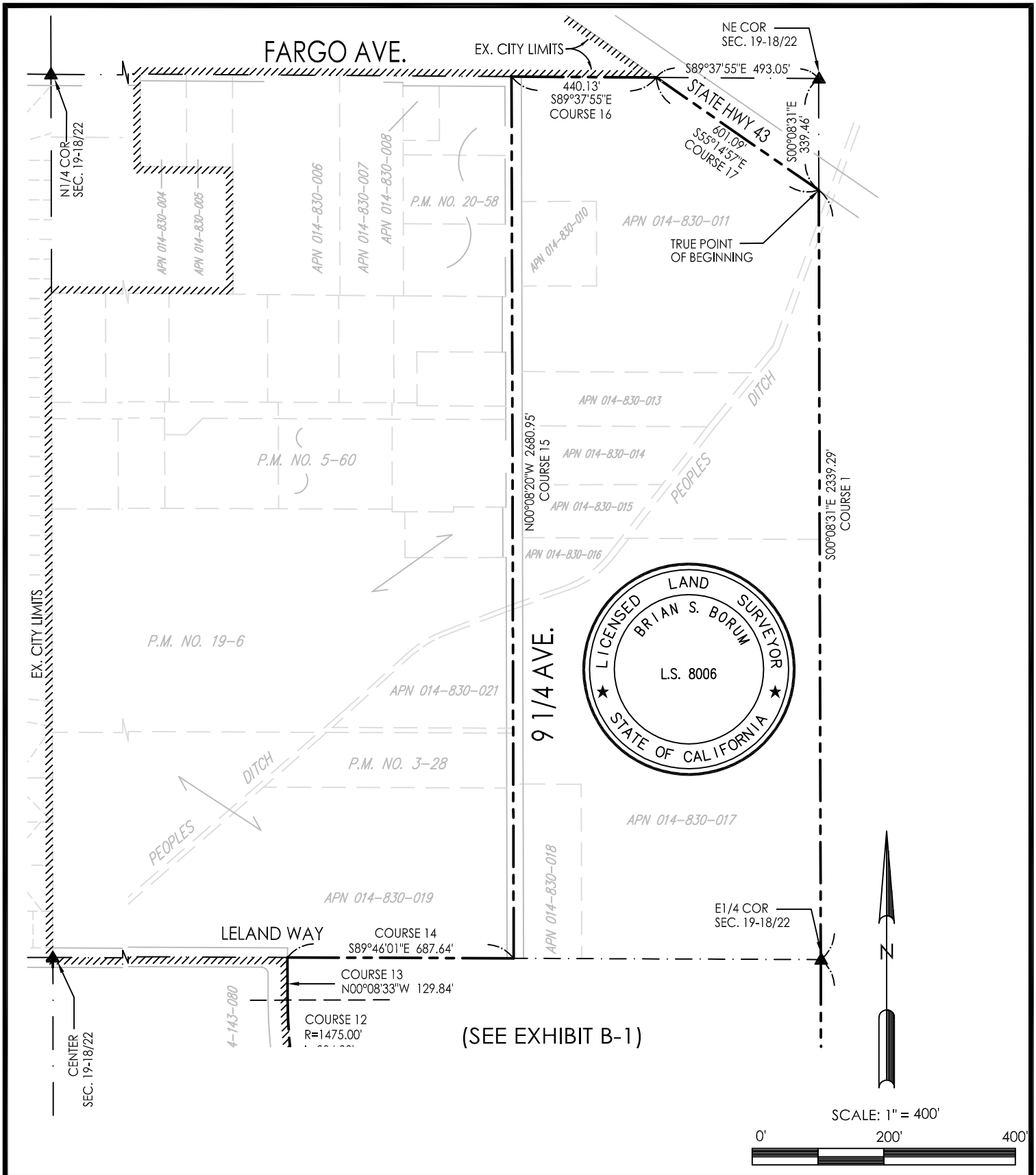
(SEE EXHIBIT B-2)



DATE:	1-3-25
DRAWN:	BM
CHECKED:	BB
PROJECT:	24186

EXHIBIT B-1
CITY OF HANFORD
ANNEXATION NO. 2025 - _____
ANNEXATION TO THE CITY OF HANFORD

Borum Land Surveying Inc.
www.borumlandsurveying.com
1445 W. Grand Ave. Ste. C
Grover Beach, Ca 93433



DATE:	1-3-25
DRAWN:	BM
CHECKED:	BB
PROJECT:	24186

EXHIBIT B-2
CITY OF HANFORD
ANNEXATION NO. 2025 - _____
ANNEXATION TO THE CITY OF HANFORD

Borum Land Surveying Inc.
www.borumlandsurveying.com
1445 W. Grand Ave. Ste. C
Grover Beach, Ca 93433

Exhibit A
Geographic Description
City of Hanford

Annexation 2025-____

Annexation to the City of Hanford

That portion of the East Half of Section 19, Township 18 South, Range 22 East, Mount Diablo Meridian in the County of Kings, State of California, described as follows:

Beginning at the Northeast Corner of said Section 19 thence S00°8'31"E along the East line of said Northeast Quarter, a distance of 339.46 feet to the **True Point of Beginning;**

Course 1: Thence continuing S00°08'31"E along said East line a distance of 2339.29 feet to the East Quarter corner of said Section 19:

Course 2: Thence S00°08'55"E along the East line of the Southeast Quarter a distance of 2649.14 feet to a point on the North right of way line of Grangeville Blvd. located 30 feet north of the Southeast corner of said section 19;

Course 3: Thence N89°20'39"W along said North right of way line a distance of 997.38 feet, thence continuing along said North right of way the following courses;

Course 4: Thence N84°44'20"W a distance of 74.76;

Course 5: Thence N89°20'39"W a distance of 110.60 feet;

Course 6: Thence N84°20'18"W a distance of 68.76 feet to the termination of said North right of way line and the beginning of a tangent curve concave Northeasterly with a radius of 30 feet and a central angle of 89°12'06";

Course 7: Thence Northerly along said curve a distance of 46.71 feet;

Course 8: Thence N04°08'13"W along the Easterly right of way of 9 ¼ Ave a distance of 129.20 feet thence continuing along said Easterly right of way the following courses;

Course 9: Thence N00°08'33"W a distance of 450.03 feet to a tangent curve concave Westerly with a radius of 1525 feet and a central angle of 11°49'17";

Course 10: Thence Northerly along said curve a distance of 314.64 feet;

Course 11: Thence N11°57'50"W a distance of 1304.65 feet to the beginning of a tangent curve concave Easterly with a radius of 1475.00 feet and a central angle of 11°49'17";

Course 12: Thence northerly along said curve a distance of 304.33 feet;

Course 13: Thence N00°08’33”W a distance of 129.84 feet to a point on the North line of the Southeast Quarter of said Section 19 and the termination of said Easterly right of way of 9 ¼ Ave.;

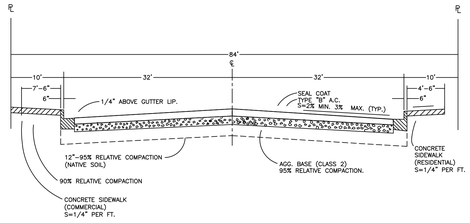
Course 14: Thence S89°46’01”E along the North line of said Southeast Quarter a distance of 687.64 feet to the centerline of 9 ¼ Ave.;

Course 15: Thence N00°08’20”W a distance of 2680.95 feet to a point on the North line of the Northeast Quarter 933.18 feet West of the Northeast Corner of said Section 19;

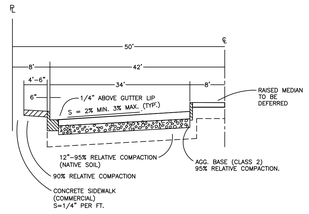
Course 16: Thence S89°37’55”E along the North Line of said Northeast Quarter a distance of 440.13 feet to a point on the Southwesterly right of way line of State Hwy 43. Said point being located 493.05 feet West of the Northeast Corner of said Section 19;

Course 17: Thence S55°14’57”E along said Southwesterly right of way line a distance of 601.09 feet to the **True Point of Beginning**.

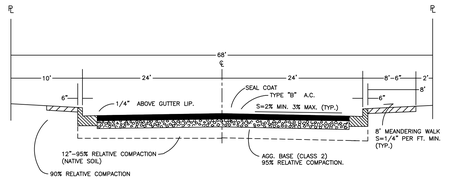
Containing 141.89 acres, more or less.



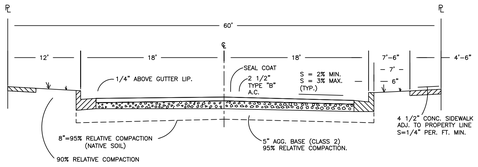
GRANGEVILLE BLVD N.T.S.



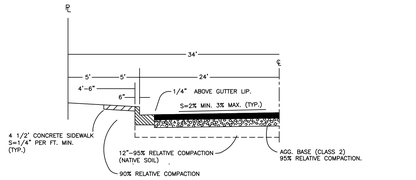
9TH AVENUE N.T.S.



9 1/4 AVENUE N.T.S.



LOCAL STREETS N.T.S.



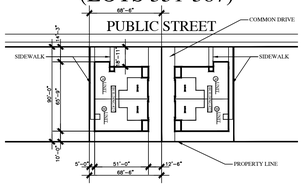
LELAND WAY N.T.S.

TENTATIVE SUBDIVISION MAP

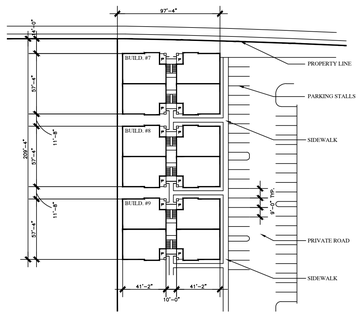
COPPER RIDGE

HANFORD CALIFORNIA

TYP. ONE STORY DUPLEX SITE (LOTS 351-387)



TYP. TWO STORY 8-PLEX SITE



OWNER

WARMERDAM FAMILY TRUST
10426 EXCELSIOR AVE. HANFORD, CA, 93230
DADIGIAN FAMILY TRUST 2001
2491 16TH AVE. KINGSBURG, CA, 93631

DEVELOPER

N & M CAPITAL LLC
GREG NUNLEY (559)799-6993
1878 N MOONEY BLVD SUITE J
TULARE, CA 93274

PROJECT INFO

NORTH EAST CORNER OF 9 1/4 AVENUE AND GRANGEVILLE BLVD
APN: 014-143-069, 014-143-078
TOTAL AREA: 85.61 AC
EXIST. USE: VACANT/ AG
PROPOSED USE: SINGLE FAMILY PUD, NEIGHBORHOOD COMMERCIAL
FLOOD ZONE: X
SEWER: CITY OF HANFORD
WATER: CITY OF HANFORD
STORM DRAIN: CITY OF HANFORD
MIN. LOT SIZE: 2,800 SF; MAX. LOT SIZE: 11,540 SF
SINGLE FAMILY UNITS: 350
MULTI FAMILY UNITS: 300
RESIDENTIAL ACREAGE: 78.16 AC
DENSITY: 8.31 UNITS/AC
COMMERCIAL ACREAGE: 5.45 AC
OUTLOTS A-I TO BE DEDICATED TO CITY OF HANFORD

VICINITY MAP

NOT TO SCALE



PHASES INFO

PHASE 1	181 UNITS	40' WIDE LOTS: 115	45' WIDE LOTS: 66	MULTI FAMILY UNITS: 0	RETAIL: 0 SF
PHASE 2	150 UNITS	40' WIDE LOTS: 91	45' WIDE LOTS: 59	MULTI FAMILY UNITS: 0	RETAIL: 0 SF
PHASE 3	89 UNITS	40' WIDE LOTS: 19	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 74	RETAIL: 0 SF
PHASE 4	110 UNITS	40' WIDE LOTS: 0	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 106	RETAIL: 0 SF
PHASE 5	120 UNITS	40' WIDE LOTS: 0	45' WIDE LOTS: 0	MULTI FAMILY UNITS: 120	RETAIL: 37,700 SF
TOTAL	650 UNITS	40' WIDE LOTS: 225	45' WIDE LOTS: 125	MULTI FAMILY UNITS: 300	RETAIL: 37,700 SF

PARKING INFO

LAND USE	REQUIRED	PROVIDED
CONVENIENCE STORE	17	56
FOOD A	15	25
FOOD B	16	30
RETAIL A	48	61
RETAIL B	48	60
PHASE 4 MULTIFAM. COVERED	199	212
PHASE 4 MULTIFAM. UNCOVERED	0	22
PHASE 5 MULTIFAM. COVERED	85	91
PHASE 5 MULTIFAM. UNCOVERED	85	90



N
W E
S
1"=100'-0"
50' 100' 200'

REVISIONS			
MARK	DATE		
1		2	
		3	
		4	

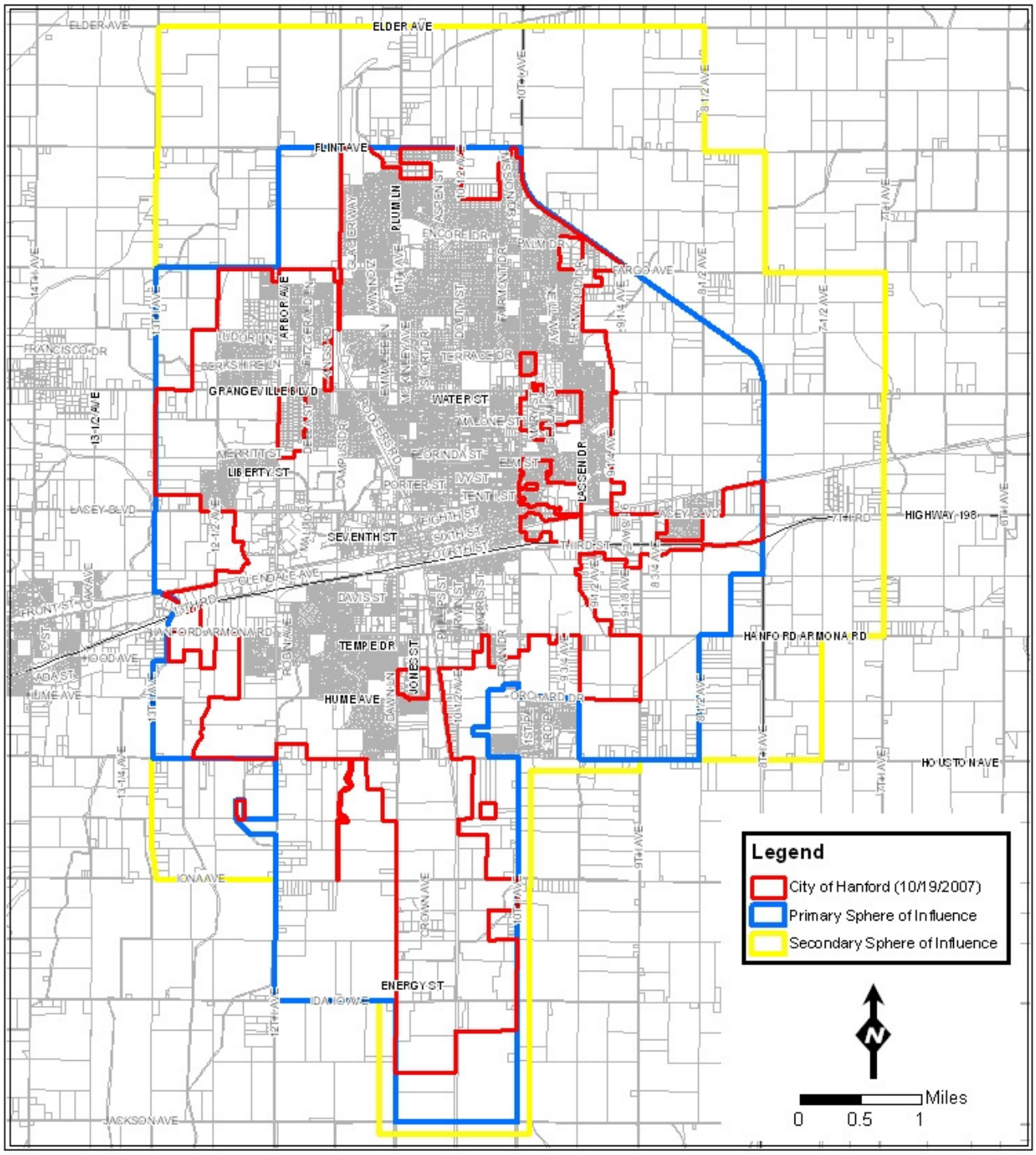
DRAWN BY: EN
DATE: SEP. 25, 2025
SCALE: 1"=100'-0"

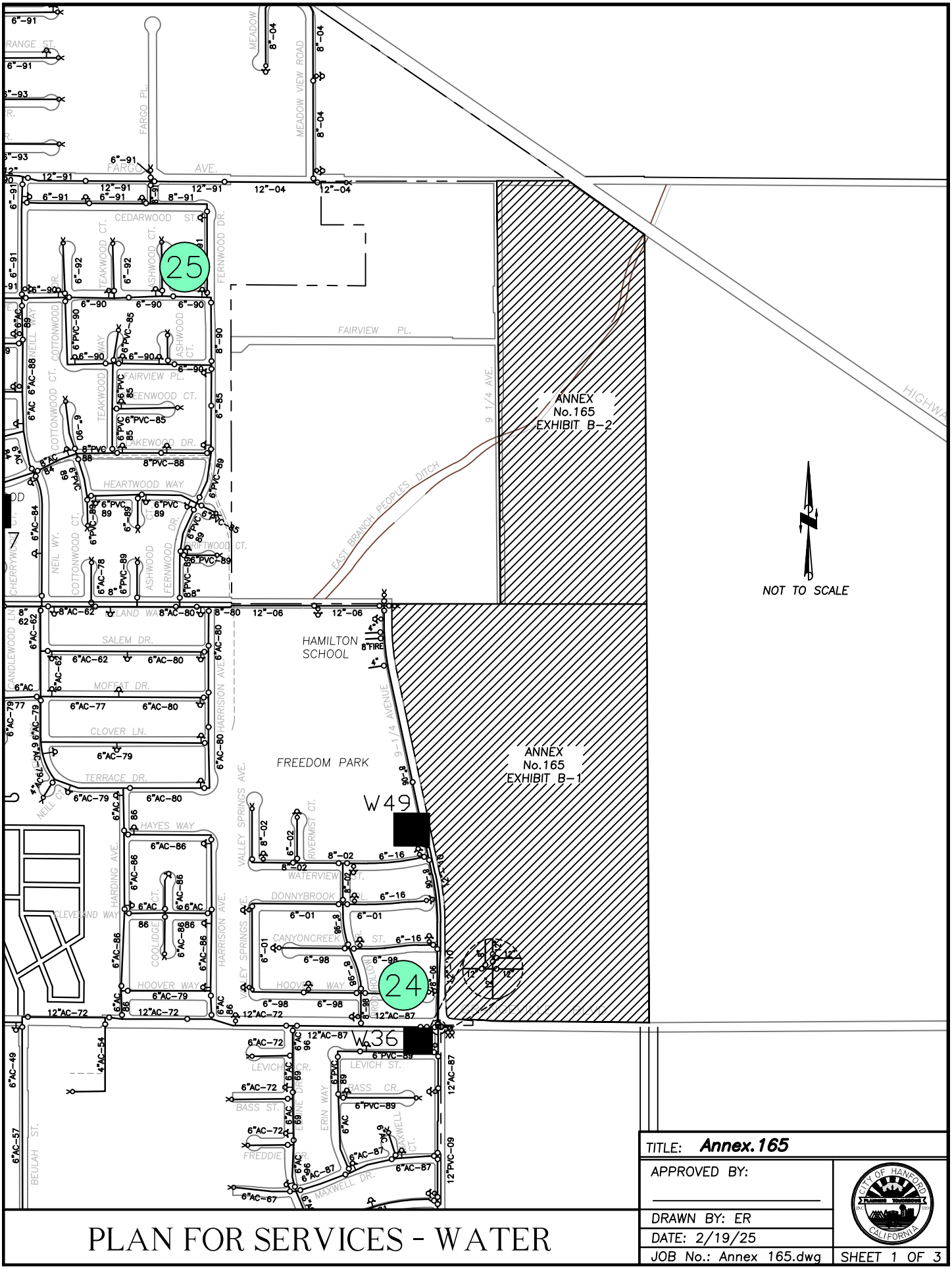
AWEngineering
810 WEST ACEQUIA AVENUE
VISALIA, CA. 93292
(559) 713-6139
awengineering09@gmail.com

TENTATIVE SUBDIVISION MAP
COPPER RIDGE
HANFORD CALIFORNIA

SHEET
SITE
JOB NUMBER:

Exhibit C
CITY OF HANFORD
2008 SPHERE OF INFLUENCE





TITLE: **Annex.165**

APPROVED BY: _____

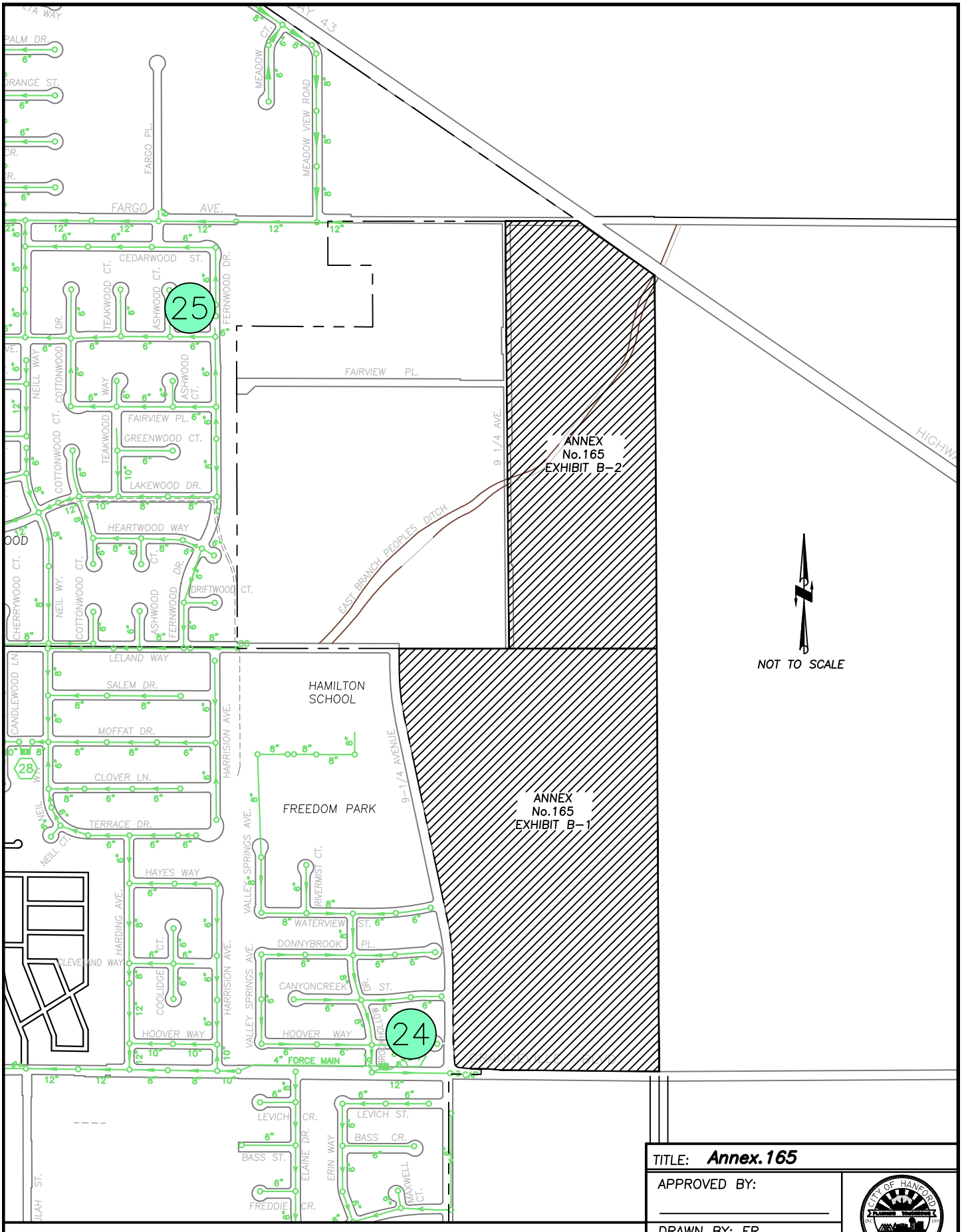
DRAWN BY: ER

DATE: 2/19/25

JOB No.: Annex 165.dwg

SHEET 1 OF 3

PLAN FOR SERVICES - WATER



TITLE: **Annex.165**

APPROVED BY: _____

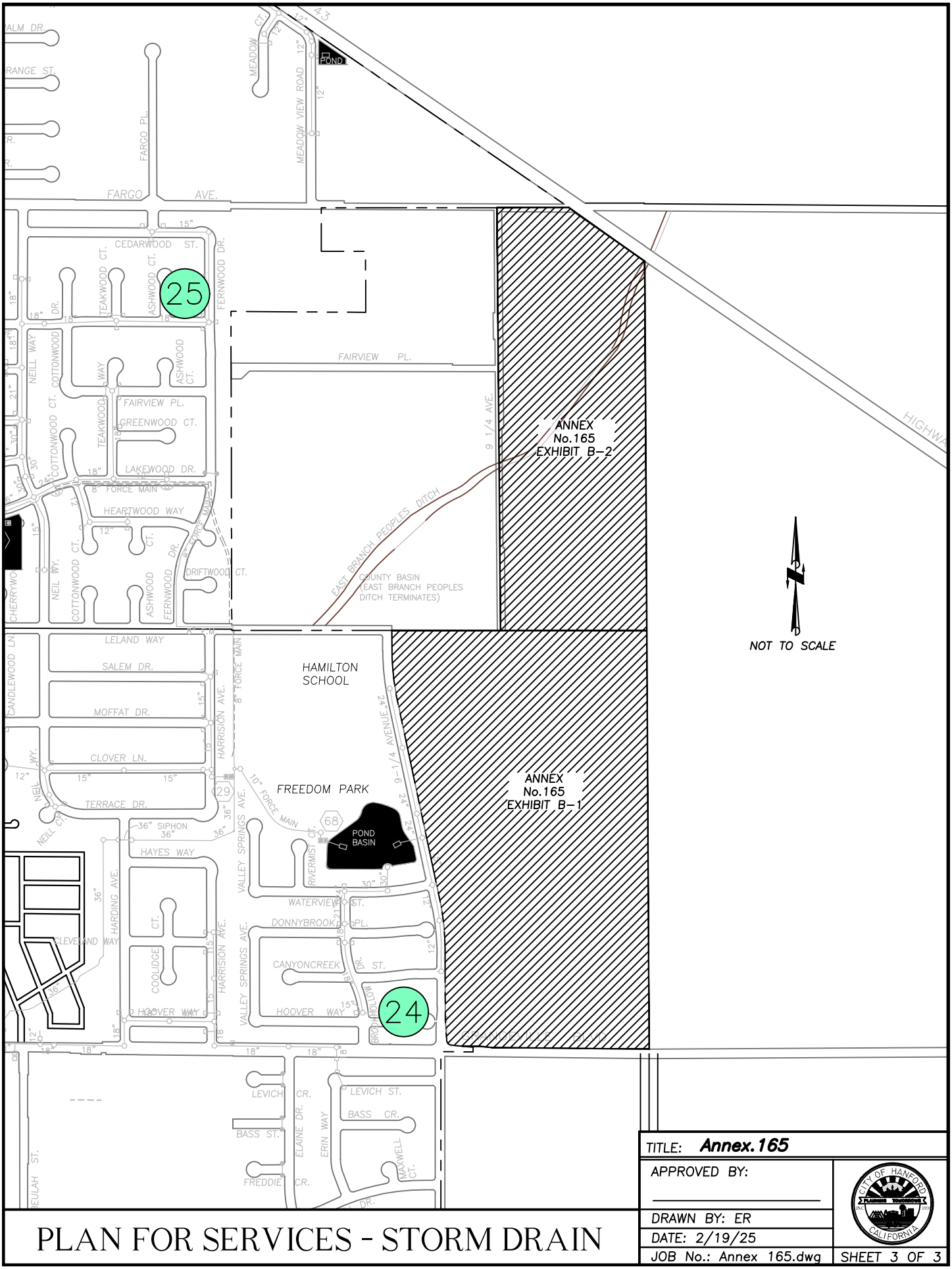
DRAWN BY: ER

DATE: 2/19/25

JOB No.: Annex 165.dwg

SHEET 2 OF 3

PLAN FOR SERVICES - SANITARY SEWER



PLAN FOR SERVICES - STORM DRAIN

TITLE: **Annex.165**

APPROVED BY: _____

DRAWN BY: ER

DATE: 2/19/25

JOB No.: Annex 165.dwg

SHEET 3 OF 3

LENNAR®

rrm design group

COPPER RIDGE



HOUSE PLAN 1

FIRST FLOOR: 589 SF
SECOND FLOOR: 824 SF
TOTAL 1,413 SF

HOUSE PLAN 2

FIRST FLOOR: 659 SF
SECOND FLOOR: 905 SF
TOTAL 1,564 SF

HOUSE PLAN 3

FIRST FLOOR: 752 SF
SECOND FLOOR: 935 SF
TOTAL 1,687 SF

ELEVATIONS "TRADITIONAL"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

5

#3151-02-HS24
10 APRIL 2024

LENNAR®

rrm design group

COPPER RIDGE



HOUSE PLAN 1

FIRST FLOOR: 589 SF
SECOND FLOOR: 824 SF
TOTAL 1,413 SF

HOUSE PLAN 2

FIRST FLOOR: 659 SF
SECOND FLOOR: 905 SF
TOTAL 1,564 SF

HOUSE PLAN 3

FIRST FLOOR: 752 SF
SECOND FLOOR: 935 SF
TOTAL 1,687 SF

ELEVATIONS "FARMHOUSE"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

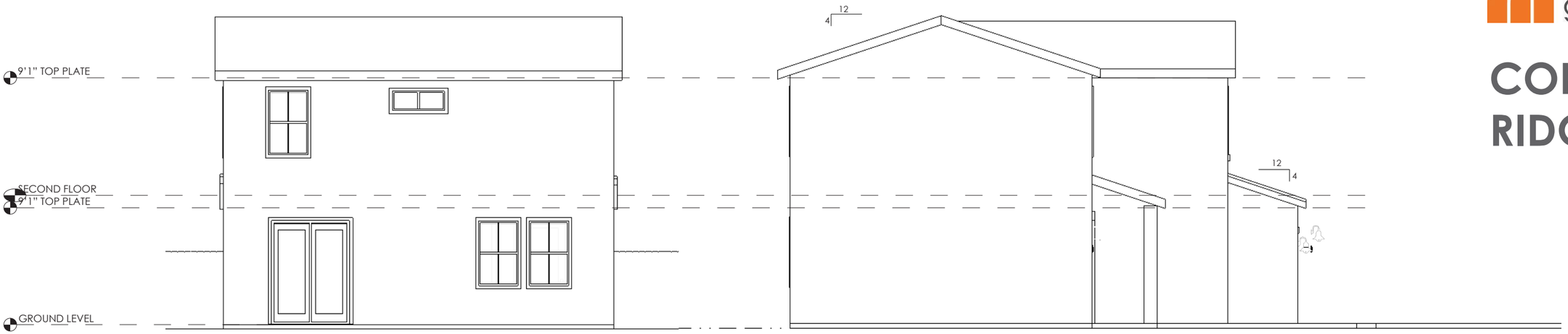
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10 APRIL 2024

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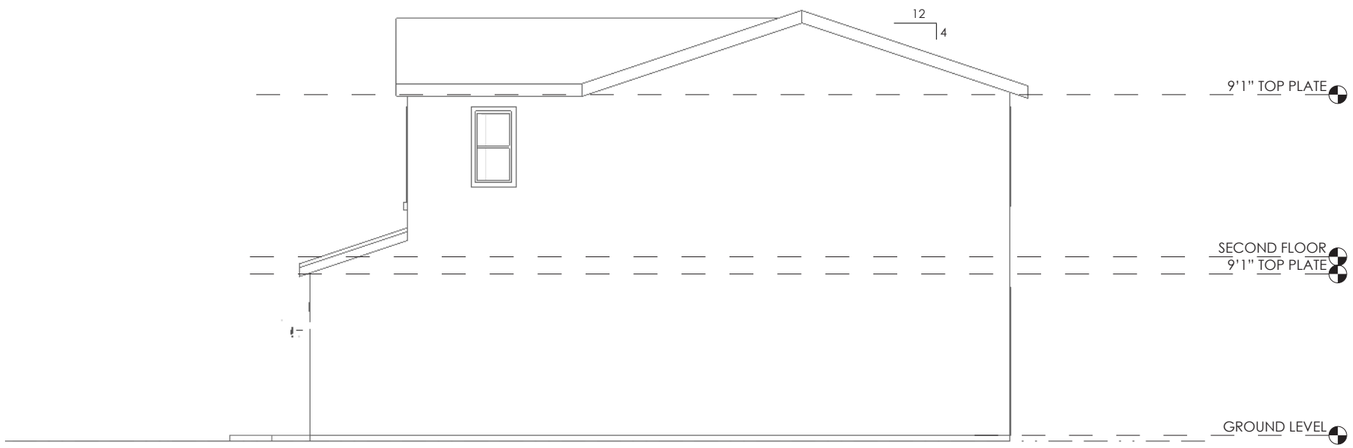
rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 1

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

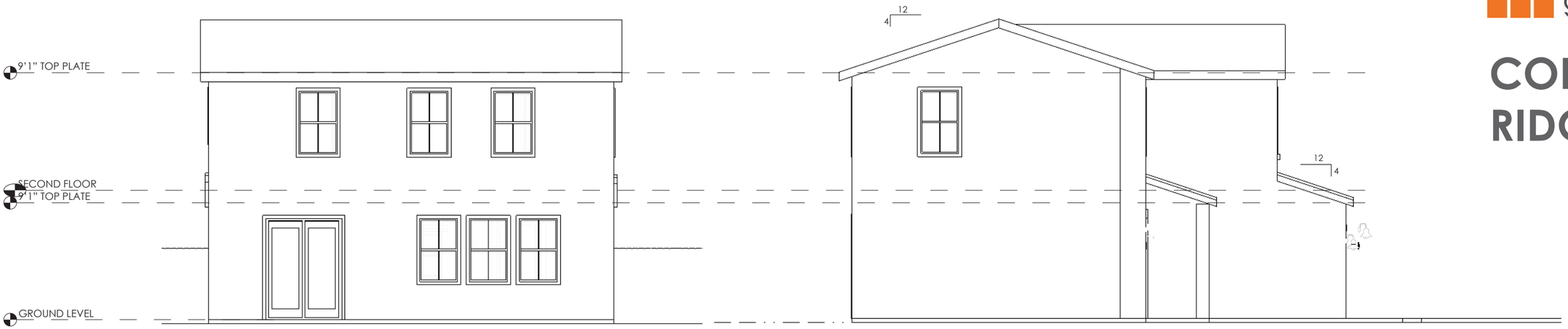
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#3151-02-HS24
10 APRIL 2024

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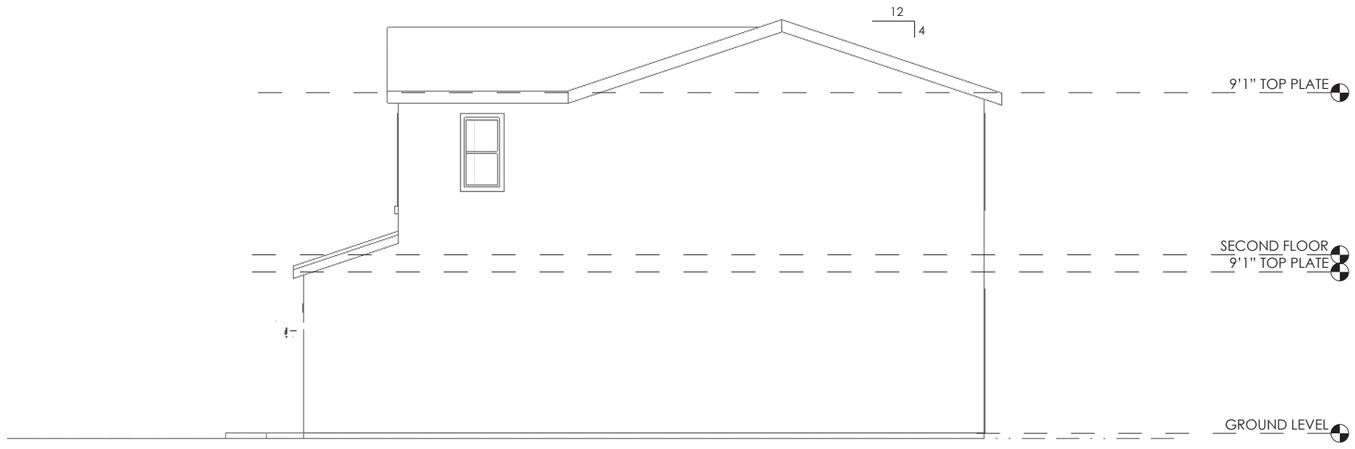
rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 2

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

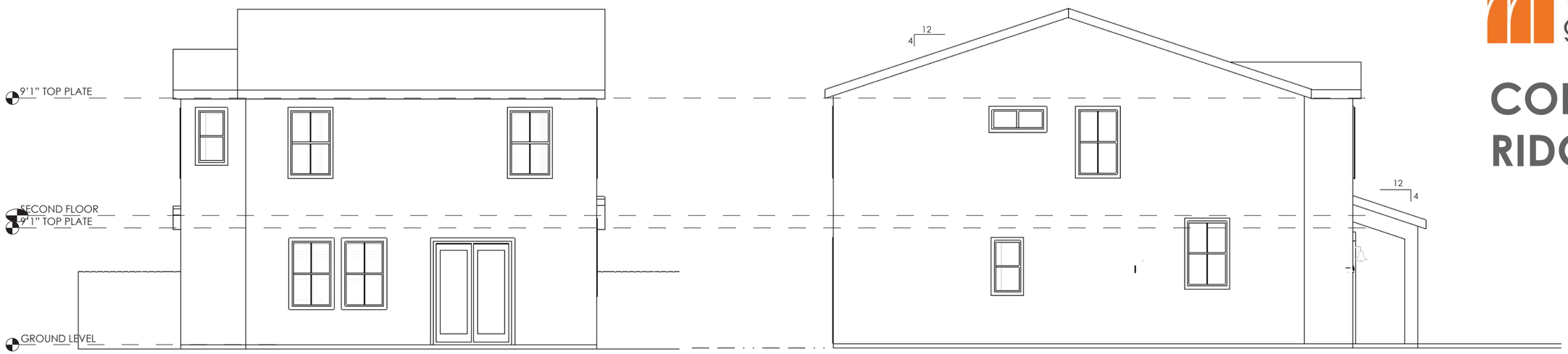
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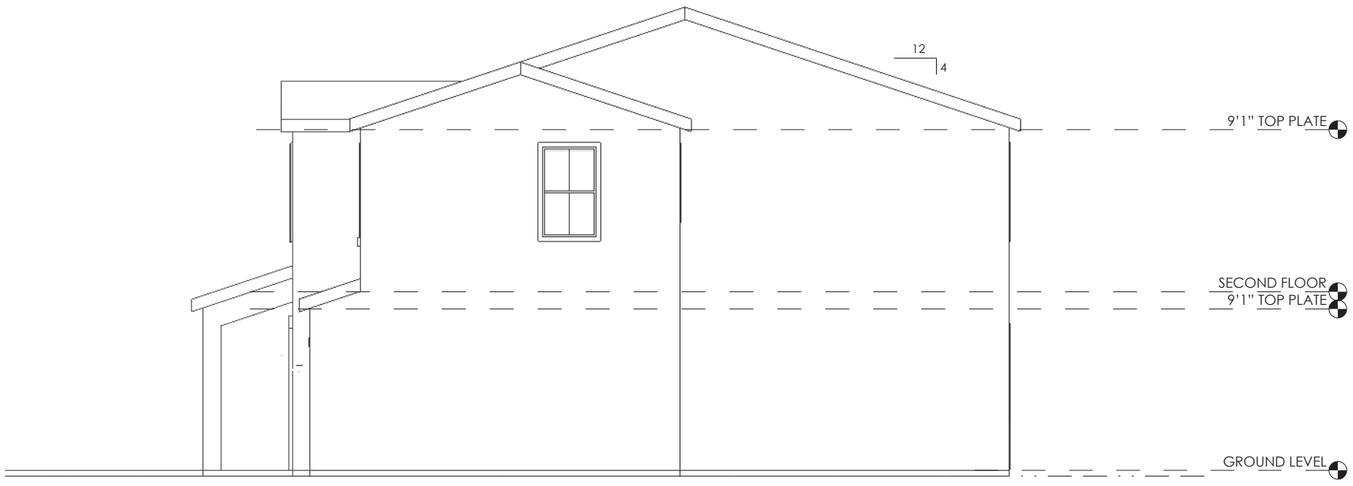
rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



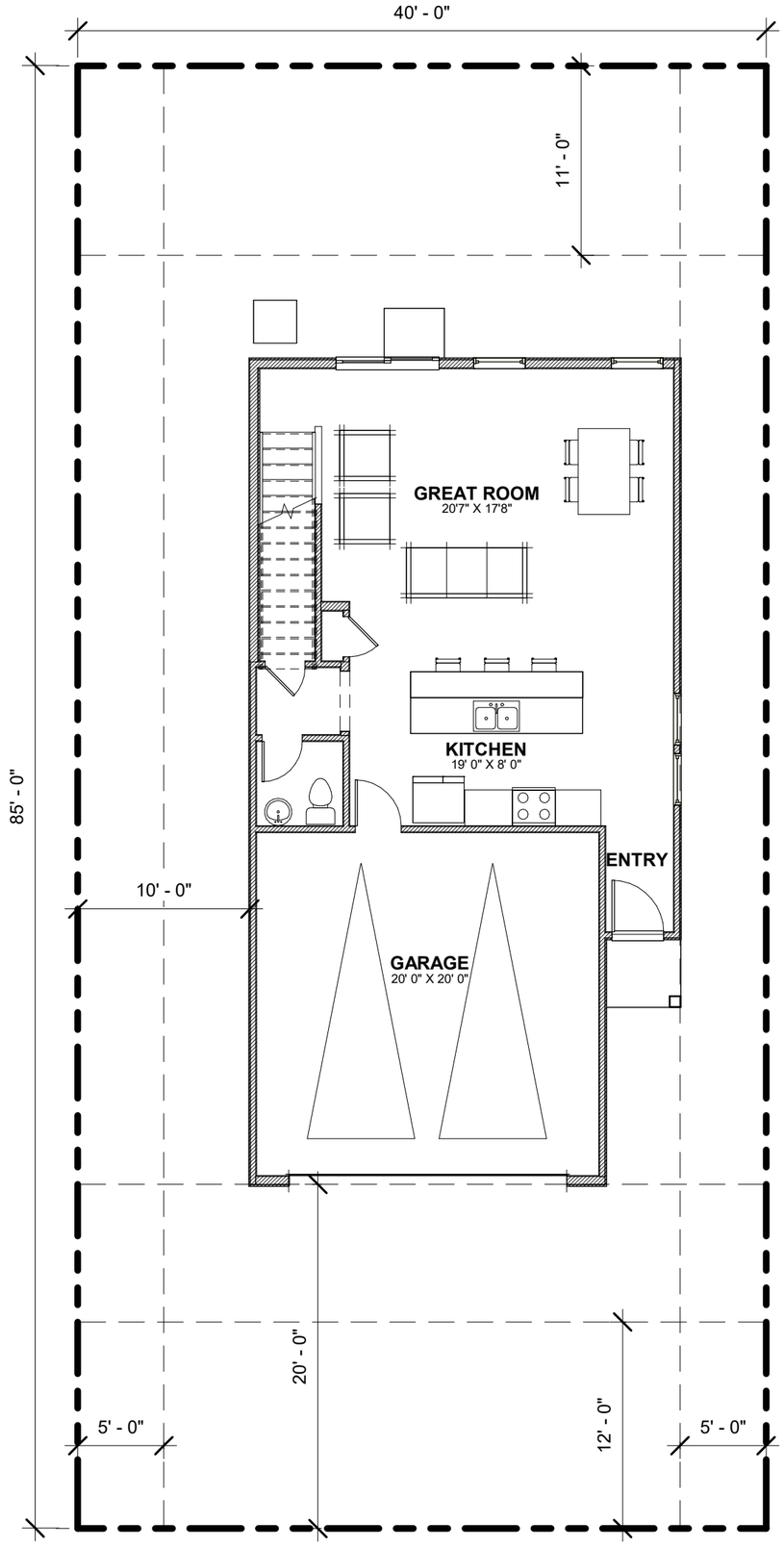
3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

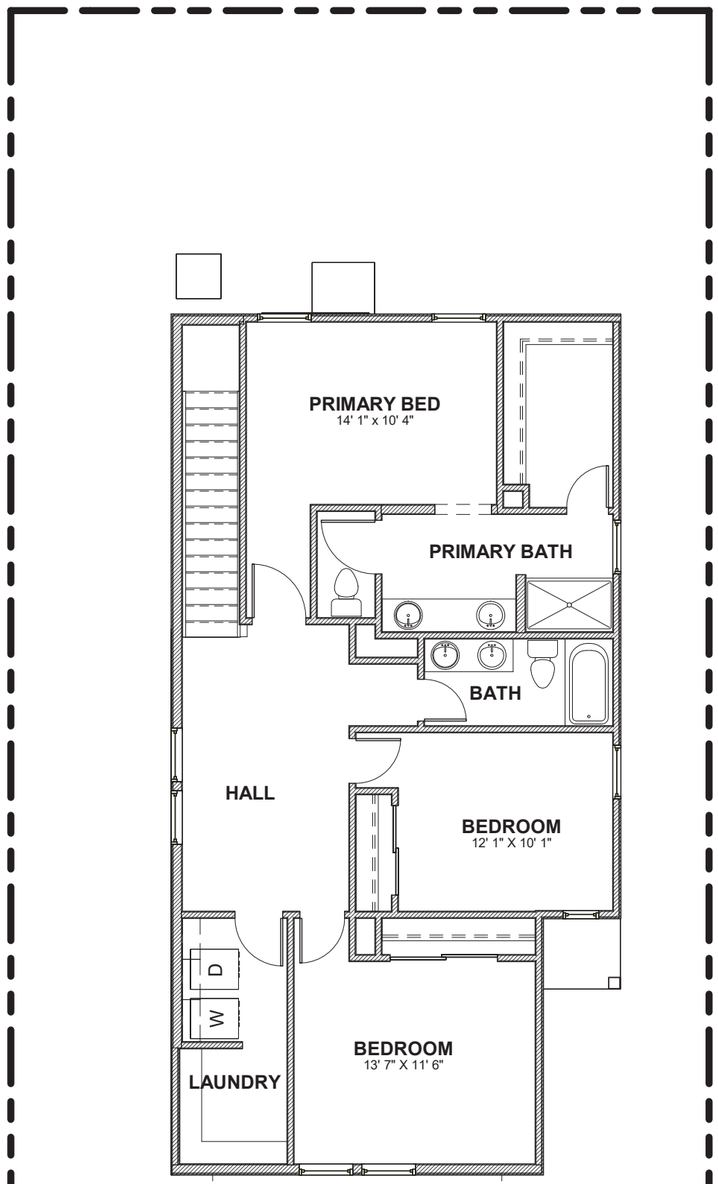
ELEVATIONS PLAN 3

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

9

#3151-02-HS24
10 APRIL 2024





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rrm design group

COPPER RIDGE

HOUSE PLAN 1

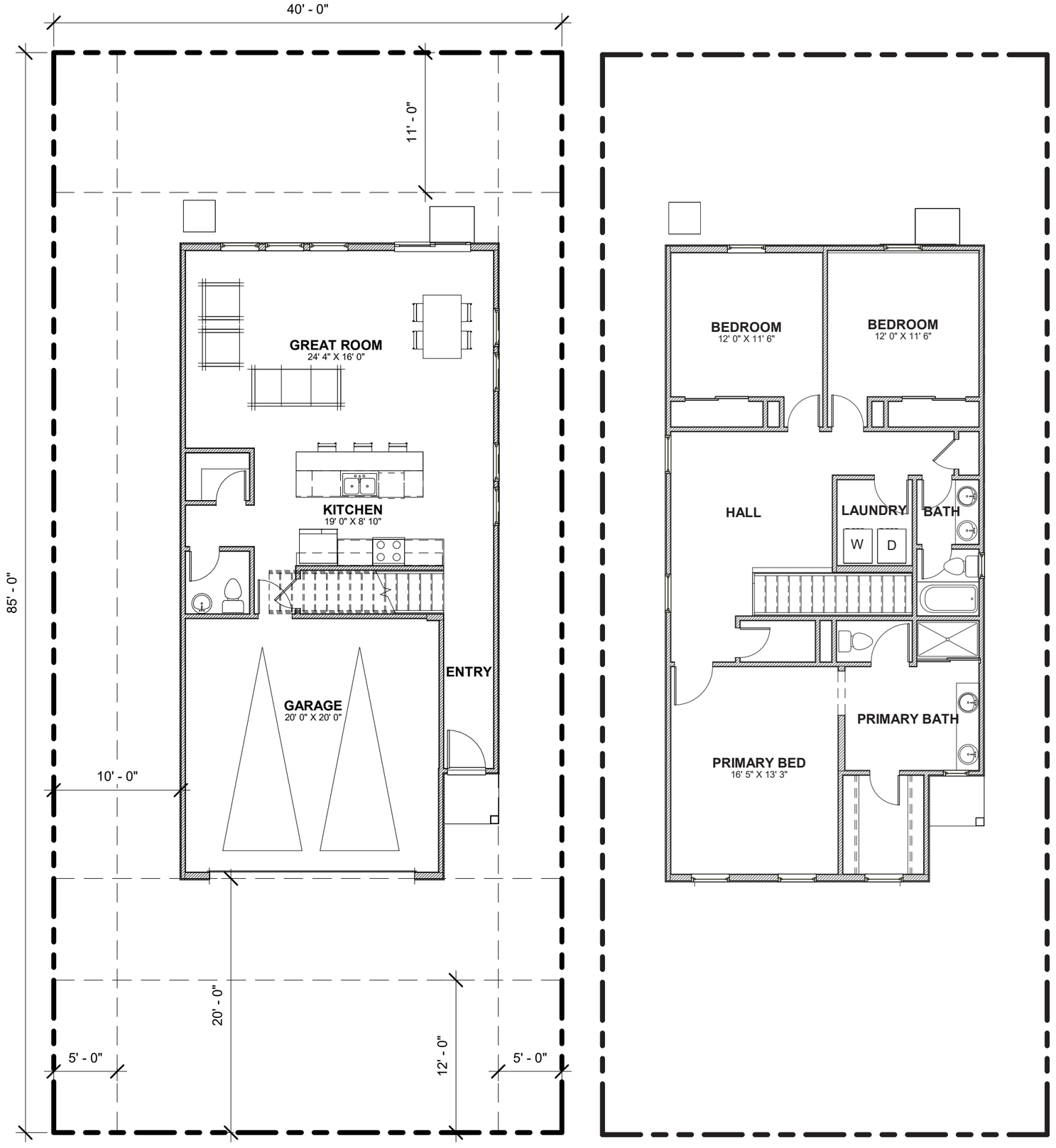
FIRST FLOOR: 1,148SF
SECOND FLOOR: 1,148SF
TOTAL 2,296SF

FLOOR PLAN - CELESTIAL

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

#31.51-02-HS24
10 APRIL 2024

10



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rrm design group

COPPER RIDGE

HOUSE PLAN 2

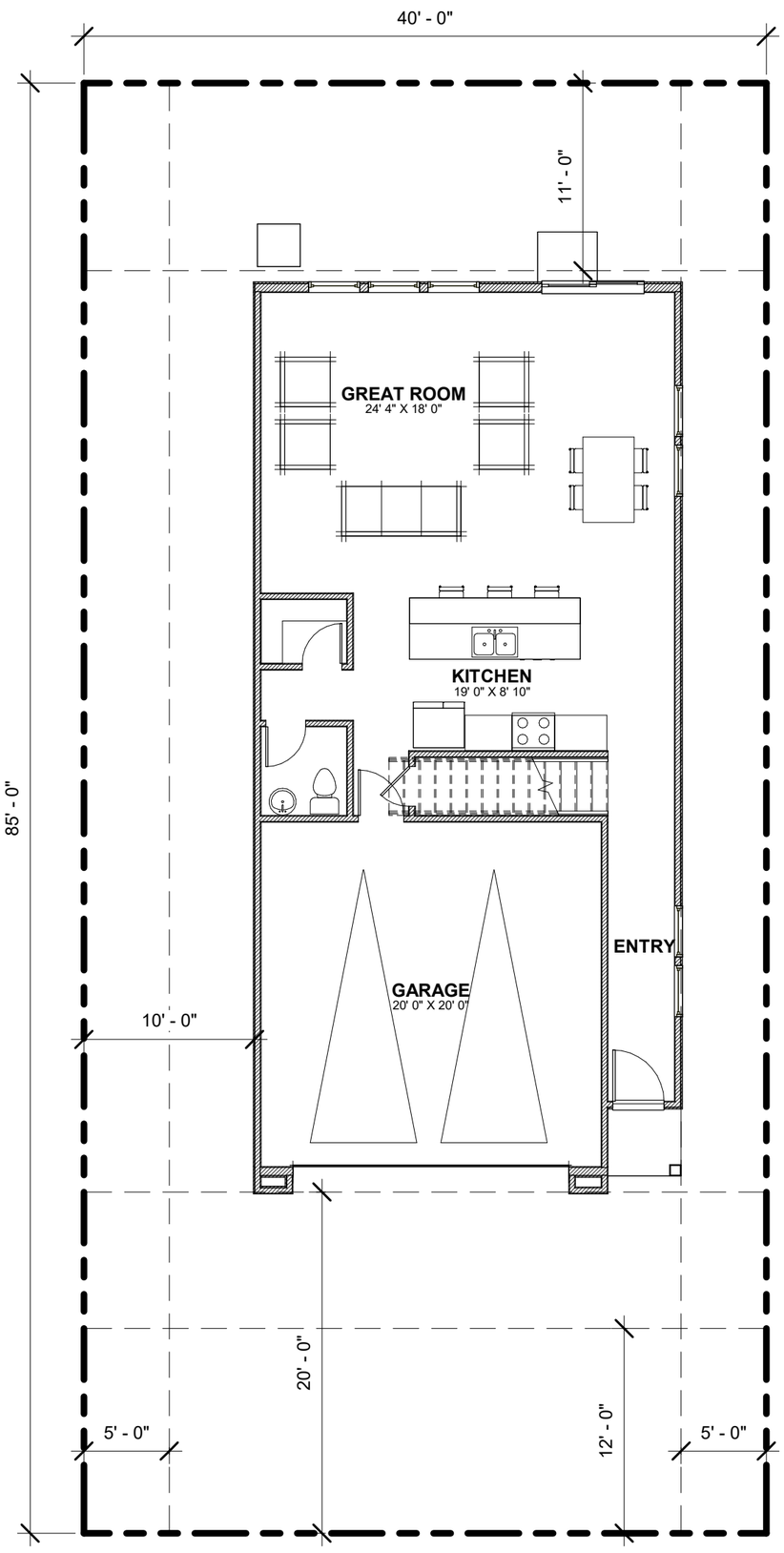
FIRST FLOOR: 1,225SF
SECOND FLOOR: 1,225SF
TOTAL 2,450SF

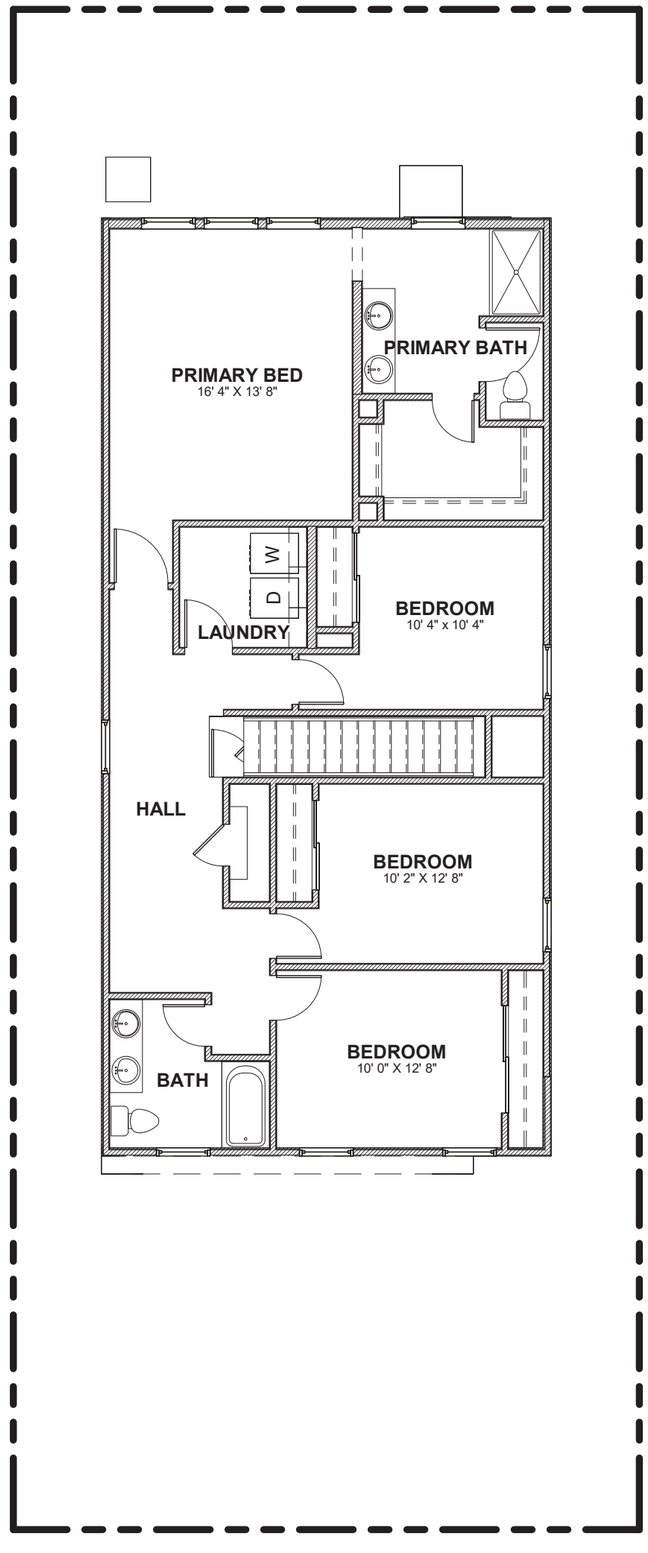
FLOOR PLAN - CELESTIAL

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

11

#3151-02-HS24
10 APRIL 2024





LENNAR

rrm design group

COPPER RIDGE

HOUSE PLAN 3

FIRST FLOOR: 1,300SF
SECOND FLOOR: 1,320SF
TOTAL 2,620SF

FLOOR PLAN - CELESTIAL

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

12

#3151-02-HS24
10 APRIL 2024

LENNAR®

rrm design group

COPPER RIDGE



HOUSE PLAN 1

FIRST FLOOR: 1,148SF
SECOND FLOOR: 1,148SF
TOTAL 2,296SF

HOUSE PLAN 2

FIRST FLOOR: 1,225SF
SECOND FLOOR: 1,225SF
TOTAL 2,450SF

HOUSE PLAN 3

FIRST FLOOR: 1,300SF
SECOND FLOOR: 1,320SF
TOTAL 2,620SF

ELEVATIONS "TRADITIONAL"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

13

#3151-02-HS24
10 APRIL 2024

LENNAR®

rrm design group

COPPER RIDGE



HOUSE PLAN 1

FIRST FLOOR: 1,148SF
SECOND FLOOR: 1,148SF
TOTAL 2,296SF

HOUSE PLAN 2

FIRST FLOOR: 1,225SF
SECOND FLOOR: 1,225SF
TOTAL 2,450SF

HOUSE PLAN 3

FIRST FLOOR: 1,300SF
SECOND FLOOR: 1,320SF
TOTAL 2,620SF

ELEVATIONS "FARMHOUSE"

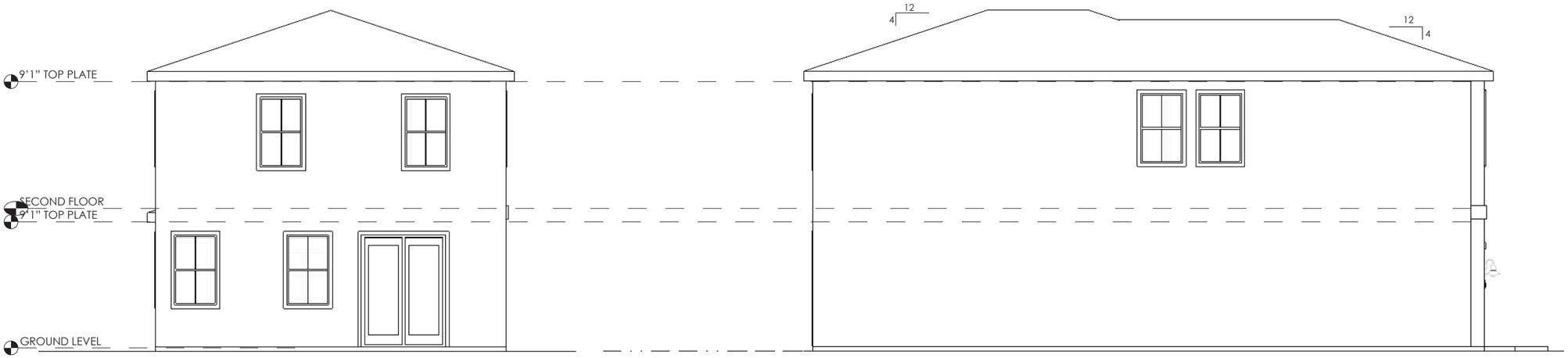
SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

#3151-02-HS24
10 APRIL 2024

LENNAR®

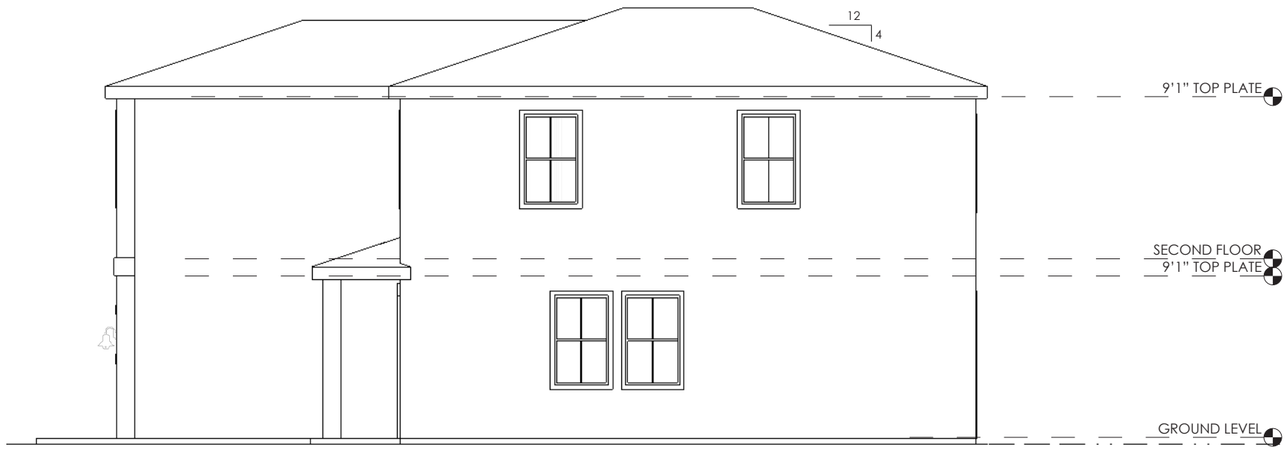
rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 1

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

15

#3151-02-HS24
10 APRIL 2024

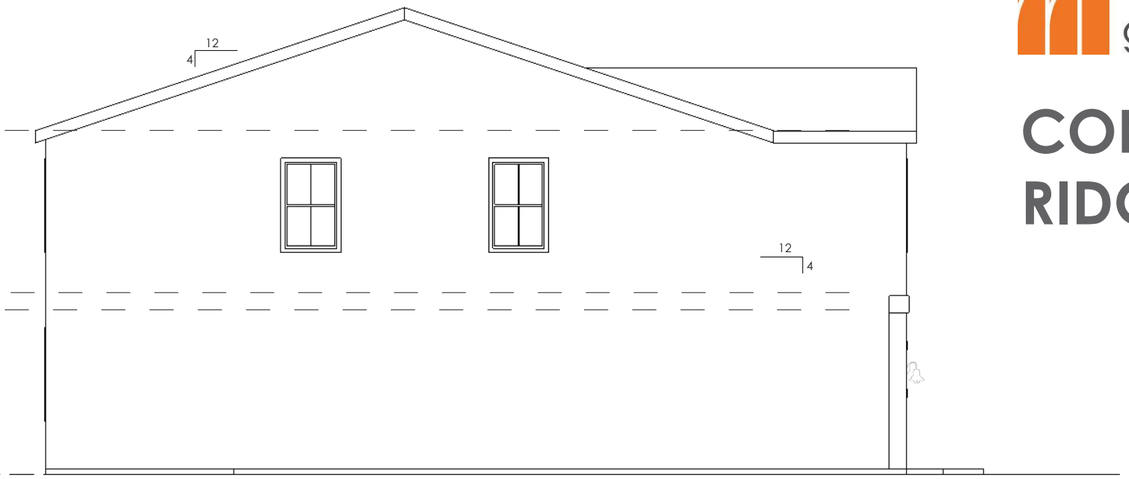
LENNAR®

rrm design group

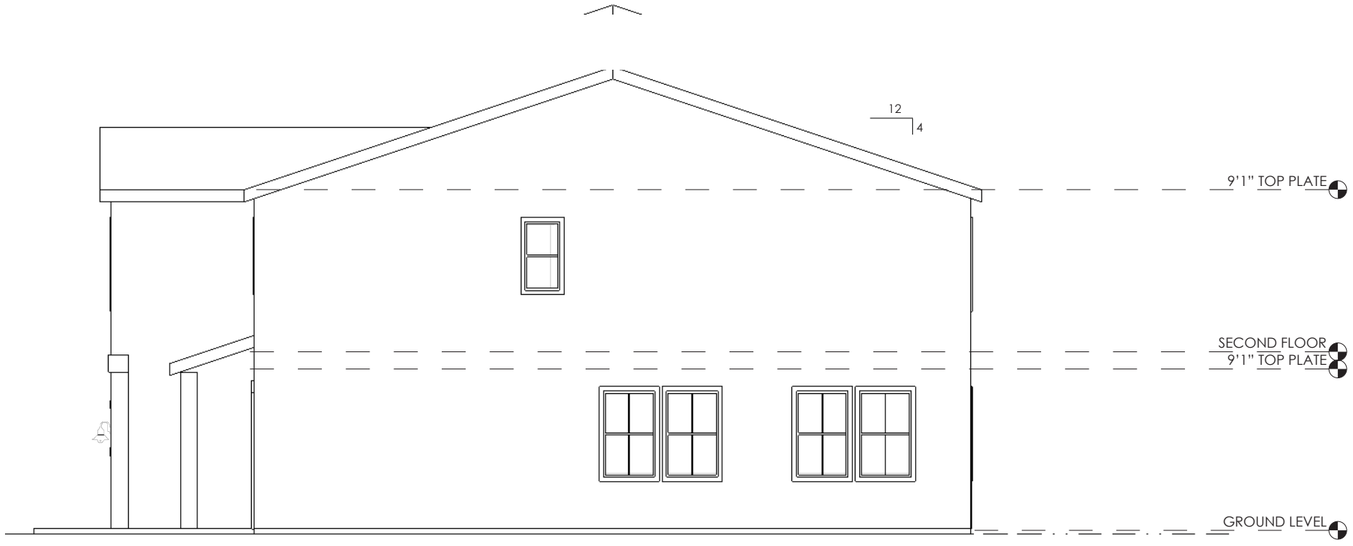
COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 2

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

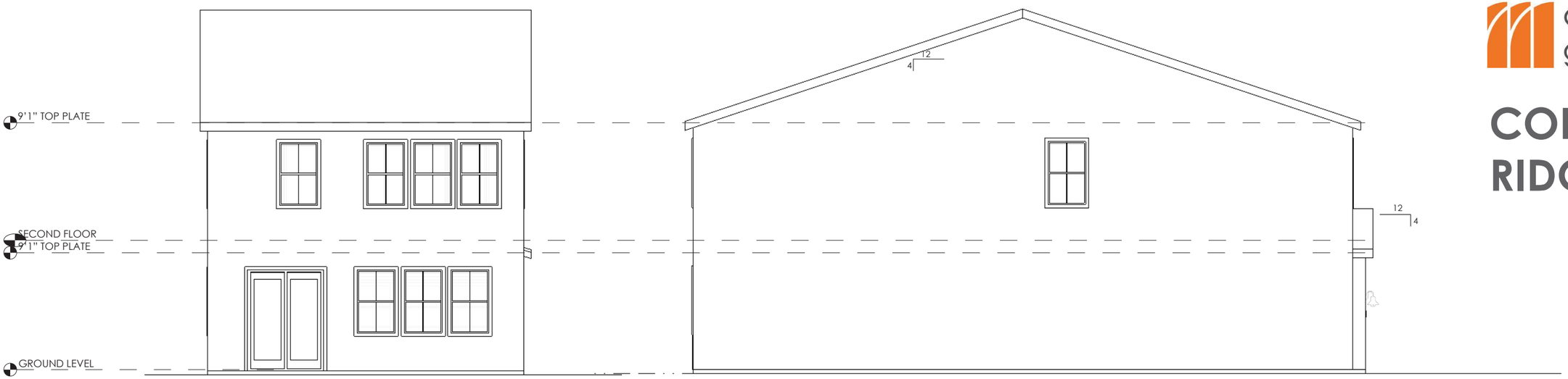
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#3151-02-HS24
10 APRIL 2024

LENNAR®

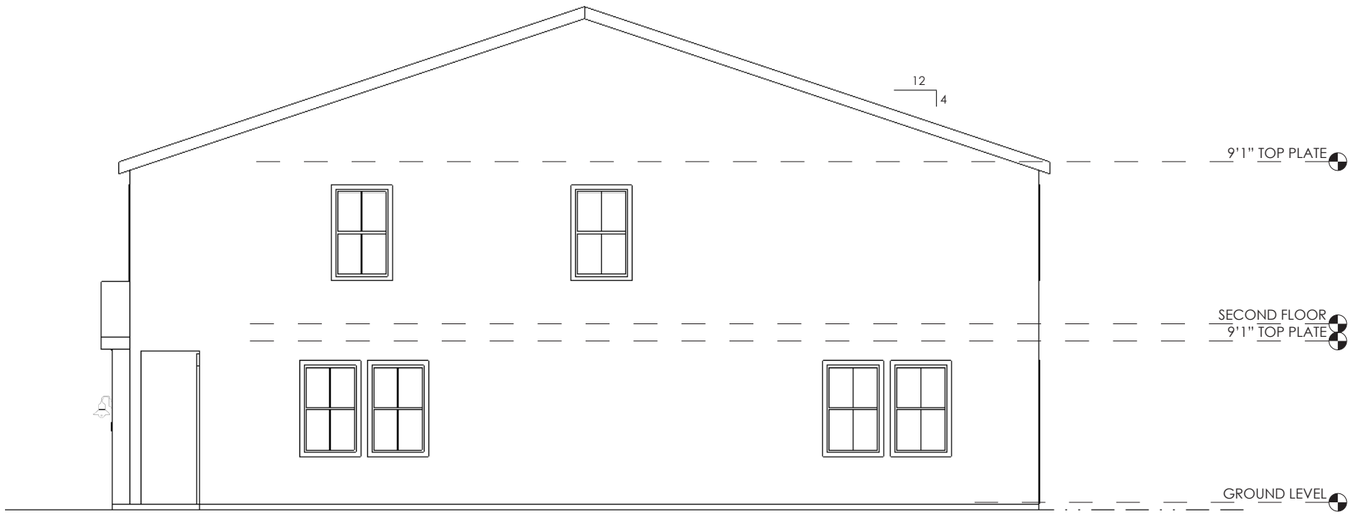
rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



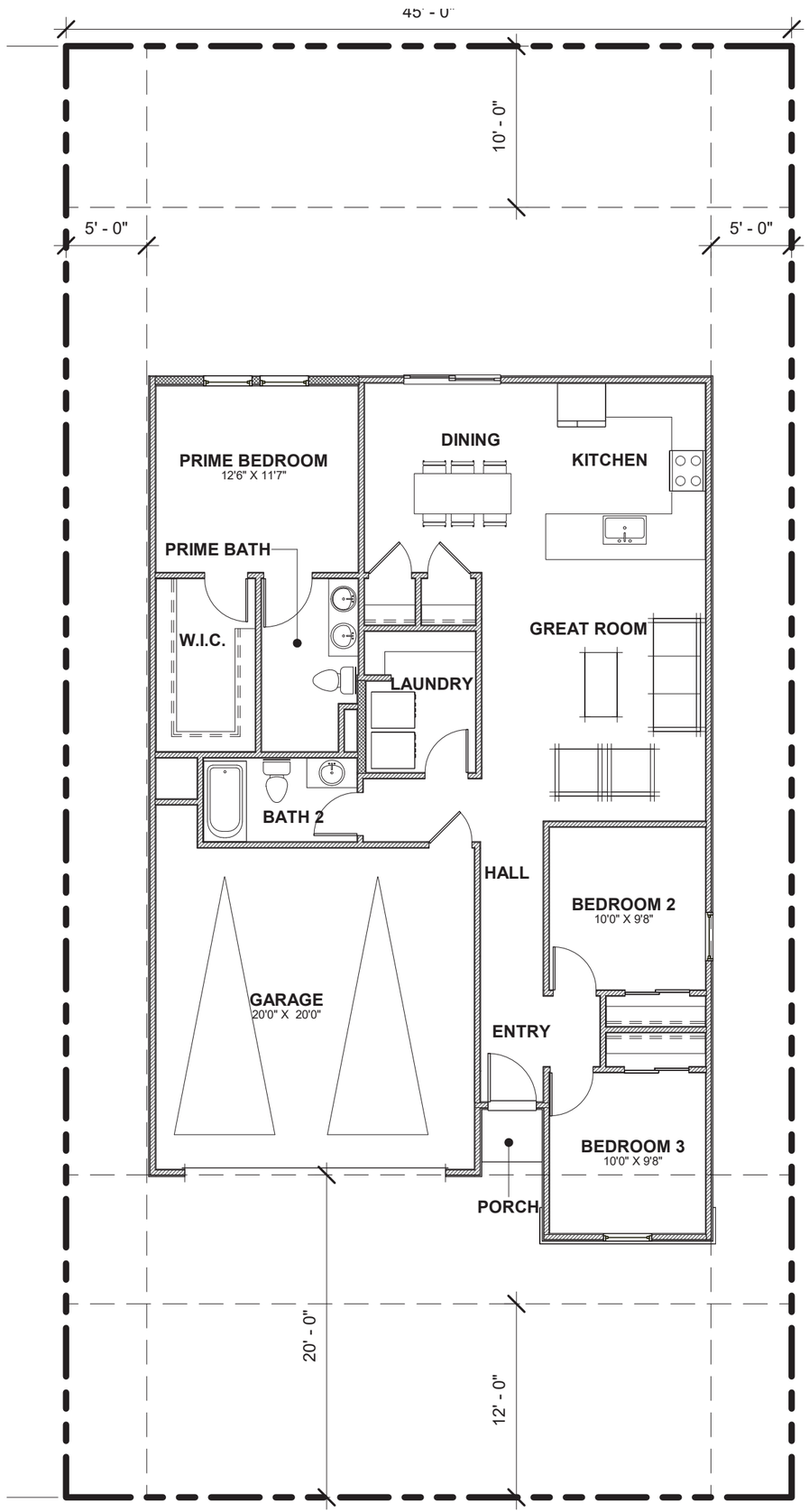
3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 3

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

17

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10 APRIL 2024



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rrm design group

COPPER RIDGE

HOUSE PLAN 1

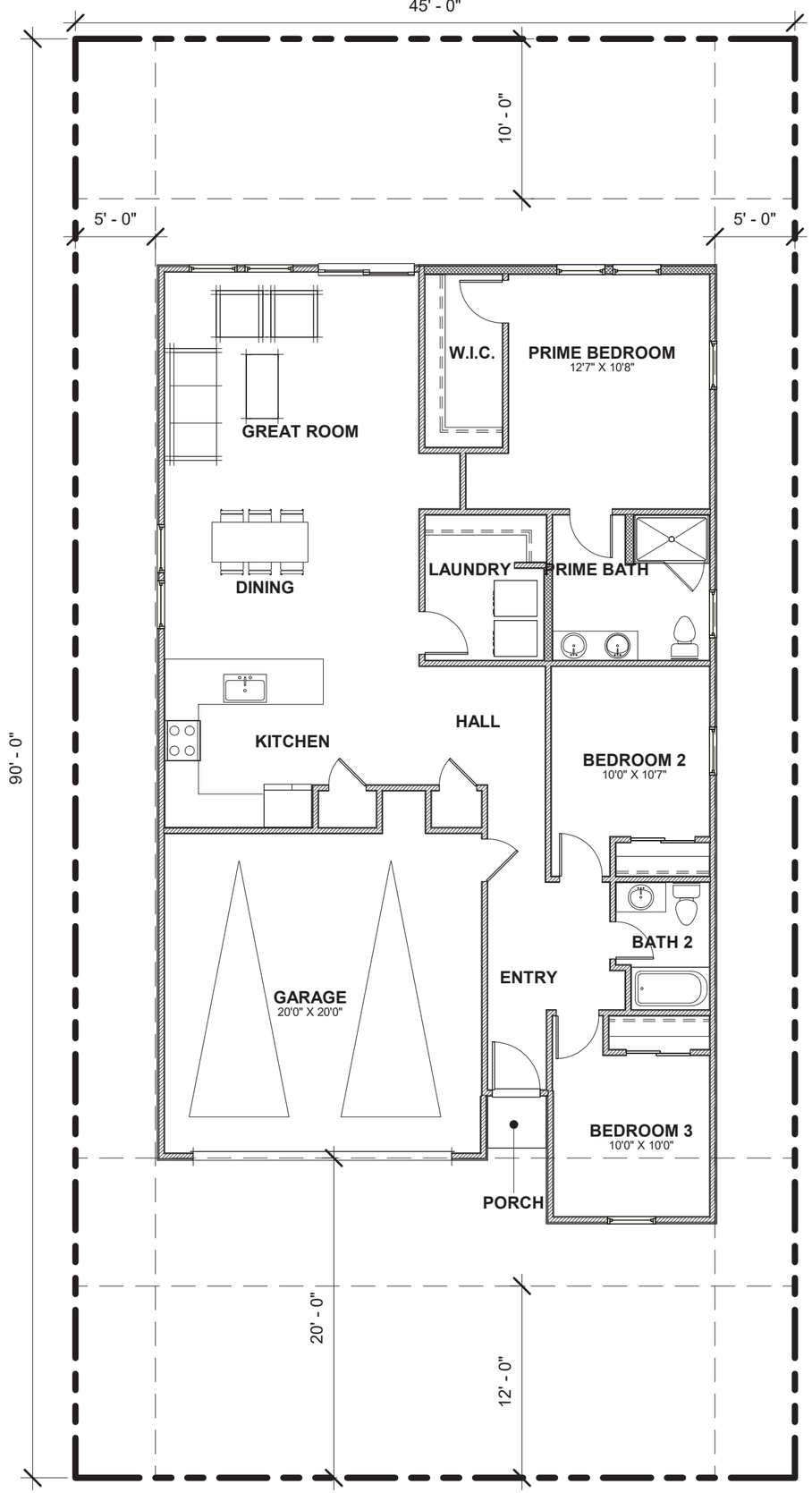
TOTAL AREA: 1,341SF

FLOOR PLAN "TREASURES"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

18

#3151-02-HS24
10 APRIL 2024



LENNAR®

rrm design group

COPPER RIDGE

HOUSE PLAN 2

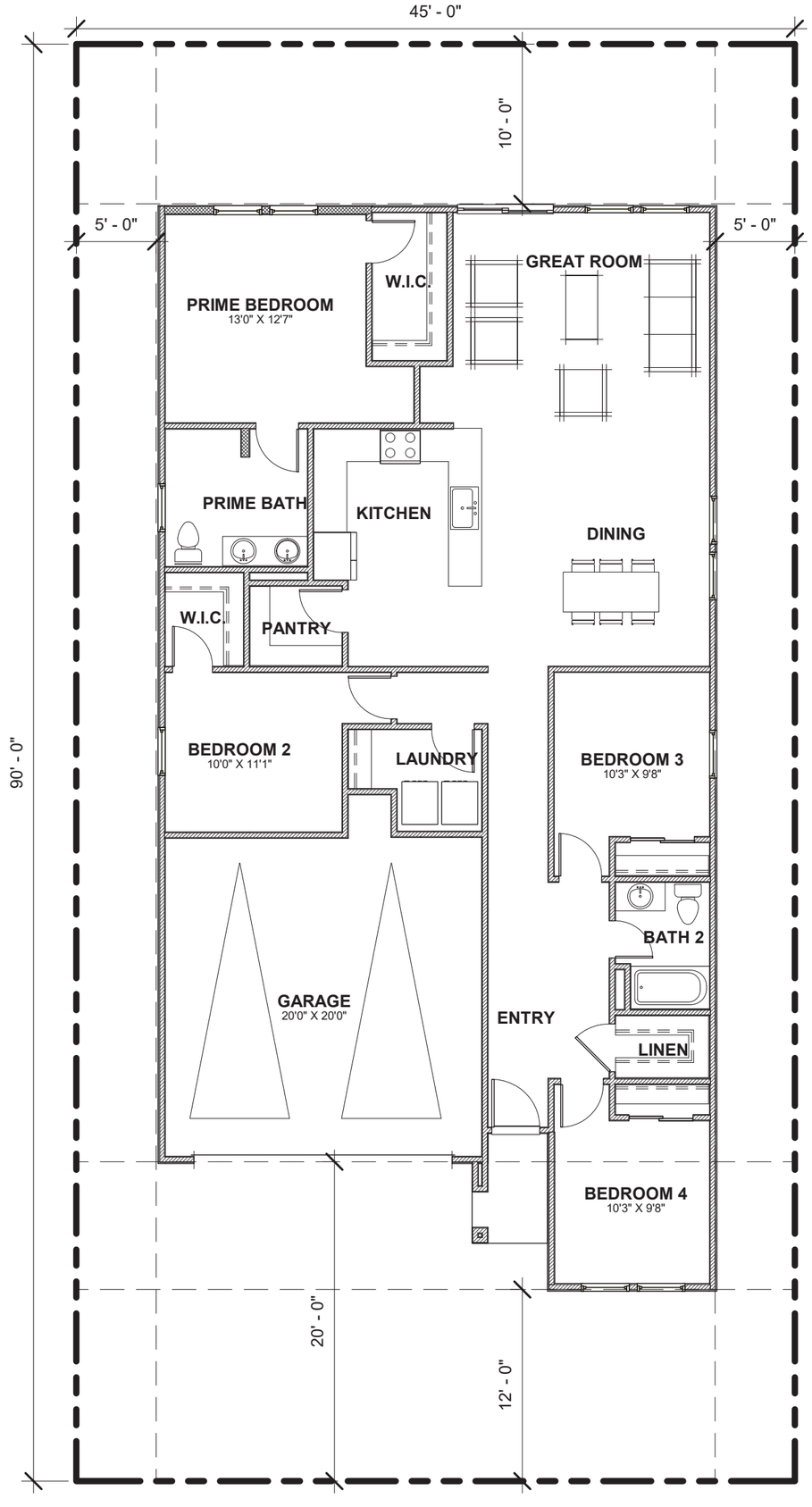
TOTAL AREA: 1,564 SF

FLOOR PLAN "TREASURES"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

19

#31.51-02-HS24
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rrm design group

COPPER RIDGE

HOUSE PLAN 3

TOTAL AREA: 1,755 SF

FLOOR PLAN "TREASURES"

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

20

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10 APRIL 2024

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rrm design group

COPPER RIDGE



HOUSE PLAN 1

TOTAL AREA: 1,341SF

HOUSE PLAN 2

TOTAL AREA: 1,564 SF

HOUSE PLAN 3

TOTAL AREA: 1,755 SF

ELEVATIONS "TRADITIONAL"

LENNAR®

rrm design group

COPPER RIDGE



HOUSE PLAN 1

TOTAL AREA: 1,341SF

HOUSE PLAN 2

TOTAL AREA: 1,564 SF

HOUSE PLAN 3

TOTAL AREA: 1,755 SF

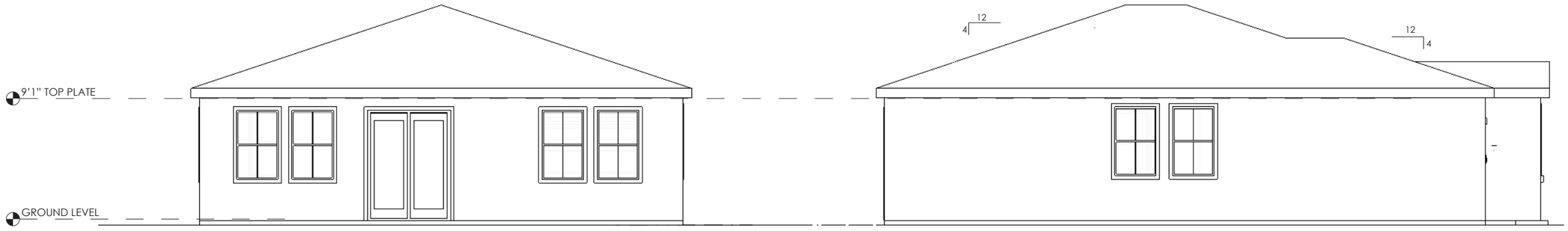
ELEVATIONS "FARMHOUSE"

#3151-02-HS24
10 APRIL 2024

LENNAR®

rrm design group

COPPER RIDGE



1 **REAR ELEVATION**
1/8" = 1'-0" (12 X 18 SHEET)

2 **LEFT ELEVATION**
1/8" = 1'-0" (12 X 18 SHEET)



3 **RIGHT ELEVATION**
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 1

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

23

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10 APRIL 2024

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rrm design group

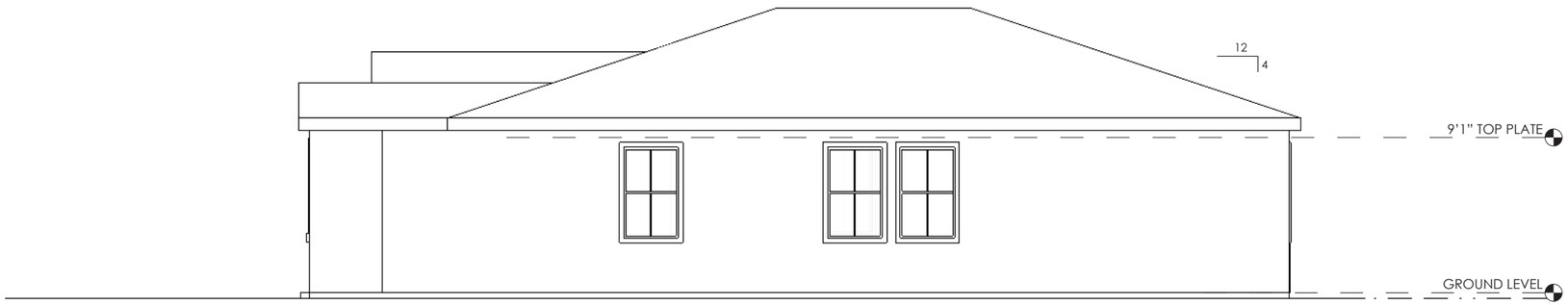
COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



2 LEFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 2

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

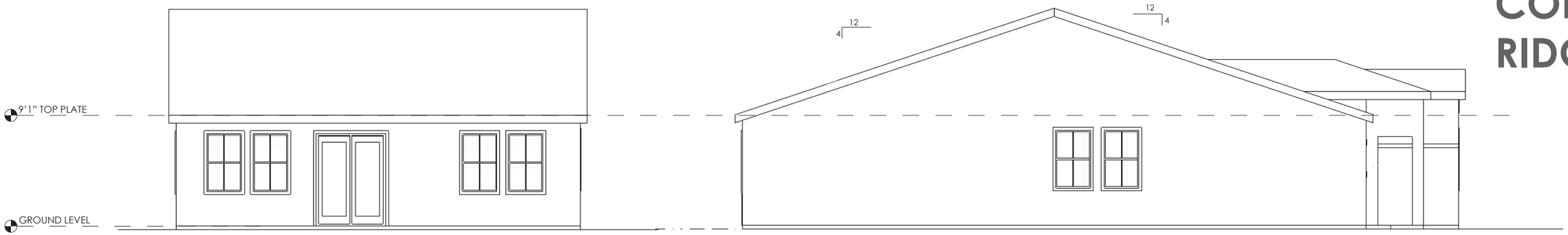
24

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10 APRIL 2024

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rrm design group

COPPER RIDGE



1 REAR ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

2 LEFT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)



3 RIGHT ELEVATION
1/8" = 1'-0" (12 X 18 SHEET)

ELEVATIONS PLAN 3

SCALE
0 2 4 8
1/8" = 1'-0" (12X18 SHEET)

25

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A - STYLE



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B - STYLE



© 2024 Kevin L. Crook Architect, Inc. Refer to landscape drawings for wall, tree, and shrub locations

C - STYLE

L017 JOYCE (1703)

FRONT ELEVATIONS

0 2 4 8 12

LENNAR

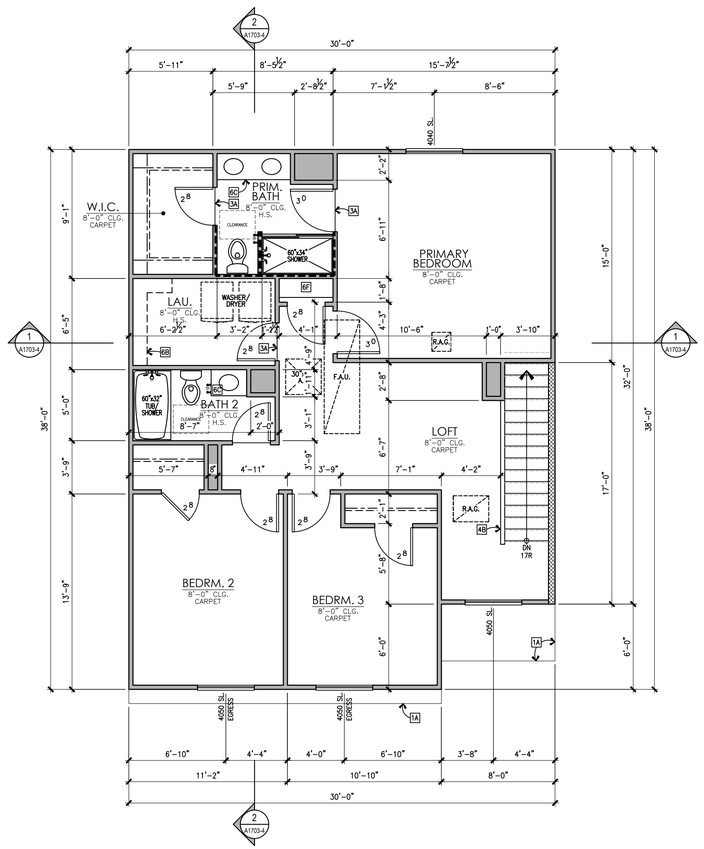
CENTRAL VALLEY 30'

CALIFORNIA

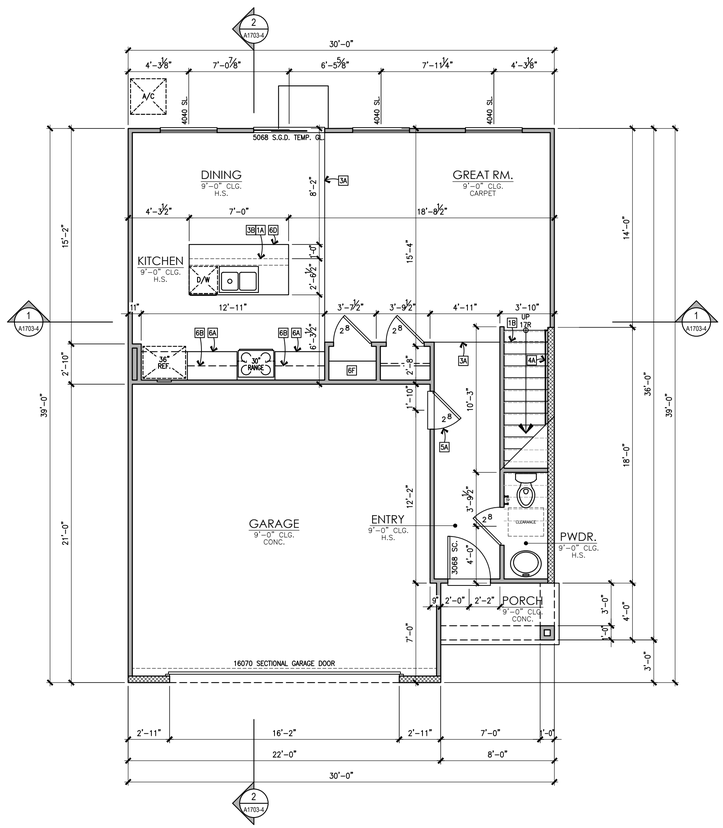
09/18/24

Kevin L. Crook
Architect
Inc
klcarch.com
JOB #: 24018
PLANNING + ARCHITECTURE
V 3.0

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Plot Dated: Oct 02, 2024
Drawn By: Name



SECOND FLOOR



FIRST FLOOR

L017 JOYCE (1703)

3 BEDROOM, 2.5 BATH, LOFT
FLOOR PLAN

PLAN 1
AREA TABULATION

CONDITIONED SPACE	
FIRST FLOOR AREA	653 SQ. FT.
SECOND FLOOR AREA	1,050 SQ. FT.
TOTAL DWELLING	1,703 SQ. FT.
UNCONDITIONED SPACE	
GARAGE	461 SQ. FT.
PORCH "A"	32 SQ. FT.

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

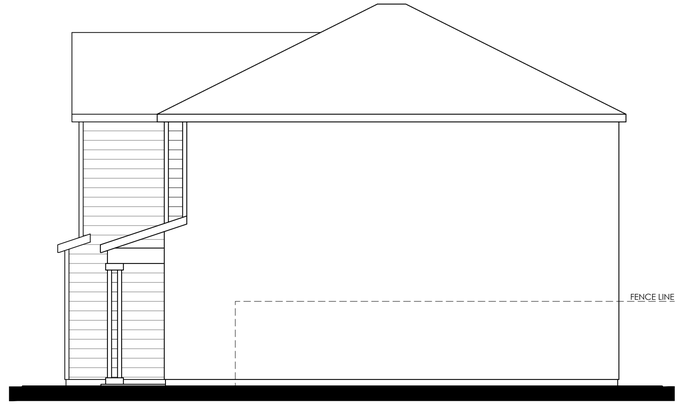
09/18/24

Kevin L. Crook Architect Inc
klcarch.com
JOB #: 24018
PLANNING + ARCHITECTURE v 3.0
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Plot Dated: Oct 02, 2024
Drawn By: Norm



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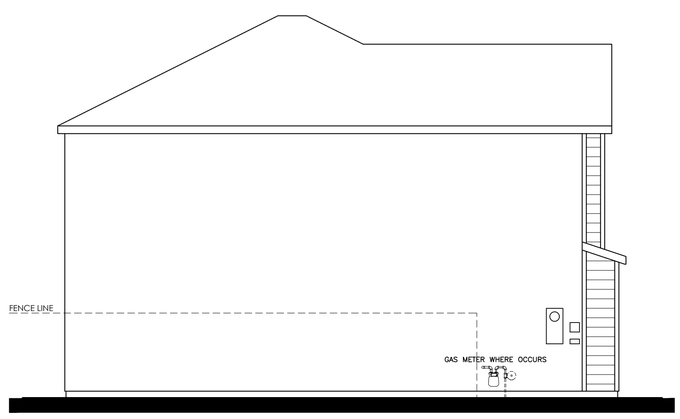
FRONT



RIGHT



REAR



LEFT

L017 JOYCE (1703)

"A" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

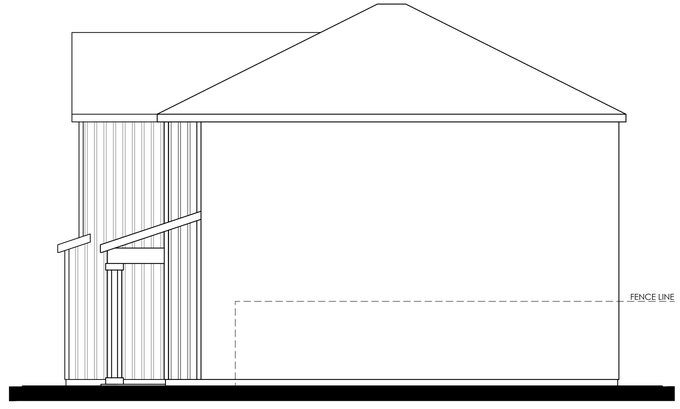
Kevin L. Crook
Architect
Inc
klcarch.com
JOB #:24018
PLANNING + ARCHITECTURE
V 3.0

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Drawn By: Name



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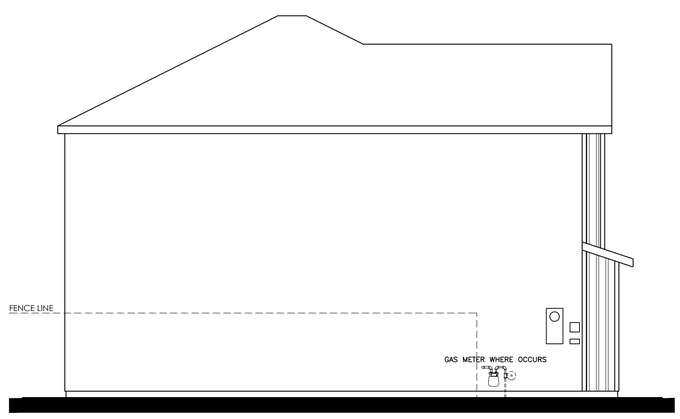
FRONT



RIGHT



REAR



LEFT

L017 JOYCE (1703)

"B" -STYLE- ELEVATIONS

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

0 2 4 8 12

Kevin L. Crook Architect Inc

klcarch.com

JOB #:24018

PLANNING + ARCHITECTURE

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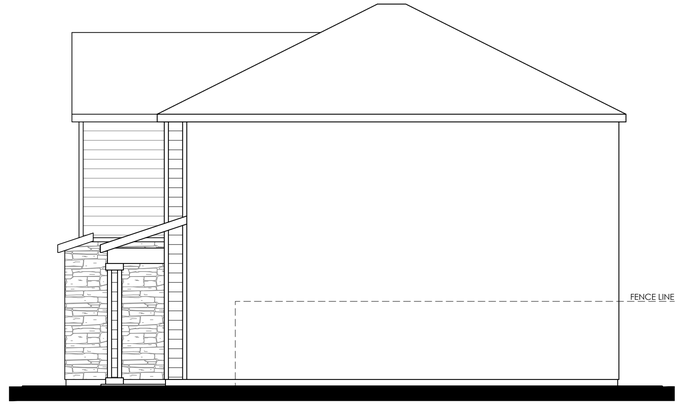
Plot Dated: Oct 02, 2024

Drawn By: Nam



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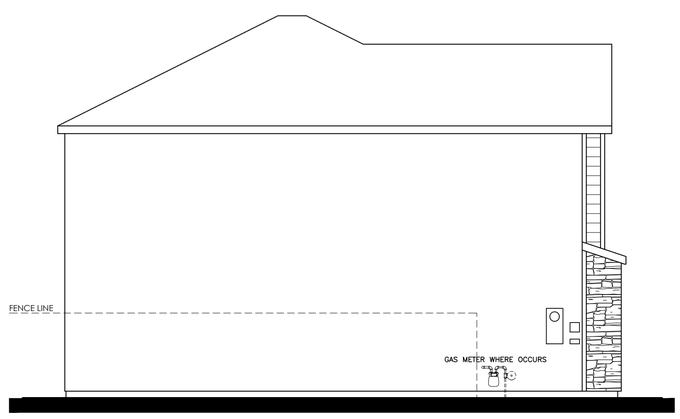
FRONT



RIGHT



REAR



LEFT

L017 JOYCE (1703)

"C" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

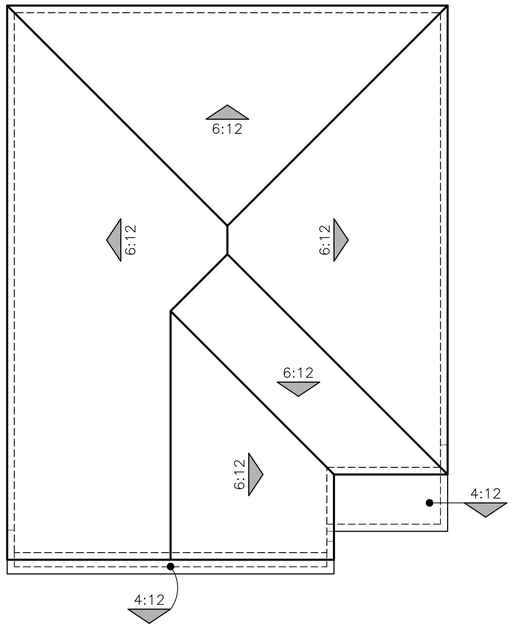
CENTRAL VALLEY 30'

CALIFORNIA

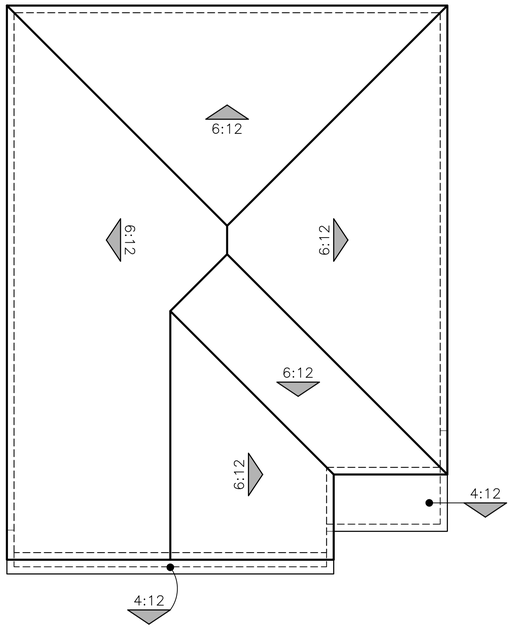
09/18/24

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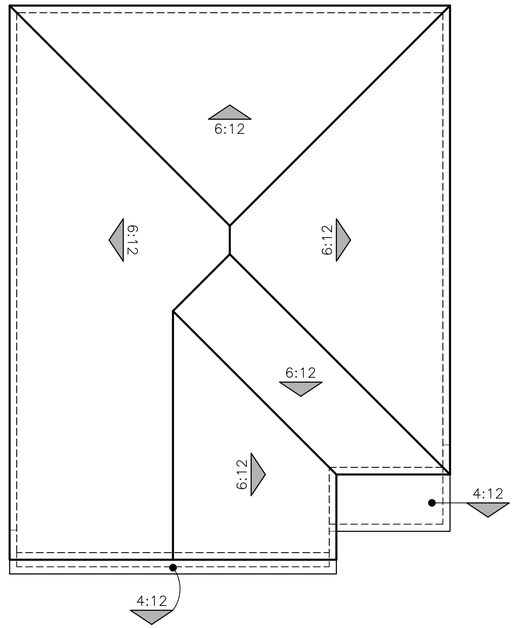
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A - STYLE



B - STYLE



C - STYLE

L017 JOYCE (1703)

ROOF PLANS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

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B - STYLE



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C - STYLE

L016 VAIL (1855)

FRONT ELEVATIONS

0 2 4 8 12

LENNAR

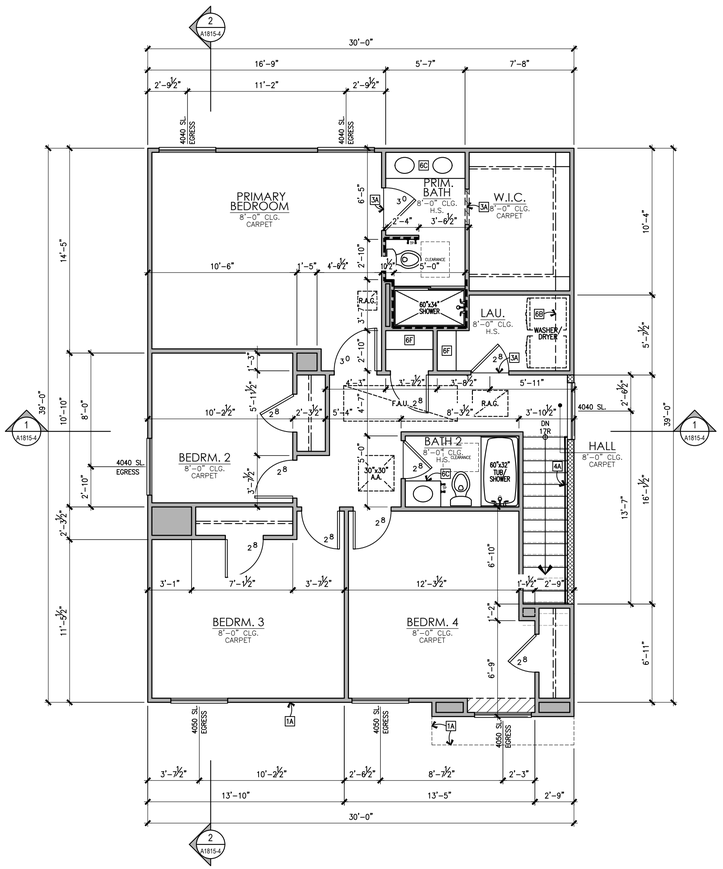
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CALIFORNIA

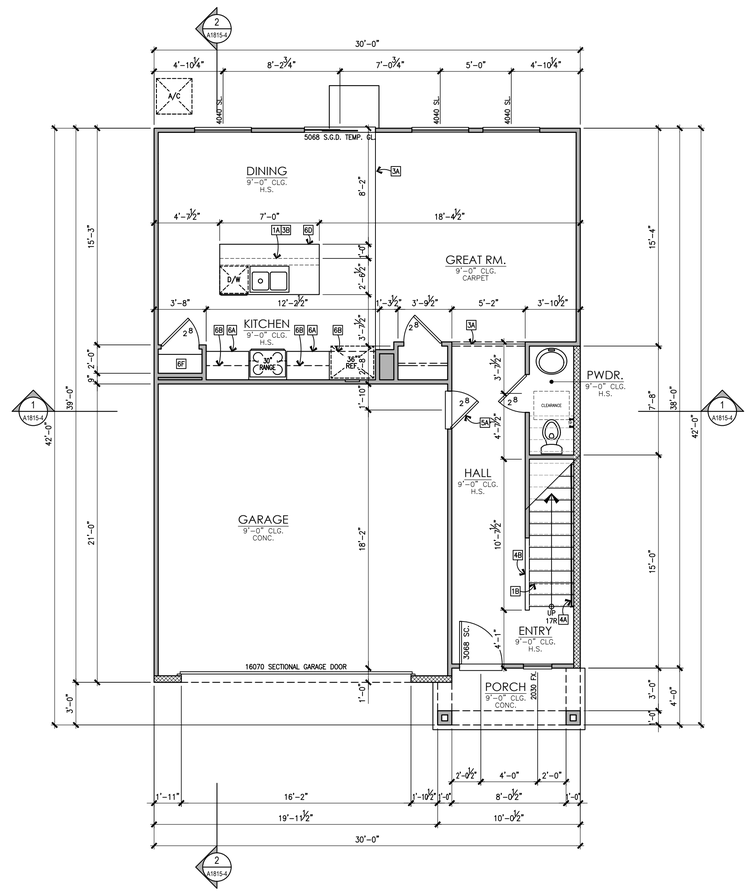
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SECOND FLOOR



FIRST FLOOR

L016 VAIL (1855)

4 BEDROOM, 2.5 BATH FLOOR PLAN

PLAN 2
AREA TABULATION

CONDITIONED SPACE	
FIRST FLOOR AREA	727 SQ. FT.
SECOND FLOOR AREA	1,128 SQ. FT.
TOTAL DWELLING	1,855 SQ. FT.
UNCONDITIONED SPACE	
GARAGE	434 SQ. FT.
PORCH "A"	39 SQ. FT.

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

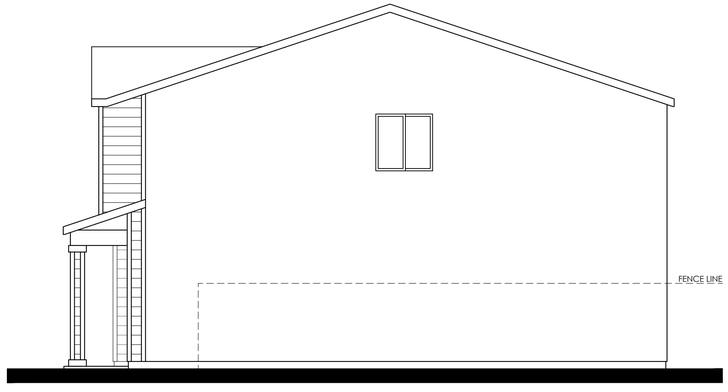
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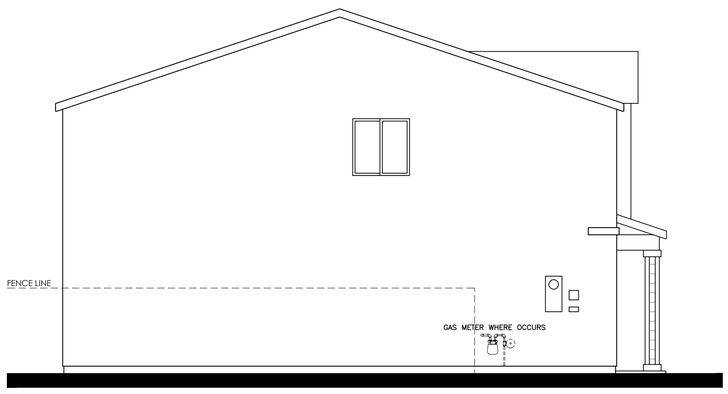
FRONT



RIGHT



REAR



LEFT

L016 VAIL (1855)

"A" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

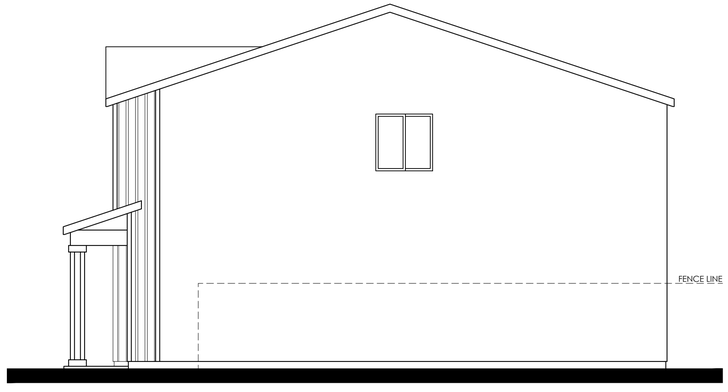
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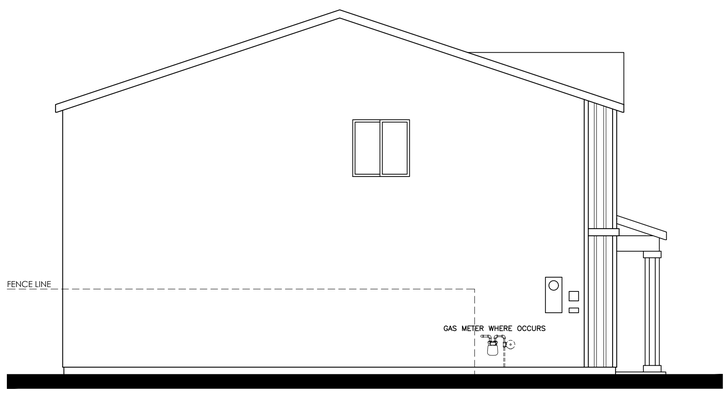
FRONT



RIGHT



REAR



LEFT

L016 VAIL (1855)

"B" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

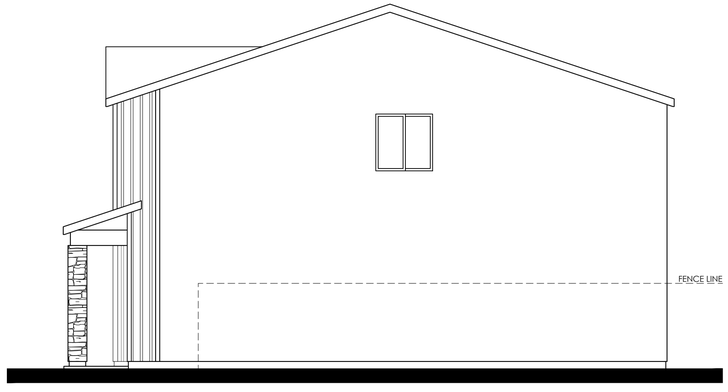
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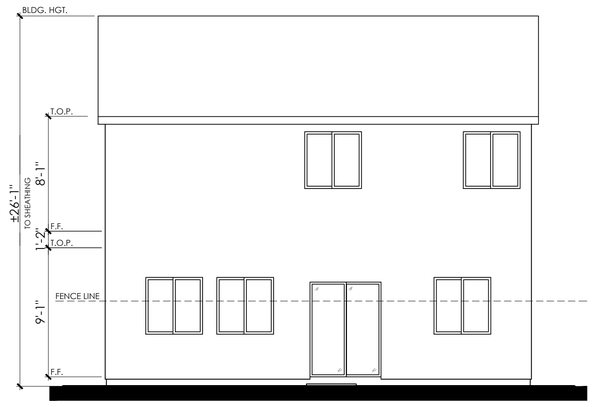


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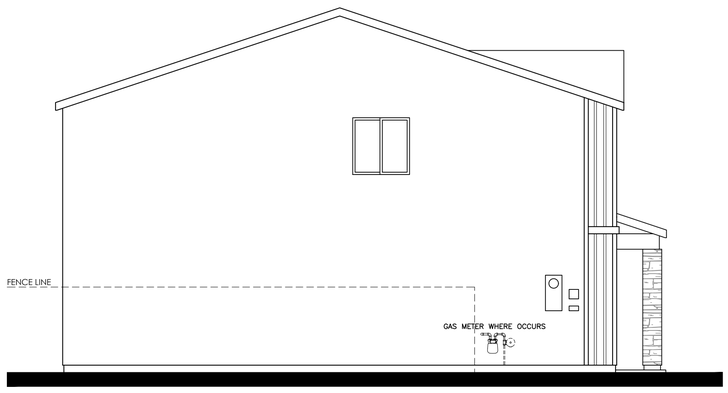
FRONT



RIGHT



REAR



LEFT

L016 VAIL (1855)

"C" -STYLE- ELEVATIONS

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

LENNAR

0 2 4 8 12

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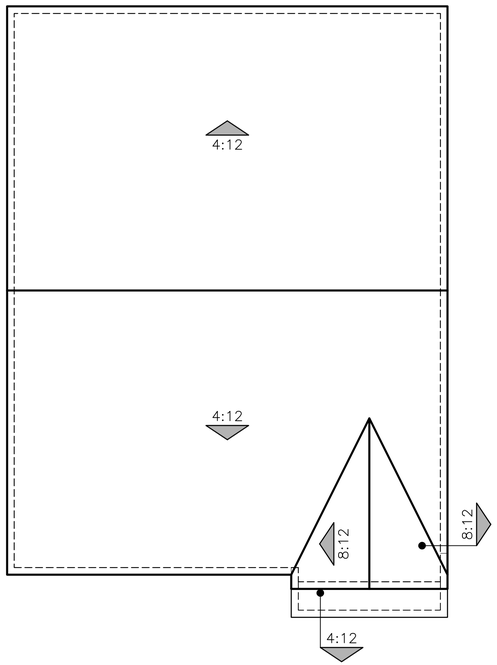
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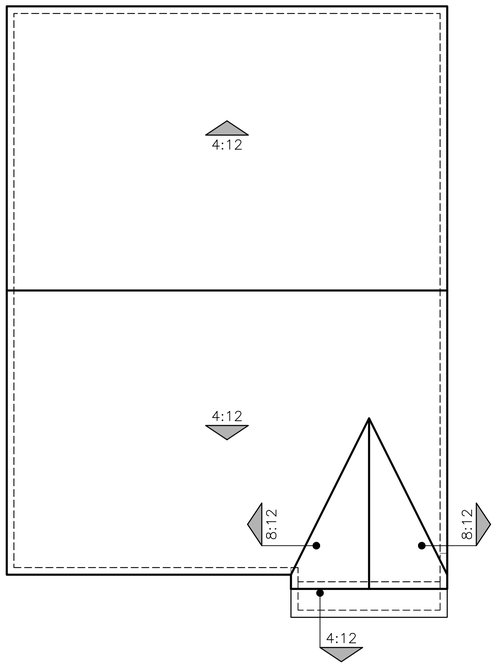
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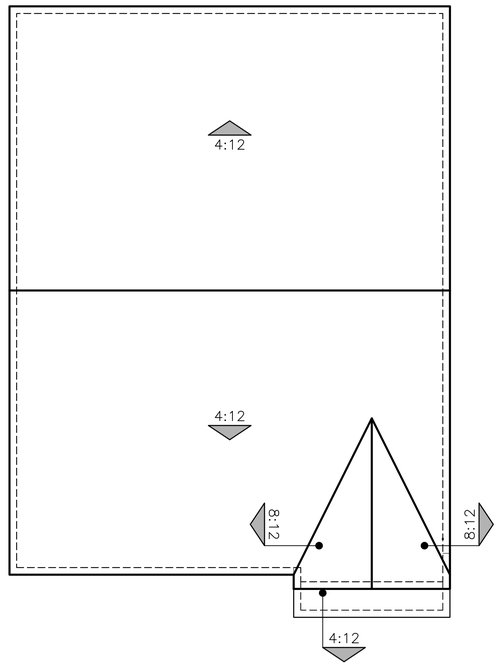
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A - STYLE



B - STYLE



C - STYLE

L016 VAIL (1855)

ROOF PLANS

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

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B - STYLE



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C - STYLE

L034 BROADMOOR (1980)

FRONT ELEVATIONS

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

0 2 4 8 12

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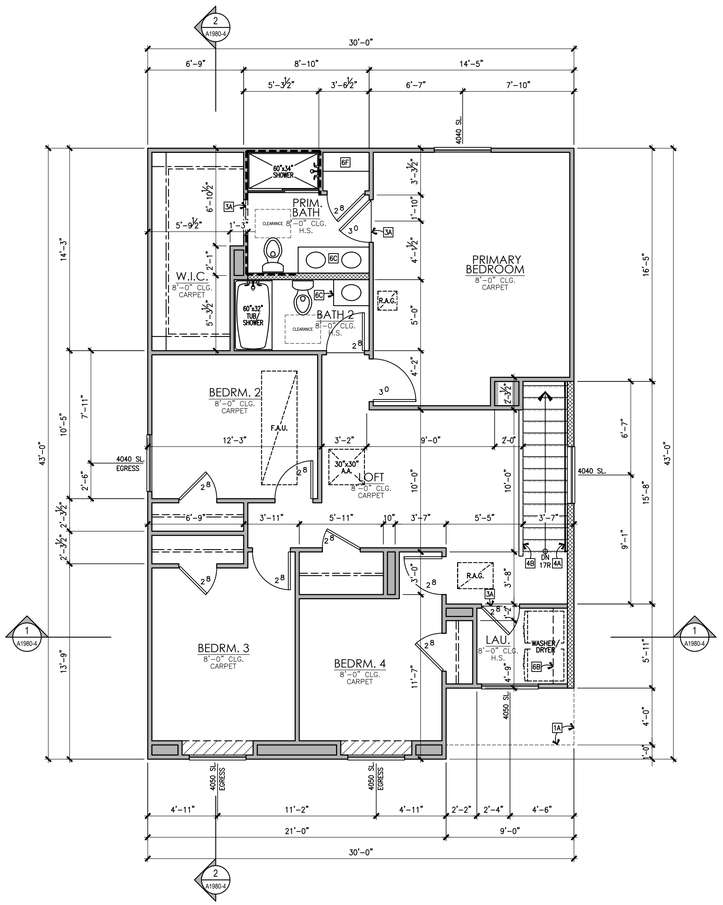
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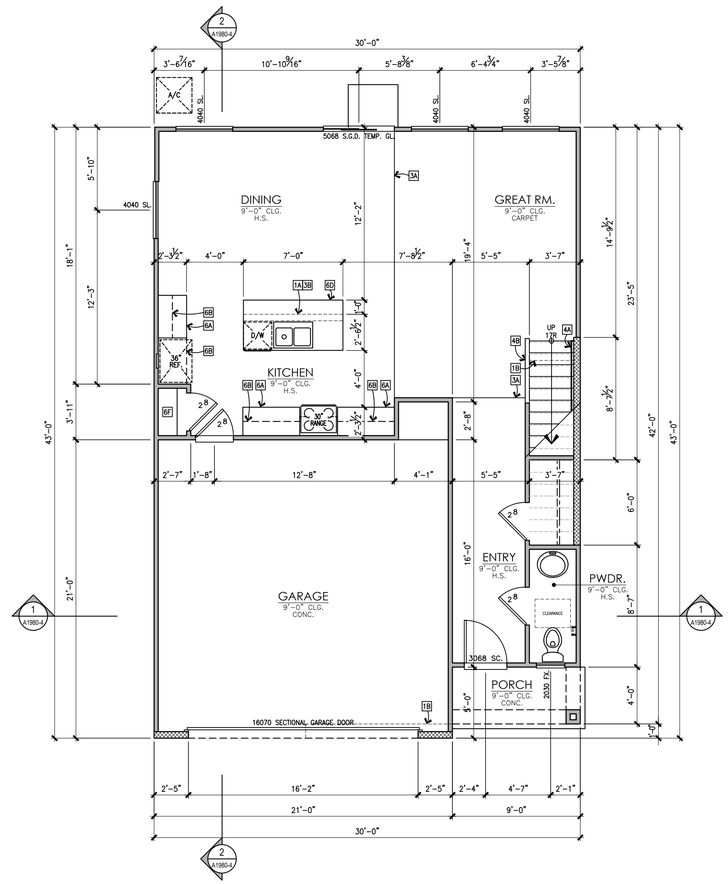
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SECOND FLOOR



FIRST FLOOR

L034 BROADMOOR (1980)

4 BEDROOM, 2.5 BATH, LOFT
FLOOR PLAN

PLAN 3
AREA TABULATION

CONDITIONED SPACE	
FIRST FLOOR AREA	799 SQ. FT.
SECOND FLOOR AREA	1,181 SQ. FT.
TOTAL DWELLING	1,980 SQ. FT.
UNCONDITIONED SPACE	
GARAGE	446 SQ. FT.
PORCH "A"	36 SQ. FT.

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

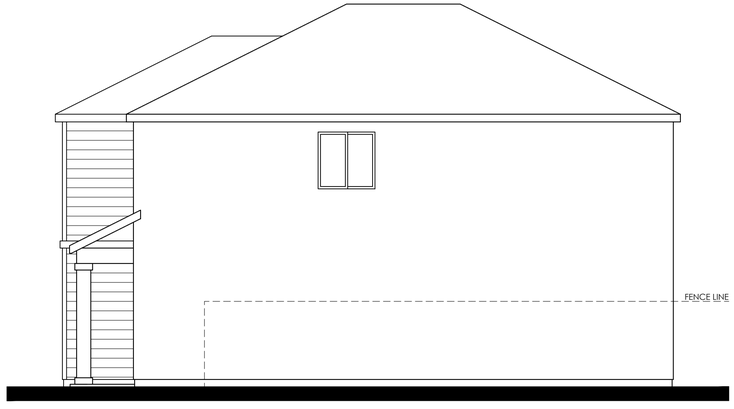
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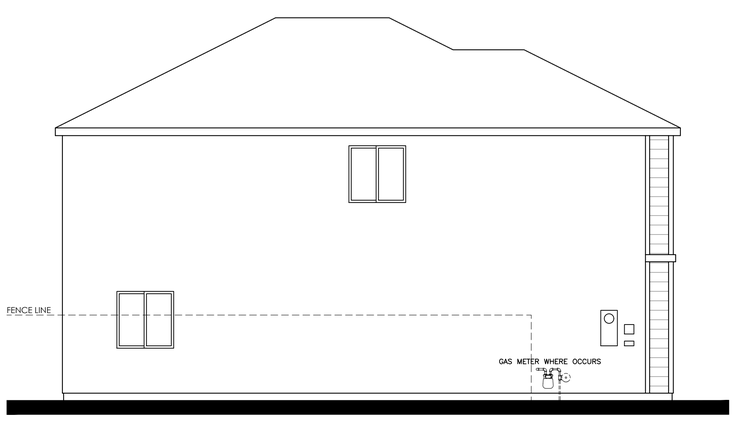
FRONT



RIGHT



REAR



LEFT

L034 BROADMOOR (1980)

"A" -STYLE- ELEVATIONS

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

0 2 4 8 12

LENNAR

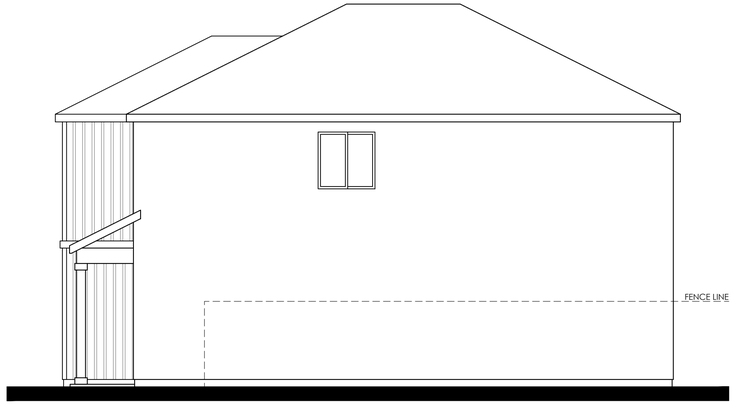
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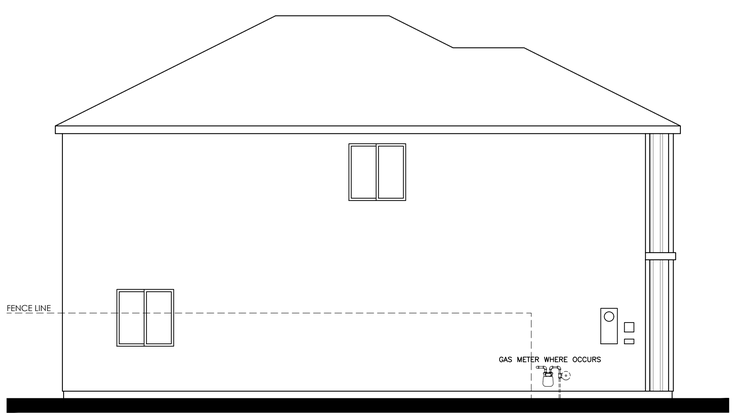
FRONT



RIGHT



REAR



LEFT

L034 BROADMOOR (1980)

"B" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

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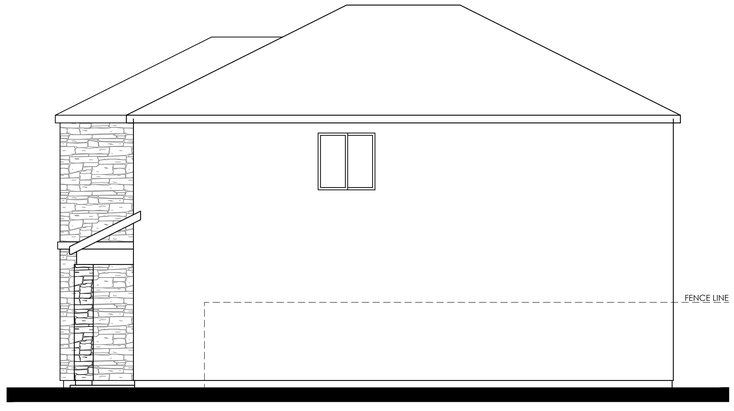
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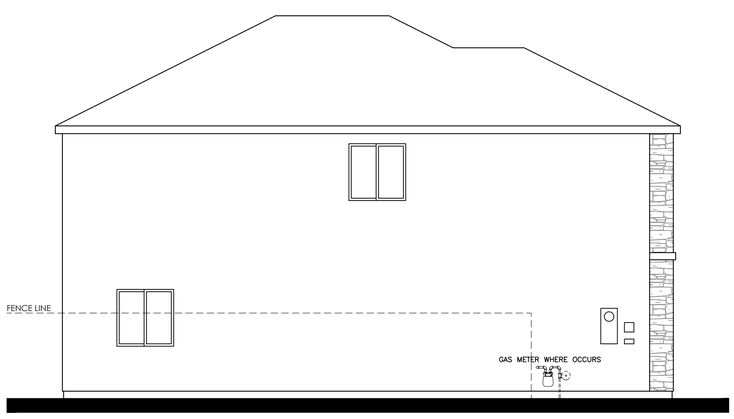
FRONT



RIGHT



REAR



LEFT

L034 BROADMOOR (1980)

"C" -STYLE- ELEVATIONS

0 2 4 8 12

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

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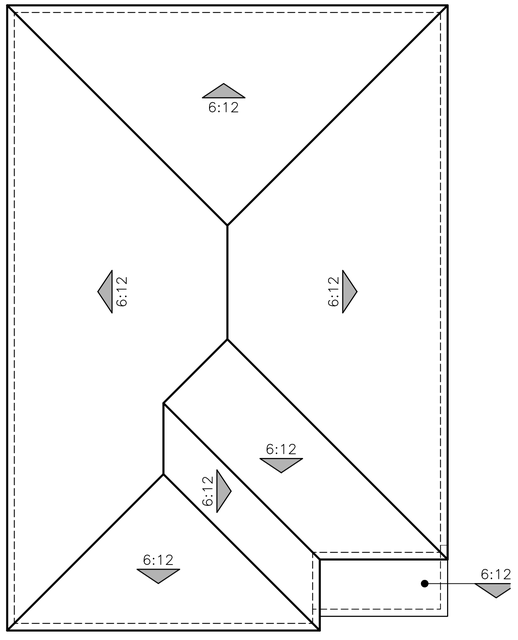
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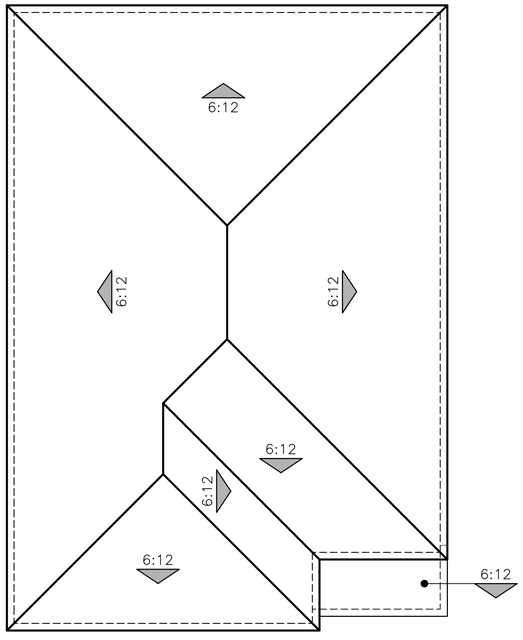
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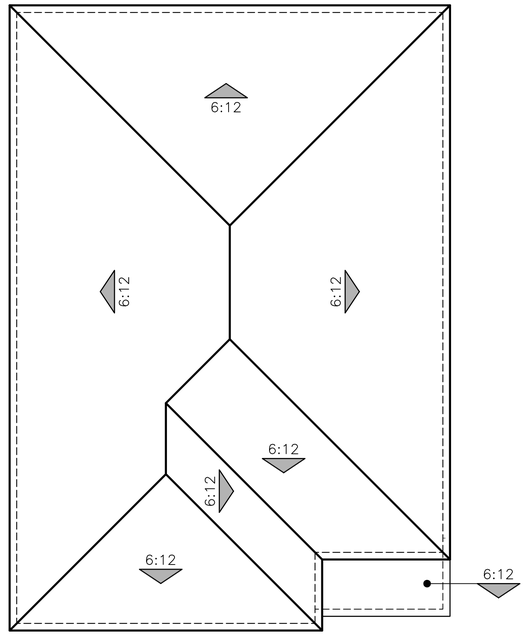
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A - STYLE



B - STYLE



C - STYLE

L034 BROADMOOR (1980)

ROOF PLANS

LENNAR

CENTRAL VALLEY 30'

CALIFORNIA

09/18/24

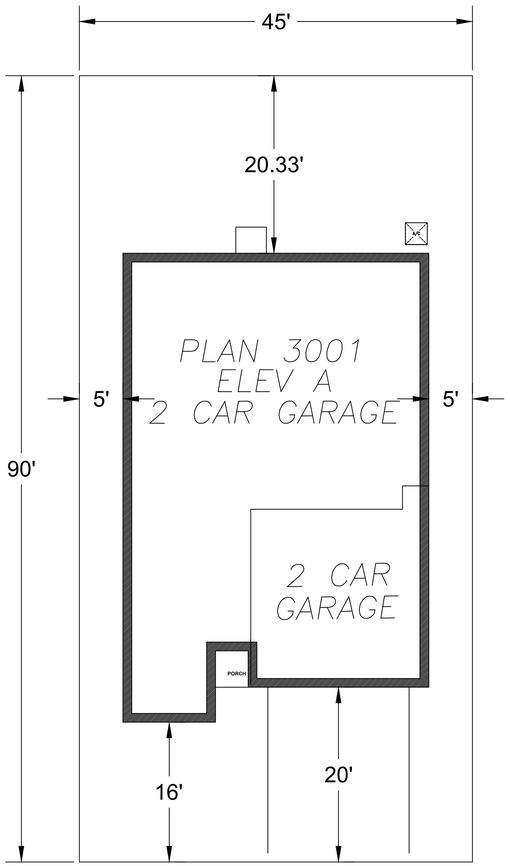
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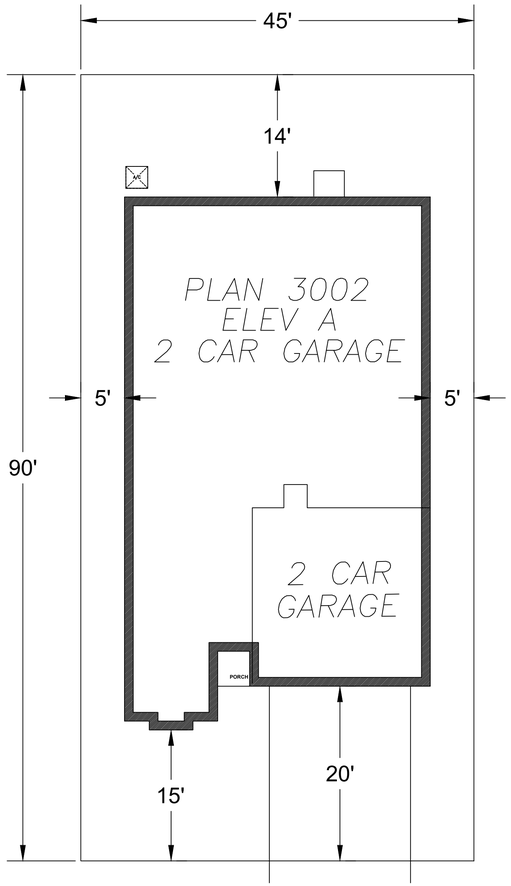
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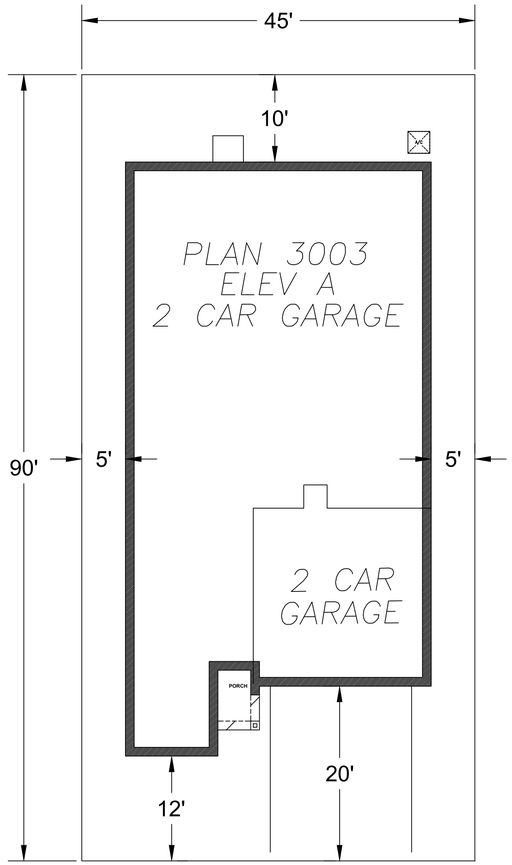
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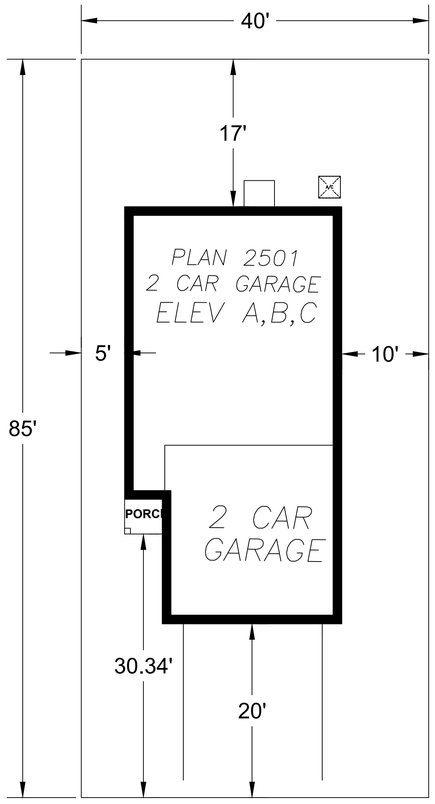
WARMERDAM - TREASURES 45'x90'

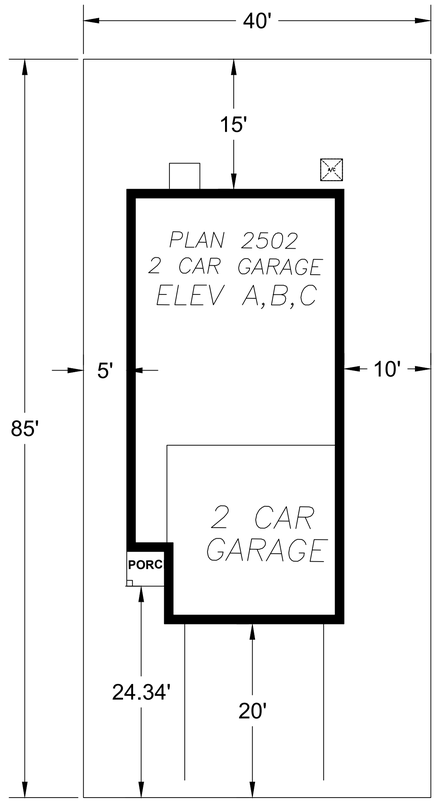


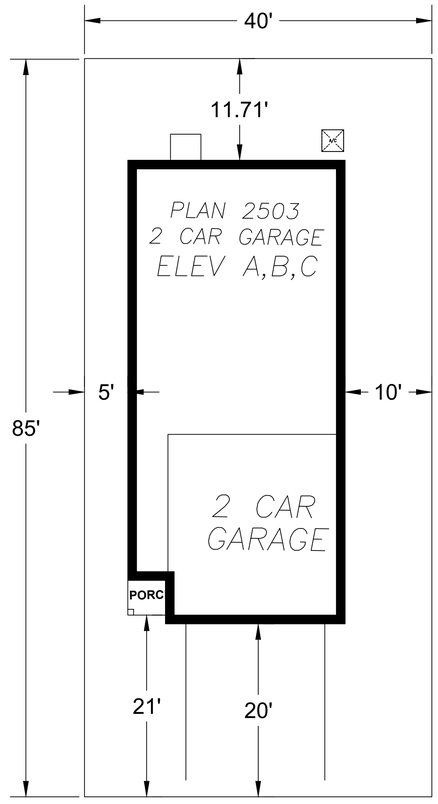




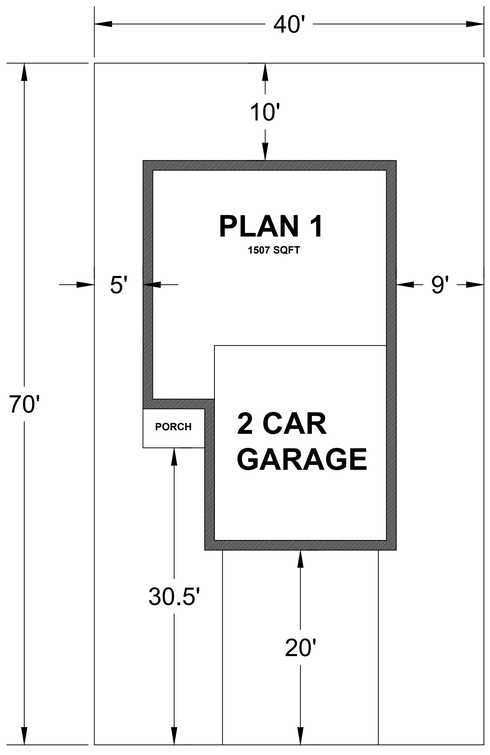
WARMERDAM - CELESTIAL (40'X85')

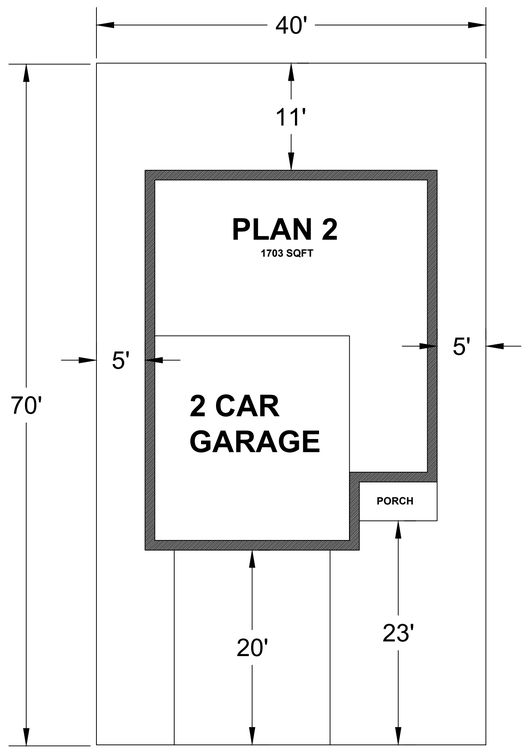


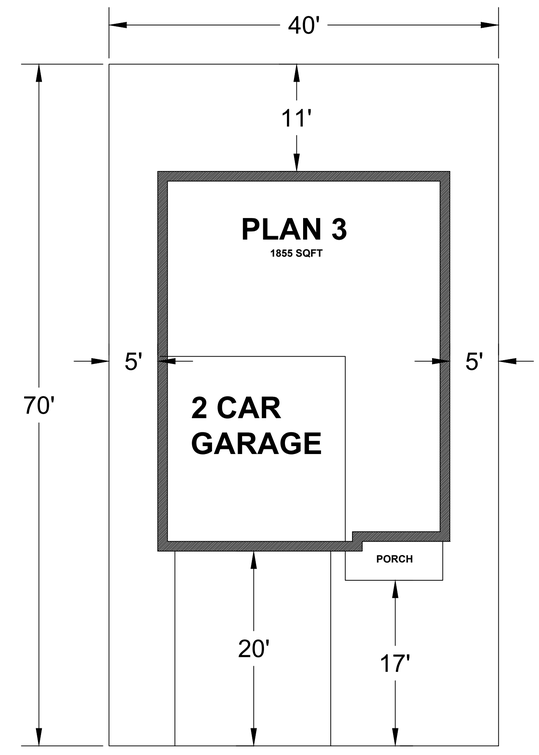




WARMERDAM - CORE 30 (40'X70')







COPPER RIDGE TENTATIVE SUBDIVISION
INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

Prepared for:
City of Hanford
317 N Douty St
Hanford, CA 93230

Contact: Gabrielle Myers, Senior Planner

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PROJECT INFORMATION

This document is the initial study for the potential environmental effects of the Copper Ridge Development Project proposed in the City of Hanford. To consider the Project, the City will need to approve initiating the annexation of the property to the City of Hanford, General Plan Amendment, Pre-zone, Planned Unit Development and Tentative Subdivision Map. The City is the lead agency for the Project pursuant to the California Environmental Quality Act (CEQA) and the CEQA Guidelines.

Project Name
Copper Ridge Tentative Subdivision Map

Lead Agency
City of Hanford
317 N. Douty Street
Hanford, CA 93230

Mailing Address and Phone Number of Contact Person
Gabrielle Myers, Senior Planner
317 N. Douty St.
Hanford, CA 93230
Phone: (559) 585-2578
Email: gmyers@hanford.ca.gov

Project Location
The Project is located in Kings County, south of the City of Fresno and west of the City of Visalia. The Project Site is north of the City of Hanford city limits, along the eastern boundary. The proposed Project Site is located on approximately 83.61 acres north of Grangeville Boulevard, east of 9 ¼ Avenue, south of Leland Avenue, as shown in Figures 1 and 2. APNs 014-143-069 and 014-143-078.

Project Applicant
N & M Capital LLC
1878 N. Mooney Blvd., Suite J
Tulare, CA 93274
(559) 799-6993

Project Description
The proposed Project is a Planned Development and Tentative Subdivision Map on 78.16 acres, which includes 350 single family residential units, 300 multiple family units; and 5.45 acres of Neighborhood Commercial Mixed Use development (Project Site). Although the development of the commercial shopping center is conceptual, it is estimated that it may include two fast food restaurants, two general retail stores, and one mini mart. For purposes of environmental analysis, the maximum square footage of commercial space will be 37,700.

The proposed Project also includes the annexation, general plan amendment and pre-zone of the 78.16 acre Project Site. At the request of the City and the Kings County Local Agency Formation Commission (LAFCo), approximately 63.73 acres to the north of the Project Site (Additional Annexation Area) are included in the proposed annexation for a total Annexation Area of 141.89 acres, as shown on Figure 1. No changes to the existing uses are proposed within the additional 63.73 acres included in the

annexation and no physical development is proposed. The purpose of including the additional acreage is to eliminate the creation of a substantially surrounded area in the County and to ensure orderly growth of the City of Hanford. The Additional Annexation Area is proposed to be designated consistent with the General Plan as Low Density Residential and Neighborhood Commercial and zoned RL-5 and C-N respectively. Future physical development will be required to be consistent with the General Plan and zoning designations. Future development of the Additional Annexation Area will be required to be evaluated in accordance with CEQA Guidelines. The impacts evaluated in the Initial Study are generally limited to the Project Site, as no changes are proposed in the Additional Annexation Area.

The development of the Project Site would result in on-site infrastructure improvements, including the addition of streets, curb, gutter, sidewalk and lighting along all four sides of the development and within the subdivision and the development of the commercial area. Construction will include the connection to City water, storm drain and sewer within the development and connection to existing lines in 9-1/4 Avenue, Leland Way and Grangeville Blvd. as well as other utilities such as electric, gas, and communication lines. The development of the Project Site will not import or export fill as a result of the development. A temporary on-site stormwater basin is also included in the development.

The Project Site includes two parcels, comprising 78.16 acres; APNs 014-143-069 and 014-143-078. The additional Annexation Area encompasses 63.73 acres APNs 014-143-022, 014-830-011, 014-830-010, 014-830-013, 014-830-014, 014-830-015, 014-830-016, 014-830-017, 014-830-018.

Project Approvals

The following permits and approvals required for the development of the proposed Copper Ridge Tentative Subdivision Map are listed below. It should be noted that this list is not exhaustive, and additional permits and approvals may also be required.

- Annexation
- General Plan Amendment from Low Density to Medium Density and Neighborhood Mixed Use
- Pre-zone to RM (Medium Density Residential), R-L-5 (Low Density Residential 5,000 sq. ft. minimum),MX-N (Neighborhood Mixed Use) and C-N Neighborhood Commercial
- Copper Ridge Tentative Subdivision Map
- Copper Ridge Planned Unit Development (PUD) to allow a mix of densities
- Tentative Parcel Map to allow the phasing of the development
- San Joaquin Valley Air Pollution Control District (SJVAPCD)- Rule 9510 Indirect Source Review (ISR)
- Central Valley Regional Water Quality Control Board, Stormwater Pollution Prevention Plan (SWPPP)

Figure 1 Vicinity Map

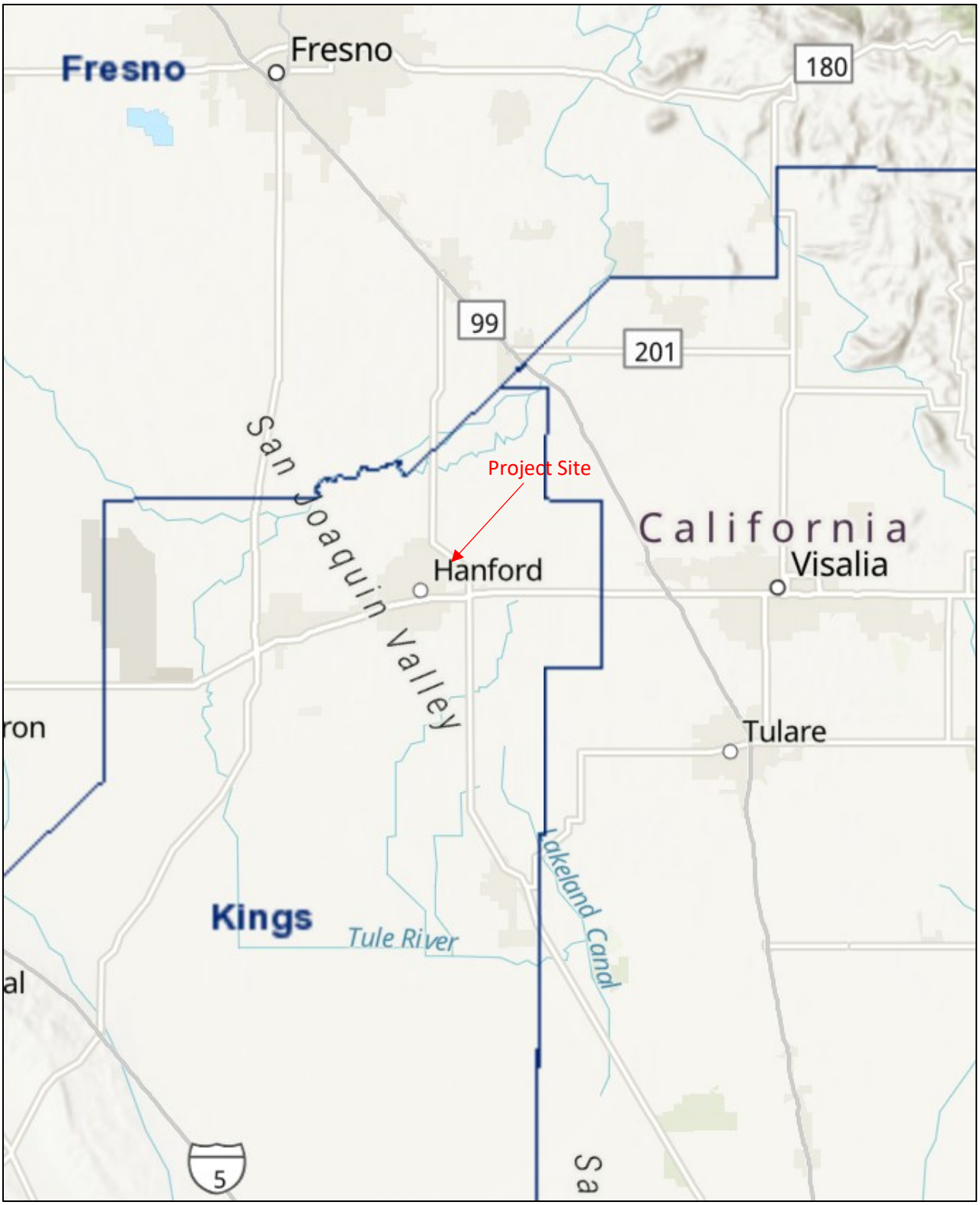
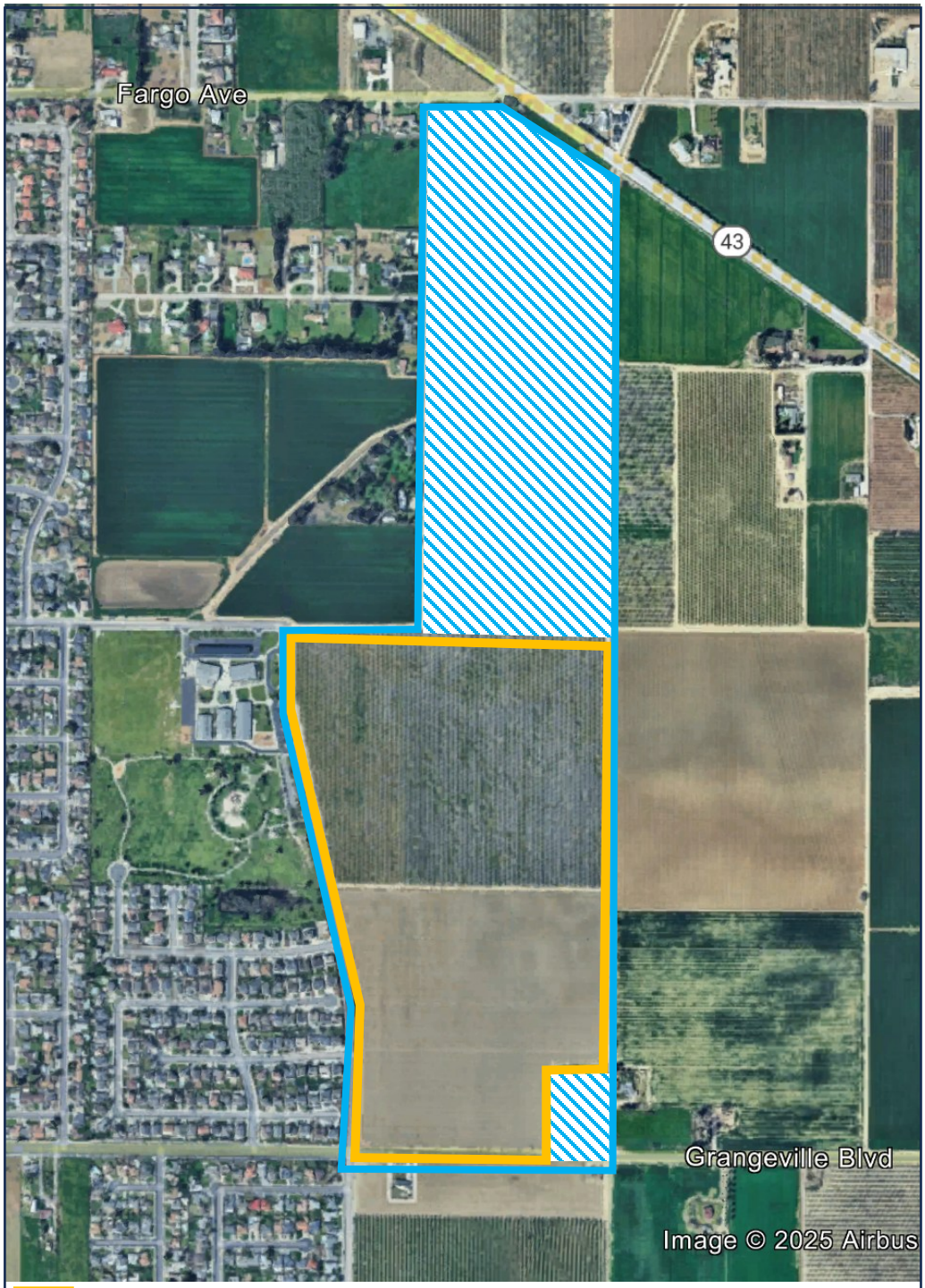


Figure 2 Project Boundary and Annexation Area



Project Phasing

The Project will be developed in at least six phases beginning with Phase 1 at the northwest corner of the Project site. Each phase will take approximately six months to construct the infrastructure and estimated to take up to two years to build out. Phases and unit counts are described below:

Phase 1	181 units
Phase 2	150 units
Phase 3	89 units
Phase 4	110 units
Phase 5	120 units
Phase 6	37,700 square feet of Neighborhood Commercial

Parking and access

Vehicular access to the Project will be from two driveways on Grangeville to the south, three local streets to 9-1/4 to the east, two local streets to Leland Way to the north and three local streets and one driveway to 9th Avenue to the east, as shown in Figure 7. Each single-family residence will include a two-car garage. The multi-family and commercial development will provide parking in accordance with the Hanford Municipal Code based on the final development square footage and uses.

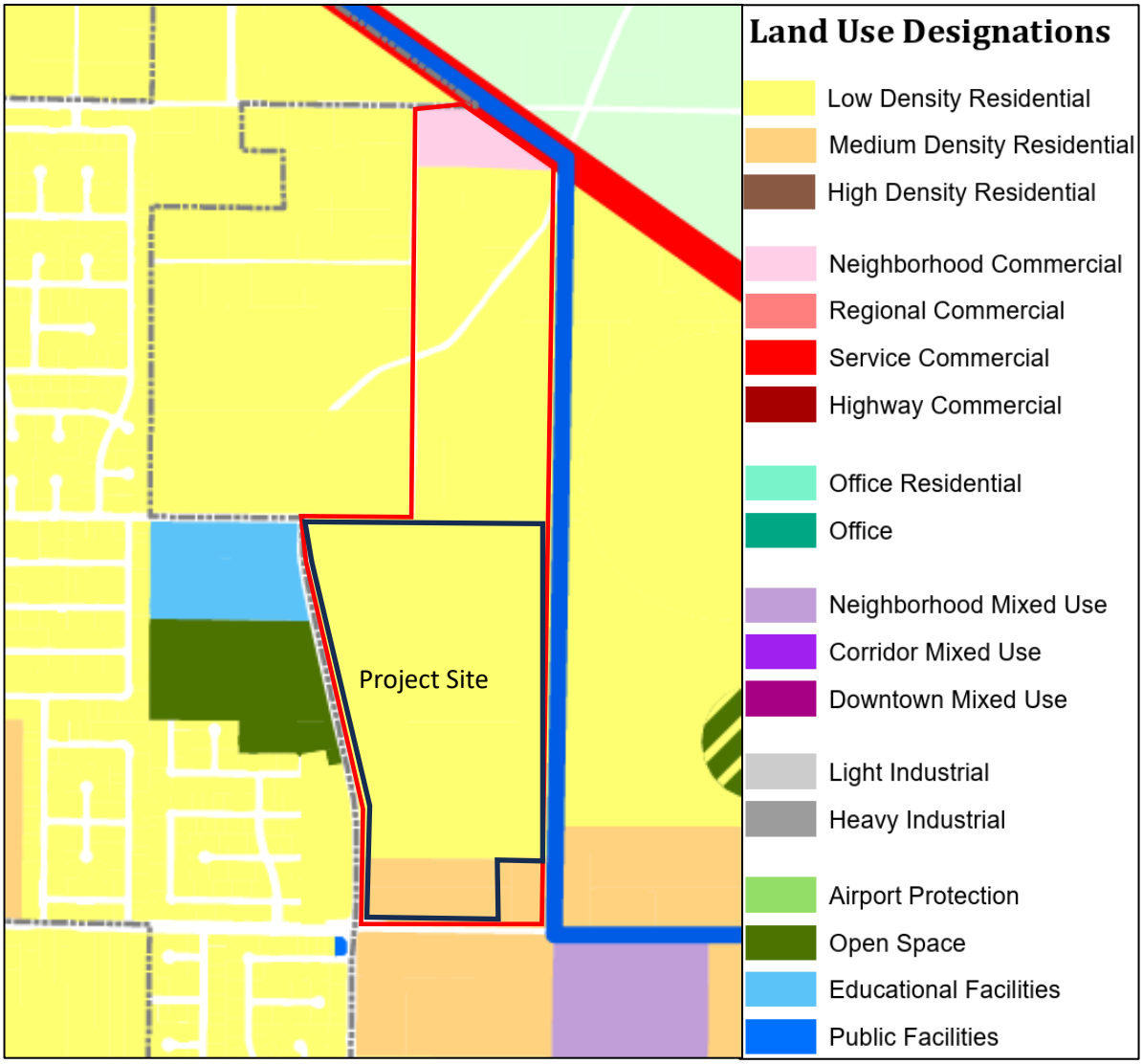
Project Description: Surrounding Land Use Designations and Settings:

North:	County/Existing Agricultural
South:	County/ Existing Agricultural
East:	County/Existing Agricultural
West:	Low Density Residential, Open Space, Public facility/ Existing Residential, Agriculture and public school.

General Plan Designation

The annexation area, shown in red, is designated as Low Density Residential, Medium Density Residential and Neighborhood Commercial in the Hanford General Plan as shown in Figure 3 below. The applicant is requesting a general plan amendment to change the land use from Low Density Residential to Medium Density Residential and Neighborhood Mixed Use within the Project Area.

Figure 3 General Plan Map



Zoning Designation

The site is currently in the County zoned agriculture shown as green in Figure 4 below. The project area is anticipated to be pre-zoned R-L-5 Low Density Residential, R-M Medium Density Residential, C-N Neighborhood Commercial and MX-N Neighborhood Mixed Use as part of the proposed Project, as shown in Figure 5.

Figure 4 Zone Map

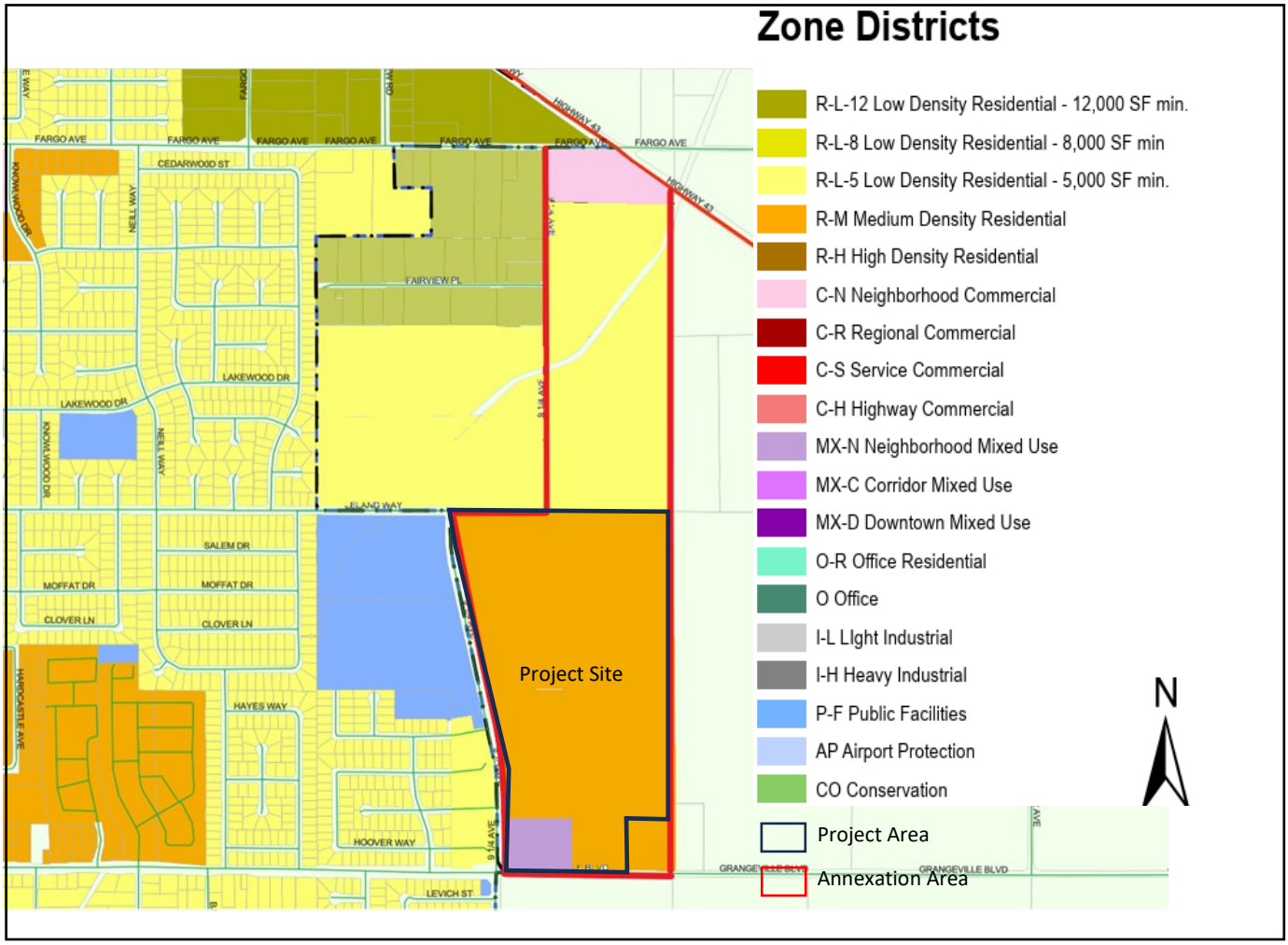
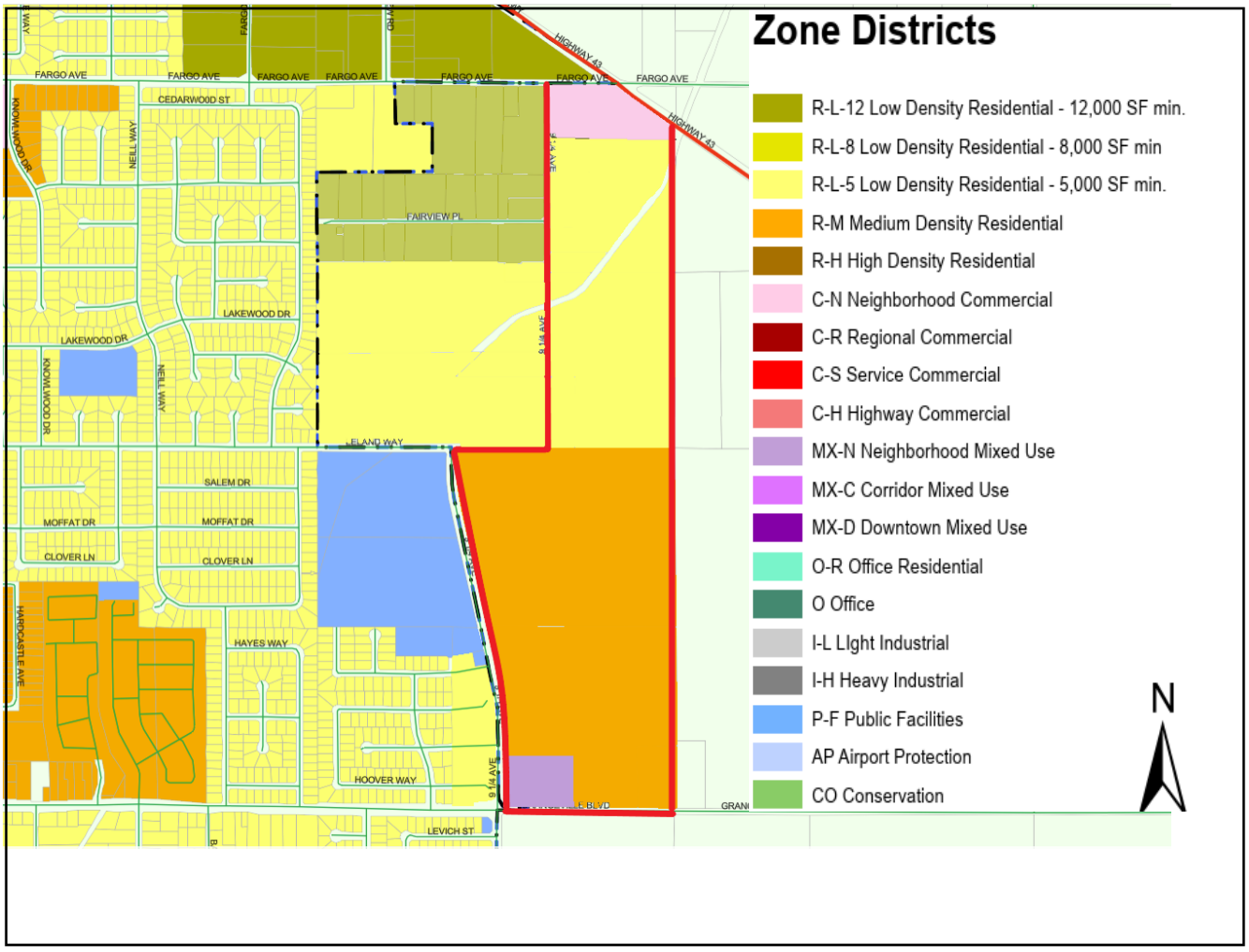


Figure 5 Proposed Zones



Native American Consultation

The City of Hanford has received a request for notification from the Santa Rosa Rancheria Tachi Yokut Tribe in accordance with AB 52. Because the Project includes a general plan amendment, a notice in accordance with SB 18 was also required. A list of Native American Tribes was obtained from the Native American Heritage Commission (NAHC) and notices of the proposed project were sent to the following tribes on December 4, 2024. No responses were received.

- Kitanemuk & Yowlumne Tejon Indians
- Santa Rosa Rancheria Tachi Yokut Tribe
- Table Mountain Rancheria
- Tule River Indian Tribe
  Wuksachi Indian Tribe/Eshom Valley Band

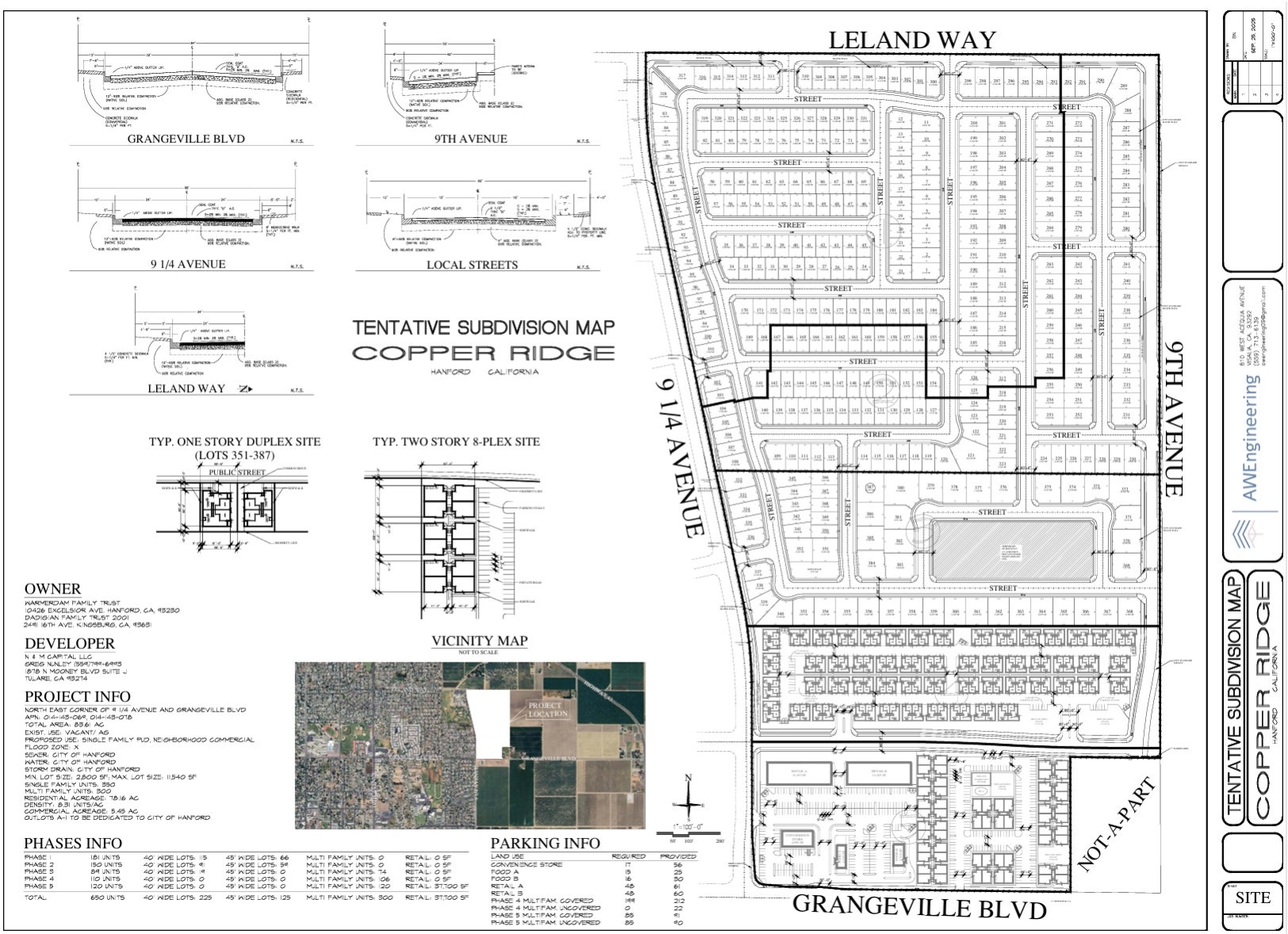
Early Consultation

On December 23, 2024, the City of Hanford submitted a pre-consultation request to the Office of Planning and Research (OPR). In response, the California Department of Conservation (DOC) and Department of Toxic Substances Control (DTSC) submitted written comments, which can be found in Appendix A. A summary of the comments is found in each pertinent discussion in the environmental checklist; Agricultural Resources and Hazards and Hazardous Materials respectively.

Figure 6 Project Location Aerial View



Figure 7 Coopper Ridge Tentative Subdivision Map



ENVIRONMENTAL DETERMINATION

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

☐ Aesthetics	☐ Greenhouse Gas Emissions	☐ Public Services
☐ Agriculture and Forest Resources	☐ Hazards and Hazardous Materials	☐ Recreation
☐ Air Quality	☐ Hydrology and Water Quality	☐ Transportation
☐ Biological Resources	☐ Land Use and Planning	☐Tribal Cultural Resources
☐ Cultural Resources	☐ Mineral Resources	☐ Utilities and Service Systems
☐ Energy	☐ Noise	☐ Wildfire
☐ Population	☐ Mandatory Findings of Significance	

DETERMINATION: (To be completed by the Lead Agency) Where potential impacts are anticipated to be significant, mitigation measures will be required, so that impacts may be avoided or reduced to insignificant levels.

On the basis of this initial evaluation:

☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION WILL BE PREPARED.

☑ I find that although the proposed project could have a significant effect on the environment, therewill not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT (EIR) is required.

☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. A Negative Declaration is required, but it must analyze only the effects that remain to beaddressed.

☐ I find that although the proposed project could have a significant effect on the environment because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is requested.

City of Hanford Date

EVALUATION OF ENVIRONMENTAL IMPACTS

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should beexplained where it is based on project-specific factors, as well as general standards (e.g., the project would not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers must take account of the whole action involved, including off-site as well as on- site, cumulative as well as project-level, indirect as well as direct, and construction as wellas operational impacts.
3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
4. "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level.
5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
   a) Earlier Analyses Used. Identify and state where they are available for review.
   b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
   c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to apreviously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
8. This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
9. The explanation of each issue should identify:
   a) the significance criteria or threshold, if any, used to evaluate each question; and the mitigation measure identified, if any, to reduce the impact to less than significance

INITIAL STUDY/ENVIRONMENTAL CHECKLIST

The following section provides an evaluation of the impact categories and questions contained in thechecklist and identify mitigation measures, if applicable.

I. AESTHETICS

Except as provided in Public Resource CodeSection 210999, would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?	☐	☐	☑	☐
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within state scenic highway?	☐	☐	☐	☑
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from a publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?	☐	☐	☑	☐
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☑	☐

Environmental Setting

The Project Site includes approximately 78.16 acres. The northern approximately one-half of the Project Site is currently in agricultural production with the remaining, approximately 35 acres currently fallow agricultural land. To the west of the Project is an existing residential development, an elementary school and public park. To the south and east of the Project area is agricultural land, to the north is rural residential, agricultural and State Route 43.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project have a substantial adverse effect on a scenic vista?

A scenic vista is defined as a viewpoint that provides expansive views of highly valued landscape for the benefit of the general public. According to the 2035 General Plan Background Report, there are no scenic lands identified as a resource by the City, County or routes by the California Office of Transportation. here are no buildings or natural features located on the Project Site. The project would not substantially alter scenic views and would not block or impede surrounding views as the development will comply with City of Hanford development standards pertaining to height of buildings. Therefore the project would not result in substantial adverse effect on a scenic vista and impacts would be considered ***less than significant.***

Mitigation Measures: None Required

b) Would the project substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within state scenic highway?

According to the 2035 General Plan Background Report, there are no Officially Designated State Scenic Highways within the City of Hanford Planning Area. The closest is State Route 198, east of State Route 99. The City Municipal Code Chapter 12.12 Street Trees and Shrubs, contains provisions to protect heritage trees. Section 12.12.020 defines a heritage tree as "(1) any Oak Tree native to Central California, Valley Oak Tree (*Quercus lobata*), with a diameter greater than 10 inches; or (2) any tree or a group of trees specifically designated by the city council for protection because of its historical significance, special character or community benefit." The Project Site does not contain any Valley Oak Trees or trees that have been designated as protected by the City Council. There are no other resources such as rock outcroppings or historic buildings in the area, therefore there is ***no impact***.

Mitigation Measures: None Required

c) In non-urbanized areas, would the project substantially degrade the existing visual character or quality of the site and its surroundings? (Public views are those that are experienced from a publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?

The proposed Project is not currently developed and is adjacent to non-urbanized area to the north, south and east. The proposed Project would not degrade the visual character or quality of the site and surroundings but will result in a change from the agricultural character. The Project includes a general plan amendment and pre-zone to allow the small lot development with a planned unit development and multi-family units. As amended the Project would be consistent with zoning and other regulations, therefore the impact is ***less than significant***.

Mitigation Measures: None Required

d) Would the project create a new source of substantial light or glare which would adversely affectday or nighttime views in the area?

The proposed Project would result in new lighting sources on the Project Site. New lighting sources would include interior and exterior lighting from residences and street lighting as well as parking lot and interior and exterior lighting from the multi-family and commercial areas. All street lighting will be consistent with the City's lighting standards, which are developed to minimize impacts related to excessive light and glare. The City standards reduce light and glare impacts by including watt maximums, shielding and location criteria based on public safety. Although the Project will introduce new light sources to the area, all lighting will be consistent with nearby residential and commercial land uses and the City's lighting standards. Therefore, impacts are considered ***less than significant***.

Mitigation Measures: None Required

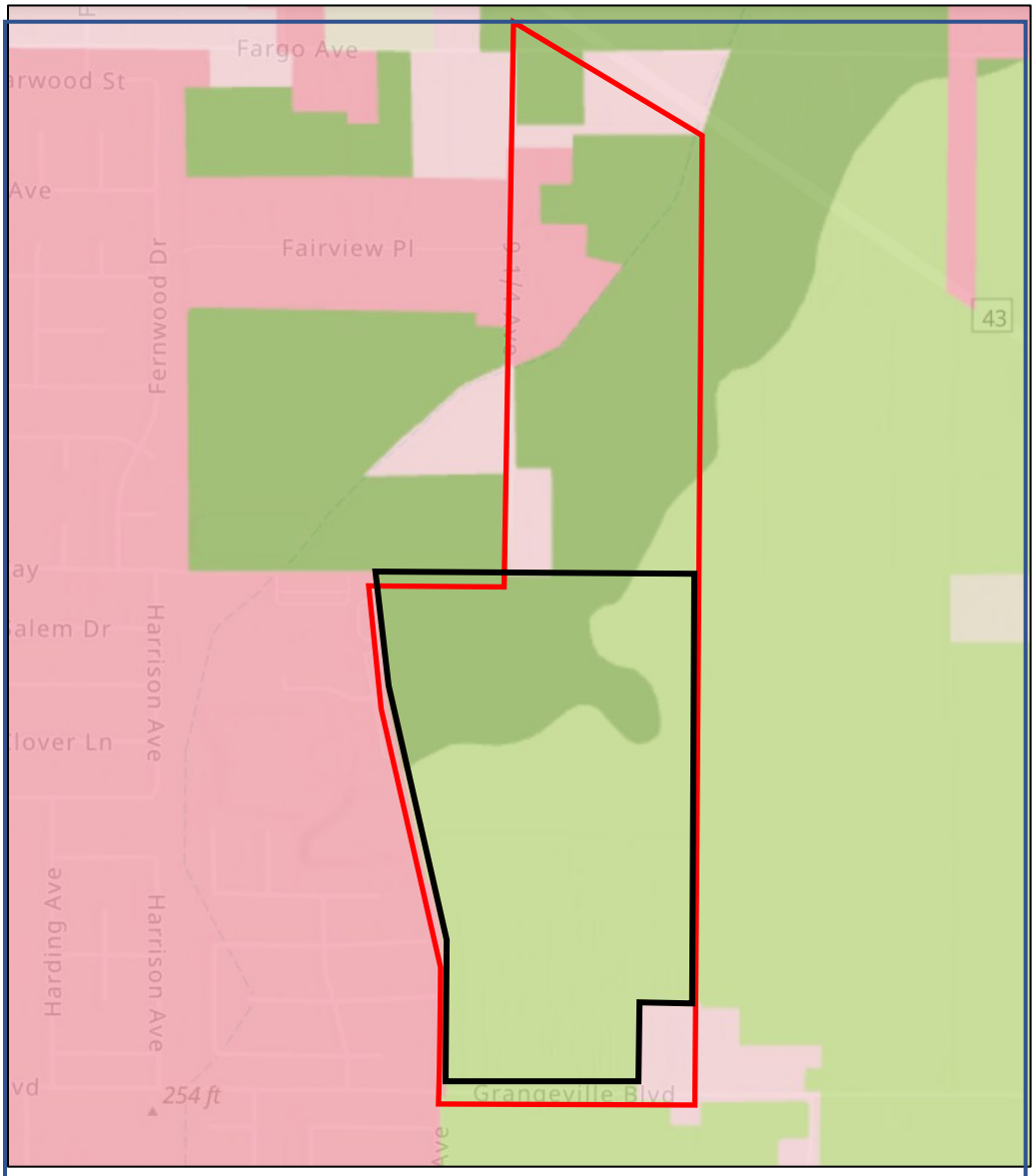
II. AGRICULTURE AND FOREST RESOURCES:

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in the Forest Protocols adopted by the California Air Resources Board. Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☑	☐
b) Conflict with existing zoning for agricultural use, or a Williamson Act Contract?	☐	☐	☑	☐
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g)?	☐	☐	☐	☑
d) Result in the loss of forestland or conversion of forest land to non-forest use?	☐	☐	☐	☑
e) Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forestland to non-forest use?	☐	☐	☑	☐

Environmental Setting

The proposed Project Site is currently planted with a nut crop on approximately one-half the northern portion of the site and fallow on the southern portion. . According to the Department of Conservation, the Project Site contains approximately 23 acres of Prime Farmland and approximately 55 acres of Farmland of Statewide Importance, as shown in Figure 8.

Figure 8 Important Farmland Map



Rural Residential

☐ Annexation Site

☐ Project Site

Source: Department of Conservation; DLRP Important Farmland Finder

Discussion

a) Would the project convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance(Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

The Project Site is located on land that will be annexed into the City of Hanford with Project approval. The proposed development of the Project Site will convert approximately 78.16 acres of Prime Farmland and Farmland of Statewide Importance. The north portion of the Annexation Area is not anticipated to change in use as a result of the Project as no physical development is proposed. The Additional Annexation Area is designated as a mix of Prime Farmland, Farmland of Statewide Importance, Urban and Built-up Land and Rural Residential. Future development of this area will be required to be consistent with the General Plan and undergo environmental review in accordance with CEQA Guidelines.

The Project Site and the Annexation Area are planned for urban development in the Hanford 2035 General Plan. The 2035 General Plan EIR (State Clearinghouse No. 2015041024) evaluated the impacts of agricultural land conversion and determined that approximately 2,706 acres of Prime, Farmland of Statewide Importance and Unique Farmland would be converted with full build out of the General Plan during the 2014-2035 planning period. The 2035 General Plan EIR analysis included the Project Site and the full Annexation Area.

The General Plan includes goals and policies that recognize the importance of farmland to the City, County and State. The General Plan policies were developed to prevent premature conversion of agricultural land and to preserve agricultural land through means other than mitigation. Those policies include the requirement for buffers, the establishment of several planning areas that promote increased densities to increase capacity within the 2035 Growth Boundary, a right to farm ordinance, and the creation of a farmland mitigation program. The establishment of the 2035 Growth Boundary itself is a limiting factor to growth and premature conversion of agricultural lands. The Goals and Policies area as follows:

Agricultural Resources Goal

Goal O1: *Conservation and long term protection of agricultural resources and soils located outside of the Planned Area Boundary.*

5.2.1 Agricultural Land Protection

Policy O1 Boundary between Urban and Agricultural Uses

Utilize the Planned Area Boundary as the long term boundary line between urban uses and agricultural uses and prohibit non-agricultural development outside the Planned Area Boundary.

Policy O2 Agricultural Buffer
Coordinate land use policies and designations with Kings County to provide for a buffer between the urban area of Hanford and the surrounding unincorporated communities.

Policy O3 Kings County Preservation Efforts
Support the Kings County efforts to preserve and protect farmlands outside the Planned Area Boundary.

Policy O4 Interim Agricultural Use
Retain existing agricultural areas as an interim use inside the Planned Area Boundary and support agricultural operations until such time that the areas are needed for logical urban expansion

Policy O5 Farmland Mitigation Program
In collaboration with the County of Kings and other cities in Kings County, determine the feasibility and, if feasible, consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of agricultural lands that are outside adopted urban growth boundaries.

Policy E26 Protection of Agricultural Lands from Urban Encroachment
Utilize the Planned Area Boundary to delineate a long term boundary between agricultural and urban land uses, and strongly support long term agricultural operations outside the Planned Area Boundary that can be free from the threat of urban land use encroachment.

3.14 New Growth Planning Areas
Four new growth areas have been established in areas that are predominantly undeveloped and currently used for agriculture. This section provides policies and actions to ensure balanced growth in these areas with adequate public facilities and services, and strategies for quality design.

This goal and its supporting policies encourage development within Hanford's Planning Areas. Development within Hanford's Planning Areas will decrease dependency on the automobile and allow more people to walk, bike, or take transit for daily trips. Hanford's Planning Areas are intended to accommodate and encourage new growth within compact, walkable neighborhoods that are located near schools, parks, shopping, and transit facilities.

3.14.1 Eastside Planning Area
The Eastside Planning Area is primarily located east of 9 ¼ Avenue, north of the Union Pacific Railroad, and west and south of State Route 43. Grangeville Boulevard is a major arterial that is an eastern gateway to Hanford from State Route 43. Much of the land is currently being farmed and portions of the Planning Area is subject to Williamson Act contract.

Policy L154 Eastside Growth Limitation
Approve new development project in the Eastside Planning Area only within the 2035 Development Boundary until such time as the boundary is expanded in accordance with General Plan policies.

Policy L155 Eastside Higher Density Residential Uses
Support the development of higher density residential uses in close proximity to the Grangeville Boulevard corridor and the gradual transition to lower density, single-family residential uses as distance from the Arterial road increases.

Policy L156 Eastside Development along Grangeville Boulevard
Discourage "strip" development along Grangeville Boulevard from an overall community development perspective. Develop design policies and regulations that identify a minimum percentage of street-facing building facades and minimize the exposure of parking and masonry walls along the street.

The Project is located within the Eastside Planning Area. The development of the Project Site is in conformance with the Eastside Planning area policies by providing increased residential density. The Project includes a request to increase general plan density from low density to medium density and transitions from higher densities close to Grangeville Boulevard to lower densities to the north.

In accordance with the General Plan, the Project would be required to adhere to the Hanford Municipal Code 16.40.110 Right to Farm Ordinance and proposed goals and policies of the general plan related to agriculture.

In the 2035 General Plan Update EIR (SCH No. 2015041024), it was determined that the loss of farmland was a significant and avoidable impact. A Statement of Overriding Considerations was adopted for the significant and avoidable impacts resulting from the conversation of agricultural land. With the implementation of the General Plan policies, the right to farm ordinance and the planned conversion of agricultural lands evaluated in the General Plan EIR, no new impacts resulting from the conversation of agricultural land are anticipated to occur, therefore impacts are considered to be ***less than significant.***

b) Would the project conflict with existing zoning for agricultural use, or a Williamson Act Contract?

The Project would result in the conversion of approximately 46.62 acres of farmland currently under Williamson Act Contract into a residential subdivision. Williamson Act Contract 552-86 was formed in 1986. Also in 1986, the City of Hanford protested the formation of the contract based on the property being within one mile of the City limits. The Kings LAFCo approved Resolution 8614 recognizing the City's protest in 1986. Pursuant to State law, the City would exercise its right to not succeed to the Williamson Act Contract, terminating the contract in the event the annexation associated with the Project is completed. A certificate of cancellation will be recorded with the Kings County Recorders Office.

In addition, as stated in (a) above, the City of Hanford anticipated the conversion of the subject property to urban use in the General Plan Update and EIR for which a Statement of Overriding Considerations was adopted. The proposed Project falls within the analysis provided with the General Plan EIR and the City's protest of the formation of the contract anticipated that the area

would be subject to development, therefore no mitigation would be necessary as a result of the conflict with an existing Williamson Act contract; as such impacts are considered to be ***less than significant***.

Mitigation Measures: None Required

c) Would the project conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g)?

The Project Site is not zoned for forest or timberland production and is not adjacent to any forest land, therefore, there is ***no impact***.

Mitigation Measures: None Required

d) Would the project result in the loss of forestland or conversion of forest land to non-forest use?

The site does not contain forestland and is not adjacent or in proximity to any forestland or use, therefore there is ***no impact***.

Mitigation Measures: None Required

e) Would the project involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forestland to non-forest use?

The City of Hanford and the Kings LAFCo required the inclusion of the area north of the Project Site in the annexation. Although no changes are proposed to this area as a result of the Project, it could result in the additional conversion of farmland, specifically approximately 44.24 acres of Prime Farmland and Farmland of Statewide Importance. The additional acres are designated for urban development and agricultural conversion impacts in the City of Hanford Planning Area were assessed in the General Plan EIR for the planning period of 2014-2035. Impacts were considered to be significant and unavoidable and a statement of overriding considerations was adopted. Conversion of the area from farmland will also be subject to CEQA if developed to ensure compliance with the General Plan policies and Municipal Code. The Project would not result in conversion of forestland to non-forest use, therefore impacts would be considered ***less than significant.***

III. AIR QUALITY

Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☑	☐
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☐	☐	☑	☐
c) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☑	☐
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	☑	☐

Environmental Setting

This section describes existing air quality within the San Joaquin Valley Air Basin (SJVAB) and in Kings County. The SJVAB is comprised of eight counties: Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare. The air basin is bordered by the Sierra Nevada Mountains to the east, Coastal Range to the west and the Tehachapi Mountains to the south. These topographical features directly relate to air quality within the SJVAB. Air quality is described in relation to air quality standards for criteria pollutants such as, ozone, carbon monoxide, and particulate matter. Air quality can be directly affected by the type and density of land use change and population growth.

According to the Hanford Air Quality Element regional and local air quality is impacted by topography, dominant airflows, atmospheric inversions, location, and season. The combination of topography and inversion layers generally prevents dispersion of air pollutants.

The Project Site is located within the SJVAB, which is managed by the San Joaquin Valley Air Pollution Control District (SJVAPCD). National Ambient Air Quality Standards (NAAQS) and California Ambient Air Quality Standards (CAAQS) have been established for the following criteria pollutants: carbon monoxide (CO), Ozone (O3), sulfur dioxide (SO2), nitrogen dioxide (NO2), particulate matter (PM10 and PM2.5) and lead (Pb). Air quality plans or attainment plans are used to bring an air basin into attainment with State and Federal ambient air quality standards. Table 3-1 describes the areas classified as either in attainment or non-attainment for several pollutant standards.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is generally limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Table 3-1 San Joaquin Valley Attainment Status

Pollutant	Designation/Classification	
	Federal Standards	**State Standards**
Ozone – One hour	No Federal Standard	Nonattainment/Severe
Ozone – Eight hour	Nonattainment/Extreme	Nonattainment
PM 10	Attainment	Nonattainment
PM 2.5	Nonattainment	Nonattainment
Carbon Monoxide	Attainment/Unclassified	Attainment/Unclassified
Nitrogen Dioxide	Attainment/Unclassified	Attainment
Sulfur Dioxide	Attainment/Unclassified	Attainment
Lead (Particulate)	No Designation/Classification	Attainment
Hydrogen Sulfide	No Federal Standard	Unclassified
Sulfates	No Federal Standard	Attainment
Visibility Reducing Particles	No Federal Standard	Unclassified
Vinyl Chloride	No Federal Standard	Attainment

Source: SJVAPCD

Regulations

Federal Clean Air Act – The 1977 Federal Clean Air Act (CAA) authorized the establishment of the National Ambient Air Quality Standards (NAAQS) and set deadlines for their attainment. The Clean Air Act identifies specific emission reduction goals, requires both a demonstration of reasonable further progress and an attainment demonstration, and incorporates more stringent sanctions for failure to meet interim milestones. The U.S. EPA is the federal agency charged with administering the Act and other air quality - related legislation. EPA's principal functions include setting NAAQS; establishing minimum national emission limits for major sources of pollution; and promulgating regulations.

California Clean Air Act – California Air Resources Board coordinates and oversees both state and federal air pollution control programs in California. As part of this responsibility, California Air Resources Board monitors existing air quality, establishes California Ambient Air Quality Standards, and limits allowable emissions from vehicular sources. Regulatory authority within established air basins is provided by air pollution control and management districts. The Project is located within the jurisdiction of the San Joaquin Valley Air Pollution Control District (SJVAPCD).

The state and federal standards for the criteria pollutants are presented in Section 8.4 of The San

Joaquin Valley Unified Air Pollution Control District's 2015 "Guidance for Assessing and Mitigating Air Quality Impacts". These standards are designed to protect public health and welfare. The "primary" standards have been established to protect the public health. The "secondary" standards are intended to protect the nation's welfare and account for air pollutant effects on soils, water, visibility, materials, vegetation and other aspects of general welfare.

San Joaquin Valley Air Pollution Control District (SJVAPCD) – The SJVAPCD is responsible for enforcing air quality standards in the Project area. To meet state and federal air quality objectives, the SJVAPCD adopted the following thresholds of significance for projects and ambient air quality standards, Tables 3-2 and 3-3.:

Table 3-2 SJVAPCD Thresholds of Significance

Pollutant/Precursor	Construction Emissions	Operational Emissions	
		Permitted Equipment andActivities	Non-Permitted Equipment andActivities
	Emissions (tpy)	Emissions (tpy)	Emissions (tpy)
CO	100	100	100
Nox	10	10	10
ROG	10	10	10
SOx	27	27	27
PM10	15	15	15
PM2.5	15	15	15

Source: SJVAPCD Guidance for Assessing and Mitigation Air Quality Impacts

Table 3-3 California Ambient Air Quality Standards

Pollutant	Averaging Time	Concentration
Ozone	8 Hour	0.070 ppm (137 µg/m^3)
	1 Hour	0.09 ppm (180 µg/m^3)
Carbon Monoxide	8 Hour	9 ppm (10 mg/m^3)
	1 Hour	20 ppm (23 mg/m^3)
Nitrogen Dioxide	Annual Arithmetic Mean	0.030 ppm (57 µg/m^3)

	1 Hour	0.18 ppm (339 µg/m^3)
Sulfur Dioxide		
	24 Hour	0.04 ppm (105 µg/m^3)
	1 Hour	0.25 ppm (655 µg/m^3)
PM 10	Annual Arithmetic Mean	20 µg/m^3
	24 Hour	50 µg/m^3
PM 2.5	Annual Arithmetic Mean	12 µg/m^3
	24 Hour	none
Sulfates	24 Hour	25 µg/m^3
Lead		
	30 Day Average	1.5 µg/m^3
Hydrogen Sulfide	1 Hour	0.03 ppm (42 µg/m^3)
Vinyl Chloride (chloroethene)	24 Hour	0.010 ppm (26 µg/m^3)
Visibility Reducing particles	8 Hour	(see below[b])

ppm=parts per million
mg/m^3=milligrams per cubic meter
µg/m^3=micrograms per cubic meter

[a]See http://www.arb.ca.gov/research/aaqs/aaqs2.pdf
[b]In 1989, CARB converted both the general statewide 10-mile visibility standard and the Lake Tahoe 30-mile visibility standard to instrumental equivalents, which are "extinction of 0.23 per kilometer" and "extinction of 0.07 per kilometer" for the statewide and Lake Tahoe Air Basin standards, respectively.

Source: SJVAPCD "Ambient Air Quality Standards & Attainment Status" website
The following SJVAPCD rules and regulations may apply to the proposed Project; however, this is not an exhaustive list:

- **Rule 3135:** Dust Control Plan Fee. All projects which include construction, demolition, excavation, extraction, and/or other earth moving activities as defined by Regulation VIII (Described below) are required to submit a Dust Control Plan and required fees to mitigate impacts related to dust.

- **Rule 4101:** Visible Emissions. District Rule 4101 prohibits visible emissions of air contaminants that are dark in color and/or have the potential to obstruct visibility.

- **Rule 9510:** Indirect Source Review (ISR). This rule reduces the impact PM10 and NOX emissions from growth on the SJVB. This rule places application and emission reduction requirements on applicable development projects in order to reduce emissions through onsite mitigation, offsite SJVAPCD administered projects, or a combination of the two. This Project will submit an Air Impact Assessment (AIA) application in accordance with Rule 9510's requirements.

- **Regulation VIII:** Fugitive PM10 Prohibitions. Regulation VIII is composed of eight rules which together aim to limit PM10 emissions by reducing fugitive dust. These rules containrequired management practices to limit PM10 emissions during construction, demolition,excavation, extraction, and/or other earth moving activities.

Discussion

a) Would the project conflict with or obstruct implementation of the applicable air quality plan?

An Air Quality and Greenhouse Gas Impact Memo (Memo) was prepared by Padre and Associates, March 2025, attached as Appendix B. The emissions were estimated using the most recent emission factors and load factors obtained from the California Emissions Estimator Model® (CalEEMod) User's Guide, Emission Factors (EMFAC) model. The Memo is focused only on the development of the
Site, the additional Annexation Area was not included as no development is proposed for the additional annexation area.

If a project were to generate criteria pollutants below significance thresholds adopted by the

SJVAPCD listed in Table 3-2 above, the Project would be considered to result in a less than significant impact and in compliance with adopted SJVAPCD rules and regulations.

Estimates for both construction and operational emissions, based on the development of 658 housing units and a commercial shopping center with two fast food restaurants, two general retail stores, and one gasoline/diesel fueling station with an associated mini mart, were evaluated in the Air Quality and Greenhouse Gas Memo as shown in Table 3-4 and 3-5 below. The residential unit count was decreased to 650 after the completion of the modeling, but will not significantly change the impacts to air quality.

Table 3-4 Estimated Construction Criteria Pollutant Emissions

Phase	NOx	ROG	PM10	PM2.5	CO	SO2
Residential Phase 1	0.533	0.055	2.8	0.454	1.42	0.006
Residential Phase 2	0.533	0.055	2.8	0.454	1.42	0.006
Residential Phase 3	0.533	0.055	2.8	0.454	1.42	0.006
Residential Phase 4	0.533	0.055	2.8	0.454	1.42	0.006
Commercial Year 1	0.158	0.015	0.589	0.145	0.532	0.002
Commercial Year 2	0.158	0.015	0.589	0.145	0.532	0.002
Commercial Year 3	0.158	0.015	0.589	0.145	0.532	0.002
SJVAPCD Significance Threshold (tpy)	**10**	**10**	**15**	**15**	**100**	**27**
Exceeds Thresholds?	**NO**	**NO**	**NO**	**NO**	**NO**	**NO**

Units shown in Tons per Year (tpy)

Table 3-5 Estimated Operational Criteria Pollutant Emissions

Phase	NOx	ROG	PM10	PM2.5	CO	SO2
Residential Operational Emissions	0.722	0.221	8.9	2.25	17.6	0.055
Commercial Operational Emissions	0.600	0.267	4.24	1.08	14.4	0.033
Total Operational Emissions	**1.322**	**0.488**	**13.14**	**3.33**	**32**	**0.088**
SJVAPCD Significance Threshold	**10**	**10**	**15**	**15**	**100**	**27**
Exceeds Thresholds?	**NO**	**NO**	**NO**	**NO**	**NO**	**NO**

Source: Padre and Associates Memorandum, Appendix A
Units shown in Tons per Year (tpy)

As shown above, the Project's short-term (construction) and long-term (operational) emissions are below SJVAPCD thresholds. As a result, the Project will not conflict with or obstruct implementation of any air quality plans. The impact of the Project would be **less than significant.**

Future development of the additional annexation area to the north will not disrupt implementation of the San Joaquin Valley Unified Air Pollution Control District's Air Quality Plan. Compliance with the Air District's Air Quality Plan will be a requirement of the physical development of the project area. Additionally, the applicant will be required to obtain any necessary permits through the SJVAPCD. Through compliance with existing plans and regulations, the project will have a less than significant impact.

Mitigation Measures: None Required

b) Would the project result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?

Based on the Project construction schedule (i.e., four years of residential construction followed by three years of commercial construction), criteria pollutant emissions for the Project were estimated to be well below the SJVAPCD significance thresholds (refer to Table 3-4 above). Operational Emissions were also estimated to be well below the SJVAPCD thresholds as shown in Table 3-5.

The primary sources of particulate matter of 10 microns in diameter or less (PM10) and particulate matter 2.5 microns or less (PM2.5) emissions were fugitive dust from temporary grading activities and vehicles traveling on paved roads. Diesel particulate matter (DPM) from the use of onsite diesel-powered equipment was estimated to be less than 0.002 tons per year for both residential and commercial construction phases. Full emissions estimate tables are provided as an attachment in Appendix B.

The SJVAB is designated as non-attainment for O3 and PM2.5 for federal standards and nonattainment for O3, PM10, and PM2.5 for State standards. SJVAPCD nonattainment status is attributed to the region's development history. Past, present, and future development projects contribute to the region's adverse air quality impacts on a cumulative basis. By its very nature, air pollution is largely a cumulative impact. No single project is sufficient in size to, by itself, result in nonattainment of ambient air quality standards. Instead, a project's individual emissions contribute to existing cumulatively significant adverse air quality impacts. If a project's contribution to the cumulative impact is considerable, then the project's impact on air quality would be considered significant.

In developing thresholds of significance for air pollutants, the SJVAPCD considered the emission levels for which a project's individual emissions would be cumulatively considerable. If a project exceeds the identified significance thresholds, its emissions would be cumulatively considerable, resulting in significant adverse air quality impacts to the region's existing air quality conditions. Since the basin is in non-attainment for ozone, PM10 and PM2.5, it is

considered to have an existing significant cumulative health impact without the project. When this occurs, the analysis considered whether the project's contribution to the existing violation of air quality standards is cumulatively considerable. The SJVAPCD regional thresholds for Nox, VOC, PM10 and PM2.5 are applied as cumulative contribution thresholds. Projects that exceed the regional thresholds in Table 3-2 would be considered to have a cumulative health impact. As shown in Tables 3-4 and 3-5 the Projects construction and operational emissions would not exceed SJVAPCD thresholds, impacts are considered to be **less than significant.**

There is not a physical development planned for the additional annexation area to the north at this time. Future development will be evaluated at the time of proposal and may be subject to District rules and applications.

Mitigation Measures: None Required

c) Would the project expose sensitive receptors to substantial pollutant concentrations?

Using the Project construction and operational emissions estimates, Padre completed a health risk prioritization screening of the Project's residential and commercial construction and operational phase DPM emissions using the SJVAPCD's Prioritization Calculator. The Prioritization Calculator utilizes toxic profiles based on Assembly Bill (AB) 2588 Hotspots Air Toxic Profiles and estimated Project emissions to calculate a prioritization score between 0 and 100 for cancer risk, acute toxicity risk, and chronic toxicity risk.

In accordance with the Air Toxics Hot Spots Program, Facility Prioritization Guidelines and SJVAPCD APR-1906 Framework for Performing Health Risk Assessments, a facility or project with a prioritization score between 0 and less than 10 would not be required to perform a Health Risk Assessments (HRA) and would have a less than significant impact.

The nearest sensitive receptors to the Project Site consist of single-family residential homes on adjacent properties within 0 to 100 meters to the west and south of the Project Site, and the adjacent Hamilton Elementary School and Freedom Park. In addition, the screening also considers the newly constructed residential developments as sensitive receptors after each phase of residential construction has been completed. The prioritization screening evaluated the impacts to receptors for the estimated onsite Project DPM emissions associated with the construction phases and onsite DPM emissions associated with the operational phases. The table below summarizes the maximum prioritization scores for all years of construction and the full operational phase on completion of construction.

Table 3-5. Results of Prioritization Screening

Phase	Receptor Proximity				
	0 to 100 (m)	**100 to 250 (m)**	**250 to 500 (m)**	**500 to 1,000 (m)**	**1,000 to 1,500 (m)**
Residential Construction Year 1	8.32	2.08	0.333	0.091	0.025

Residential Construction Year 2	8.87	2.22	0.355	0.098	0.027
Residential Construction Year 3	9.42	2.36	0.377	0.104	0.028
Residential Construction Year 4	9.98	2.49	0.399	0.110	0.030
Residential Operational Only	2.22	0.55	0.089	0.024	0.007
Commercial Construction Year 1	8.64	2.16	0.346	0.095	0.026
Commercial Construction Year 2	9.10	2.28	0.364	0.100	0.027
Commercial Construction Year 3	9.56	2.39	0.383	0.105	0.029
Residential and Commercial Operational Only	6.95	1.74	0.278	0.076	0.021

Prioritization scores are less than 10, therefore an HRA would not be required by the SJVAPCD and impacts are considered ***less than significant*.**

Mitigation Measures: None Required

The additional annexation area to the north does not contain a plan for physical development, the proposed annexation and pre-zoning of a the land will not have an impact on any criteria pollutant, however future development will need to be analyzed. Referral documents for future development requiring discretionary approval will be forwarded to the District for review, upon application.

d) Result in other emissions (such as those leading to odors) adversely affecting a substantialnumber of people?

The Project will create temporary localized odors during Project construction, such as odors from diesel-powered equipment and vehicles. These odors will be temporary and would most likely not occur over an extended period of time or concentrated in one location on the Project Site.

The proposed Project uses are not anticipated to create or emit objectionable odors that would affect a substantial number of people; therefore impacts are considered to be **less than significant.**

Mitigation Measures: None Required

The additional annexation area to the north does not include physical development, future development of the project site should ensure that operation does not create objectionable odors affecting nearby residential receptors, consistent with HMC Section 17.50.050.

17.50.050 Odorous gases and matter.

No use shall be permitted which emits odorous gases or other odorous matter in such quantities as to be dangerous, harmful, noxious, or otherwise objectionable at a level that is detectable with or without the aid of instruments at or beyond the project site boundary.

IV. BIOLOGICAL RESOURCES

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish & Game or U.S. fish and Wildlife Service?	☐	☑	☐	☐
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife or US Fish and Wildlife Service?	☐	☐	☐	☑
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☐	☑
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☐	☑
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☑
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☑

Environmental Setting

The Project Site is currently comprised of fallow agricultural land on the southern half and nut trees on the northern portion. The site does not contain any buildings. The fallow portion of the Project Site had previously been farmed, but has been out of agricultural production for many years. The entire site has been highly disturbed as a result of periodic grading and discing as part of normal agricultural practices and for weed control since agricultural practices have ceased. The site will continue to be disced for weed and fire control until fully developed.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional

Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish & Wildlife or U.S. Fish and Wildlife Service?

A Biological Evaluation (BE) was completed by Live Oak Associates (2024, see Appendix B), which included an on-site survey on November 4, 2024. The BE only evaluated the potential impacts to the Project Site, no changes to uses north of the Project Site (expanded Annexation Area) will occur, therefore were not evaluated. The BE is the basis of analysis for the analysis presented in this section.

Sources of information for the BE included the Information for Planning and Consultation (IPaC) system (USFWS 2024), California Natural Diversity Data Base (CDFW 2024), *Online Inventory of Rare and Endangered Vascular Plants of California* (CNPS 2024), and manuals, reports, and references related to plants and animals of the Project vicinity. A complete list and references are found in the BE.

The California Natural Diversity Data Base (CNDDB) search indicated 10 special status plants and 13 animals have been documented in the general vicinity of the Project site or are known to occur regionally. Of these, 19 are considered absent from or unlikely to occur on the site due to the absence of suitable habitat, the site's urban setting and other landscape factors, and/or the site's being situated outside of the species' known distribution. A list of the species, habit and likeliness to occur is found in Table 4-1 below. Because these species have no appreciable potential to occur on site, they are not expected to be affected by the Project, directly or indirectly. Project impacts to these species are considered less than significant.

Table 4-1 LIST OF SPECIAL STATUS SPECIES POTENTIALLY OCCURRING IN THE PROJECT VICINITY

Species	Status	Habitat	*Occurrence within the Project Site
California Native Plant Society (CNPS) Species			
Heartscale (*Atriplex cordulata var. cordulata*)	CRPR 1B.2	Occurs on saline or alkaline soils in chenopod scrub, meadows, seeps, and grasslands; blooms April-October; elevations below 1,230 ft.	**Absent.** Decades of agricultural disturbance would have eliminated any habitat that may have once been present on site or in the immediate vicinity.

Earlimart Orache (*Atriplex cordulata var. erecticaulis*)	CRPR 1B.2	Occurs in valley and foothill grasslands between 130 and 330 ft. in elevation; blooms August-September.	**Absent.** Decades of agricultural disturbance would have eliminated any habitat that may have once been present on site or in the immediate vicinity.
Brittlescale (*Atriplex depressa*)	CRPR 1B.2	Occurs in chenopod scrub, valley and foothill grassland, meadows and seeps, playas, and vernal pools. It is rarely found in riparian or marsh habitats. Blooms April-October; elevations below 1,050 ft.	**Absent.** Decades of agricultural disturbance would have eliminated any habitat that may have once been present on site or in the immediate vicinity.
Lesser Saltscale (*Atriplex minuscula*)	CRPR 1B.1	Occurs in cismontane woodland and valley and foothill grasslands of the San Joaquin Valley; alkaline/sandy soils; blooms May-October; elevation 50-660 ft.	**Absent.** Decades of agricultural disturbance would have eliminated any habitat that may have once been present on site or in the immediate vicinity.
Subtle Orache (*Atriplex subtilis*)	CRPR 1B.2	Occurs in alkaline vernal pools; blooms July-Oct.; elevations below 400 ft.	**Absent.** Vernal pool habitat is absent from the Project site.
Recurved Larkspur (*Delphinium recurvatum*)	CRPR 1B.2	Occurs in alkaline soils of cismontane woodland and valley and foothill grasslands in elevations 100 – 2,000 feet. Blooms March-June.	**Absent.** Decades of agricultural disturbance would have eliminated any habitat that may have once been present on site or in the immediate vicinity.
Alkali-Sink Goldfields (*Lasthenia chrysantha*)	CRPR 1B.1	Occurs in valley grassland, alkali sink, wetland riparian areas less than 328 ft. in elevation in the southern Sacramento Valley and San Joaquin Valley. Blooms February – June.	**Absent.** Decades of agricultural disturbance would have eliminated any habitat that may have once been present on site or in the immediate vicinity.

Mud Nama (*Nama stenocarpa*)	CRPR 2B.2	Occurs in intermittently wet areas such as lake shores and river banks. Occurs sparingly in the Central Valley and more frequently in Southern California from sea level to below 1,640 feet. Blooms January-July.	**Absent.** Intermittently wet areas needed for the proliferation of this species are absent on the Project site.
California Alkali Grass (*Puccinellia simplex*)	CRPR 1B.2	Occurs in alkali sinks and flats within grassland and chenopod scrub habitats of the Central Valley, San Francisco Bay area and western Mojave Desert; elevations below 3,000 feet. Blooms March-May.	**Absent.** Decades of agricultural disturbance would have eliminated any habitat that may have once been present on site or in the immediate vicinity.
Sanford's Arrowhead (*Sagittaria sanfordii*)	CRPR 1B.2	Occurs in freshwater emergent marsh habitat in drainage ditches and canals of California's Central Valley. Blooms May to October.	**Absent.** Aquatic habitat needed to support this species is absent from the Project site.
Species Listed as Threatened or Endangered under the State and/or Federal Endangered Species Act			
Vernal Pool Fairy Shrimp (*Branchinecta lynchi*)	FT	Occurs in vernal pools, clear to tea-colored water in grass or mud-bottomed swales, and basalt depression pools.	**Absent.** Suitable habitat in the form of vernal pools is absent from the site and immediately surrounding lands.
Vernal Pool Tadpole Shrimp (*Lepidurus packardi*)	FE	Vernal pools of clear to turbid waters of the Central Valley measuring 54 sq.ft. to larger pools (largest known to be 89-acre Olcott Lake).	**Absent.** Suitable habitat in the form of vernal pools is absent from the site and immediately surrounding lands.
California Tiger	FT, CT	Found primarily in	**Absent.** The Project site is

Salamander-Central California DPS (*Ambystoma californiense*)		annual grasslands; requires vernal pools for breeding and rodent burrows for aestivation. Although most CTS aestivate within 0.4 mile of their breeding pond, outliers may aestivate up to 1.3 miles away (Orloff 2011).	situated in a matrix of urban and intensive agricultural lands within which this species would not have been able to persist. **The** nearest block of contiguous grassland is located more than 6 miles east of the site along Cross Creek. The closest CNDDB occurrence is over 8 miles northeast of the Project site; it refers to an observation made sometime prior to 1925, from a population that is now considered extirpated (CDFW 2024).
Western Spadefoot (*Spea hammondii*)	FPT, CSC	Occurs in grasslands of San Joaquin Valley, where it breeds in vernal pools or other seasonal wetlands and aestivates in underground refugia such as rodent burrows. Baumberger et al. (2019) recorded a maximum distance of around 890 feet between breeding and aestivation sites.	**Absent.** The Project site is situated in a matrix of urban and intensive agricultural lands within which this species would not have been able to persist. Although the basins to the west and northwest of the site may theoretically be suitable for spadefoot reproduction, they were constructed between 2003 and 2010, after the surrounding landscape was converted to unsuitable uses. The nearest block of contiguous grassland is located more than 6 miles east of the site along Cross Creek; that is also where the nearest CNDDB occurrences of this species are (CDFW 2024).
Northwestern Pond Turtle (*Actinemys marmorata*)	FPT, CSC	Found in ponds, marshes, rivers, streams, and irrigation ditches with aquatic vegetation. Requires partially submerged rocks or logs for basking sites. Nesting	**Unlikely**. The Project site consists entirely of intensive agricultural lands that lack aquatic features and offer little to no upland habitat value for this species; the latter is limited to marginal nesting opportunity in the

		takes place in open areas, on a variety of soil types, and up to ¼ mile away from water. Overwintering and summertime aestivation includes use of upland habitat, generally with leaf litter or other loose substrate for burying themselves.	site's disked field. Two aquatic features within ¼ mile of the site are potentially suitable for pond turtles: the ponding basin to the west and the East Branch Peoples Ditch to the northwest. Even if pond turtles occupy these features, however, they are unlikely to travel to the site for nesting. The ponding basin is completely enclosed by a chainlink fence, which would prevent this species from migrating to the Project site. The East Branch Peoples Ditch is located more than 0.3 mile from the site's disked field, the one area of the site that could theoretically support nesting by this species. Furthermore, there are no nearby iNaturalist records (iNaturalist 2024) and the closest CNDDB occurrence is approximately 9.5 miles south of the Project site (CDFW 2024). For these reasons, northwestern pond turtles are unlikely to be found on the Project site.
Blunt-Nosed Leopard Lizard (*Gambelia sila*)	FE, CE, FP	Occurs in semiarid grasslands, alkali flats, and washes. Avoids densely vegetated areas. Inhabits the San Joaquin Valley and adjacent valleys and foothills north to southern Merced County.	**Absent**. Agricultural and urban development has eliminated any potential habitat from the Project site and surrounding area. There are no CNDDB occurrences within the vicinity of the Project site (CDFW 2024).
Tricolored Blackbird (*Agelaius tricolor*)	CT, CSC	Breeds colonially near fresh water in dense bulrush, cattails, thickets of willows or	**Possible.** Tricolored blackbirds are not commonly documented in the Project vicinity. There is one eBird

		shrubs, and increasingly in wheat or triticale fields. Forages in grassland and cropland areas.	occurrence within 5 miles of the site, documented approximately 3.5 miles to the northeast in 2002. The closest CNDDB occurrence is approximately 10 miles south of the site, recorded in 2000. Nevertheless, this species has some potential to occur on site. The site's agricultural field is suitable for foraging, and may provide nesting habitat for this species if it is rotated to wheat or another suitable grain crop
Burrowing Owl (*Athene cunicularia*)	CC, CSC	Frequents open, dry annual or perennial grasslands, deserts, and scrublands characterized by low growing vegetation. Dependent upon burrowing mammals, most notably the California ground squirrel, for nest burrows.	**Unlikely.** The Project site does not contain suitable habitat for burrowing owls and is situated within a matrix of intensive agricultural and urban uses generally incompatible with this species' ecology. There are only two eBird sightings of burrowing owl within 10 miles of the Project site, and the closest known CNDDB occurrence is located approximately 6.5 miles northeast of the Project site in the grasslands along Cross Creek, documented in 2017 (CDFW 2024).
Swainson's Hawk (*Buteo swainsoni*)	CT	This breeding migrant to California nests in mature trees in riparian areas and oak savannah, and occasionally in lone trees at the margins of agricultural fields. Requires adjacent suitable foraging areas	**Possible.** The Project site contains foraging habitat in the form of a disked field, but does not contain nesting habitat for the Swainson's hawk. Swainson's hawks do have the potential to nest in the mature trees within the immediate Project vicinity. They are well-documented in

		such as grasslands or alfalfa fields supporting rodent populations	the area; there are 20 CNDDB nesting occurrences within 10 miles of the site, with the closest located just 1.5 mile to the southeast (CDFW 2024), and over 50 eBird sightings within a 10-mile radius as well (eBird 2024).
Tipton Kangaroo Rat (*Dipodomys nitratoides nitratoides*)	FE, CE	Inhabits valley saltbrush scrub, valley sink scrub, and grassland habitats located from the Valley floor to 300 ft. in elevation.	**Absent.** Suitable habitat is absent from the Project site, and the site is situated in a matrix of intensive agricultural and urban uses within which this species would not have been able to persist. There are no CNDDB occurrences in the vicinity (CDFW 2024).
San Joaquin Kit Fox (*Vulpes macrotis mutica*)	FE, CT	Desert alkali scrub, annual grasslands of California's San Joaquin Valley and Tulare Basin, extending west into San Luis Obispo County. This species may forage in adjacent agricultural fields.	**Unlikely.** This species was historically known from the Project vicinity. There are 13 CNDDB occurrences within 10 miles of the Project site, including one occurrence just 0.75 mile from Project boundaries; however, all but two of these are from the 1970s, with the remaining records from 2000 and 2006. The Project site is situated in a matrix of urban and intensive agricultural land uses generally incompatible with kit fox ecology, and the site itself consists of a highly-managed orchard and agricultural field, neither of which are likely to attract individuals of this species. These factors, combined with the lack of modern sightings, suggest a very low probably of kit fox occurrence on site.
Loggerhead	CSC	Found in a variety of	**Possible.** This species is

Shrike (*Lanius ludovicianus*)		arid habitats Prefers open country for hunting, with perches for scanning, and fairly dense shrubs and brush for nesting.	known from the vicinity. There are five eBird sightings within 5 miles of the Project site; the closest of these was recorded just ½ mile north of Project boundaries in 2021. Loggerhead shrikes could forage over the site's agricultural field and the walnut orchard could potentially be used for nesting by this species.
Western Mastiff Bat (*Eumops perotis californicus*)	CSC	Frequents open, semi-arid to arid habitats, including conifer, and deciduous woodlands, coastal scrub, grasslands, palm oasis, chaparral and urban. Is known to forage over long distances, flying up to 15 miles a night. Roosts in cliff faces, high buildings, and tunnels.	**Possible.** The Project site does not contain roosting habitat for this species. Though generally uncommon within the Central Valley, this species may occasionally forage over the site.

OCCURRENCE DESIGNATIONS AND STATAUS CODES

Present: Species observed on the site at time of field surveys or during recent past.
Likely: Species not observed on the site, but it may reasonably be expected to occur there on a regular basis.
Possible: Species not observed on the site, but it could occur there from time to time.
Unlikely: Species not observed on the site, and would not be expected to occur there except, perhaps, as a transient
Absent: Species not observed on the Site and precluded from occurring there because habitat requirements not met.

STATUS CODES

FE	Federally Endangered	CE	California Endangered
FT	Federally Threatened	CT	California Threatened
FPT	Federally Proposed Threatened	CSC	California Species of Special Concern
FC	Federal Candidate	CFP	California Fully Protected
		CC	California Candidate for Listing

CRPR CODES

1A	Plants Presumed Extinct in California	2B	Plants Rare, Threatened, or Endangered in California, but more common elsewhere
1B	Plants Rare, Threatened, or Endangered in California and elsewhere		

The site's agricultural field could support nesting by ground-or vegetation nesting birds such as the mourning dove, western meadowlark (*Sturnella neglecta*), and (when planted to a suitable grain such as wheat or triticale), the red-winged blackbird (*Agelaius phoenecius*) and possibly even the California Threatened tricolored blackbird (*Agelaius tricolor*). The site's orchard trees have the potential to be used for nesting by a variety of migratory birds, possibly including the loggerhead shrike (*Lanius ludovicianus*), a California Species of Concern. Larger trees in the immediate Project vicinity have the potential to support nesting raptors, possibly including the Swainson's hawk (*Buteo swainsoni*), a California Threatened species. Nearly all birds are protected by state and federal law. If Project construction takes place during the nesting season, birds nesting on site could be injured or killed by construction activities, while birds nesting near the site could be disturbed such that they would abandon their nests. Construction-related mortality of nesting birds and disturbance leading to nest abandonment would violate state and federal laws and constitute a significant impact of the Project. Tricolored blackbirds, Swainson's hawks, and loggerhead shrikes are not expected to be adversely affected by Project-related loss of habitat. The site does not offer unique habitat for any of these species, nor is it likely to represent an important part of any individual foraging range, given its disturbed nature and urban setting. Similar and higher quality habitats are abundant in the Project vicinity and elsewhere in the region. Project-related loss of habitat for these species is considered a less than significant impact under CEQA.

One special status animal species, the western mastiff bat (*Eumops perotis ssp. californicus*), has the potential to pass through or forage on the site from time to time but would not roost on or near enough to the site that they could be vulnerable to construction-related disturbance or reproductive failure. Individuals of this species are unlikely to be injured or killed by construction activities because they are highly mobile while foraging and would be expected to simply avoid active work areas.

The Project would not adversely affect this species through loss of foraging habitat. The site does not offer unique foraging habitat for the western mastiff bat, nor is it likely to represent an important part of any individual foraging range, given its disturbed nature and urban setting. Similar and higher quality foraging habitats are abundant in the Project vicinity and elsewhere in the region.

Implementation of the following mitigation measures will reduce potential Project impacts to nesting birds and raptors, including the tricolored blackbird, loggerhead shrike, and Swainson's hawk, to a less than significant level under CEQA and facilitate compliance with state and federal laws protecting these species.

Mitigation Measure BIO 1 (Construction Timing). If feasible, future construction activities will

take place entirely outside of the avian nesting season, defined as February 1 to August 31.

Mitigation Measure BIO 2 (Preconstruction Surveys). If construction must occur between February 1 and August 31, a qualified biologist shall conduct surveys for active bird nests within 7 days prior to the start of work during this period. The survey area shall encompass the site and accessible surrounding lands within ¼ mile for nesting Swainson's hawks, 500 feet for other nesting raptors, 300 feet for the tricolored blackbird, and 250 feet for other nesting birds.

Mitigation Measure BIO 3 (Avoidance of Active Nests). Should any active nests be discovered in or near proposed construction zones, the biologist shall identify a suitable construction-free buffer around the nest. This buffer shall be identified on the ground with flagging or fencing and shall be maintained until the biologist has determined that the young have fledged and are capable of foraging independently.

Therefore impacts are considered ***less than significant with mitigation***.

b) Would the project have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or US Fish and Wildlife Service?

There is no riparian habitat or other sensitive natural community on site or adjacent to the Project. Therefore, there is ***no impact.***

Mitigation Measures: None Required

c) Would the project have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

No water or other hydrologic features occur within the Project Site. The East Branch People Ditch does cross the expanded Annexation Area, however there are no changes to the physical environment within the expanded Annexation Area that would result in impacts to the ditch. As such, there are no impacts to state or federally protected wetlands. There is ***no impact.***

Mitigation Measures: None Required

d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

As stated in the BE, the Project Site did not contain wildlife movement corridors, sensitive natural communities, designated critical habitat, or state or federally protected waters or wetlands. The East Branch People Ditch does cross the expanded Annexation Area and has the potential to be used by wildlife. As stated in Item (c) above, there are no changes to the physical environment within the expanded Annexation Area that would result in impacts to the ditch. Therefore, the Project will have ***no impact***.

Mitigation Measures: None Required

e) Conflict with any local policies or ordinances protecting biological resources, such as a treepreservation policy or ordinance?

The City has a Tree Ordinance to protect heritage trees. A heritage tree is defined as "(1) any Oak Tree native to Central California, Valley Oak Tree (*Quercus lobata*), with a diameter greater than 10 inches; or (2) any tree or a group of trees specifically designated by the city council for protection because of its historical significance, special character or community benefit." The Project Site and the expanded Annexation Area do not contain any Valley Oak Trees or trees that have been designated as protected by the City Council. The proposed Project will comply with City of Hanford policies and ordinances, therefore there is ***no impact.***

Mitigation Measures: None Required

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

The proposed Project is not located within the boundaries of an adopted Habitat Conservation Plan, Natural Communities Conservation Plan, or other approved local, regional or state habitat conservation plan. There is ***no impact.***

Mitigation Measures: None Required

V. CULTURAL RESOURCES

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource pursuant to Section 15064.5?	☐	☐	☐	☑
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?	☐	☑	☐	☐
c) Disturb any human remains, including those interred outside of formal cemeteries?	☐	☑	☐	☐

Environmental Setting

Cultural Resources are defined as prehistoric or historical archaeological sites as well as historical objects, buildings, or structures. In accordance with 36 Code of Federal Regulations (CFR) §60.4, "historical" in this report applies to cultural resources which are at least 50 years old. The significance or importance of a cultural resource is dependent upon whether the resource qualifies for inclusion at the local level in a local register of historical resources, at the state level in the California Register of Historical Resources (CRHR), or at the federal level in the National Register of Historic Places (NRHP). Cultural resources that are determined to be eligible for inclusion in the CRHR are called "historical resources" (California Code of Regulations [CCR] 15064.5[a]). Under this statue the determination of eligibility is partially based on the consideration of the criteria of significance as defined in 14 CCR 15064.5(a)(3). Cultural resources eligible for inclusion in the NRHP are deemed "historic properties".

A Cultural Resource Assessment was prepared by Taylored Archaeology for the proposed Project, see Appendix C. The assessment included a California Historical Resources Information System (CHRIS) record search by Southern San Joaquin Information Center (SSJIC) for the Project Site on October 14, 2024. According to the search results, three prior cultural resources studies were conducted within the Project area; KI-00103 is adjacent to the southern Project boundary along Grangeville Boulevard. No prehistoric resources were encountered during its pedestrian survey. KI-00238 and KI-00269 are archaeological desktop reviews with no associated surveys. In addition, three previous cultural resources studies were conducted within a 0.5-mile radius of the Project Site. The results of the records search indicate that no cultural resources were previously recorded within the Project boundary and 13 cultural resources were recorded within the 0.5-mile search radius. The 13 cultural resources are all historic-era, and do not overlap the Project boundary.

In addition to the records search, Taylored Archaeology conducted an on-site pedestrian survey of the site on October 19, 2024. The results of the pedestrian survey indicate that the Project boundary consists of agricultural fields with no noted development. The Project Site consists of an orchard in the northern half and tilled field in the southern half. Ground surface visibility was generally excellent (95 to 100 percent), though small portions of the ground surface were obscured by grass and weeds. Rodent burrows and any related soil piles were closely examined for lithic scatters and for indications of buried deposits.

No prehistoric or historic archaeological resources were identified during the pedestrian survey. The natural topography of the area has been altered by historical and modern agricultural practices and much of the land on the Project Site has been graded and plowed, which has caused additional disturbance to the soil. While past agricultural activities may have potentially destroyed or obscured ground surface evidence of archaeological resources within the Project boundary, intact archaeological resources related to prior occupation of the area may potentially exist below the ground surface.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project cause a substantial adverse change in the significance of a historical resourcepursuant to Section 15064.5?

There are no known historical resources on or near the subject property that would be impacted by the proposed project, therefore there is ***no impact*.**

Mitigation Measures: None Required

b) Would the project cause a substantial adverse change in the significance of an archaeologicalresource pursuant to Section 15064.5?

There are no known archaeological resources located within the Project area. Implementation of Mitigation Measure CUL-1 requires that if any remains are discovered, construction shall stop and appropriate authorities be notified. Authorities include the County Coroner and archaeologist and, if remains are determined to be pre-historic, the Native American Heritage Commission (NAHC) shall be consulted. Implementation of Mitigation Measures CUL 1 will ensure that impacts will be ***less than significant with mitigation incorporation***.

Mitigation Measure CUL-1: In the event of discovery of unidentified archaeological remains during development or ground disturbing activities in the Project area, all work shall be halted in immediate vicinity (within a 100-foot radius) until a qualified archaeologist can identify the discovery and assess its significance.

c) Would the project disturb any human remains, including those interred outside of formal cemeteries?

There are no known human remains buried in the Project vicinity. If human remains are unearthed during development, there is a potential for a significant impact. The City and the Santa Rosa Rancheria Tachi Yokut Tribe have also agreed to a mitigation measure that requires the developer/owner to agree to a burial treatment plan prior to any ground disturbing activities. As such, implementation of Mitigation Measure CUL-2 and CUL 3 will ensure that impacts remain ***less than significant with mitigation incorporation***.

Mitigation Measure CUL 2: If human remains are uncovered during construction, work shall be halted, and the Kings County Coroner is to be notified to investigate the remains and arrange proper treatment and disposition. If the remains are identified on the basis of archaeological context, age, cultural associations, or biological traits to be those of a Native American, California Health and Safety Code 7050.5 and California Public Resources Code 5097.98 require that the coroner notify the Native American Heritage Commission (NAHC) within 24 hours of discovery. The NAHC will then identify the Most Likely Descendent who will make recommendations regarding the treatment and disposition of the remains.

Mitigation Measure CUL 3 A burial Treatment Plan shall be entered into by the Project applicant/property owner prior to any ground disturbing activities.

VI. ENERGY

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	☐	☐	☑	☐
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	☐	☐	☐	☑

Environmental Setting

Energy conservation requires consideration of energy implications in project decisions, including a discussion of the potential energy impacts with emphasis on avoiding or reducing inefficient, wasteful and unnecessary consumption of energy resources. A project would be considered inefficient wasteful and unnecessary if it violated existing energy standards, had a negative effect on local and regional energy supplies and requirement for additional capacity, or had a negative effect on peak and base period demands for electricity and other energy forms.

The California Energy Commission updates the Building Energy Efficiency Standards (Title 24, Parts 6 and 11) every three years as part of the California Code of Regulations. The standards were established in 1978 in effort to reduce the state's energy consumption. The standards apply to new construction, and additions and alteration to residential and nonresidential buildings and related to various energy efficiencies including but not limited to ventilation, air conditioning, and lighting.
Pacific Gas and Electric provides gas and electrical service to the City of Hanford.

Regulations

The following list of regulations is not intended to be exhaustive of all regulations.

California Code of Regulations, Title 20: Title 20 of the California Code of Regulations establishes standards and requirements for appliance energy efficiency. The standards apply to a broad range of appliances sold in California.

California Code of Regulations, Title 24: Title 24 of the California Code of Regulations comprises the California Energy Code, a broad set of standards designed to address the energy efficiency of new and altered homes and commercial buildings. These standards regulate energy consumed for heating, cooling, ventilation, water heating, and lighting. Title 24 requirements are enforced locally by the City of Hanford Building Department.

California Green Building Standards Code (CALGreen): CalGreen is a mandatory green building code that sets minimum environmental standards for new construction statewide on January 17, 2008. The code was voluntary until 2010, when compliance became mandatory. The most recent update went into effect January 1, 2023. Cal Green is a set of regulations that mandates sustainable building practices to reduce environmental impacts and promote energy and water efficiency in both residential and non-residential construction. Key areas covered by Cal Green include energy efficiency, water

efficiency, indoor air quality and use of sustainable materials.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?

The Project proposes the construction of 650 residential units and 5.45 acres of neighborhood mixed use commercial that will result in additional energy consumption, as evaluated below.

Construction

During Project construction there would be an increase in energy consumption related to worker trips and operation of construction equipment. This energy consumption will be short-term and temporary. There are not unusual Project characteristics or construction processes that would require use of equipment that will be more energy intensive than used for comparable activities. Construction will include site preparation, building construction, paving and architectural coatings. The primary source of energy for construction will be diesel and gasoline.

All equipment shall conform to current emission standards and related fuel efficiencies including applicable California Air Resources Board (CARB) regulations, California Code of Regulations (Title 13, Motor Vehicles) and Title 24 standards. Compliance with these regulations would ensure that short-term, temporary construction activities do not result in wasteful, inefficient or unnecessary consumption of energy resources.

Operations

Project operation involves the heating, cooling, use of equipment, and vehicle trips. Operation of the 650 residential homes would be required to comply with energy efficiency standards as dictated by State and federal regulations including Tite 24 energy efficiency requirements and adopted energy efficient standards by the California Energy Commission.

Therefore, the Project is expected to comply with all energy efficiency standards and requirements and will have a ***less than significant impact.***

Mitigation Measures: None Required

b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?

See discussion above. The proposed Project will not conflict with or obstruct any State or local plans for renewable energy or energy efficiency. The Project will be designed to meet Title 24 and CAL Green requirements. Compliance with these standards will be enforced by the City of Hanford Building Division, therefore there is ***no impact***.

Mitigation Measures: None Required.

VII. GEOLOGY AND SOILS

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	☐	☐	☑	☐
ii) Strong seismic ground shaking?	☐	☐	☑	☐
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☑	☐
iv) Landslides?	☐	☐	☐	☑
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☑	☐
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☑	☐
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct and indirect risks to life or property?	☐	☐	☑	☐
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☐	☑
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☑	☐	☐

Environmental Setting

According to the 2024 Kings County Multi-Jurisdictional Hazard Mitigation Plan no major fault systems are known to exist in Kings County. Minor surface rupture could occur in areas of minor faulting, which occur primarily in the southwestern part of the county. Ground shaking is the most likely damaging effect of an earthquake for Hanford. Shaking was felt in Hanford during the Coalinga earthquake with a magnitude of 6.4 in 1983. The San Andreas fault is located less than four miles west of the Kings County line. Another large known fault, the White Wolf fault, is located to the south near Bakersfield and produced a 7.7 magnitude earthquake in 1952. There have not been any damaging earthquakes greater than magnitude 6.0 recorded in Kings County in over 200 years, though several have been very close.

Soils in Hanford do not have significant liquefaction potential. Hanford is located in a stable geologic formation, so the effects of ground shaking on soil stability should be minimal.

There are four seismic zones in the United States ranging from I to IV; the higher the number, the higher the earthquake danger. All of California lies within Seismic Zone III or IV. Stronger construction standards for buildings in Zones III and IV have been adopted in the International Building Code. Most of Kings County, including Hanford, is in Zone III.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:

i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.
ii. Strong seismic ground shaking?
iii. Seismic-related ground failure, including liquefaction?
iv. Landslides?

As stated above, the site is not located in an earthquake fault zone and no active faults have been mapped within the Project boundaries. The Project Site would be engineered to meet the California Building Code for Seismic Zone III. In addition, the proposed Project Site is generally flat and there are no hill slopes in the area. As such, impacts are considered **less than significant**.

Mitigation Measures: None Required

b) Would the project result in substantial soil erosion or the loss of topsoil?

Development of the Project will require typical site preparation activities such as grading and trenching that will result in the potential for short-term soil disturbance or erosion impacts. Construction would also involve the use of water for dust control that may cause further soil disturbance. Those discharges are regulated by the National Pollutant Discharge Elimination System (NPDES) permit process and will be addressed through compliance with the State Water Resources Control Board (SWRCB), which requires new development to implement measures to minimize soil erosion related to construction.

Construction-related impacts related to erosion will be temporary and subject to best management practices (BMPs) required by Stormwater Pollution Prevention Plan (SWPPP), which are developed to prevent significant impacts related to erosion from construction. Because impacts related to erosion would be temporary and limited to construction, and because required BMPs would prevent significant impacts related to erosion the impacts from the proposed Project will be ***less than***

***significant*.**

Mitigation Measures: None Required

c) Would the project be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?

According to the United States Department of Agriculture National Resource Conservation Service (NRCS) Web Soil Survey and soil descriptions soils associated with the Project Site, Kimberlina Fine Sandy Loam (saline alkali, sandy substratum), are considered stable and have a low capacity for landslides, lateral spreading, subsidence, liquefaction or collapse. The Project does not involve a substantial grade change to the topography to the point that it would increase the risk of landslides, lateral spreading, subsidence, liquefaction or collapse, therefore Impacts are considered ***less than significant*.**

Mitigation Measures: None Required

d) Would the project be located on expansive soils, as defined in Table 18-1-B of the Uniform BuildingCode (1994), creating substantial direct or indirect risks to life or property?

As stated in (c) above, the Project Site is located on Kimberlina Fine Sandy Loam, which is well draining with low runoff unless it contains a clay substratum, which the Project Site does not contain. As such, this soil type is not an expansive soil, therefore impacts are ***less than significant*.**

Mitigation Measures: None Required

e) Would the project have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?

The proposed Project will connect to the existing City wastewater infrastructure and would not require the use of septic tanks or alternative wastewater disposal systems, therefore there is ***no impact*.**

Mitigation Measures: None Required

f) Would the project directly or indirectly destroy a unique paleontological resource or site or uniquegeologic feature?

The Project Site does not have any known paleontological resources or unique geologic features. There is no evidence that cultural resources of any type (including historical, archaeological, paleontological, or unique geologic features) exist on the Project Site. Nevertheless, there is some possibility that a buried site may exist in the area and be obscured by vegetation, fill, or other historical activities. If archaeological resources, including paleontological resources, are discovered during construction, Mitigation Measures CUL 1 and CUL 2 shall be implemented, therefore reducing impacts to ***less than significant with mitigation*.**

Mitigation Measures: Refer to CUL 1 and CUL 2

VIII. GREENHOUSE GAS EMISSIONS

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment.	☐	☐	☑	☐
a) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☐	☐	☑	☐

Environmental Setting

The Hanford Air Quality Element identifies greenhouse gases as gases that trap heat in the atmosphere. The effect is analogous to the way a greenhouse retains heat. Greenhouse gases include carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), sulfur hexafluoride (SF6), hydrofluorocarbons (HFC), and perfluorocarbons (PFC). Natural processes and human activities emit greenhouse gases. The presence of greenhouse gases in the atmosphere regulates the earth's temperature. Without the natural heat trapping effect of greenhouse gas, the earth's surface would be about 34 degrees Centigrade cooler. Greenhouse Gases (GHS) are gases that absorb infrared radiation in the atmosphere and are different from the criteria pollutants discussed in Air Quality.

Statewide legislation, rules, and regulations have been adopted to reduce GHG emissions from significant sources. The California Air Resources Board (CARB) and Environmental Protection Agency (EPA) regulate Greenhouse Gas Emissions (GHG) in the State of California and the United States respectively. CARB's primary regulatory responsibility is within California for GHG emissions. California has adopted statewide legislation addressing various aspects of climate change and GHG emissions mitigation. The governor has also issued several executive orders related to climate change policies. Of particular importance is AB 32 and SB 32, which outline the state's GHG reduction goals and required the California Air Resources Board (CARB) to regulate sources of GHGs to meet a state goal of reducing GHG emissions to 1990 levels by 2020, 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is generally limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment.

Construction: Greenhouse gases would be generated during construction from activities including site demolition, site preparation, grading, building construction, application of architectural coatings, and

paving. GHG emissions for the Project were estimated to be approximately 541 metric tons of carbon dioxide equivalent per year (MTCO2E/year) for residential construction and 149 MTCO2E/year per year for commercial construction (refer to Table 8.1 below). per year based on the Project description of 658 residential units, and 5.45 acres of commercial shopping center that will include two fast food restaurants, general retail and one mini-mart. The analysis was completed utilizing the CalEEMod Modeling Software and summarized in Table 8.-1 and 8-2 below. The analysis included a fueling station associated with the mini-mart, which has since been removed for the project. As a result the emissions will be lower than shown below, which were all below any threshold of significant, therefore were not changed as a result of the removal of the gas station portion of the mini-mart. The full analysis can be found in Appendix B

Table 8.1 Estimated Construction Related Greenhouse Gas Emissions

Phase	Unit	N2O	CH4	CO2	MTCO2E/yr
Residential Year 1	Tons/yr	0.054	0.056	579	541
Residential Year 2	Tons/yr	0.054	0.056	579	541
Residential Year 3	Tons/yr	0.054	0.056	579	541
Residential Year 4	Tons/yr	0.054	0.056	579	541
Total Residential	**Tons**	**0.216**	**0.224**	**2,318**	**2,162**
Commercial Year 1	Tons/yr	0.012	0.022	160	149
Commercial Year 2	Tons/yr	0.012	0.022	160	149
Commercial Year 3	Tons/yr	0.012	0.022	160	149
Total Commercial	**Tons**	**0.035**	**0.066**	**480**	**446**

Notes: Total emissions numbers may not add up due to rounding.

Operation: Implementation of the proposed Project would result in long-term greenhouse gas emissions associated with area sources, such as natural gas consumption, landscaping, applications of architectural coatings, and consumer products, as well as mobile emissions. Total GHG operational phase plus amortized construction phase emissions for the Project were estimated using the CalEEMod model, which estimates emissions to be approximately 8,185 MTCO2E/year for the residential Project and 4,494 MTCO2E/year per year for the commercial Project (refer to Table 8.2 below). Mobile emissions were estimated to be the primary source of GHG emissions.

Table 8.2 Estimated Operational Greenhouse Gases

Phase	Unit	N_2O	CH_4	CO_2	$MTCO_2E/yr$
Residential Operational Phase without Resident Vehicle* Emissions	Tons/yr	0.013	0.229	609	561
Residential Operational Customer with Resident Emissions	Tons/yr	0.181	0.046	8,274	7,552
Total Operations Emissions	**Tons**	**0.194**	**0.276**	**8,882**	**8,113**
Commercial Operations Phase without Customer Vehicle* Emissions	Tons/yr	0.0005	1.22	73.5	97.8

Commercial Operations Phase with Customer Vehicle Emissions	Tons/yr	0.160	0.025	4,785	4,382
Total Operations Emissions	**Tons**	**0.161**	**1.25**	**4,859**	**4,479**
Total Residential Operational Phase Plus Amortized Construction Phase Emissions $MTCO_2E$/year*					**8,185**
Total Commercial Operational Phase Plus Amortized Construction Phase Emissions $MTCO_2E$/year*					**4,494**

*Notes: * - Construction GHG emissions were amortized over 30 years.*
Total emissions numbers may not add up due to rounding.

The SJVAPCD does not have thresholds or guidance regarding the significance of GHG emissions. However, the South Coast Air Quality Management District (SCAQMD) adopted an Interim GHG Significance Threshold. For these reasons, Project GHG emissions levels presented in Tables 8.1 and 8.2 are primarily for disclosure purposes because impact analysis for the Project follows the approach certified by SCAQMD. The SCAQMD guidance identifies a threshold of 10,000 MTCO2 eq./year for GHG for construction emissions amortized over a 30-year Project lifetime, plus annual operation emissions. Although the Project is under SJVAPCD jurisdiction, the SCAQMD GHG threshold provides some perspective on the GHG emissions generated by the Project. Tables 8.1 and 8.2 shows the yearly GHG emissions generated by the Project are less than 10,000 MTCO2 eq/year, therefore impacts are considered **less than significant.**

Mitigation Measures: None Required

b) Would the project conflict with an applicable plan, policy or regulation adopted for the purpose ofreducing the emissions of greenhouse gases?

The City of Hanford adopted a Regional Climate Action Plan (CAP) in coordination with Kings County. The CAP includes a GHG inventory, a benchmarking/goal setting project and identified a reduction target for 2020. Although the CAP does not include a target for reduction in 2030, the measures in the plan will continue to provide reductions and help demonstrate continued progress in achieving the SB32 target for 2030.

The Regional CAP included policies that support emission reductions from new development. The Project contains features that have been evaluated for consistency with policies in the CAP and found consistent as summarized below in Table 8-3.

Table 8-3 Consistency with the Regional Climate Action Plan Policies

E-4.1 Encourage local homebuilders to participate in the New Solar Homes Partnership to install solar PV systems on qualifying new homes. **Consistent.** The proposed Project will comply with the latest CALGreen solar readiness and installation requirements.
E-4.2 Work with the building industry to incorporate designs improving solar readiness into building plans through voluntary green building guidelines. **Consistent.** The proposed Project will comply with the latest CALGreen solar readiness and installation requirements.

E-5.2 Provide project applicants with green building resources, including the SJVAPCD's Best Performance Standards list for GHG reductions, and promote workshops offered by community organizations **Consistent.** The proposed Project will include sustainability features in the Project design in accordance with SJVAPCD requirements, CALGreen, and City of Hanford standards.
TL-1.1 Support and encourage mixed-use and medium- and high-density land use categories located within ¼ mile of a transit stop, park and ride facility, or existing developed areas, by allowing flexible zoning and/or density bonuses for applicable projects. **Consistent**. The Project site is located within 0.25 mile of a transit stop. The proposed Project will consist of mixed uses with a range of densities and 5.45 acres of neighborhood commercial uses.
TL-1.3 Allow live/work developments that permit residents to live at their place of work and thereby reduce VMT and associated GHG emissions. **Consistent.** The proposed Project will include a range of residential uses and neighborhood commercial uses that will allow employees of the Project's commercial facilities to live within walking distance.
TL-2.3 Establish minimum design criteria for bicycle and pedestrian circulation and implement through the design review process. **Consistent.** The proposed Project would provide pedestrian infrastructure connecting to neighboring uses. The construction of 91/4 will include the right of way for the proposed class 3 bike lane on 9 ¼ Avenue.
TL-2.4 Encourage the installation of adequate and secure bicycle parking at all multi-family residential, commercial, governmental, and recreational locations throughout the region. **Consistent.** The proposed Project will comply with CALGreen Code requirements for bicycle parking.
TL-2.5 Support land use planning that will promote pedestrian and bicyclist access to and from new development by encouraging land use and subdivision designs that provide safe bicycle and pedestrian circulation, including bicycle parking facilities and internal bicycle and pedestrian routes, where feasible. **Consistent.** The proposed Project would comply with all applicable City design standards related to safe bicycle and pedestrian circulation.
TL-3.4 Support and encourage new development that provides safe routes to adjacent transit stops, where applicable. (Community) **Consistent.** The proposed Project will comply with City design standards that provide a safe route to a nearby transit stop.
TL.5.2 Allow the joint use of parking facilities for both private businesses and public agencies. ***Consistent.*** *The proposed commercial development will provide parking that will serve multiple businesses located within the shopping center*.

Source: King County Association of Governments Regional Climate Action Plan

The proposed Project would incorporate features that would minimize GHG emissions, as summarized above. These feature are consistent with the Regional CAP. As such, the Project will not conflict with plans, policies and regulations pertaining to GHG's, therefore impacts would be considered ***less than significant.***

Mitigation Measures: None Required

The request to annex the additional area to the north and prezone the land is in conformance with the General Plan. Physical development of the additional annexation area will be required to comply with

the General Plan policy, which includes emission reductions that mitigate GHG emission generation to a less than significant level. The goals and policies of the General Plan are intended to assist in reducing operational emissions. In addition, the General Plan policy meet 10 of the 12 Smart Growth Principles cited in the San Joaquin Valley Blueprint.

IX. HAZARDS AND HAZARDOUS MATERIALS

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☑	☐
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☑	☐
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☑	☐
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard or excessive noise to the public or the environment?	☐	☐	☐	☑
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☑
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☑
g) Expose people or structures, either directly or indirectly, to significant risk of loss, injury or death involving wildland fires?	☐	☐	☐	☑

Environmental Setting

The Project Site is located within two miles of the Hanford Municipal Airport, a public facility to the south. The nearest school is located adjacent to the Project to the west, Hamilton Elementary. There are two gas stations located at the intersection of 10th Avenue and East Grangeville Boulevard.

The Department of Toxic Substances Control's (DTSC's) Envirostor database was used to identify any sites known to be associated with releases of hazardous materials or wastes within the Project area, in accordance with Government Code Section 65962.5. No sites were identified in the DTSC research on the subject Project. A Phase 1 Site Assessment Report was prepared by Paul Humphreys EP, August 2024, Appendix D.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is generally limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project create a significant hazard to the public or the environment through the routinetransport, use, or disposal of hazardous materials?

Project construction activities may involve the use, storage, and transport of hazardous materials. During construction, the contractor will use fuel trucks to refuel onsite equipment and may use paints and solvents to a limited degree. The storage, transport, and use of these materials will comply with Local, State, and Federal regulatory requirements. There is the potential for small leaks due to refueling of construction equipment, however standard construction Best Management Practices (BMPs) included in the SWPPP will reduce the potential for the release of construction related fuels and other hazardous materials by controlling runoff from the Site and requiring proper disposal or recycling of hazardous materials. The residential uses do not normally result in transportation of hazardous materials, with the exception of residential or commercial cleaners, paint, etc. Future uses within the commercial area are conceptual and will require further review and approval by the City. Any use will be required to comply with Local, State and Federal requirements for the storage, transport and use of hazardous materials. The impact is considered ***less than significant.***

Mitigation Measures: None Required

The physical development of the additional annexation area to the north will be evaluated upon application for development, however, based on the General Plan designation for the area, Low-Density Residential and Neighborhood Commercial, routine use of these designations will not normally result in transportation of hazardous material. Any use proposed will be required to comply with Local, State and Federal requirements for the storage, transport and use of hazardous materials.

b) Would the project create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

A Phase 1 Assessment was prepared by Paul Humphrey, EP dated August 2024. The Phase 1 included a review of records, interviews and a site reconnaissance visit, full report can be found in Appendix D. The result of the Phase 1 assessment is that there is no evidence of recognized environmental conditions in connection with the Property. The investigation has revealed the following Business Environmental Risk (BER)s associated with the Project Site or nearby properties:

- The Subject Property is currently and was historically used for agricultural purposes. There is a potential that agricultural related chemicals such as pesticides, herbicides, and fertilizers, may have been used onsite. Based on Paul Humphrey, EP's experience, during previous site development activities, near surface soils (where residual agricultural chemical concentrations would have most likely been present, if at all) are likely generally mixed with fill material or disturbed during grading. Also, it is common that engineered fill material is placed over underlying soils as part of site development activities. These additional variables serve to further reduce the potential for exposure to residual agricultural chemicals (if any). Based on these reasons, Paul Humphrey, EP concludes that the possible use of agricultural chemicals is not expected to represent a significant environmental concern. If redevelopment activities for residential use are planned, it should be determined whether sampling relating to the former agricultural use is

required by the local planning department or other applicable oversight agency.

- The Subject Property included one irrigation water well on the north northeast portion of the site along the north boundary. If the well is not to be used, the well should be properly destroyed in accordance with State and local guidelines.

A letter from DTSC was received in response to early consultation, found in Exhibit A. DTSC recommended two items be considered by the City and the City response:

1. When agricultural crops and/or land uses are proposed or rezoned for residential use, a number of contaminants of concern (COCs) can be present. The Lead Agency shall identify the amounts of Pesticides and Organochlorine Pesticides (OCPs) historically used on the property. If present, OCPs requiring further analysis are dichloro-diphenyl-trichloroethane, toxaphene, and dieldrin. Additionally, any level of arsenic present would require further analysis and sampling and must meet HHRA NOTE NUMBER 3, DTSC-SLs approved thresholds. If they are not, remedial action must take place to mitigate them below those thresholds. Additional COCs may be found in mixing/loading/storage areas, drainage ditches, farmhouses, or any other outbuildings and should be sampled and analyzed. If smudge pots had been routinely utilized, additional sampling for Polycyclic Aromatic Hydrocarbons and/or Total Petroleum Hydrocarbons may be required.

   Response:

   As stated in the Phase 1, Paul Humphrey EP did not recommend further testing. Mr. Humphrey states "Based on Paul Humphrey, EP's experience, during previous site development activities, near surface soils (where residual agricultural chemical concentrations would have most likely been present, if at all) are likely generally mixed with fill material or disturbed during grading. Also, it is common that engineered fill material is placed over underlying soils as part of site development activities. These additional variables serve to further reduce the potential for exposure to residual agricultural chemicals (if any). Based on these reasons, Paul Humphrey, EP concludes that the possible use of agricultural chemicals is not expected to represent a significant environmental concern. If redevelopment activities for residential use are planned, it should be determined whether sampling relating to the former agricultural use is required by the local planning department or other applicable oversight agency." In consultation with City of Hanford staff, the City is not requiring sampling on land formerly under agricultural production.

2. DTSC recommends that all imported soil and fill material should be tested to assess any contaminants of concern meet screening levels as outlined in DTSC's Preliminary Endangerment Assessment (PEA) Guidance Manual.

   No fill is anticipated to used for construction on the Project Site.

There is no reasonably foreseeable condition or incident involving the residential portion of the Project that could result in release of hazardous materials into the environment, other than any potential accidental releases of standard fuels, solvents, or chemicals encountered during typical construction of a residential subdivision and commercial development. Future potential commercial uses within the commercial area will be reviewed by City staff for design and compliance with City, State and Federal standards for regulation of potential hazardous materials. Should an accidental hazardous release occur, existing regulations for handling hazardous materials require coordination with the

California Department of Toxic Substances Control for an appropriate plan of action, which can include studies or testing to determine the nature and extent of contamination, as well as handling and proper disposal. Therefore, potential impacts are ***less than significant.***

Mitigation Measures: None Required

c) Would the project emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

The Project is located within one-quarter mile of an existing school, Hamilton Elementary. The Project, including the additional annexation area to the north, which is comprised of typical residential uses, 5.45 acres of future commercial uses, and 6.35 acres of future Neighborhood Commercial development (within the additional annexation area to the north), is not anticipated to include a use that will involve the use or storage of hazardous substances other than small amounts of pesticides, fertilizers, and cleaning agents required for normal maintenance of residential and commercial structures and landscaping. The proposed commercial area is not located within a one-quarter mile of a school. The Project would not emit hazardous emissions or involve the handling of acutely hazardous materials or waste, therefore, impacts would be ***less than significant***.

Mitigation Measures: None Required

d) Would the project be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

The Project Site is not listed as a hazardous materials site pursuant to Government Code Section 65962.5. In addition, the Phase 1 Assessment Report, Appendix D, revealed no evidence of recognized environmental conditions in connection with the Property; therefore there is ***no impact.***

Mitigation Measures: None Required

e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazardor excessive noise for people residing or working in the project area?

The proposed Project is not located within an airport land use plan, although it is located within two miles of a public airport. The closest airport is the Hanford Public Airport approximately 1.5 miles south of the Project Site. The proposed Project would not result in a safety hazard or excessive noise for people residing or working in the Project area, therefore there is **no impact.**

Mitigation Measures: None Required

f) Would the project impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

The City's site plan review procedures, building permit and improvement plan check processes ensure compliance with the Hanford Safety Element and the Kings County 2023 Local Hazard Mitigation Plan. The Project will not interfere with any adopted emergency response and evacuation

plans, therefore there is **no impact.**

Mitigation Measures: None Required

g) Would the project expose people or structures, either directly or indirectly, to significant risk of loss, injury or death involving wildland fires?

The land surrounding the Project Site is developed with urban uses and agricultural uses and are not considered to be wildlands or located within a fire hazard severity zone. The proposed Project would not expose people or structures to significant risk of loss, injury or death involving wildland fires, therefore there is **no impact.**

Mitigation Measures: None Required

X. HYDROLOGY AND WATER QUALITY

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements or otherwise sustainably degrade surface or ground water quality?	☐	☐	☑	☐
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	☑	☐
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner, which would:	☐	☐	☑	☐
(i) result in substantial erosion or siltation on- or off-site?	☐	☐	☑	☐
(ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite?	☐	☐	☑	☐
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	☐	☐	☑	☐
(iv) impede or redirect flood flows?	☐	☐	☐	☑
d) In flood hazard, tsunami, or seiche zones risk the release of pollutants due to project inundation?	☐	☐	☑	☑
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater movement plan?	☐	☐	☑	☐

Environmental Setting

The Project Site is anticipated to be within the City Limits upon annexation and as such, will be required to connect to water, wastewater and stormwater services. The Project is located within the jurisdiction of the Central Valley Regional Water Quality Control Board (RWQCB). A Water Supply Assessment (WSA) was prepared by The Wallace Group dated January 2025, Appendix D, and is the analysis used for the impact assessment below.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is generally limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project violate any water quality standards or waste discharge requirements or

otherwise substantially degrade surface or ground water quality?

During construction of the Project Site, potential impacts on water quality arising from erosion and sedimentation are expected to be temporary conditions during the construction of the new development. Because the Project is greater than one acre in size, the development must prepare and have approved a Storm Water Pollution Prevention Plan (SWPPP) that specifies Best Management Practices (BMPs) to prevent construction pollutants from contacting stormwater to keep all erosion products from moving off-site and into receiving waters during construction. In addition, prior to the commencement of construction activities, the development would be required to adhere to the requirements of the City of Hanford standards for grading and have an approved grading permit. The intention is to eliminate or reduce non-stormwater discharge to storm sewer systems and other waters of the United States. The Project includes an on-site temporary storm water basin that will be designed and approved by the City of Hanford to control stormwater runoff and erosion. Project-specific drainage improvements would reduce the proposed Project's potential to violate water quality standards during construction to a less than-significant impact. The proposed Project will not discharge to any surface or groundwater source. As such, the Project will not violate any water quality standards and will not impact waste discharge requirements, therefore impacts are determined to be ***less than significant***.
Mitigation Measures: None Required

The additional annexation area to the north does not contain a physical project, however, physical development of the additional annexation area will be required to adhere to the requirements below:

Construction: potential impacts on water quality arise from erosion and sedimentation are expected to be localized and temporary during construction of new development. All new development that disturb more than one acre are required to comply with the General Permit Order No. 2012-0006-DWQ during construction. Proponents of new development would have to develop and implement a stormwater pollution prevention plan (SWPPP) that specifies best management practices (BMPs) to prevent construction pollutants from contacting stormwater, with the intent of keeping all products of erosion from moving off-site and into receiving waters; eliminate or reduce non-stormwater discharges to storm sewer systems and other waters of the United States; and inspect all BMPs.

Operation: The physical development of the project site will be required to implement appropriate minimum control measures (MCMs) and design standards in compliance with Phase II General Permit as outlined in the Stormwater Management Plan as well as the City's grading plan and site development requirements. New development would have to incorporate best management practices and adhere to design standards to maximize the reduction of pollutant loadings in that runoff to the maximum extent practical. The City Building Division would review and approve grading plans and site development requirements for the new development, when a physical project is proposed.

b) Would the project substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management ofthe basin?

The City of Hanford obtains its water supply solely from groundwater. According to the City of Hanford Urban Water Management Plan (2020) and the City's website, the City sources its water supply from groundwater through a network of 15 wells, 3.5 million gallons of storage tanks and has a capacity

34.5 million gallons per day. The estimated water demand for the proposed Project is 176-179 acre feet per year.

The Project Site is located within the Tulare Lake Hydrolic Basin and the Tulare Lake Subbasin. The Tulare Lake Subbasin is considered by DWR to be a high priority basin according to SGMA and in critical overdraft condition. The subbasin is collectively managed by five GSAs consisting of the North Kings GSA, the Mid-Kings River GSA (MKRGSA), the El Rico GSA, the Tri-County Water Authority and the South Fork Kings GSA (GKGSA). The Project site is currently within the boundaries of the MKRGSA. Each of the GSAs within the subbasin have developed a Groundwater Sustainability Plan (GSP) but collectively have determined a subbasin-wide sustainable yield of 660,000 acre-feet per year (AFY).

In accordance with Senate Bill 610, which supplements the California Water Code (CWC), a Water Supply Assessment (WSA) was prepared by The Wallace Group (January 2025), Appendix E. The projected water usage for the 356 single-family units and 302 multi-family units (Project scope has been reduced to 650, but the WSA used 658) was determined using two different methods to determined a range of water usage. The first method estimates indoor and outdoor water usage on a per dwelling unit basis (i.e., individual lot) with results of 161 acre feet per year. The assumptions were based on an occupancy of 2.96 persons per household, equal to the occupancy rate cited in the 2020 UWMP, and a demand of 50 gallons per capita per day (gpcd). California State Water Code Section 10608.20 uses a target indoor water demand factor of 55 gpcd as an option for agencies in complying with water conservation requirements which reduces to 42 gpcd by 2030; this analysis assumes 50 gpcd.

The second method used to estimate residential water demand, relies on a water duty demand factor from the 2017 Water System Master Plan (WSMP) based on land use type and acreage which provides an estimate of total water usage of 159 acre feet per year.

The 5.45 acre commercial is estimated to use 4.49 acre feet per year. Commercial water demands were estimated using the water duty demand factors from the Water System Master Plan (WSMP). Retail buildings are assumed to be regional commercial land usage, and food and convenience/gas buildings as highway commercial.

The total estimated water demand for the Copper Ridge development is 176-179 acre feet per year, with system losses of 7.4% extrapolated from the reported losses in UWMP, using the total metered demand and system losses.

The UWMP outlines the current City limits and land use. The proposed Project is within the City's 2035 growth boundary. The predominantly low-density residential housing with commercial space is shown in a planned low- and medium-density residential zone. This growth area and corresponding land use were used in the 2017 WSMP as the basis for estimating future water demands, therefore, the City is actively planning for development in the area of proposed development and other areas within the growth boundary. The Project would be served by the City public water service, which relies on groundwater from the Lake Tulare subbasin. Water supply sufficiency is addressed in the City's 2020 UWMP which evaluates conditions under a single normal year, single dry year, and multiple dry years over a 20-year period. During the fifth year of a multiple dry year scenario, the Copper Ridge is expected to add up to 200 acre-feet of demand per year, which represents approximately 1.2% of the estimated 2045 water supply, indicating the Copper Ridge development will have a ***less than significant*** impact on the City's overall water supply.

Mitigation Measures: None Required

c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner, which would:

i. Result in substantial erosion or siltation on- or off-site?

The proposed Project includes the construction and operation of residential homes and 5.45 acres of commercial development on formerly agricultural land. During construction, and in compliance with the Project's SWPPP, construction related erosion controls and BMPs would be implemented to reduce potential impact related to erosion and siltation. The same will be required for development of the annexation area to the north, as physical development is proposed. The BMPs would include, but are not limited to, covering and/or binding the soil surfaces to prevent soil from being detached and transported by water or wind and the use of barriers such as straw bales and sandbags to control sediment. The Project will increase impervious surface with the installation of paving of streets, concrete pads for homes and sidewalks. In order to adequately capture and discharge stormwater runoff, the Project streets, curb and gutter will be conditioned to be constructed to City standards. Improvement plans will be reviewed by City staff for approval prior to construction. This review and approval will result in impacts that are ***less than significant.***

ii. Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite?

The Project Site is relatively flat, and grading would be minimal and would not appreciably change because of grading activities. The Project would result in an increase in impervious surfaces that could significantly reduce the rate of percolation of stormwater at the site and would concentrate and accelerate surface runoff. However, as mentioned in Section (c)(i) above, the Project includes a storm drain basin of adequate size to facilitate all surface runoff generated by the Project's impervious surface, and would not result in surrounding properties being impacted by the Project's runoff. The Project will not result in the alteration to any stream or rivers. Therefore, the Project would have a ***less than significant impact***.

Physical development of the additional annexation area to the north will be evaluated by the Engineering Division at the time of application to ensure surface runoff is adequately handled.

iii. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?

Please see response (a) through (c)(ii), above. The Project will increase demand on the City storm drain system. Such increases may have the potential for significant environmental impacts but can be mitigated to a less than significant level by the construction of an on-site storm basin sized to accommodate stormwater from the Project, as shown on the Copper Ridge Tentative Subdivision Map, Figure 7. and incorporating best management practices for storm runoff. The Project will be required to comply with all applicable State and City codes and regulations for stormwater drainage and runoff. No streams or rivers exist within the Project's vicinity that would

result in substantial erosion or siltation on or offsite.

The Project would not substantially increase the rate or amount of surface runoff in a manner that would result in flooding on or offsite, contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems, nor provide additional sources of polluted runoff.

Upon compliance with the State and City standards for the construction of stormwater basins and best management practices to manage runoff impacts would be ***less than significant.***

iv. Impede or redirect flood flows?

The proposed Project is not located within the 100-year flood hazard area as mapped by the Federal Emergency Management Agency (FEMA). Therefore, the proposed Project would not impede or redirect potential flood flows, and the proposed Project would have ***no impact***.

Mitigation Measures: None Required

d) Would the project, in flood hazard, tsunami, or seiche zones, risk the release of pollutants due toproject inundation?

The proposed Project is not located in a flood hazard, tsunami or seiche zone. There are no rivers, reservoirs, ponds or lakes within the site. Since the Project is not located in an area that is susceptible to inundation, the Project would not risk release of pollutants due to Project inundation. As such, there is ***no impact.***

Mitigation Measures: None Required

e) Would the project conflict with or obstruct implementation of a water quality control plan orsustainable groundwater management plan?

The Project will not conflict with any water quality control plans or sustainable groundwater management Plan. Specifically it will be required to comply with the Mid Kings River Groundwater Sustainability Agency (MKRGSA) sustainability plan and City of Hanford policies in the Hanford Stormwater Drainage Plan. By conforming to all standards and policies as stated above, there will be **no impact** associated with the Project.

Mitigation Measures: None Required

XI. LAND USE AND PLANNING

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Physically divide an established community?	☐	☐	☐	☑
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☑

Environmental Setting

The proposed Project Site is located adjacent to the City limits of Hanford along the northeastern edge. The site is currently designated for low density and medium density residential by the City of Hanford General Plan. The Project application includes a request for annexation to the City, a general plan amendment to allow medium density residential and neighborhood mixed use and the corresponding zoning of RM and MX-N. The proposed Project includes a Planned Unit Development that will allow the proposed subdivision and meet the densities required in the General Plan.

There is no physical development proposed in the Additional Annexation Area to the north. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project physically divide an established community?

The Project proposes the development of 650 residential units on approximately 78.16 acres and 5.45 acres of commercial land use, as well as the annexation of an additional 58.24 acres for future Low-Density Residential and Neighborhood Commercial land use. The Project does not include a physical feature such as a highway or railroad, that would physically divide a community by eliminating access. As such, the Project would not act as a physical barrier within a community, therefore there is ***no impact.***

Mitigation Measures: None Required

b) Would the project cause a significant environmental impact due to a conflict with any land use plan,policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?

The Project's current land use designation is a mix of Low Density and Medium Density Residential in the General Plan. The Project includes a change from the Low to Medium density to increase the Medium density area and add 5.45 acres of Mixed Use Neighborhood Commercial with an application for a Planned Unit Development (PUD) to allow the variety of lot sizes, while still meeting the densities in the General Plan. The Project will create 650 units on 78.16 acres, which is a density

of 8.32 units per acre, which is consistent with the Land Use Element of the General Plan, as amended, and is also within the current allowed densities of Low Density 2 to 10 units per acre and Medium Density 7 to 20 units per acre. The general plan amendment to change from Low Density to Medium Density is also in conformance to the polices pertaining to the East Side Area in the General Plan that state higher densities are to be encouraged. The change to allow the Mixed-Use Neighborhood Commercial is also supported by the following policies in the General Plan pertaining to providing neighborhood type commercial close to neighborhoods as listed below:

3.6 Mixed Land Use

The intent of the mixed-use land use designations is to provide for a mixture of stores, services, restaurants, offices, and homes (dwelling units) in close proximity, thereby allowing residents to work and shop close to home and reduce the length and frequency of trips between home, work, shopping, and services. This contributes to opportunities to increase the use of public transit, reduce auto dependency, provide a wider range of housing choices, and promote activity during more hours of the day. Both vertical and horizontal mixed-use developments are encouraged in the mixed use designations. The Hanford Zoning Ordinance provides the enforcement mechanism to implement the identified policies.

Goal L15: More opportunities for mixed use projects.

Goal L16: A mix of land uses, vertical, horizontal or both, at appropriate locations in the city.

Goal L17: A mixture of commercial shopping and services with multi-family residential dwellings in a vibrant, walkable environment.

Goal L18: Opportunities to design land uses that meet people's residential and shopping needs while reducing reliance on automobiles.

3.6.1 Neighborhood Mixed Use

Policy L60 Purpose of Neighborhood Mixed Use Land Use Designation Establish the Neighborhood Mixed Use land use designation to promote mixed-use commercial and multifamily residential areas that allow walking to and between the mix of uses. New development may be oriented towards an existing public street or a new street or civic space within the development site.

Policy L61 Typical Uses in Neighborhood Mixed Use Land Use Designation Define the uses allowed in the Neighborhood Mixed Use land use designation to include multi-family dwellings along with businesses providing day-to-day goods and services for the surrounding and nearby residential neighborhoods. Commercial uses that would primarily serve a citywide or regional market area shall not be allowed. Typical uses include duplexes, townhomes, apartments, markets, small retail shops, eating establishments, service stations, convenience stores, dry cleaning and laundry services, beauty salons, and other similar uses. Both vertical and horizontal mixed-use developments are encouraged.

Policy L62 Design of Neighborhood Mixed Use Land Use Designation Require that new development projects and major site reconfigurations in the Neighborhood Mixed Use land use designation provide site layouts, buildings, landscaping, walkways, and signage that are oriented

primarily to the pedestrian. Require pedestrian access between residential and commercial uses and prohibit parking areas, walls, and landscaping in locations on the site that block or hinder pedestrian access. The maximum residential density permitted in a horizontal mixed use development is fifteen (15) dwelling units per acre.

Policy L63 Location and Size of Neighborhood Mixed Use Land Use Designation Locate Neighborhood Mixed Use land use designations on eight (8) to twenty-five (25) acres at roughly one-mile intervals on one corner of an intersection of an arterial street and an arterial or collector street. This land designation takes the place of the Neighborhood Commercial land use designation on some corners.

Policy L155 Eastside Higher Density Residential Uses Support the development of higher density residential uses in close proximity to the Grangeville Boulevard corridor and the gradual transition to lower density, single-family residential uses as distance from the Arterial road increases.
Policy L156 Eastside Development along Grangeville Boulevard Discourage “strip" development along Grangeville Boulevard from an overall community development perspective. Develop design policies and regulations that identify a minimum percentage of street-facing building facades and minimize the exposure of parking and masonry walls along the street.
The proposed Project, including the proposed general plan amendment, does not conflict with any applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. There is ***no impact.***

Mitigation Measures: None Required

XII. MINERAL RESOURCES

Would the project:	Potentially Significant Impact	Less Than SignificantWith Mitigation Incorporation	Less than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☑
b) Result in the loss of availability of a locally - important mineral resource recovery site delineated on a local general plan, specific plan or other lands use plan?	☐	☐	☐	☑

Environmental Setting

According to the Hanford 2035 General Plan Background Report, the only significant mineral commodities that have been found within the Hanford Planning Area are sand and gravel for road and building construction. At this time there are no known significant deposits, and no active mines.

Discussion

a) Would the project result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

The Project Site has no known mineral resources that would be of value to the region and the residents of the state, therefore the proposed Project would not result in the loss of regionally or locally important mineral resources. Therefore, there is ***no impact.***

Mitigation Measures: None Required

b) Would the project result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other lands use plan?

There are no known mineral resources of importance to the region and the Project Site is not designated under the City's General Plan as an important mineral resource recovery site, therefore there is ***no impact***.

Mitigation Measures: None Required

XIII. NOISE

Would the project result in:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Generation of a substantial temporary or permeant increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☑	☐
b) Generation of excessive ground-borne vibration or groundborne noise levels?	☐	☐	☑	☐
c) For a project located within the vicinity of a private airstrip or, an airport land use plan or, where such a plan has not been adopted, within two miles of public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☑

Environmental Setting

Noise is often described as unwanted sound. It consists of any sound that may produce physiological or psychological damage and/or interfere with human communication, work, rest, recreation, and sleep. Noise has become an environmental pollutant that threatens quality of life. Extreme levels of noise can cause pain and hearing loss. In addition, continuous exposure to noise pollution is associated with hypertension, increased blood pressure, impaired reading comprehension and long term memory in children.

Vibration is seismic waves that radiate along the surface of the earth and downward into the earth. The operation of heavy construction equipment, particularly pile driving and other impact devices such as pavement breakers create this vibration.

Principal noise sources in the City of Hanford include traffic on major roadways, including State Route 198, and railroad noise. In the Project area, the primary noise is from traffic noise and rail noise from the Union Pacific (UP) railroad to the south, although it is infrequently used. Other potential noise sources are related to the ag uses to the east, north and south.

The closest noise sensitive receptors are the school and the residents of the single-family residential properties to the west.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project result in generation of a substantial temporary or permeant increase in ambientnoise levels in the vicinity of the project in excess of standards established in the local general planor noise ordinance, or applicable standards of other agencies?

Project construction is anticipated to be in phases over the course of four to five years and will involve temporary noise sources. Typical construction noise will come from graders, tractors, trenchers and excavators. Construction noise from the home building will contribute to the noise environment of the homes and school to the west. The City Municipal Code does not contain specific noise standards for motor vehicles and other noise sources; however, the General Plan contains guidelines that limit exterior noise levels for residential and schools to 60 – 70 dBA CNEL. The Hanford Municipal Code (HMC) Section 9.10.060(A)(10) does limit construction noise to between the hours of 7:00 a.m. and 8:00 p.m. The Project construction will be required to limit construction noise to these hours.

Operational noise from both the residential and commercial will primarily be from vehicles traveling along Grangeville Boulevard, 9 ¼ Avenue, Leland Way and 9th Avenue, as well as the internal circulation within the subdivision. Although the uses within the commercial development have not been determined, it is anticipated that new noise will be generated from vehicles, potential drive-throughs and loudspeakers. Noise will be required to comply with HMC Section 9.10 pertaining to Loud or Annoying Noise, including hours of operations for noise generating activities.

Because noise generated from construction would be temporary and operational noise from both the residential and the commercial site would be required to comply with HMC Section 9.10, impacts are determined to be ***less than significant.***

Mitigation Measures: None Required

b) Would the project result in generation of excessive ground-borne vibration or groundborne noiselevels?

Construction vibration impacts include human annoyance and building structural damage. Human annoyance occurs when construction vibration rises significantly above the threshold of perception. Building damage can take the form of cosmetic or structural. Table 13-1, below, shows the typical vibration levels produced by construction equipment.

Table 13.1 Typical Vibration Levels Typical Equipment

	Peak Particle Velocity (inches/second) at 25 feet	**Approximate Vibration Level (LV) at 25 feet**
Large Bulldozer	0.089	87
Loaded Trucks	0.076	86
Small Bulldozer	0.003	58
Auger/Drill Rig	0.089	87
Jackhammer	0.0.35	79

Vibratory Compactor/roller	0.210	94

Source: Transit Noise and Vibration Impact Assessment, Federal Transit Administration

The primary vibration-generating activities associated with the proposed Project would occur when grading of the site is conducted, and when infrastructure such as utilities, and foundations are constructed. Operating cycles for the types of construction equipment used during construction may involve one or two minutes of full power operation followed by three or four minutes at lower power settings. Other primary sources of acoustical disturbance would be due to random incidents, which would last less than one minute (such as dropping large pieces of equipment or the hydraulic movement of machinery lifts). These estimations of noise levels take into account the distance to the receptor, attenuation from molecular absorption and anomalous excess attenuation.

While there is a school and residences to the west of the proposed Project, vibratory compactors/rollers would be used only on a limited and intermittent basis during compaction, and would be moving throughout the site, instead of stationary or operated long-term in the same location to the extent it would damage buildings due to longer-term extended use. Therefore, this would be considered a ***less than significant impact*.**

Mitigation Measures: None Required

c) For a project located within the vicinity of a private airstrip or, an airport land use plan or, where such a plan has not been adopted, within two miles of public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

According to the Kings County Airport Land Use Plan, the Project Site is not located in an airport land use plan. The Project Site is approximately one mile from the public airport, but is outside the anticipated noise contours as shown on the Airport Compatibility Zone Map in the General Plan Background Report, therefore there is ***no impact*.**

Mitigation Measures: None Required

XIV. POPULATION AND HOUSING

Would the project:	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Induce substantial unplanned population growth in an area, either directly (for example, by new homes and businesses) or indirectly (forexample, through extension of roads or other infrastructure)?	☐	☐	☑	☐
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☑

Environmental Setting

The United States 2020 Census determined the Hanford population to be 58,997 in 2020 and estimates the current population to be 59,938 based on most recent projections. The average household size, as determined in the census was 3.08 persons.

There is no physical development proposed in the Additional Annexation Area to the north. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project induce substantial unplanned population growth in an area, either directly (for example by new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

The Project proposes to construct 650 new residential units in a mix of single family and multiple family units. The United States 2023 Census estimate states that the City's average household size is 3.08 persons. Based on this average household size, the anticipated population increase as a result of the proposed Project is 2,002 persons. This would be an increase of 3.3 percent beyond existing conditions.

Future development of the annexation area would also contribute to population growth. Using the expected density per gross acre for the Low-Density Residential designation, four units per gross acre, it is estimated there could be approximately 191 units, for a total of 590 persons.

The construction of housing at this location would not be unplanned, as the City's General Plan designates the proposed Project Site for residential development and the potential population increase was evaluated in the associated General Plan EIR. Although the Project includes a General Plan Amendment to change from Low Density Residential to Medium Density Residential, the proposed density of 8.5 units per acre is within the density range of the Low Density Residential of 2-10 units per acre, within the range contemplated in the 2035 General Plan and associated EIR. The City 2024-2032 Housing Element identified the following goal and policies for housing in the City of Hanford:

GOAL 2. Facilitate and encourage the provision of a range of housing types and prices to meet the diverse needs of residents.

Policy 2.1. Provide adequate sites for housing through appropriate land use, zoning and development standards to accommodate the regional housing needs for the current planning period.

Policy 2.3. Ensure the adequate provision of water, sewer, roads, public facilities, and other infrastructure necessary to serve new housing.

Policy 2.4. Support the construction of high quality single and multi-family housing which is well designed and energy efficient.

The Project would not induce substantial unplanned population growth directly or indirectly, therefore impacts are considered to be ***less than significant.***

Mitigation Measures: None Required

b) Would the project displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?

The proposed Project Site is undeveloped and does not involve the removal of housing or displacement of people, therefore there is ***no impact.***

Mitigation Measures: None Required

XV. PUBLIC SERVICES

Would the Project:	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable serve ratios, response times of other performance objectives for any of the public services:				
a. Fire protection?	☐	☐	☑	☐
b. Police protection?	☐	☐	☑	☐
c. Schools?	☐	☐	☑	☐
d. Parks?	☐	☐	☑	☐
e. Other public facilities?	☐	☐	☑	☐

Environmental Setting

Fire: The Project Site will be served by the City of Hanford Fire Department.

Police: The City of Hanford Police Department will provide law enforcement services to the proposed Project Site.

Schools: The proposed Project Site is located within the Hanford Elementary School District and the Hanford Joint Union High School District. Students will attend Hamilton Elementary and Hanford High School. The closest school being Hamilton Elementary located across the street from the Project to the west. Funding for schools is outlined in Education Code Section 17620 and Government Code Section 65995 et. Seq., which governs the amount of fees that can be levied against new development. These fees are used to construct new or expanded school facilities. Payment of fees authorized by the statute is deemed "full and complete mitigation."

Parks: The closest park is located directly across the street to the west, Freedom Park. A new park, Heros Park, is in the planning stages and will be located within one mile to the southeast.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is generally limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines. Development of the annexation area will be subject to impact fees, similar to the Project.

Discussion

a) Would the project result in substantial adverse physical impacts associated with the provision of newor physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable serve ratios, response times of other performance objectives for any of the public services:

a. Fire protection?

The City of Hanford Fire Department will provide fire protection services to the proposed development. The nearest Fire station is located at 350 W Grangeville Boulevard, approximately 1.3 miles west of the proposed Project. The addition of 650 residential units and 5.45 acres of commercial development will increase the demand for fire protection services. The need for new fire service facilities is assessed as the City continues to grow and develop within the growth boundary in the City's General Plan. The development of 650 residential units and the commercial development alone will not require the alteration of existing or construction of new fire services facilities, but would contribute to the cumulative need for increased fire protection services. The increase in service demand will be compensated by the payment of a fire development impact fee. Payment of the impact fee is considered mitigation and payment of the Project's fair share contribution towards cumulative increases in demand for fire protection services.

The timing of when new fire service facilities would be required or details about size and location cannot be known until such facilities are planned and proposed, and any attempt to analyze impacts to a potential future facility would be speculative. As new or expanded fire service facilities become necessary, construction or expansion Projects would be subject to their own separate CEQA review in order to identify and mitigate any potential environmental impacts. Therefore, impacts resulting from the proposed Project would be **less than significant**.

Mitigation Measures: None Required

b. Police protection?

The Hanford Police Department will provide services to the proposed development. The Hanford Police Department is located at 425 N. Irwin in downtown Hanford. The addition of 650 residential units and 5.45 acres of commercial development will increase the demand for police protection services. The need for new police service facilities is assessed as the City continues to grow and develop within the growth boundary in the City's General Plan. The development of 650 residential units and the commercial development alone will not require the alteration of existing or construction of new police services facilities, but would contribute to the cumulative need for increased police protection services. The increase in service demand will be compensated by the payment of a police development impact fee. Payment of the impact fee is considered mitigation and payment of the Project's fair share contribution towards cumulative increases in demand for police protection services.

The timing of when new police service facilities would be required or details about size and location cannot be known until such facilities are planned and proposed, and any attempt to analyze impacts to a potential future facility would be speculative. As new or expanded police service facilities become necessary, construction or expansion Projects would be subject to their

own separate CEQA review in order to identify and mitigate any potential environmental impacts. Therefore, impacts resulting from the proposed Project would be **less than significant**.

Mitigation Measures: None Required

c. Schools?

Since the proposed Project includes the addition of 650 residential units, the number of students in the school district will increase. The Project will pay school development impact fees to the school districts at the time of building permit issuance in compliance with Education Code Section 17620 and Government Code Section 65995 et. Seq.. These fees are used to construct new or expanded school facilities. Payment of fees authorized by the statute is deemed "full and complete mitigation" therefore impact will be ***less than significant.***

Mitigation Measures: None Required

d. Parks?

The addition of 650 new residential units would result in more use at existing parks. The Project is located adjacent to Freedom Park, west of the Project and within one-half mile to the new Heros Park currently in the planning phase. The Project will also pay the park development impact fee of $3,192 for single family residential and $3,096 for multiple family dwelling units. Since the Project would contribute its fair share to parks facilities through payment of in-lieu fees, the impact ***is less than significant***.

Mitigation Measures: None Required

e. Other public facilities?

The Project is within the planning area anticipated in the Hanford General Plan and as such would not result in increased demand for, or impacts on, other public facilities that were not anticipated. In addition, the Project will also pay development impact fees to support library, public health etc. to Kings County, therefore impacts are considered ***less than significant.***

Mitigation Measures: None Required

XVI. PARKS AND RECREATION

Would the project:	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☑	☐
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	☐	☐	☐	☑

Environmental Setting

The closest City park is Freedom Park, located directly west of the Project Site. The Project is also within one half mile of the future Heros Park currently in the planning phases. According to the City of Hanford 2019 Park and Recreation Master Plan, the City had 299.7 acres of developed park acreage, which was 5.06 acres per 1,000 residents. The City has added 8.9 acres since 2019 for a total of 308.6. Based on the current population estimate of 59,938 persons, the City has 5.14 acres of park space per 1,000 persons. The General Plan identified a goal of 3.5 acres per 1,000. The City will be adding additional park space by expanding Hidden Valley Park and Heros Park.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

Implementation of the proposed Project would result in increased use of existing parks and other recreational facilities, however the Project would contribute its fair share to parks facilities through the payment of park development impact fees, which is intended to be used to provide additional community park acreage, such as Heros Park and Hidden Valley Park expansion in the City; therefore the impact is ***less than significant.***

Mitigation Measures: None Required

b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

The Project does not include any recreational facilities, therefore there will be ***no impact***.

Mitigation Measures: None Required

XVII. TRANSPORTATION

Would the project:	Potentially Significant Impact	Less than SignificantWith Mitigation Incorporation	Less than Significant Impact	No Impact
a) Conflict with a program plan, ordinance orpolicy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	☐	☐	☑	☐
b) Conflict or be inconsistent with the CEQA guidelines Section 15064.3, Subdivision (B)?	☐	☐	☑	☐
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves ordangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☑
d) Result in inadequate emergency access?	☐	☐	☐	☑

Environmental Setting

The proposed Project is located at the northeast corner of Grangeville Boulevard and 9 ¼ streets. A traffic study was prepared to review impacts to traffic intersections and segments as well as Vehicle Mile Traveled (VMT), Appendix H.

Vehicular Access: Vehicular access to the Project will be to 9 ¼ Avenue, Leland Way, future 9th Avenue and Grangeville Boulevard. The Project has been designed to provide connection to the surrounding arterial and collector streets.

Pedestrian and Cyclist Connectivity: The Project will install sidewalks along all arterial and collector streets as well internal local streets in accordance with City development standards. City staff has stated that future 9 1/4 Avenue will have a Class 3 Bike Lane.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project conflict with a program plan, ordinance or policy addressing the circulationsystem, including transit, roadway, bicycle and pedestrian facilities?

The Project consists of the construction of 650 single family and multiple family residential units as well as on-site circulation-related infrastructure improvements, including new local residential streets. A Traffic Study was prepared by C2 Consulting, December 2024, Appendix G. The City requested that the following intersections be studied as part of the traffic study.

1) Grangeville Blvd.at 10 Avenue

2) Grangeville Blvd.at 9 ¼ Avenue
3) Grangeville Blvd.at SR 43
4) 9 ¼ Avenue at Florinda Street
5) 9 ¼ Avenue at Leland Way

The TIS included a Level of Service (LOS) analysis for the following scenarios:

1) Existing
2) Existing plus the Copper River Project
3) Existing plus the Copper River Project (mitigated, if necessary)

Level of Service Standard The City of Hanford's Transportation Element Policy T29 set's the maximum Level of Service at "E" on streets and intersections within the area bounded by Highway 198, 10th Avenue, 11th Avenue, and Florinda Avenue, inclusive of these streets. The City has set a peak hour Level of Service of "D" on all other streets and intersections with the Planned Growth Boundary.

New trips generated by the Copper Ridge Project were estimated using the Institute of Transportation Engineer's (ITE) Trip Generation Manual. This publication provides average rates of trip generation for different land uses and relates these to dwelling units (residential) and square footages (fast food and retail shops). It should be noted that for the proposed minimart, the trip generation was computed from an estimated 16 gas pumps as depicted on the site plan layout. Trip generation rates are provided for weekdays along with the proportion of trips that are inbound or outbound from the development. The resulting Project trip generation is 862 trips in the AM peak hour and 1,079 trips in the PM peak hour. The Copper Ridge Project is estimated to generate a total of 12,091 daily trips.

Utilizing the ITE trip manual, pass by trips were estimated, which resulted in the final Project trip generation of 549 in the AM and 717 in the PM. The LOS for all intersections was calculated for Existing plus Project as shown below in Table 17.1. As illustrated below, all intersections are calculated to operate above the City's LOS minimum of "D" therefore no mitigations are required and impacts are considered ***less than significant.***

Table 17.1 Existing Conditions PLUS Project
Level of Service

Intersection	**AM Peak Hour**		**PM Peak Hour**	
	Vehicle Delay	LOS	Vehicle Delay	LOS
Grangeville Blvd.at 10th Ave	25.0	C	23.0	C
Grangeville Blvd.at 9 ¼th Ave	25.9	C	24.5	C
Grangeville Blvd.at SR 43	10.9	B	13.6	B
9 ¼ Ave at Florinda St				
Northbound approach	8.2	A	7.9	A
Eastbound approach	13.1	B	11.6	B

9 ¼ Ave at Leland Way				
Westbound approach	7.8	A	7.5	A
Northbound approach	11.6	B	10,5	B

Mitigation Measures: None Required

b) Would the project conflict or be inconsistent with CEQA Guidelines Section 15064.3, Subdivision(b)?

The City adopted the City of Hanford VMT Thresholds and Implementation Guidelines (VMT Guidelines), dated November 2022. Based on the VMT Guidelines, an analysis was prepared by LSA Associates, January 2025, found in Appendix H of the Traffic Study. The analysis was based on the Project being a mixed use Project. Individual land use components were analyzed separately for purposes of the VMT analysis. The Project VMT analysis has been conducted based on the current Project description. The estimated 37,700 square feet of retail/commercial component of the Project could be screened out using the 55,000 square foot screening criteria for retail projects. However, the residential components of the Project don't meet any of the screening criteria identified in the VMT Guidelines. The VMT Guidelines further recommend that for projects/components of a project that could not be screened out using the project screening criteria, a detailed VMT analysis should be conducted using the methodology and significant threshold criteria identified in it.

To calculate the project VMT, the first step was to update the TAZs in the model that include the project area. The project should be isolated in the travel model to estimate project VMT. The KCAG model includes ability to split or add new TAZ. Therefore, three separate TAZs were added to the model to incorporate the project's single-family, multifamily, and retail land uses. Single-family and multifamily residential uses have been separated into two TAZs because they have different household characteristics such as household size and household income. Typically, single-family residential developments have a higher household size, higher auto ownership, and higher income compared to multifamily developments. Creating new TAZs for the project help isolate project VMT and determine project specific VMT impact

KCAG model is a socioeconomic data-based model. Therefore, in addition to the number of households, the model requires other household characteristics such as household income and household size as inputs to the socioeconomic database. The household attributes such as size and income determine the number of trips and their trip lengths. For example, based on ITE *Trip Generation Manual*, (11th edition), a single-family dwelling unit will have 9.4 daily trips, whereas a multifamily unit will have 6.7 daily trips in average. Generally, higher household sizes contribute to higher number of trips and similarly higher income households have more and longer trips. The trip rates in the travel model are disaggregated by different household attributes which are based on regional household travel survey, and census data. These household variables for the project dwelling units were obtained from similar TAZs within the City. Appropriate socioeconomic data for each of the residential land uses were included in the model prior to conducting the VMT analysis model run.

It should be noted that though the retail component of the project was screened out, one separate TAZ was created in the model to include the retail land uses. Inclusion of retail uses

will appropriately reflect the internal capture within the project. This is because, presence of retail in proximity of residential uses will help reduce the overall VMT of the project. The retail land use was converted to model socioeconomic data. The land use to employee conversion factors were developed using ITE *Trip Generation Manual*, 11th edition for project retail uses. The ITE trip generation manual includes trip generation rates for different land use categories by different units such as square footage, number of units, and/or number of employees. Employee/square footage rate was determined for these uses by dividing the daily trip rate per 1,000 sf by daily trip rate per employee. This ratio was used to estimate number of employees per square feet for the retail use which in turn was used to estimate total project retail employees. Model run was conducted for this updated model after incorporating the project land uses as described above. The outputs from this updated model run were utilized to estimate project specific VMT metrics. No project specific roadway network modifications were conducted for the model runs.

2.2 VMT ANALYSIS

Table 2-A shows the result of the VMT analysis for the residential component of the project. As shown in Table 2-A, VMT per capita for residential component of the project is lower than the regional threshold. As such, based on the VMT analysis, the residential component will not have any significant VMT impact. As such, since all the components of the project could be either screened out or would have a less than significant VMT impact.

Table 2-A: Regional Thresholds and Project VMT

Metric	Threshold[1]	Project	Difference
VMT per Capita	8.99	8.98	(0.01)

Source: KCAG Model.
The Kings County VMT per capita was obtained from City of Hanford VMT Guidelines, (November 2022).
VMT = vehicle miles traveled

Appendix A - VMT Calculation - Copper Ridge Residential Componenet

Table 1 - VMT per Capita Calculations

2015	Total Project Residential	Threshold
Households (a)	650	
Population (b)	1,805	
Homebased (HB) VMT ('c)	16,215	
HB VMT per capita (d = c/b)	8.98	8.99

Source: KCAG Model
The Kings County VMT per capita threshold was obtained from City of Hanford VMT Guidelines, (November 2022).
VMT = vehicle miles traveled

Consistent with the City of Hanford VMT Thresholds and Implementation Guidelines, utilizing the

Kings County Association of Governments (KCAG) modeling for VMT, the threshold for VMT is 8.99 miles. The result of the model is that the Project will have a VMT of 8.98, lower than the threshold. As the VMT per capita for residential component of the Project is lower than the regional threshold, based on the VMT analysis, the residential component will not have any significant VMT impact. Since all the components of the Project could be either screened out or would have a less than significant VMT impact, the entire Project will have a ***less than significant*** impact.

Mitigation Measures: None Required

c) Would the project substantially increase hazards due to a geometric design feature (e.g., sharpcurves or dangerous intersections) or incompatible uses (e.g., farm equipment)?

No geometric design feature associated with the Project would pose a hazard to the public and there would be no incompatible uses. The design of the City circulation system is required to comply with City standards and approved by the City Engineering Division, therefore there is ***no impact.***

Mitigation Measures: None Required

d) Would the project result in inadequate emergency access?

The proposed Project will not result in inadequate emergency access. Emergency access to the site will be from all surrounding major roadways into the development. City staff has evaluated each phase of development and determined that each phase will have at least two access points to a collector or arterial and have adequate access. A minimum of two access points provide emergency access consistent with City standards, which have been reviewed by the City's Fire Department. Therefore, there is ***no impact.***

Mitigation Measures: None Required

XVIII. TRIBAL CULTURAL RESOURCES

Would the project: Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically definedin terms of the size and scope of the landscape, sacred place, or object with cultural value to aCalifornia Native American tribe, and that is:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Listed or eligible for listing in the California Register of Historical Resources, or in alocal register of historical resources as defined in Public Resources Code section 5020.1(k), or	☐	☑	☐	☐
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	☐	☑	☐	☐

Environmental Setting

A Tribal Cultural Resource (TCR) is defined under Public Resources Code Section 21074 as a site, place, cultural landscape that is geographically defined in terms of size and scope, sacred place and object with cultural value to a California Native American tribe that are either included and that is listed or eligible for inclusion in the California Register of Historic Resources or in a local register of historical resources, or if the City of Hanford, acting as the Lead Agency, supported by substantial evidence, chooses at its discretion to treat the resource as a TCR.

California Native American tribes traditional and culturally affiliated with the Project Site and area were notified in accordance with AB 52 and SB 18 on December 4, 2024. A list of Native American Tribes was obtained from the Native American Heritage Commission (NAHC) which included the following tribes:

- Kitanemuk & Yowlumne Tejon Indians
- Santa Rosa Rancheria Tachi Yokut Tribe
- Table Mountain Rancheria
- Tule River Indian Tribe
- Wuksachi Indian Tribe/Eshom Valley Band

No responses have been received to date.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Definitions

- **Historical Resources**: Historical resources are defined by CEQA as resources that are listed in or eligible for the California Register of Historical Resources, resources that are listed in a local

historical resource register, or resources that are otherwise determined to be historical under California Public Resources Code Section 21084.1 or California Code of Regulations Section 15064.5. Under these definitions Historical Resources can include archaeological resources, Tribal cultural resources, and Paleontological Resources.

- **Archaeological Resources:** As stated above, archaeological resources may be considered historical resources. If they do not meet the qualifications under the California Public Resources Code 21084.1 or California Code of Regulations Section 15064.5, they are instead determined to be "unique" as defined by the CEQA Statute Section 21083.2. A unique archaeological resource isan artifact, object, or site that: (1) contains information (for which there is a demonstrable public interest) needed to answer important scientific research questions; (2) has a special and particular quality, such as being the oldest of its type or the best available example of its type; or (3) is directly associated with a scientifically recognized important prehistoric or historic event or person.

- **Tribal Cultural Resource (TCR):** Tribal Cultural Resources can include site features, places, culturallandscapes, sacred places, or objects, which are of cultural value to a Tribe. It is either listed on or eligible for the CA Historic Register or a local historic register, or determined by the lead agency to be treated as TCR.

- **Paleontological Resources:** For the purposes of this section, "paleontological resources" refers to the fossilized plant and animal remains of prehistoric species. Paleontological Resources are a limited scientific and educational resource and are valued for the information they yield about the history of the earth and its ecology. Fossilized remains, such as bones, teeth, shells, and leaves, are found in geologic deposits (i.e., rock formations). Paleontological resources generally include the geologic formations and localities in which the fossils are collected.

Discussion

Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:

a) Listed or eligible for listing in the California Register of Historical Resources, or in a localregister of historical resources as defined in Public Resources Code section 5020.1(k), or

A Cultural Resources Assessment was prepared by Taylored Archaeology dated November 24, 2024, Appendix D. As stated in the assessment, the Project would not cause a substantial adverse change in the significance of a tribal cultural resource, nor is it listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources. As part of the assessment, a records search was completed by the Southern San Joaquin Valley information Center. Based on the results of the records search, no previously recorded tribal cultural resources are located within the Project Site. Although no historical resources were identified and the presence of remains are not anticipated, cultural resources

under the ground surface are possible. The Cultural Resources Assessment included a recommendation for two mitigations previously listed under Cultural Resources, CUL 1 and CUL 2. The City and the Santa Rosa Rancheria Tachi Yokut Tribe have also agreed to an additional mitigation measure that requires the developer/owner to agree to a burial treatment plan prior to any ground disturbing activities. Mitigation Measures CUL-1, CUL-2 and CUL 3 will ensure that impacts will be **less than significant with mitigation.**

Mitigation Measures:

Implementation of CUL 1, CUL 2 and CUL 3

b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.

The lead agency has not determined there to be any known cultural resource on the Project Site that would meet the criteria in subdivision (c) of Public Resources Code Section 5024.1 therefore there is no impact. If a resource is discovered, the implementation of Mitigation Measures CUL 1, CUL 2 and CUP 3 previously listed under Cultural Resources will ensure that any impacts will be **less than significant**.

Mitigation Measures: Implementation of CUL 1 , CUL 2 and CUL 3.

XIX. UTILITIES AND SERVICE SYSTEMS

Would the project:	Potentially Significant Impact	Less Than SignificantWith Mitigation Incorporation	Less than Significant Impact	No Impact
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or stormwater drainage, electric power, natural gas, or telecommunications facilities, the construction or relation of which could cause significant environmental effects?	☐	☐	☑	☐
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☐	☑	☐
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☑	☐
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	☑	☐
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	☐	☐	☒	☐

Environmental Setting
The proposed Project will be required to connect to water, solid waste and wastewater services.

Water
The City of Hanford's water supply system is a groundwater system. The city is located within the Tulare Lake Hydrologic Region is within the Tulare Lake Groundwater Subbasin which transmits, filters, and stores water from the main San Joaquin Valley Groundwater Basin. The system consists of 15 groundwater wells, three storage reservoirs, distribution mains, and fire hydrants. The system does not use surface water.

Solid Waste
Solid waste in the city is collected by a private contractor, Kings Waste Recycling Authority (KWRA). Refuse is sorted at the KWRA facility to recover recyclable materials before being hauled to the landfills in Kettleman Hills. For single-family residential customers, the City has instituted a green waste collection mixed recycle collection program.

Wastewater
The City of Hanford wastewater system provides for the treatment, disposal, and reuse of effluent, which meets all of the state's discharge requirements for the city. The wastewater system consists of a

treatment plant and 21 sanitary sewer lift stations located throughout the city. The treatment facility has a capacity of 8 million gallons per day and is located south of Houston Avenue and East of 11th Avenue. The City's wastewater system also pursues water conservation strategies to ensure the long-term reuse of treated disinfected wastewater to reduce the need for groundwater.

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a) Would the project require or result in the relocation or construction of new or expanded water, wastewater treatment or stormwater drainage, electric power, natural gas, or telecommunicationsfacilities, the construction or relation of which could cause significant environmental effects?

The City provides water, wastewater and stormwater services to the community. The proposed Project would result in new water services connecting to an existing City water line located in 9¼ Avenue adjacent to the Project. Sewer service will be provided from an existing main trunk line located in 9th Avenue, south of the Project. Storm drain services will be provided by a permanent storm basin that will be located on-site. The proposed Project does not include a change in land use designation that would result in a significant increase or change in water, wastewater and stormwater services than planned in the 2035 General Plan or the City infrastructure master plans.

Southern California Edison provides electric service to the City. Natural gas service is primarily provided by the Southern California Gas Company. There are three major companies that provide communications services: AT&T, Sprint, and Verizon. Comcast is the primary cable television and internet provider in Kings County. With the Project, new service for all utilities will be constructed into the proposed subdivision.
It is not anticipated that implementation of the proposed Project would result in increased demand for any utility services beyond the planned conditions. Impacts are therefore considered ***less than significant***.

Mitigation Measures: None Required

b) Would the project have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?

See discussion in Section 4.10 Hydrology and Water Quality. As stated in the Water Supply Assessment (see Appendix F), the City has sufficient water supply to service the Project, therefore impacts are considered ***less than significant.***

Mitigation Measures: None Required

c) Would the project result in a determination by the wastewater treatment provider which serves ormay serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?

Wastewater generated by the Project would be collected and treated at the City's domestic Wastewater Treatment Facilities (WWTF). Although the proposed Project will increase in wastewater generation due to the addition of 650 residential units and the commercial site, commercial and residential development at the Project Site has been planned and accounted for in the City's infrastructure planning documents. City staff has determined that the wastewater produced would not exceed the City's WWTF capacity, therefore, the impact is ***less than significant*.**

Mitigation Measures: None Required

d) Would the project generate solid waste in excess of State or local standards, or in excess of thecapacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?

Disposal services are provided within the City limits by the City of Hanford Refuse Division. The Project will result in the generation of additional solid waste typical of residential and commercial uses. It has been determined by City staff that the City has the capacity to serve the Project Site and the proposed uses. Because the City's existing infrastructure has the capacity to accommodate the solid waste currently planned in the General Plan for expanded population, it can be inferred that the existing solid waste infrastructure has adequate capacity to serve the proposed Project. The Project would not generate solid waste in excess of State or Local Standards and there is ***no impact*.**

Mitigation Measures: None Required

e) Would the project comply with federal, state, and local management and reduction statutes andregulations related to solid waste?

See d. above. This proposed Project conforms to all applicable statutes and regulations related to solid waste disposal. The proposed Project will comply with the adopted policies related to solid waste, and will comply with all applicable federal, state, and local statutes and regulations pertaining to disposal of solid waste, including recycling. Therefore, the proposed Project would have ***no impact***.

Mitigation Measures: None Required

XX. WILDFIRE

If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☑
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	☐	☐	☐	☑
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☐	☑
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	☐	☐	☐	☑

Environmental Setting

There is no physical development proposed in the Additional Annexation Area to the north, therefore the impact discussion below is limited to the Project Site. Future development of the Additional Annexation Area would be required to be consistent with the General Plan designations of Low Density Residential and Neighborhood Commercial and be evaluated in accordance with the CEQA Guidelines.

Discussion

a), b), c), d): According to the Kings County Multi-Jurisdictional Hazard Mitigation Plan, the City of Hanford is not at high risk for Wildfires and the City is not in a State responsibility area or classified as a Fire Hazard Severity Zone, as shown on the Kings County Federal, State, and Local Responsibility Severity Zones Map for Kings County. The Project would not substantially impair an adopted emergency response plan or emergency evacuation plan. The Project has been reviewed by the City of Hanford Fire Department to ensure the Project does not impair emergency response or emergency evacuation. As such there is **no impact** to wildfire risk from the Project.

Mitigation Measures: None Required

XXI. MANDATORY FINDINGS OF SIGNIFICANCE

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Does the project have the potential substantially to degrade the quality of the environment, substantially reduce the habitat ofa fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☑	☐	☐
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	☐	☑	☐	☐
c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☑	☐

Discussion

a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self- sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

The initial study contains analysis of environmental issues that indicate that the proposed Project is not expected to have substantial impact on the environment or on any resources identified in the Initial Study. Mitigation measures have been incorporated to reduce potential impacts to sensitive biological species and to cultural resources. Implementing these mitigation measures will ensure impacts are ***less than significant with mitigation*.**

b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

CEQA Guidelines Section 15064(h) states that a Lead Agency shall consider whether the cumulative impact of a Project is significant and whether the effects of the Project are cumulatively

considerable. The significance of the cumulative effects of a Project must, therefore, be assessed in connection with the effects of past projects, other current projects, and probable future projects.

As described in the impact analyses in sections of this IS/MND, any potentially significant impacts of the Project would be reduced to a less-than-significant level following incorporation of the mitigation measures. A review of major projects found of the City of Hanford website show that all major projects are planned on the west and northwest areas of Hanford. It does not appear that there are any projects within the vicinity, with exception of the future Heros Park. Any future projects in the vicinity of the Project Site would be subject to review in separate environmental documents and required to conform to the General Plan and the Hanford Municipal Code.

As currently designed and with compliance with the recommended mitigation measures, the proposed Project would not be cumulative. Thus, the cumulative impacts of past, present, and reasonably foreseeable future projects would be less than cumulatively considerable. Impacts would be **less than significant with mitigation.**

c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?

The Initial Study analysis indicates that the Project is not expected to have substantial impact on human beings, either directly or indirectly. Mitigation measures have been incorporated in the Biological Resources, Cultural Resources, Cultural Tribal Resources to reduce potential impacts.

As such, implementation will not cause direct or indirect substantial adverse effects on human beings, impacts are ***less than significant.***

Mitigation Measures:

Mitigation Measure BIO 1 (Construction Timing). If feasible, future construction activities will take place entirely outside of the avian nesting season, defined as February 1 to August 31.

Mitigation Measure BIO 2 (Preconstruction Surveys). If construction must occur between February 1 and August 31, a qualified biologist will conduct surveys for active bird nests within 7 days prior to the start of work during this period. The survey area will encompass the site and accessible surrounding lands within ¼ mile for nesting Swainson's hawks, 500 feet for other nesting raptors, 300 feet for the tricolored blackbird, and 250 feet for other nesting birds.

Mitigation Measure BIO 3 (Avoidance of Active Nests). Should any active nests be discovered in or near proposed construction zones, the biologist will identify a suitable construction-free buffer around the nest. This buffer will be identified on the ground with flagging or fencing and will be maintained until the biologist has determined that the young have fledged and are capable of foraging independently.

Mitigation Measure CUL-1: In the event of accidental discovery of unidentified archaeological remains during development or ground disturbing activities in the Project area, all work shall be halted in immediate vicinity (within a 100-foot radius) until a qualified archaeologist can identify the discovery and assess its significance.

Mitigation Measure CUL 2: If human remains are uncovered during construction, work shall be halted, and the Kings County Coroner is to be notified to investigate the remains and arrange proper

treatment and disposition. If the remains are identified on the basis of archaeological context, age, cultural associations, or biological traits to be those of a Native American, California Health and Safety Code 7050.5 and California Public Resources Code 5097.98 require that the coroner notify the Native American Heritage Commission (NAHC) within 24 hours of discovery. The NAHC will then identify the Most Likely Descendent who will make recommendations regarding the treatment and disposition of the remains.

Mitigation Measure CUL 3 A burial Treatment Plan shall be entered into by the Project applicant/property owner prior to any ground disturbing activities.

LIST OF PREPARERS

DR Mata Consulting
Padre and Associates (Air Quality)
Live Oak Associates (Biology)
Taylored Archaeology (Cultural)
Paul Humphry (Hazards)
C2 Consulting (Traffic)
LSA (VMT)
Wallace Group (Water)

MITIGATION MONITORING AND REPORTING PROGRAM

As required by Public Resources Code Section 21081.6, subd. (a)(1), a Mitigation Monitoring and ReportingProgram (MMRP) has been prepared for the Project in order to monitor the implementation of the mitigation measures that have been adopted for the Project. This Mitigation Monitoring and Reporting Program (MMRP) has been created based upon the findings of the Initial Study/Mitigated Negative Declaration (IS/MND) for the Copper Ridge Subdivision proposed by Quest Equity LLC in the City of Hanford.

The first column of the table identifies the mitigation measure. The second column names the party responsible for carrying out the required action. The third column, "Timing of Mitigation Measure" identifies the time the mitigation measure should be initiated. The fourth column, "Responsible Party forMonitoring," names the party ensuring that the mitigation measure is implemented. The last column will be used by the City of Hanford to ensure that the individual mitigation measures have been monitored.

Plan checking and verification of mitigation compliance shall be the responsibility of the City of Hanford.

MITIGATION MEASURE	RESPONSIBLE PARTY FOR IMPLEMENTATION	IMPLEMENTATION TIMING	RESPONSIBLE PARTY FOR MONITORING	VERIFICATION
Biological Resources				
Mitigation Measure BIO 1 (Construction Timing). If feasible, future construction activities will take place entirely outside of the avian nesting season, defined as February 1 to August 31.	Applicant Developer Builder	Ongoing	City of Hanford	
Mitigation Measure BIO 2 (Preconstruction Surveys). If construction must occur between February 1 and August 31, a qualified biologist will conduct surveys for active bird nests within 7 days prior to the start of work during this period. The survey area will encompass the site and accessible surrounding lands within ¼ mile for nesting Swainson's hawks, 500 feet for other nesting raptors, 300 feet	Applicant Developer Builder	7 days prior to construction	City of Hanford	

for the tricolored blackbird, and 250 feet for other nesting birds.				
Mitigation Measure BIO 3 (Avoidance of Active Nests). Should any active nests be discovered in or near proposed construction zones, the biologist will identify a suitable construction-free buffer around the nest. This buffer will be identified on the ground with flagging or fencing and will be maintained until the biologist has determined that the young have fledged and are capable of foraging independently.	Applicant Developer Builder	Ongoing	City of Hanford	
Cultural Resources				
Mitigation Measure CUL-1: In the event of accidental discovery of unidentified archaeological remains during development or ground disturbing activities in the Project area, all work shall be halted in immediate vicinity (within a 100-foot radius) until a qualified archaeologist can identify the discovery and assess its significance.	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	
Mitigation Measure CUL 2: If human remains are uncovered during construction, work shall be halted, and the Kings County Coroner is to be notified to investigate the remains and arrange	Applicant/ Construction Contractor	Ongoing during construction	City of Hanford	

proper treatment and disposition. If the remains are identified on the basis of archaeological context, age, cultural associations, or biological traits to be those of a Native American, California Health and Safety Code 7050.5 and California Public Resources Code 5097.98 require that the coroner notify the Native American Heritage Commission (NAHC) within 24 hours of discovery. The NAHC will then identify the Most Likely Descendent who will make recommendations regarding the treatment and disposition of the remains.				
Mitigation Measure CUL 3 A burial Treatment Plan shall be entered into by the Project applicant/property owner prior to any ground disturbing activities.	Applicant Construction Contractor	Prior to ground disturbing activities	City of Hanford	

Supporting Information and Sources

1. City of Hanford General Plan Background Report. March 2014. Website 2035 General Plan Background Report (PDF).pdf
2. City of Hanford General Plan Policy Document. April 2017. WEbsite 2035 General Plan Policy Document (PDF).pdf
3. City of Hanford General Plan Environmental Impact Report 2014. April 2017. Available at Hanford City Hall (Hard Copy Only)
4. City of Hanford General Plan Air Quality Element. July 2010; Website Air Quality Element Draft - Section 1 (PDF).pdf
5. City of Hanford Zoning Ordinance. June 2017. Website City of Hanford, CA Table of Contents
6. City of Hanford VMT Thresholds and Implementation Guidelines. November 2022. Website City of Hanford VMT Thresholds and Implementation Guidelines_11-10-2022.pdf
7. City of Hanford 2020 Urban Water Master Plan. December 2021. Website 2020 Urban Water Management Plan (PDF).pdf
8. 2023 Kings County Multi-Jurisdiction Hazard Mitigation Plan, February 2024; available at Kings County_MJHMP_Final_Draft_2.26.24.pdf
9. Kings County Regional Climate Action Plan. May 2014. Available at Regional Climate Action Plan (PDF).pdf
10. Kings County Airport Land Use Plan. 1994. Website Kings County airport land use compatibility plan.pdf
11. California Department of Conservation Farmland Mapping and Monitoring Program. Website DLRP Important Farmland Finder
12. SJVAPCD Regulations and Guidelines
13. California Air Resources Board's (CARB's) Air Quality and Land Use Handbook. 2005. Website Land Use Handbook_0.pdf
14. San Joaquin Valley Air Pollution Control District. 2009. Guidance for Land Use Agencies in Addressing Greenhouse Gas Emission Impacts for New Projects Under CEQA. Website gamaqi.pdf
15. California Building Code (2022) Website City of Hanford, CA Buildings and Construction
16. California Energy Commission. 2019 Building Energy Efficiency Standards. Website 2019 Building Energy Efficiency Standards
17. Department of Toxic Substance Control Envirostar. Website EnviroStor
18. California State Water Resources Control Board. Stormwater Pollution Prevention Program (SWPPP) Website Construction Stormwater Program | California State Water Resources Control Board
19. United States Census Bureau (2020). Website U.S. Census Bureau QuickFacts: Hanford city, California
20. United States Department of Agriculture Web Soil Survey and Soils Descriptions. Website Web Soil Survey
21. California Environmental Quality Act CEQA Guidelines. Website CEQA Guidelines - Office of Land Use and Climate Innovation

Agricultural Impact Evaluation

I. From the ISMND:

a) Would the project convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

The Project Site is located on land that will be annexed into the City of Hanford with Project approval. The proposed development of the Project Site will convert approximately 78.16 acres of Prime Farmland and Farmland of Statewide Importance. The north portion of the Annexation Area is not anticipated to change in use as a result of the Project as no development is proposed.

The Project Site and the Annexation Area are planned for urban development in the Hanford 2035 General Plan. The 2035 General Plan EIR (State Clearinghouse No. 2015041024) evaluated the impacts of agricultural land conversion and determined that approximately 2,706 acres of Prime, Farmland of Statewide Importance and Unique Farmland would be converted with full build out of the General Plan during the 2014-2035 planning period. The 2035 General Plan EIR analysis included the Project Site and the full Annexation Area.

The General Plan includes goals and policies that recognize the importance of farmland to the City, County and State. The General Plan policies were developed to prevent premature conversion of agricultural land and to preserve agricultural land through means other than mitigation. Those policies include the requirement for buffers, the establishment of several planning areas that promote increased densities to increase capacity within the 2035 Growth Boundary, a right to farm ordinance, and the creation of a farmland mitigation program. The establishment of the 2035 Growth Boundary itself is a limiting factor to growth and premature conversion of agricultural lands. The Goals and Policies area as follows:

Agricultural Resources Goal

Goal O1: *Conservation and long term protection of agricultural resources and soils located outside of the Planned Area Boundary*.

5.2.1 Agricultural Land Protection

Policy O1 Boundary between Urban and Agricultural Uses

Utilize the Planned Area Boundary as the long term boundary line between urban uses and agricultural uses and prohibit non-agricultural development outside the Planned Area Boundary.

Policy O2 Agricultural Buffer

Coordinate land use policies and designations with Kings County to provide for a buffer between the urban area of Hanford and the surrounding unincorporated communities.

Policy O3 Kings County Preservation Efforts

Support the Kings County efforts to preserve and protect farmlands outside the Planned Area Boundary.

Policy O4 Interim Agricultural Use

Retain existing agricultural areas as an interim use inside the Planned Area Boundary and support agricultural operations until such time that the areas are needed for logical urban expansion

Policy O5 Farmland Mitigation Program

In collaboration with the County of Kings and other cities in Kings County, determine the feasibility and, if feasible, consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of agricultural lands that are outside adopted urban growth boundaries.

Policy E26 Protection of Agricultural Lands from Urban Encroachment
Utilize the Planned Area Boundary to delineate a long term boundary between agricultural and urban land uses, and strongly support long term agricultural operations outside the Planned Area Boundary that can be free from the threat of urban land use encroachment.

3.14 New Growth Planning Areas
Four new growth areas have been established in areas that are predominantly undeveloped and currently used for agriculture. This section provides policies and actions to ensure balanced growth in these areas with adequate public facilities and services, and strategies for quality design.

This goal and its supporting policies encourage development within Hanford's Planning Areas. Development within Hanford's Planning Areas will decrease dependency on the automobile and allow more people to walk, bike, or take transit for daily trips. Hanford's Planning Areas are intended to accommodate and encourage new growth within compact, walkable neighborhoods that are located near schools, parks, shopping, and transit facilities.

3.14.1 Eastside Planning Area
The Eastside Planning Area is primarily located east of 9 ¼ Avenue, north of the Union Pacific Railroad, and west and south of State Route 43. Grangeville Boulevard is a major arterial that is an eastern gateway to Hanford from State Route 43. Much of the land is currently being farmed and portions of the Planning Area is subject to Williamson Act contract.

Policy L154 Eastside Growth Limitation
Approve new development project in the Eastside Planning Area only within the 2035 Development Boundary until such time as the boundary is expanded in accordance with General Plan policies.

Policy L155 Eastside Higher Density Residential Uses
Support the development of higher density residential uses in close proximity to the Grangeville Boulevard corridor and the gradual transition to lower density, single-family residential uses as distance from the Arterial road increases.

Policy L156 Eastside Development along Grangeville Boulevard
Discourage "strip" development along Grangeville Boulevard from an overall community development perspective. Develop design policies and regulations that identify a minimum percentage of street-facing building facades and minimize the exposure of parking and masonry walls along the street.

The Project is located within the Eastside Planning Area. The development of the Project Site is in conformance with the Eastside Planning area policies by providing increased residential density. The Project includes a request to increase general plan density from low density to medium density and transitions from higher densities close to Grangeville Boulevard to lower densities to the north.

In accordance with the General Plan, the Project would be required to adhere to the Hanford Municipal Code 16.40.110 Right to Farm Ordinance and proposed goals and policies of the general plan related to agriculture.

In the 2035 General Plan Update EIR (SCH No. 2015041024), it was determined that the loss of farmland was a significant and avoidable impact. A Statement of Overriding Considerations was adopted for the significant and avoidable impacts resulting from the conversation of agricultural land. With the implementation of the General Plan policies, the right to farm ordinance and the planned conversion of agricultural lands evaluated in the General Plan EIR, no new impacts resulting from the conversation of agricultural land are anticipated to occur, therefore impacts are considered to be ***less than significant.***

II. Staff Response:

Staff's review of the 2035 General Plan EIR concurs with the above and suggests MM 4.2-1 of the 2035 General Plan Update EIR is limited in its applicability, only applying to land outside of the primary sphere of influence, therefore mitigation is not required, as concluded by analysis above.

The 2035 General Plan EIR evaluated the effects of the updated General Plan boundary on agricultural resources with the existing conditions.

From 2035 General Plan Update Draft EIR

4.2.4 Impacts and Mitigation Measures

METHODOLOGY

The potential impacts of the General Plan Update were evaluated qualitatively by comparing the anticipated effects on agricultural resources with the existing conditions.

PROJECT IMPACTS

Impact 4.2-1: The Project Would Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as Shown on the Maps Prepared Pursuant to the Farmland Mapping and Monitoring Program of the California

Resources Agency, to Non-Agricultural Use.

The 2035 Growth Boundary serves as the limits of the area to be developed with urban uses during the 2014 to 2035 planning period and is smaller than the Planned Area (see Figure 3-5). Therefore, following analysis presents a maximum-intensity scenario because complete build out of the Planned Area (an area larger than the 2035 Growth Boundary) is being analyzed against the existing condition. Existing FMMP-designated farmland is generally limited to the outskirts of the Planned Area. The new land use designations in these areas allow for additional development capacity beyond that utilized under existing conditions. Therefore, this analysis evaluates impacts to farmland designated by the FMMP if the Planned Area were to be completely built out.

As shown in Table 4.2-3, the total amount of FMMP-designated farmland within the Planned Area that would be affected by complete build out in the Planned Area would total approximately 2,706 acres. This total is further broken down for each of the FMPP Designations shown in the table below, and is displayed in Figure 4.2-3. As shown in the table, approximately 877 acres of Prime Farmland, 1,724 acres of Farmland of Statewide Importance, and 105 acres of Unique Farmland within the Planned Area could be affected as a result of the General Plan Update. The build out of the Planned Area as a result of the General Plan Update

would, over the 2014 to 2035 planning period, convert approximately 2,706 acres of Prime Farmland, Farmland of Statewide Importance, and Unique Farmland, as shown on the maps prepared pursuant to the FMMP, to non-agricultural use. Future development would have to adhere to the Hanford Municipal Code Chapter 16.40.110 (Right to Farm) and proposed goals and policies of the General Plan Update related to agriculture. However, the loss of this farmland as a result of the General Plan Update would be significant and unavoidable.

The Study Area is larger than the area that would ultimately be needed for growth over the life of the General Plan Update, but has been determined to give decision-makers the greatest flexibility in making determinations about where and how the City should grow. Future development in the Study Area (but outside the Planned Area) would first require approval of the Kings County Local Area Formation Commission because such development means that the City would be annexing land and the City's SOIs would like need to be revised as well as future General Plan Update amendments, which would trigger the need for future CEQA review, including consideration of agriculture impacts. Future development in the Study Area would also have to comply with the Hanford Municipal Code Chapter 16.40.110 (Right to Farm), proposed goals and policies of the General Plan Update related to agriculture. Future development in the Study Area would also result in significant and unavoidable impacts to agricultural resources.

Table 4.2-3
Affected Farmland within Planned Area

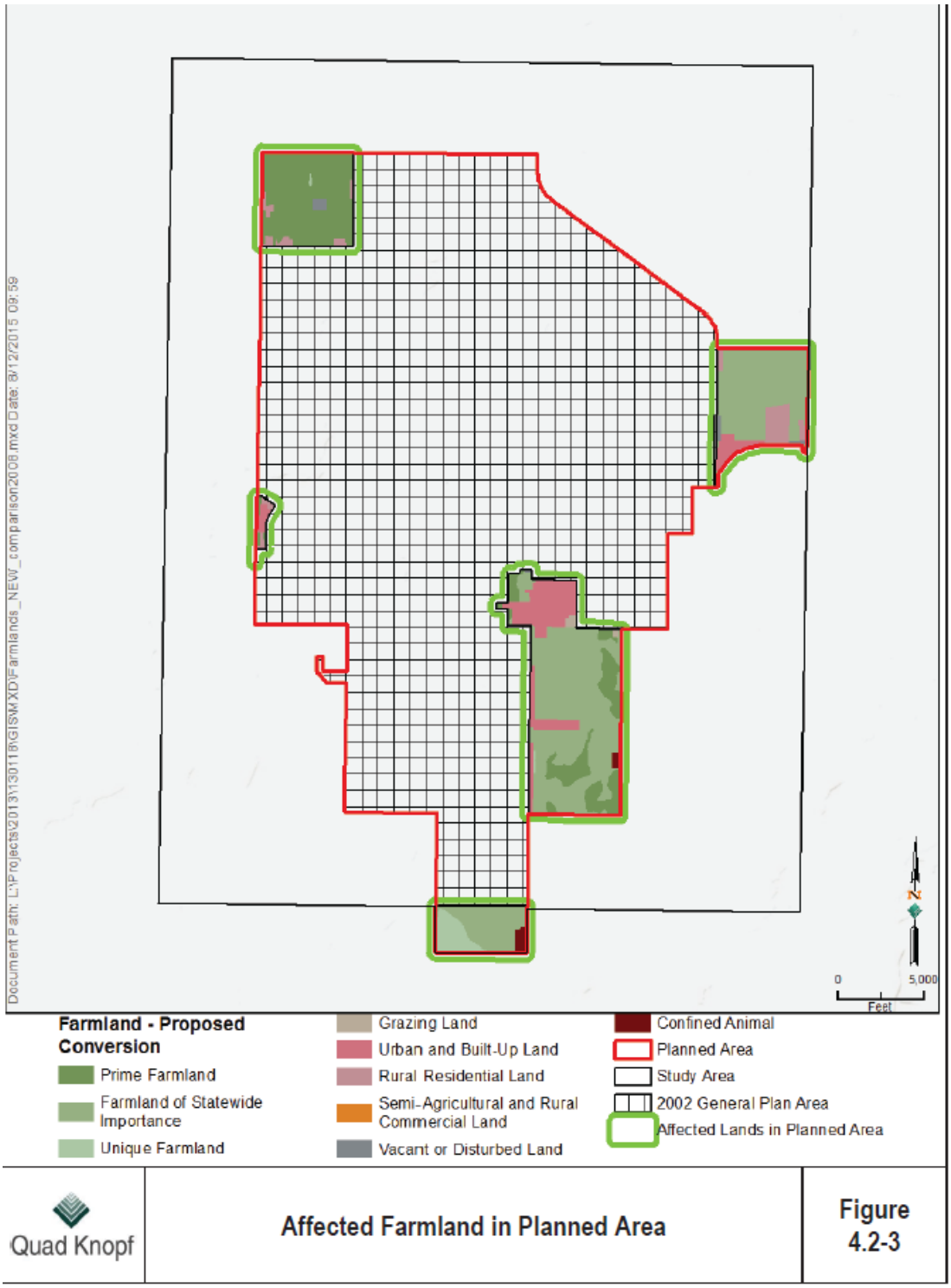
	FMMP Designations			
	Prime Farmland	Farmland of Statewide Importance	Unique Farmland	Total
Affected Land within Planned Area (Acres)	877	1,724	105	2,706

Mitigation Measures

There is no reasonable and feasible mitigation to reduce this impact.

Level of Significance after Mitigation

Impacts would be significant and unavoidable.



Following circulation of the 2035 General Plan Update draft EIR, comments were received regarding the agricultural land evaluation and included in the 2035 General Plan Update Final EIR Final EIR

RESPONSE TO COMMENT B-2

The commenter states that although direct conversion of agricultural land is often an unavoidable impact, mitigation measures must be considered even if mitigation does not reduce impacts to less

than significant provided that they are feasible and lessen a project's impact. The commenter also states that mitigation that is potentially feasible should be included and mitigation brought to the attention of the Lead Agency should not be left out. The Division recommends that the City consider the creation of an agricultural mitigation program "tailored to individual jurisdictional needs and goals" that effectively mitigates for the loss of important farmland.

In response to the Division's comment, page 79 of the General Plan Update has been revised to include the following additional policy:

Policy O5 Farmland Mitigation Program

In collaboration with the County of Kings and other cities in Kings County, determine the feasibility and, if feasible, consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of agricultural lands that are outside adopted urban growth boundaries.

Existing policies O5 to O10 have been renumbered to include this new policy.

Because of this new policy, pages 4.2-13 and 4.2-14 of the draft EIR has been revised to include the following textual additions:

Policy O5 Farmland Mitigation Program

In collaboration with the County of Kings and other cities in Kings County, determine the feasibility and, if feasible, consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of agricultural lands that are outside adopted urban growth boundaries.

Williamson Act Policies

Policy O5 O6 Removal of Land from Williamson Act

Encourage use of Notices of Nonrenewal as the preferred method of removal of land within the Planned Area Boundary from Williamson Act Land Conservation Contract.

Policy O6 O7 Cancellation and Succession to Williamson Act Contracts

Adopt and periodically update a set of policies that govern the cancellation of Williamson Act contracts, and define the circumstances that the City would be willing to succeed to an active contract.

Policy O7 O8 Annexation of Williamson Act Lands

Consider annexation of Williamson Act lands only if the land is within the 2035 Growth

Boundary and only if such annexation is necessary to provide for logical urban

development, job creation, or the provision of municipal services.

Policy O8 O9 New Williamson Act Contracts

Oppose new Williamson Act contracts on land within the Planned Area Boundary.

Deed-Restricted Agricultural Site Policies

Policy O9 O10 Existing Deed-Restricted Agricultural Sites

Designate sites with existing deed agreements that limit the land to agricultural use with the Open Space land use designation.

Policy O10 O11 New Deed-Restricted Agricultural Sites

Discourage new deed agreements that restrict land to agricultural use on land inside the Planned Area Boundary.

Also because of this new policy, page 4.2-16 of the draft EIR has been revised to include the following textual additions:

The build out of the Planned Area as a result of the General Plan Update would, over the 2014 to 2035 planning period, convert approximately 2,706 acres of Prime Farmland,

Farmland of Statewide Importance, and Unique Farmland, as shown on the maps prepared pursuant to the FMMP, to non-agricultural use. Future development would have to adhere to the Hanford Municipal Code Chapter 16.40.110 (Right to Farm) and proposed goals and policies of the General Plan Update related to agriculture. In response to comments the Kings County Farm Bureau voiced during the General Plan Update Committee meetings, the City increased urban densities for the various land uses within the General Plan Update.

Additionally, the proposed City limits and SOI were designed to break along arterial roads in order to create a logical buffer between proposed urban uses and adjacent agricultural lands.

In addition, Policy O5 (Farmland Mitigation Program) has been included in the General Plan Update to foster collaboration with the County of Kings and other cities in Kings

County to develop a countywide farmland conversion mitigation program outside adopted urban growth boundaries (i.e., the City's Planned Area, also the Primary SOI). It is assumed that because expansion of the urban area proceeds in an orderly manner under the General Plan Update and is a logical result to accommodate anticipated future population growth, it is expected that the Planned Area would be converted to a nonagricultural land use as the natural progression of urban growth. The policy to work on developing a countywide farmland mitigation program for the urban conversion of agricultural lands that are outside adopted urban growth boundaries (in this case the Planned Area) is warranted due to the expectation that this conversion would occur as development continues in the City. It is also warranted that the City collaborate rather than unilaterally develop a farmland mitigation program because conversion of farmland is a regional issue that should be collectively developed by the County and all cities in Kings County. Mitigation Measure MM 4.2-1 has been developed that mandates that the City work with the County and other cities to develop a countywide farmland mitigation program, and this mitigation includes performance criteria. However, even with implementation of Mitigation Measure MM 4.2-1, the loss of this farmland as a result of the General Plan Update would remain significant and unavoidable.

The Study Area is larger than the area that would ultimately be needed for growth over the life of the General Plan Update, but has been determined to give decision-makers the greatest flexibility in making determinations about where and how the City should grow.

Future development in the Study Area (but outside the Planned Area) would first require approval of the Kings County Local Area Formation Commission because such development means that the City would be annexing land and the City's SOIs would like need to be revised as well as future General Plan Update amendments, which would trigger the need for future CEQA review, including consideration of agriculture impacts. Future development in the Study Area would also have to comply

with the Hanford Municipal Code Chapter 16.40.110 (Right to Farm), proposed goals and policies of the General Plan Update related to agriculture, and specifically Policy O5. Future development in the Study Area, even with Policy O5 and implementation of Mitigation Measure MM 4.2-1, would also result in significant and unavoidable impacts to agricultural resources.

Mitigation Measures

There is no reasonable and feasible mitigation to reduce this impact.

MM 4.2-1: COLLABORATE ON DEVELOPMENT OF COUNTYWIDE

FARMLAND MITIGATION PROGRAM

The City shall work with the County of Kings and other cities in Kings County to consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of agricultural lands that are outside adopted urban growth boundaries. Specific performance criteria for the development of the countywide farmland mitigation program shall include:

- The City shall take the lead in forming a committee that consists of the County of Kings and other cities' representatives to develop the program by January 2019.

- The City shall develop and sign a Memorandum of Understanding or other applicable agreement with County of Kings and the other cities in Kings County to work collaboratively in developing the program by January 2020.

- The City shall develop and sign a Memorandum of Understanding with Department of Conservation in the development of the program by January 2020.

- By January 2022, if a program has been developed, the City shall implement the agreed upon program and codify the adopted program language into its Municipal Code.

- If by January 2022, the program has not been developed, the City shall independently develop its own program and codify the adopted program language into its Municipal Code by 2023.

Level of Significance after Mitigation

Impacts would be significant and unavoidable.

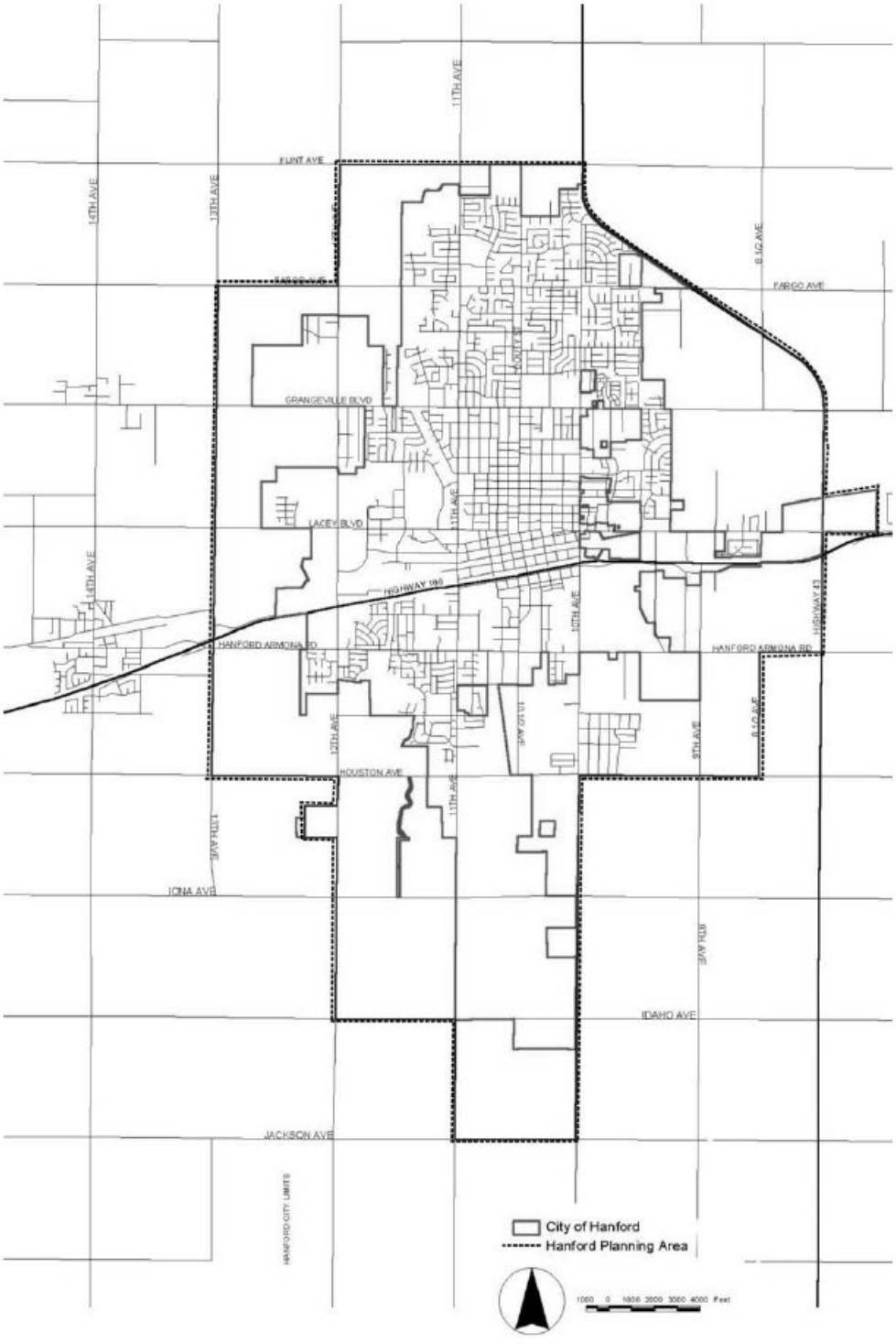
The City Attorney recommended Staff review the 2002 GP DEIR and FEIR to verify:

(i) The Copper Ridge project site falls within the 2002 GP's Plan Area

Staff Response: Confirmed; The project falls within the 2002 GP Plan Area; map below; and

(ii) The 2002 GP EIR evaluated farmland conversion and does not require mitigation (specifically, does not identify ag. conservation easements as a form of mitigation)

Staff Response: Confirmed - The 2002 GP EIR evaluated farmland conversion and required compliance with GP polices and programs (conservation easements were not included as a form of mitigation)



GENERAL PLAN AREA MAP FIGURE LU 1

From 2002 General Plan EIR:

4.2.2.c(1) Loss of Prime and Farmland of Statewide Importance

The vacant land analysis in the Land Use Section of this EIR estimated that there were 9,453 acres of vacant land (primarily agricultural land) in the unincorporated territory within the Planning Area that is anticipated to be converted to urban use at full build-out of the General Plan. Table 4.2-3 indicates that an estimated 2,709 (acres) would remain as an agricultural buffer or open space within the Planning Area and 6,551 (acres) would be converted to urban use. Of the amount converted to urban use, it is estimated that 3,260 acres will be prime farmland and 3,291(acres) will be farmland of statewide importance.

Table 4.2 - 3

Estimated Farmland Converted to Urban Use at General Plan Build-Out

Type of Land	Acres of Unincorporated County Vacant Land	Acres to Urban Use	Acres to Remain in Ag/OS
Prime	4,310	3,260	1,050
Statewide	4,950	3,291	1,659
Subtotal	9,260	6,551	2,709
Other	193	193	0
Total	9,453	6,744	2,709

During the build-out of the General Plan (through the year 2025) approximately 5,518 acres is forecasted to be needed for urban use. Urban use includes residential, commercial, industrial, parks, and public facilities. This amount also includes the 50% "market factor" of almost 1,346 acres that may remain in agriculture within the Planning Area. The remaining 4,172 acres is expected to be converted to urban use. The preponderance of prime farmland is located on the western side of the City with the next intensive amount south of Highway 198. The eastside of the City contains the least amount of prime farmland. It is expected that the westside of the Planning Area will continue to develop because there is adequate sewer collection either constructed or capacity available for extension. The eastside of the planning area is not adequately served by sewer to allow for additional development. It is expected that the westside of the Planning Area will almost completely build-out before land will become available in the eastside of the Planning Area.

Within the western and southern portions of the Planning Area there is an estimated 2,860 acres of prime farmland and 1,180 acres of farmland of statewide importance. The remainder of 400 acres of Prime farmland and 2,111 of Statewide importance farmland are located in the eastern portion of the City.

Approximately 3,545 acres of land within the Planning Area are in Williamson Act contracts. In the City limits, approximately 87 acres of land remain under contract. Between 1994 and the end of 2001, property owners representing 567 acres filed for non-renewal. These non-renewals have occurred on the westside of the City between 12th Avenue and 13th Avenue and between Highway 198 and Fargo Avenue. This land was identified in the 1994 General Plan as a logical growth area and can be served by the City sewer system. The preponderance of land in the Planning Area under contract is located south of Highway 198. In the eastern portion of the Planning Area (north of Highway 198) an estimated 765 acres of land is in Williamson Act contracts. The western portion of the Planning Ara (north of Highway 198) has about 835 acres under contract. See Table 4.2-4.

Table 4.2 - 4

Land Under Williamson Contract within the Planning Area

Location of Contract Land	Estimated Acreage Currently Under Contract	Cancellation between 1994 and 2001
Westside north of Hwy 198	835	567
West and south of Hwy 198	1,945	0
Eastside north of Hwy 198	765	0
Total	3,545	567

Full implementation of the General Plan (beyond 2025) would result in the eventual conversion of as much as 6,551 acres of Prime farmland and farmland of statewide importance to urban uses. These acres would be developed in various land uses including, open space, residential, schools, parks and public facilities, commercial and industrial land. **The overall conversion of 6,551 acres of agriculture land would be a significant impact. This determination is consistent with the California Environmental Quality Act (CEQA). In 1994 the City adopted a Statement of Overriding Considerations for the unavoidable significant impacts on agricultural land.** (*emphasis added)*

Full implementation of the General Plan would result in the eventual conversion of as much as 6,551 acres of Prime farmland and farmland of statewide importance to urban uses. Total farmland consumed by 2025 is estimated at 5,518 acres (including a 50% residential market factor) and represents approximately 0.9% of cultivated land in Kings County and at full-build-out is estimated that 1.7% of cultivated land in Kings County will be converted to urban use. While the percentage is small compared to the total acreage, the cumulative impact of consuming this resource is considered irreversibly significant unavoidable environmental impact.

A total of 3,540 acres of Williamson Act lands would be converted to land uses other than agriculture and would result in a significant impact. The Williamson Act contracts would have to expire from non-renewal or be cancelled prior to development being approved by the City.

A secondary effect of developing the estimated 5,518 acres (2025 horizon) of urban land is the potential for land use conflicts. Encroachment of urban uses into an area that is under normal agricultural production can prevent farmers from carrying out many of their normal farming practices (e.g., pesticide application). Farming practices that generate large amounts of dust, high levels of noise, or offensive odors may have to be reduced or curtailed due to complaints by adjacent residents. Further, state requirements restrict application of chemicals to fields when persons live in close proximity. In addition, family operations can also experience vandalism, theft and nuisance activities from neighboring residents. The City has recently adopted a "right to farm" Ordinance patterned after the Ordinance in effect in Kings County.

Urbanization of agricultural land can also have an economic impact on the local economy because land taken out of production reduces the amount of money that flows into the local economy from agriculture. The report *Risks, Challenges and Opportunities: Agriculture, Resources and Growth in a Changing Central Valley* prepared by the American farmland Trust, indicated that for every one dollar of farm sales four dollars of farm-related activity occurred. For example, removal of 5,518 acres of field crops from production could lead to the loss of between four and five million dollars annually in the local agricultural economy. With a multiplier factor of four, these figures would increase to $16 to $20 million annually. This example is based

on the field crop being lint cotton, an average yield of 1,290 pounds per acre and an average price of $.62 per pound. The calculated annual yield is $2,400 per acre using the multiplier factor.

Off setting the loss in the agricultural segment of the local economy, is the diversification of the local economy with jobs and economic impacts in the retail sales, industrial, and public services sector in the City. Similar to the range of value per acre in agricultural crops, the large of value for commercial, industrial, public service sector, and residential varies. All things being equal, the measurement of economic productivity for urban areas is per capital sales tax. As population grows in an economically balance community, the per capita sales tax may remain relatively constant while the total amount of sales tax increases reflecting the community's growth and productivity. Assuming the current per capita sales tax $127.80 remains constant the anticipated generation of additional annual revenue from the City's growth ot the year 2025 is estimated at $73 million. In comparison to agricultural revenue of about $2,500 per acre, the urban venue production is about $94,255 per care. While conversion of the agricultural land reduces overall productivity of food and fiber, urbanization promotes economic diversity and increase overall revenue production on a per acre basis.

4.2.2.c(2) Land Use Conflicts

(see attachment for full analysis)

4.2.2.c(3) Regional Impacts

(see attachment for full analysis)

In 1994 the City's General Plan defined a Planning Area that would accommodate growth of the City at a reasonable growth rate into the future. That Planning Area boundary remains the same (with the exception of the additional 125 acres) in this General Plan Update. The analysis in the Land Use Section of this EIR indicates that the capacity of the Planning Area exceeds the 2025 population projections. Because land normally has greater economic value in urban use than in farm use, land prices in urbanizing areas increase above their value for agricultural production. High land values encourage farmers to hold on to farmland for its development potential rather than as farmland. The preservation of remaining farmland resources adjacent to and surrounding the urbanizing area within the Planning Area becomes increasingly difficult. The City has attempted to stem speculation of farmland for urban purposes outside of the Planning Area by adopting and enforcing General Plan and development policies that limit the ability of public infrastructure to expand beyond the Planning Area boundaries. This policy construct is meant to maintain agriculture surrounding the Planning Area. **Nevertheless, as first noted in the 1994 General Plan EIR, the conversion of agricultural land within the Planning Area would result in the loss of agricultural land in Kings County and the resultant decline in crop production and an increase in conflicts between urban/rural uses. The City of Hanford has purchased 1,600 acres of agricultural land south of the Planning Area. This land will be maintained in perpetual agricultural production using treated wastewater as the source of irrigation supply. This acquisition is a substantial amount of land and should be considered as part of the mitigation for agricultural impacts within the Planning Area.** *(emphasis added)*

The conversion of agricultural land at the cumulative level is an unavoidable and significant impact. Policies and Action may lessen the degree of impact, but not reverse urban development trends and their effects on agricultural production.

4.2.2.d Mitigation Measures

The General Plan Land Use, Open Space/Conservation, and Recreation Element, and the Public Facilities Element contains Policies and Programs which help mitigate impacts on agricultural resources associated

with implementation of the General Plan, particularly growth management policies. Specifically: Policy LU 1.2, Policy LU 2.2, Policy 2.3, Policy LU 2.4, Programs LU 2.4 – A & B, Policy LU 8.1, Programs LU 8.1 – A, B & D, Policy LU 8.2, Program LU 8.2 – A & B, Objective LU 21, Policy LU 21.1, Policy LU 21.2, Program LU 21.2 -A, Policy LU 23.1: Objective OCR 1, Policy OCR 1.1, Programs OCR 1.1 – A & B, Policy OCR 1.2, Programs OCR 1.3 – A &B, Objective OCR 6, Policy OCR 6.1; Policy PF 1.3, Policy PF 1.4, Programs PF 1.4 – A &B. Policy PF 4.2, Policy PF 4.3, Program PF 4.3 – A.

(above referenced Policies and Programs added below – I think the numbering changed which impacted the references.)

Policy LU 1.2: Development in Planning Area B is considered premature until the sewer master plan is implemented and traffic capacity issues have been addressed with the adoption of an implementation plan.

Policy LU 2.2: Very low density residential development shall be required near the Planning Area Boundary to provide a transition between agricultural or rural areas and urban development.

Policy LU 2.3: (no such policy)

Policy LU 2.4: (no such policy)

Programs LU 2.4 – A & B: (no such programs)

Policy LU 8.1: Appropriate buffers or other effective measures shall be included in development plans to ensure that conflicts such as noise, odor, light and glare, dust, or other potentially significant adverse environmental conditions are minimized.

Programs LU 8.1 – A, B & D:

Program LU 8.1-A (AQ)

Conservation/Open Space zoning shall be applied to undeveloped areas along railroad corridors, consistent with noise contours, to prevent encroachment of residential or other sensitive uses into that area.

The extent of the buffer area may be reduced by the installation of physical barriers that have been determined by the City to reduce potentially significant adverse environmental conditions such as noise exposure.

Program LU 8.1-B (AQ)

In order to protect industrial development from intrusion and negative impact of non-compatible uses, proponents of residential projects in proximity to heavy industrial uses or Land Use Designations shall be required to provide the City with a jull and complete discussion that addresses their impact on the viability of the existing or proposed industrial development. These discussions shall include noise, hazardous materials, emergency response and evacuation, air quality, odors, light and glare, traffic, and aesthetics. The City shall adopt a development plan that will allow the relocation of Peoples Ditch into the OS buffer adjacent to the B.N. & S.F. railroad right of-way between Flint Avenue and Grangeville Blvd.

Program LU 8.1-D (AQ)

At the time of development proposal, the City shall evaluate the desirability of requiring large lot development, in combination with open space amenities adjacent to 13th Avenue, between

Hanford-Armona Road and Houston Avenue. This evaluation should be focused on minimizing potential conflict with the Armona Wastewater Plant disposal ponds.

Policy LU 8.2: New residential development on the fringes of the City shall recognize the right of agriculture to exist and continue to operate in proximity to the development. Deed restrictions may be required which inform future residents of the right of agriculture to continue within the limits of the law without interference or protest from nearby property owners.

Program LU 8.2 – A & B

POLICY LU 8.2 (AQ)

Program LU 8.2-A (AQ)

Development proposals within 1/2 mile of the Planning Area Boundary shall be required to address the potential conflict with neighboring agricultural uses, and the City shall determine whether there is sufficient cause to require Deed restrictions to protect the right of agriculture to continue.

Program LU 8.2-B (AQ)

The City shall maintain a "right to farm" Ordinance.

Objective LU 21: **Minimize conflicts between industry and other land uses by concentrating industrial activity within the Kings Industrial Park.**

Policy LU 21.1: Performance and Development Standards for the Kings Industrial Park shall be continually updated and maintained to encourage and guide consistent development in the Industrial Area.

Policy LU 21.2: Retail Uses shall only be permitted in industrial areas as a secondary use to a permitted use, such as manufacturing. A retail and service use that meet the needs of employees in the area may also be permitted.

Program LU 21.2 -A (NO SUCH PROGRAM)

Policy LU 23.1: The City shall continue to develop and experiment with marketing approaches, including the use of the Enterprise Zone Designation and Targeted Industry and Business Study, to attract and keep industry in the City.

Objective OCR 1: **Support preservation of existing agricultural lands at the periphery of the Hanford Planning Area.**

Policy OCR 1.1: Create a greenbelt/open space buffer around the perimeter of the city that provides a clear sense of identity for the City of Hanford.

Programs OCR 1.1 – A & B

Program OCR 1.1-A (AQ)

Very low density residential and industrial land uses will be included in the land use plan to reduce density toward the edge of the Hanford Planning Area. The sizing of sewer lines will be reduced as they approach the edge of urban development in the Planning Area to limit growth influences beyond the Planning Area boundary.

Program OCR 1.1-B (AQ)

The City of Hanford will continue to coordinate land use planning efforts with Kings County to ensure that agricultural land use surrounds the Hanford Planning Area

Policy OCR 1.2: The City will continue to coordinate land use policies and designations with Kings County to provide for a buffer between the urban area of Hanford and the unincorporated community of Armona.

POLICY OCR 1.3 (AQ) The City may consider annexing Williamson Act lands if such annexation is necessary to provide for logical urban development and the provision of municipal services.

Programs OCR 1.3 – A &B:

Program OCR 1.3-A (AQ)

The City has included, in the General Plan Land Use Element, an Agricultural designation and has provided definitions which allow for the continued use as agriculture. The Agricultural designation may also be used for preserving open space necessary for public safety around the Hanford Airport and other locations which may be effected by noise or other significant development constraints.

Program OCR 1.3-B

The City shall prepare and adopt a set of policies that govern the cancellation of Williamson Act contracts, and define the circumstances that the City would be willing to succeed to an active contract.

OBJECTIVE OCR 6 (AQ): Guide urban development toward vacant or under-used land within the urbanized area and direct new growth toward contiguous lands to protect agricultural lands and other open spaces used for the managed production of resources from premature urban development.

POLICY OCR 6.1 (AQ)

Existing agricultural areas shall be retained in agricultural use until the time that such areas are needed for logical urban expansion. Objective OCR 6

Policy PF 1.3: All new development shall be restricted to the interior boundaries of the Urban Limit Line. Where the Urban Limit Line is a street or road right-of-way (existing or future), no development will be allowed to cross that street or road to the opposite side of the Urban Limit Line

Policy PF 1.4: Infrastructure master plans shall limit system design near the urban limit line to provide only enough capacity for very low density development or compatible Public Facilities.

Programs PF 1.4 – A &B

Program PF 1.4-A (AQ)

Sewer and water infrastructure shall be limited in capacity to

serve only very low density development in the areas approaching Flint Avenue and 13th Avenue.

Program PF 1.4-B (AQ)

Water and sewer systems shall not be oversized or stubbed out to extend east of Highway 43 except where a PHD designation has been approved by the City. The sizing of those extensions shall only provide for adequate services for the PHD project

Policy PF 4.2: The City shall work cooperatively with other water management agencies to prepare a groundwater management program as needed to ensure sufficient water supply for the build-out of the General Plan.

Policy PF 4.3: When necessary and practical, the City will cooperate with other water agencies to acquire water for the recharge, replenishment and/or banking of groundwater for future demand.

Program PF 4.3-A

The City shall continue to participate with other water agencies in groundwater recharge efforts, as practical, using multi-use storm water basins or other similar facilities. This participation may include the development of slough remnant areas as recharge facilities.

Level of Significance After Mitigation

A total of 3,260 acres of Prime Agriculture and 3,291 acres of Statewide Importance within the Planning Area would be converted to non-agriculture land use resulting in a significant impact. Approximately 3,545 acres of land within the Planning Ara are in Williamson Act contracts and are eventually expected to be converted to non-agriculture land uses resulting in a significant impact. The General Plan proposes policies and objectives, which help alleviate impacts associated with conversion of agriculture land. Although implementation of General Plan Goals, Policies and Objectives help mitigate impacts, the effects of the loss of agricultural land, such loss is conserved an cumulatively significant unavoidable impact.

Mitigation Implementation and Monitoring Responsibly

Implementation: The City of Hanford Community Development Department through the Annexation, Subdivision Map, and project review processes shall be responsible for recommending findings of consistency with the General Plan. The Hanford Planning Commission and City Council are responsible for adopting such findings of consistency prior to project approval.

Monitoring: The various implementing departments of the City of Hanford are responsible for administering the City's Site Plan Review and Subdivision Ordinance processes. An application for a Certificate of Occupancy is required prior to completing a project. The conditions of approval are checked prior to issuing a Certificate of Occupancy.

SECTION 4.2 – AGRICULTURE AND FORESTRY RESOURCES

4.2.1 Introduction

This section of the EIR describes the environmental and regulatory setting for agriculture and forestry resources and analyzes potential impacts of the project on possible conversions of Prime Farmland, Unique Farmland and Farmland of Statewide Importance to non-agricultural uses, existing zoning for agricultural use or a Williamson Act contract, existing zoning for forest land, timberland, or timberland zoned Timberland Production, potential loss or conversion of forest land, and other changes in the existing environment due to a resource location or nature. The existing conditions and impact analysis in this section are based on existing literature, available information, and professional judgment.

4.2.2 Environmental Setting

REGIONAL

State of California

In 2012, the State of California had 25.4 million acres of land that was dedicated to farm and ranch use, with 80,500 farms and ranches in operation at the time. This number represents 3.7% of the nation's total farming and ranching operations (USDA 2013). However, these farms and ranches account for 11% of total national cash farm receipts. California was the top state in cash receipts in 2012 with a total value of $44.7 billion dollars. Over a third of the country's vegetables and two-thirds of the country's fruits and nuts were produced in California that year. The average farm size in California was 316 acres in 2012.

Kings County

Agriculture in Kings County makes a significant contribution to the economy of the State and is one of the major economic engines in the County. Kings County was ranked eighth among California counties in agricultural production in 2012 (Kings County 2013). In 2012, Kings County had 515,182 acres of land designated Prime Farmland, Farmland of Statewide Importance, and Unique Farmland and 295,809 acres designated Grazing Land by the Farmland Mapping and Monitoring Program (FMMP). In 2013, the total farmland (designated and non-designated) was estimated at 822,143 acres of which 820,458 were harvested for a total assessed value of approximately $2.27 billion, an increase of $52.2 million (2.4%) over the 2012 crop value. The major factors affecting this increase in total value over the 2012 crop year were higher nut prices and production, increases in milk prices, increased seed crops acreages, and higher honey prices. The top five commodities for 2013 were milk, cotton, cattle and calves, almonds, and pistachios, which accounted for about 66% ($1.50 billion) of the total assessed value.

LOCAL

Farmland

The City's climate, water availability and proximity to transcontinental transportation routes have made it a premier location for agricultural land development for over a century. Most of the land surrounding the urbanized area of Hanford was converted to agricultural use over a century ago, leaving very little undisturbed natural landscape. The FMMP designations within the Study Area are seen in Figure 4.2-1. As shown in this figure, a majority of Prime Farmland is located toward the northern and western portions of the Study Area. Farmland of Statewide Importance is located on portions of land toward the southern edge of the Study Area. The acreage total for Prime Farmland, Farmland of Statewide Importance, and Unique Farmland within the Study and Planned Areas is categorized below in Table 4.2-1.

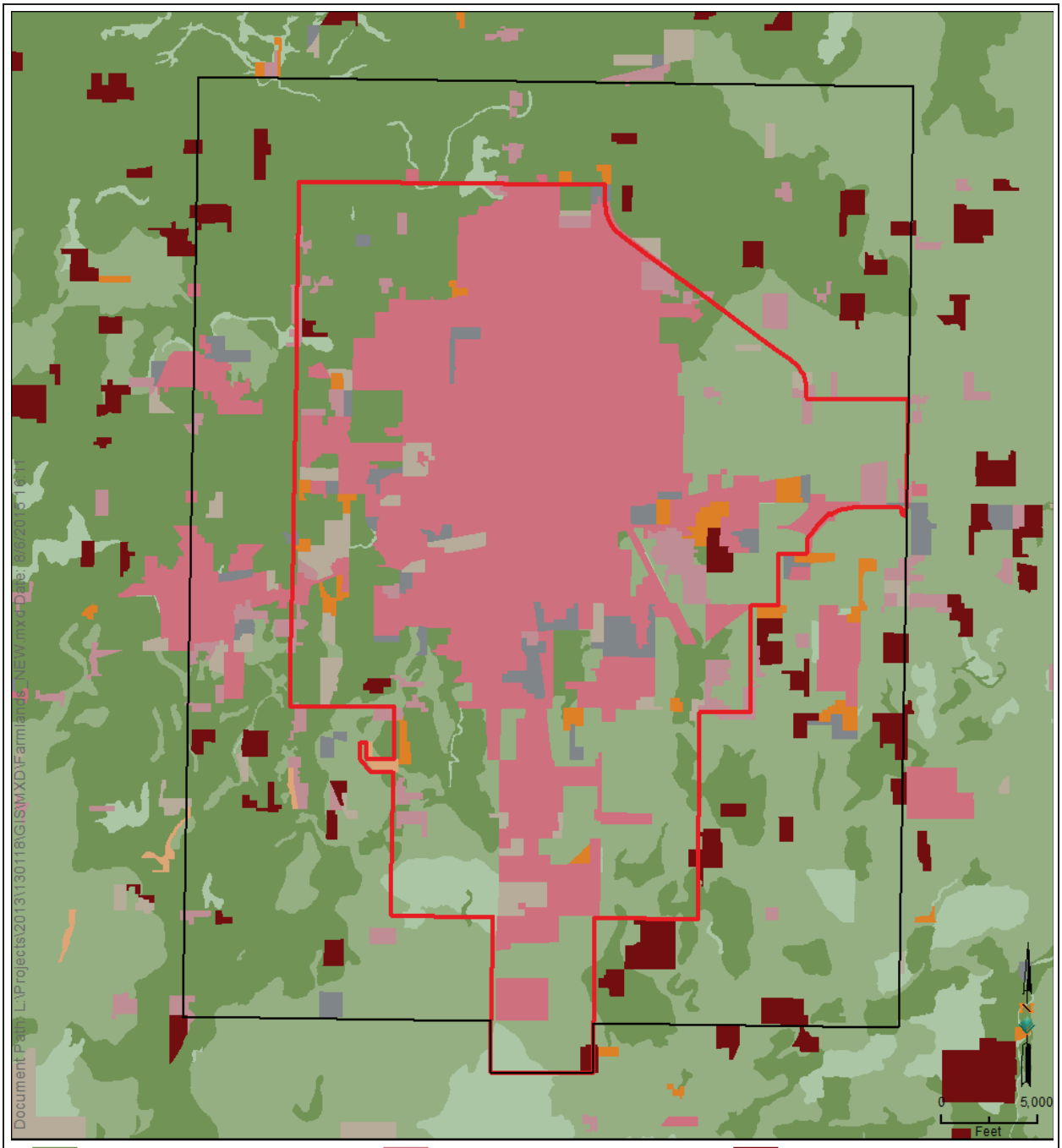
Table 4.2-1
Farmland Mapping and Monitoring Program

Area	Prime Farmland (Acres)	Farmland of Statewide Importance (Acres)	Unique Farmland (Acres)	Total (Acres)
Planned Area	877	1,724	105	2,705
Study Area (Excluding Planned Area)	10,280	7,495	380	18,157
Total (Study Area)	**11,157**	**9,219**	**485**	**20,862**

Table 4.2-2 and Figure 4.2-2 shows the allocation and location of Williamson Act land use contracts within the Study and Planned Areas.

Table 4.2-2
Land under Williamson Act Land Use Contracts

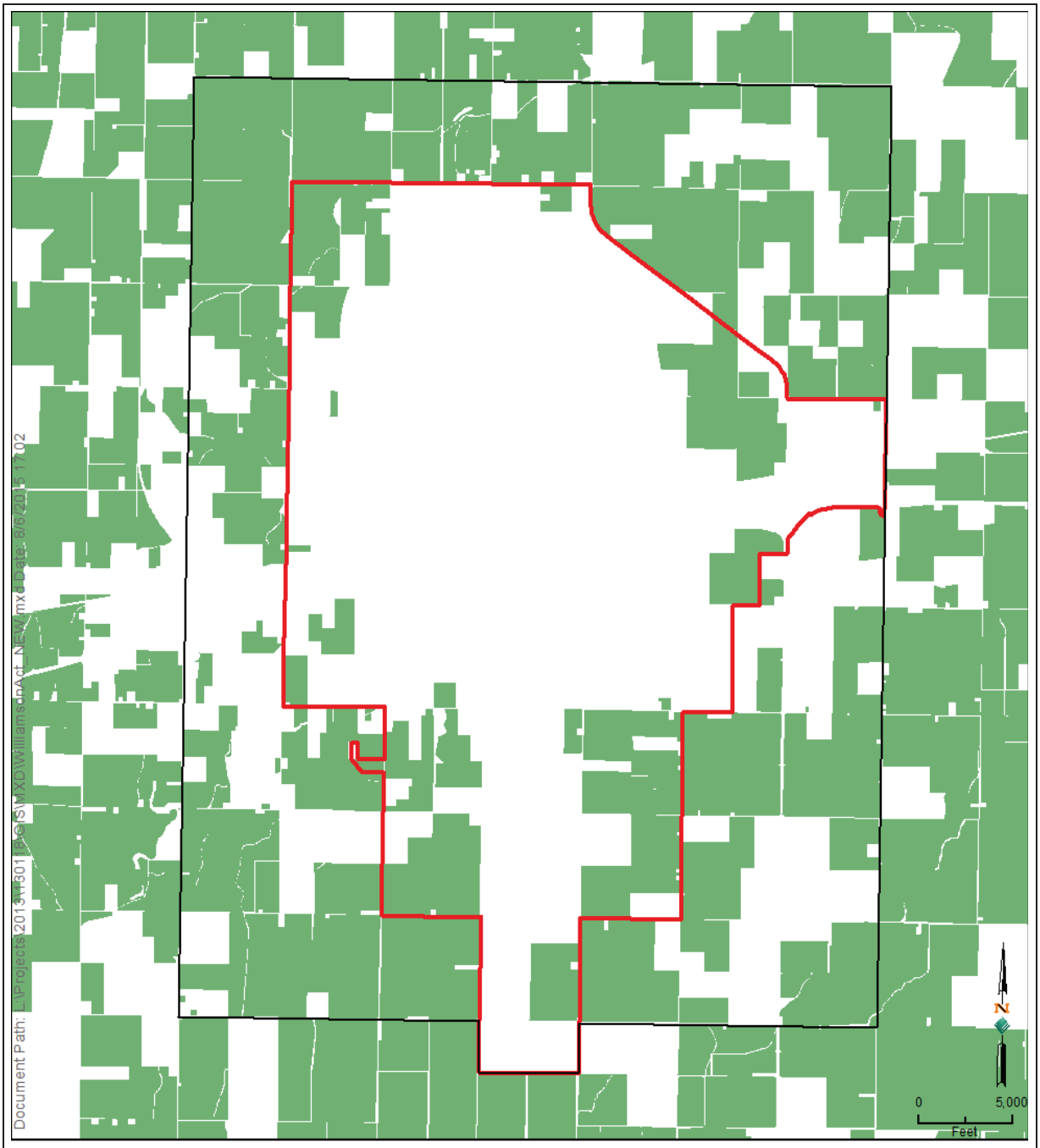
Area	Under Williamson Act Land Use Contract (Acres)	Areas with Notice of Nonrenewal (Acres)
Planned Area	3,056	335
Study Area (Excluding Planned Area)	13,243	834
Total (Study Area)	**16,299**	**1,169**



Quad Knopf

Farmland Mapping and Monitoring Program Map

Figure 4.2-1



Quad Knopf

Williamson Act Lands

Figure 4.2-2

As shown in Table 4.2-2, there are 3,056 and 16,299 acres of land currently subject to a Williamson Act contract within the Planned Area and Study Area, respectively. There are 335 acres currently under non-renewal and, 2014 to 2017, are scheduled to be removed from the provisions of the Williamson Act in the Planned Area (City of Hanford 2014). The first amount of land in the Planned Area, approximately 74 acres, that is scheduled to be removed from the Williamson Act is located in the northwest portion of the Planned Area on the southeast corner of Fargo Avenue and 13th Avenue (City of Hanford 2014). Within the Study Area, there are approximately 13,243 acres of land under Williamson Act contracts and, of that land, approximately 834 acres is scheduled to be removed from the Williamson Act through the non-renewal process between 2015 and 2023. Directly adjacent to the northwest limits of Planned Area, there are approximately 310 acres of land located between 13th and 12th Avenues to the west and east and by Flint and Fargo Avenues to the north and south, respectively, will be removed from the Williamson Act between 2015 and 2017.

Forests

There are no "forest lands" found within the Study Area as defined by Public Resources Code (PRC) Section 12220(g), which defines such areas as "land that can support 10% native tree cover of any species, including hardwoods, under natural conditions, and that allows for management of one or more forest resources, including timber, aesthetics, fish and wildlife, biodiversity, water quality, recreation, and other public benefits." There is also no "timberland" found in the Study Area as defined by PRC Section 4526, which defines such areas as "land…which is available for, and capable of, growing a crop of trees of any commercial species used to produce lumber and other forest products, including Christmas trees."

4.2.3 Regulatory Setting

FEDERAL

Farmland Protection Policy Act

The purpose of the Farmland Protection Policy Act (FPPA) (7 United States Code Section 4201) is to minimize the extent to which federal programs contribute to the unnecessary and irreversible conversion of farmland to nonagricultural uses. It also directs federal programs to be compatible with State and local policies for the protection of farmland. Under the FPPA, the term "Farmland" includes Prime Farmland, Unique Farmland, and Farmland of Statewide Importance. Farmland that is subject to FPPA requirements does not have to be currently used as cropland. It can be forestland, pastureland, or other land but not urban and built-up land or water.

In 1981, Congress passed the Agriculture and Food Act (Public Law 97-98), which contained the FPPA, Subtitle I of Title XV, Sections 1539–1549. The final rules and regulations were published in the Federal Register on June 17, 1994. Federal agencies are required to develop and review their policies and procedures related to implementing the FPPA every 2 years.

The FPPA does not authorize the federal government to regulate the use of private or nonfederal land or in any way affect the rights of property owners. Projects are subject to FPPA requirements

if they irreversibly convert farmland (directly or indirectly) to nonagricultural use and are completed by a federal agency or rely on assistance from a federal agency.

U.S. Natural Resources Conservation Service (NRCS)

There are four major classifications of farmland adopted by the U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS). These classifications, as defined below, outline the fertility of soils:

- "Prime Farmland" (formerly Class I and Class II soils) is best suited for producing food and fiber. This category has the soil quality, growing season, and moisture supply needed to produce sustained high yields of crops, when managed according to modern farming methods;
- "Farmland of Statewide Importance" is land other than prime farmland with a combination of physical and chemical characteristics advantageous for producing food, feed, forage, and fiber;
- "Unique Farmland" is land other than prime farmland and farmland of statewide importance that has a special combination of soil quality, growing season, and moisture supply needed to produce sustained high yields of a specific crop; and
- "Farmland of Local Importance" is defined as important to the local agricultural economy as determined by the county.

STATE

California Department of Conservation

The Department of Conservation (DOC) applies the NRCS soil classifications to identify agricultural lands. These agricultural designations are used to plan present and future uses for California's agricultural land resources. DOC uses a minimum mapping unit area of 10 acres; parcels that are smaller than 10 acres are absorbed into surrounding classifications.

Farmland Mapping and Monitoring Program (FMMP)

The DOC's Division of Land Resource Protection's Farmland Mapping and Monitoring Program (FMMP) prepares current maps of the important farmland in agricultural counties of California and monitors permanent farmland conversion. The FMMP uses the NRCS's system for the classification of farmland.

The list below encompasses all categories mapped by DOC. Collectively, lands classified as Prime Farmland, Farmland of Statewide Importance, or Unique Farmland are referred to as "Farmland."

- **Prime Farmland—**Land that has the ideal combination of physical and chemical features. This land has the soil quality, growing season, and moisture content needed to sustain high yields and long-term agricultural production. The land must have been used for irrigated agricultural production at some time during the 4 years prior to the mapping date.
- **Farmland of Statewide Importance—**Land that is similar to Prime Farmland but has minor shortcomings, such as steeper slopes or a lower moisture content. The land must

have been used for irrigated agricultural production at some time during the 4 years prior to the mapping date.

- **Unique Farmland—**Land with lesser quality soils but still used for the production of the State's leading agricultural crops. This land is usually irrigated but may include land that supports nonirrigated orchards or vineyards, as found in some climatic zones in California. The land must have been used for crop production at some time during the 4 years prior to the mapping date.
- **Farmland of Local Importance—**Land that is important to the local agricultural economy, as determined by each county's board of supervisors and a local advisory committee.
- **Grazing Land—**Land on which the existing vegetation is suited to grazing livestock. This category was developed in cooperation with the California Cattlemen's Association, University of California Cooperative Extension, and other groups with an interest in grazing. The minimum mapping unit for Grazing Land is 40 acres.
- **Urban and Built-Up Land—**Land that is developed with structures that have been built to a density of at least one unit to 1.5 acres, or about six structures to a 10-acre parcel. This land supports residential, industrial, commercial, institutional, and public administrative uses; railroad and other transportation yards; cemeteries; airports; golf courses; sanitary landfills; sewage treatment facilities; water control structures; and other developed uses.
- **Other Land—**Land that is not included in any other mapping category. Common examples include low-density rural developments; brush, timber, wetland, and riparian areas that are not suitable for livestock grazing; confined livestock, poultry, or aquaculture facilities; strip mines and borrow pits; and water bodies smaller than 40 acres. Vacant and nonagricultural lands that are surrounded on all sides by urban development and greater than 40 acres are mapped as Other Land.

California Land Conservation Act (Williamson Act)

The California Land Conservation Act of 1965, commonly referred to as the Williamson Act (California Government Code Sections 51200–51297.4), is applicable to specific parcels within the State of California. The Williamson Act enables local governments to enter into contracts with private landowners for the purpose of restricting specific parcels of land to agricultural or related open space uses in return for reduced property tax assessments. Private land within locally designated agricultural preserve areas is also eligible for enrollment under a Williamson Act contract. The Williamson Act program is administered by DOC, in conjunction with local governments, which administer the individual contract arrangements with landowners.

Under the Williamson Act, a landowner commits a parcel to agricultural production for a 10-year period, during which time no conversion out of agricultural use is permitted. In return, the land is taxed at a rate that is based on actual use (i.e., agricultural production), as opposed to its unrestricted market value. Each year, the contract automatically renews unless a notice of nonrenewal or cancellation is filed. However, the application to cancel must be consistent with the criteria of the California Land Conservation Act as well as the criteria of the affected county or city. Nonrenewal or contract cancellation does not change a property's zoning. Participation in the Williamson Act program, which is voluntary for landowners, is dependent on a county's willingness to adopt and implement the program.

The Williamson Act states that a board or council will, by resolution, adopt rules governing the administration of agricultural preserves. The rules of each agricultural preserve specify the allowed uses. Generally, any commercial agricultural use will be permitted within any agricultural preserve. In addition, local governments may identify compatible uses that can be permitted under a use permit.

California Government Code Section 51238.1(a)(2) states that "[u]ses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing, or shipping."

If a use is not compatible with a Williamson Act land use contract, like urban development, a property owner with land currently under a Williamson Act land use contract can file for non-renewal or cancellation. For non-renewal, a "notice of nonrenewal" starts the nine-year nonrenewal period. During the nonrenewal process, the annual tax assessment continually increases each year until it is equivalent to current tax rates at the end of the nonrenewal period. The contract is then terminated.

For the cancellation process a county or city must approve a tentative contract cancellation with specific findings that are supported by substantial evidence. The existence of an opportunity for another use of the property is not sufficient reason for cancellation. In addition, the uneconomic character of an existing agricultural use shall not, by itself, be a sufficient reason to cancel a contract. The landowner must also pay a cancellation fee.

Public Resources Code

California Public Resources Code (PRC) Section 21060.1 uses the FMMP to define agricultural land for the purposes of assessing environmental impacts. The FMMP was established in 1982 to assess the location, quality, and quantity of agricultural lands and analyze the conversion of such lands. The FMMP provides analysis pertaining to agricultural land use and land use changes throughout California.

California Land Evaluation Site Assessment Model (LESA)

The California Land Evaluation Site Assessment Model (LESA) was developed by the NRCS to assist state and local officials with making sound decisions regarding land use. LESA was subsequently adapted by the DOC for use in California. LESA analyzes soil resource quality, project size, water resource availability, surrounding protected resource lands, and surrounding agricultural lands; the model output is a numerical rating. LESA includes a numeric threshold for determining significance under CEQA of impacts on conversion of mapped farmland to non-agricultural uses.

Farmland Security Zone

A Farmland Security Zone (FSZ) contract is a contract between a private landowner and a county that enforceably restricts land to agricultural or open space uses. The minimum initial term is 20

years. Like a Williamson Act contract, FSZ contracts renew annually unless either party files a "notice of nonrenewal." There are no lands under FSZ contract within the Project site or vicinity.

LOCAL

Hanford Municipal Code

Chapter 16.40.110 (Right to Farm) of the Hanford Municipal Code states that the City has adopted:

> [A] policy to (1) protect agricultural land, operations, and facilities from conflicting use due to the encroachment of incompatible, non-agricultural uses of the land in agricultural areas of the county, and (2) to advise developers, owners, and subsequent purchasers of property in the city of Hanford within one (1) mile of the city's urban limit line of the inherent potential inconveniences and discomforts often associated with agricultural activities and operations, including, but not limited to, equipment and animal noise; farming activities conducted on a 24-hour a day, 7-days a week basis; odors from manure, fertilizers, pesticides, chemicals, or other sources; the aerial and ground application of chemicals and seeds; dust; flies and other insects; and smoke from agriculture operations.

The chapter goes on to state:

> No lawfully established and otherwise lawful agricultural activity, operation, or facility, or appurtenances thereto, conducted or maintained for commercial agricultural purposes in a manner consistent with proper and accepted customs and standards as established and followed by similar agricultural operations in the same locality, shall be or become a nuisance, private or public, due to any changed condition in or about the locality, including, but not limited to, the encroachment of non-agricultural uses such as residences.

The chapter provides exceptions that state that:

> [The provision that established and otherwise lawful agricultural activity shall not become a nuisance] shall not apply if the agricultural activity, operations, or facility, or appurtenances thereto, obstructs the free passage or use, in the customary manner; of any public park, street, or highway…. [and] shall not invalidate any provision of California State Law, if the agricultural activity, operation, or facility, or appurtenances thereof, constitutes a nuisance, public or private, as specifically defined or described in any such provision.

Finally, the chapter provides disclosure and recordation requirements that state:

> All approvals for improvement or development of property including without limitation application for rezonings, land divisions, zoning permits, and residential building permits, on property in the city of Hanford within one (1) mile of the city's urban limit line, shall include a condition that notice and disclosure of this agricultural land use policy be given by the applicant, or the owner if different from the applicant. The applicant, or owner if different from the applicant, shall also acknowledge the contents of the notice and disclosure, which includes a description of the property the notice and disclosure pertains

to, in the Official Records of the Kings County Recorder, and recorded at the applicant's own expense.

4.2.4 Impacts and Mitigation Measures

METHODOLOGY

The potential impacts of the General Plan Update were evaluated qualitatively by comparing the anticipated effects on agricultural resources with the existing conditions. The evaluation is based on professional judgment, a review of existing literature, an analysis of the goals and policies of the General Plan Update regarding agricultural resources, and consideration of the significance criteria established by Appendix G of the CEQA Guidelines.

THRESHOLDS OF SIGNIFICANCE

Appendix G of the CEQA Guidelines states that a project would have a significant impact on agriculture and forestry resources if it would:

- Thresholds of significance Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use;
- Conflict with existing zoning for agricultural use, or a Williamson Act contract;
- Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g));
- Result in the loss of forest land or conversion of forest land to non-forest use; or
- Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use.

PERTINENT GENERAL PLAN UPDATE GOALS AND POLICIES

Economic Development Element

AGRICULTURE GOALS

Goal E5: A healthy and sustainable agricultural economic sector.

Agriculture Policies

Policy E23 Economic Development of Agriculture

Value and support agriculture as an industry and make it a key component of Hanford's economic development strategy.

Policy E24 Recruit Agriculture-related Businesses

Recruit businesses that are agriculture-related, especially those that create value-added products.

Policy E25 Support Innovation in Agriculture

Support innovation in the production, processing, and distribution of agricultural products and services.

Policy E26 Protection of Agricultural Lands from Urban Encroachment

Utilize the Planned Area Boundary to delineate a long term boundary between agricultural and urban land uses, and strongly support long term agricultural operations outside the Planned Area Boundary that can be free from the threat of urban land use encroachment.

Land Use and Community Design Element

GROWTH MANAGEMENT

Development Boundaries Policies

Policy L2 2035 Growth Boundary

Designate a 2035 Growth Boundary to serve as the limits of the area to be developed with urban uses during the 2015 to 2035 planning period. Locate the 2035 Growth Boundary along major roadways and other natural or manmade physical features that can serve as a physical boundary between urban and agricultural uses.

Policy L6 Agriculture and the Urban Fringe

Recognize and protect the right of agricultural uses within the growth boundary to exist and continue to operate in proximity to new development on the fringes of the City.

City Form Policies

Policy L13 Development Boundary at 13th Avenue

Locate the 2035 Growth Boundary at 13th Avenue to maintain a rural agricultural land use buffer between Hanford and the communities of Grangeville and Armona.

RESIDENTIAL LAND USE DESIGNATION

Residential Land Use Policies

Policy L29 Agriculture

Recognize the right of agriculture to exist and continue to operate in proximity to the new residential development on the fringes of the city. Deed restrictions may be required which inform

future residents of the right of agriculture to continue within the limits of the law without interference or protest from nearby property owners.

OPEN SPACE LAND USE DESIGNATION

Open Space Policies

Policy L95 Purpose of Open Space Land Use Designation

Establish the Open Space land use designation to protect and enhance existing parks, designated agricultural easement preserves, and drainage courses and identify sites for new parks.

Policy L96 Types of Uses in Open Space Land Use Designation

Typical uses in the Open Space land use designation include parks, pathways, storm drainage basins and water recharge areas, reservations for future freeway interchanges, areas designated for noise attenuation, and major landscape corridors along entryways into the city. While the Open Space designation is intended primarily for public agency use, private land may be designated Open Space. These would include land with storm drainage or other open space "easements" or private environmental or agricultural preserves.

Policy L97 Open Space Conversion

Prohibit conversion of land designated as Open Space to developed urban uses unless an overriding public purpose requires such a conversion.

Transportation and Circulation Element

INTERCITY RAIL SERVICE

High Speed Rail Policies

Policy T82 Mitigation of High Speed Rail Impacts

If High Speed Rail becomes a reality in Kings County, ensure that financial, environmental, and agribusiness impacts of the project are mitigated for the citizens of Hanford.

AGRICULTURAL RESOURCE GOAL

Goal O1: Conservation and long term protection of agricultural resources and soils located outside of the Planned Area Boundary.

Agricultural Land Protection Policies

Policy O1 Boundary between Urban and Agricultural Uses

Utilize the Planned Area Boundary as the long term boundary line between urban uses and agricultural uses and prohibit non-agricultural development outside the Planned Area Boundary.

Policy O2 Agricultural Buffer

Coordinate land use policies and designations with Kings County to provide for a buffer between the urban area of Hanford and the surrounding unincorporated communities.

Policy O3 Kings County Preservation Efforts

Support the Kings County efforts to preserve and protect farmlands outside the Planned Area Boundary.

Policy O4 Interim Agricultural Use

Retain existing agricultural areas as an interim use inside the Planned Area Boundary and support agricultural operations until such time that the areas are needed for logical urban expansion.

Williamson Act Policies

Policy O5 Removal of Land from Williamson Act

Encourage use of Notices of Nonrenewal as the preferred method of removal of land within the Planned Area Boundary from Williamson Act Land Conservation Contract.

Policy O6 Cancellation and Succession to Williamson Act Contracts

Adopt and periodically update a set of policies that govern the cancellation of Williamson Act contracts, and define the circumstances that the City would be willing to succeed to an active contract.

Policy O7 Annexation of Williamson Act Lands

Consider annexation of Williamson Act lands only if the land is within the 2035 Growth Boundary and only if such annexation is necessary to provide for logical urban development, job creation, or the provision of municipal services.

Policy O8 New Williamson Act Contracts

Oppose new Williamson Act contracts on land within the Planned Area Boundary.

Deed-Restricted Agricultural Site Policies

Policy O9 Existing Deed-Restricted Agricultural Sites

Designate sites with existing deed agreements that limit the land to agricultural use with the Open Space land use designation.

Policy O10 New Deed-Restricted Agricultural Sites

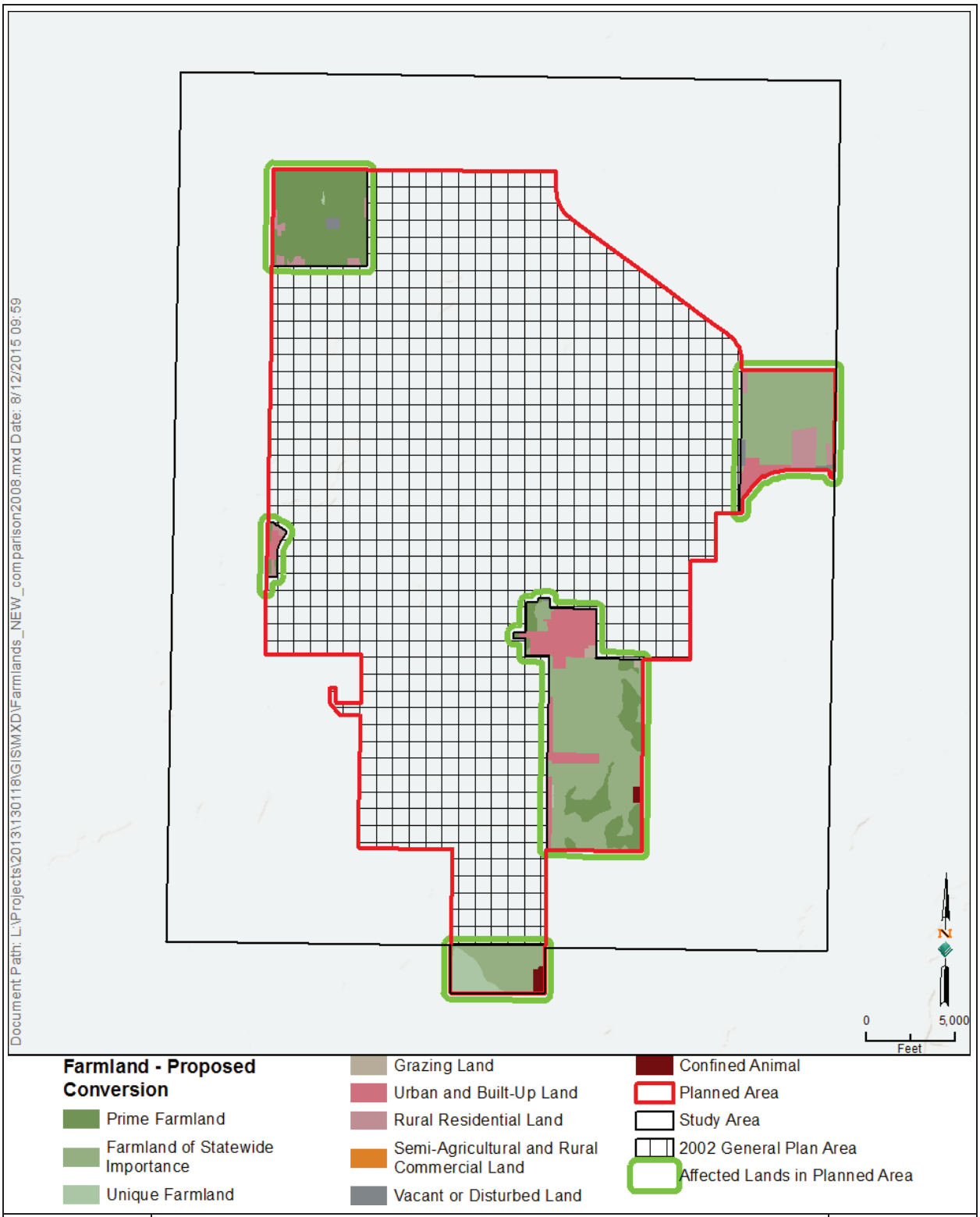
Discourage new deed agreements that restrict land to agricultural use on land inside the Planned Area Boundary.

PROJECT IMPACTS

Impact 4.2-1: The Project Would Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as Shown on the Maps Prepared Pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to Non-Agricultural Use.

The 2035 Growth Boundary serves as the limits of the area to be developed with urban uses during the 2014 to 2035 planning period and is smaller than the Planned Area (see Figure 3-5). Therefore, following analysis presents a maximum-intensity scenario because complete build out of the Planned Area (an area larger than the 2035 Growth Boundary) is being analyzed against the existing condition. Existing FMMP-designated farmland is generally limited to the outskirts of the Planned Area. The new land use designations in these areas allow for additional development capacity beyond that utilized under existing conditions. Therefore, this analysis evaluates impacts to farmland designated by the FMMP if the Planned Area were to be completely built out.

As shown in Table 4.2-3, the total amount of FMMP-designated farmland within the Planned Area that would be affected by complete build out in the Planned Area would total approximately 2,706 acres. This total is further broken down for each of the FMPP Designations shown in the table below, and is displayed in Figure 4.2-3. As shown in the table, approximately



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Affected Farmland in Planned Area

Figure 4.2-3

877 acres of Prime Farmland, 1,724 acres of Farmland of Statewide Importance, and 105 acres of Unique Farmland within the Planned Area could be affected as a result of the General Plan Update.

Table 4.2-3
Affected Farmland within Planned Area

	FMMP Designations			Total
	Prime Farmland	Farmland of Statewide Importance	Unique Farmland	
Affected Land within Planned Area (Acres)	877	1,724	105	2,706

The build out of the Planned Area as a result of the General Plan Update would, over the 2014 to 2035 planning period, convert approximately 2,706 acres of Prime Farmland, Farmland of Statewide Importance, and Unique Farmland, as shown on the maps prepared pursuant to the FMMP, to non-agricultural use. Future development would have to adhere to the Hanford Municipal Code Chapter 16.40.110 (Right to Farm) and proposed goals and policies of the General Plan Update related to agriculture. However, the loss of this farmland as a result of the General Plan Update would be significant and unavoidable.

The Study Area is larger than the area that would ultimately be needed for growth over the life of the General Plan Update, but has been determined to give decision-makers the greatest flexibility in making determinations about where and how the City should grow. Future development in the Study Area (but outside the Planned Area) would first require approval of the Kings County Local Area Formation Commission because such development means that the City would be annexing land and the City's SOIs would like need to be revised as well as future General Plan Update amendments, which would trigger the need for future CEQA review, including consideration of agriculture impacts. Future development in the Study Area would also have to comply with the Hanford Municipal Code Chapter 16.40.110 (Right to Farm), proposed goals and policies of the General Plan Update related to agriculture. Future development in the Study Area would also result in significant and unavoidable impacts to agricultural resources.

Mitigation Measures

There is no reasonable and feasible mitigation to reduce this impact.

Level of Significance after Mitigation

Impacts would be significant and unavoidable.

Impact 4.2-2: The Project Would Conflict With Existing Zoning for Agricultural Use, or a Williamson Act Contract.

The existing Williamson Act Contracts are limited to the outskirts of the Planned Area. More specifically, these areas are located toward the northwest and southeast portions of the Planned Area (see Figure 4.2-4). As shown in Table 4.2-4, build out of the Planned Area would affect 1,136 acres currently under a Williamson Act land use contract. Of those 1,136 acres, 276 acres are under

a notice of non-renewal and, 2014 to 2017, are scheduled to be removed from the provisions of the Williamson Act in the Planned Area (City of Hanford 2014).

Table 4.2-4
Affected Williamson Act Land within Planned Area

Area	Under Williamson Act Land Use Contract (Acres)	Areas with Notice of Nonrenewal (Acres)
Affected Land within Planned Area (Acres)	1,136	276

These areas would be affected by development of proposed land uses for these lands under the General Plan Update. This would ultimately result in the General Plan Update conflicting with existing land under Williamson Act land use contracts, which is a potentially significant impact. Prior to future development, any land under a Williamson Act land use contract would have to file a notice of non-renewal or cancellation and go through either process. Even with going through these processes, future development could result in conflicts with Williamson Act land use contracts because proposed urban land uses are not compatible with such contracts and impacts would be significant and unavoidable.

As shown in Figure 4.2-5, the General Plan Update would conflict with current agricultural zoning in the Planned Area. State law requires that zoning be consistent with its accompanying general plan. Modifications to the Municipal Code would occur as a public process after adoption of the General Plan Update. A primary goal when revising the Municipal Code would be to make it more understandable, even to people with limited or no experience with zoning, and to streamline the process of getting projects approved. In compliance with State law, once the zoning is consistent with the General Plan Update, the General Plan Update would not conflict with existing zooming for agricultural use and there would be no impact.

Mitigation Measures

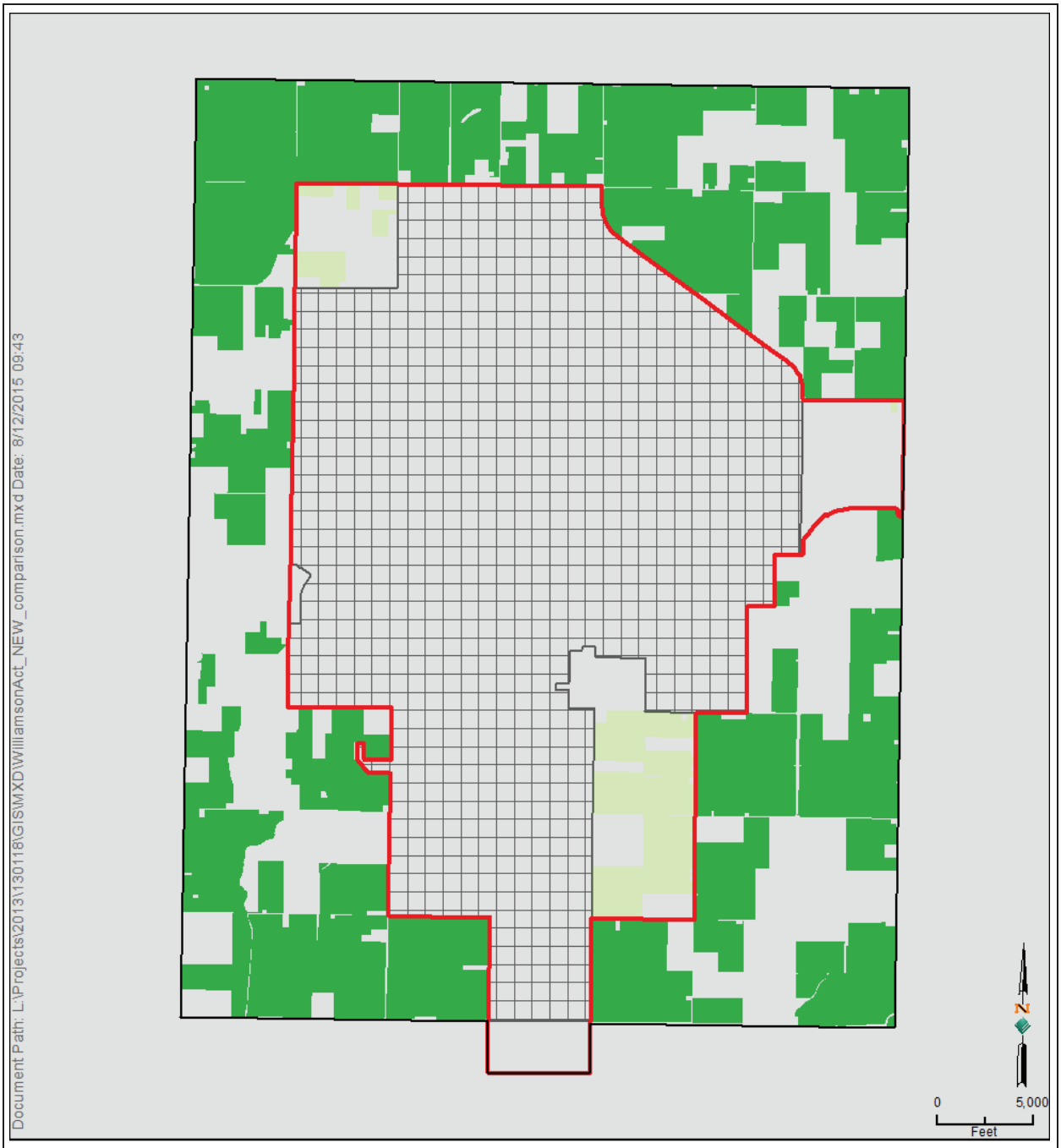
There is no reasonable and feasible mitigation to reduce the Project's impact.

Level of Significance after Mitigation

Impacts would be significant and unavoidable.

Impact 4.2-3: The Project Would Not Conflict With Existing Zoning for, or Cause Rezoning of, Forest Land (As Defined in Public Resources Code Section 12220(g)), Timberland (As Defined by Public Resources Code Section 4526), or Timberland Zoned Timberland Production (As Defined by Government Code Section 51104(g)).

The General Plan Update would not conflict with existing zoning for, or cause rezoning of, Forest Land, Timberland, or Timberland Zoned Timberland Production, as these designations do not exist within the Study Area. There would be no impact.



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Affected Williamson Act Contracts in Planned Area

Figure 4.2-4

Mitigation Measures

No mitigation is required.

Level of Significance after Mitigation

There would be no impact.

Impact 4.2-4: The Project Would Not Result in the Loss of Forest Land or Conversion of Forest Land to Non-Forest Use.

There is no forest land within the Study Area. The General Plan Update would not result in the loss of forest land or conversion of forest land to non-forest use, as these designations do not exist within the Study Area. There would be no impact.

Mitigation Measures

No mitigation is required.

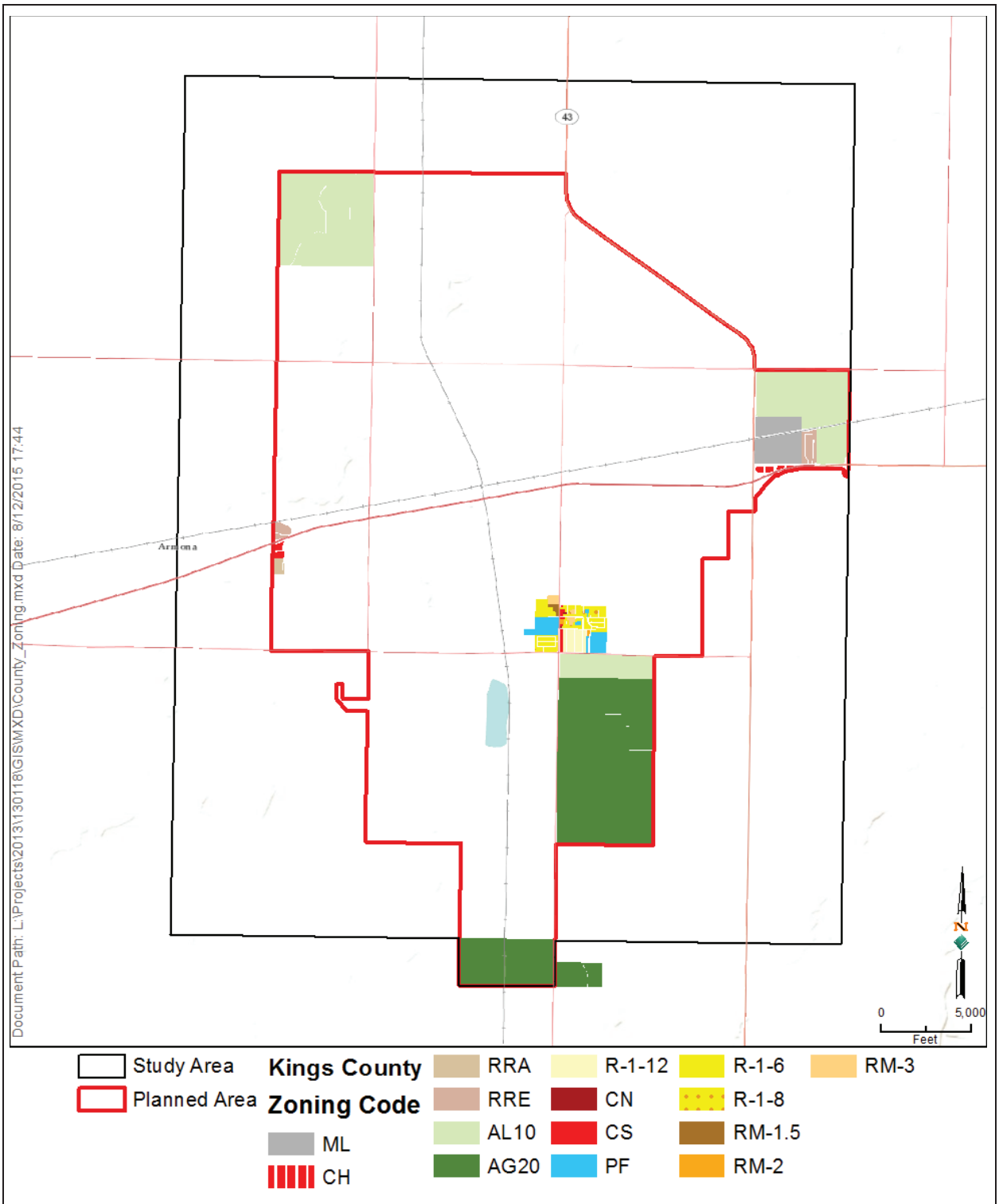
Level of Significance after Mitigation

Impacts would be less than significant.

Impact 4.2-5: The Project Would Involve Other Changes in the Existing Environment Which, due to Their Location or Nature, Could Result in Conversion of Farmland, to Non-Agricultural Use or Conversion of Forest Land to Non-Forest Use.

As discussed in Impacts 4.2-1 and 4.2-2, the General Plan Update would convert FMMP-designated farmland to non-agricultural use and would conflict with Williamson Act land use contracts, which are both significant and unavoidable impacts. Therefore, the General Plan Update would involve other changes to the environment which, due to their location or nature, would result in the conversion of farmland to non-agricultural use and impacts would be significant and unavoidable. It is important to note that, due to Chapter 16.40.110 (Right to Farm) of the Hanford Municipal Code, advises that adjacent uses to future development could result in "potential inconveniences and discomforts often associated with agricultural activities and operations, including, but not limited to, equipment and animal noise; farming activities conducted on a 24-hour a day, 7-days a week basis; odors from manure, fertilizers, pesticides, chemicals, or other sources; the aerial and ground application of chemicals and seeds; dust; flies and other insects; and smoke from agriculture operations." Therefore, this acknowledgment establishes the right of adjacent landowners to continue to farm and therefore precludes to indirect conversion of adjacent farmland as a result of potentially incompatible land uses as a result of the General Plan Update.

As discussed in Impacts 4.2-3 and 4.2-4, the General Plan Update would not involve other changes that would convert forest land to non-forest land and there would be no impact.



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Affected Agricultural Zones in Planned Area

Figure 4.2-5

Mitigation Measures

There is no reasonable and feasible mitigation to reduce the Project's impact.

Level of Significance after Mitigation

Impacts would be significant and unavoidable.

CUMULATIVE SETTING, IMPACTS, AND MITIGATION MEASURES

Cumulative projects are those that would be developed within the Study Area along with build-out of the General Plan Update. Future development as a result of the General Plan Update would be required to adhere to applicable goals and policies of the General Plan as they relate to agriculture as well as the Hanford Municipal Code. Future development would also be subject to the plan check and development review process for all new development. Such technical studies could be required provide structural design, and would be reviewed and approved by the City Building Division on a case-by-case basis.

All future development in the vicinity of the Study Area would be subject to review in separate environmental documents, where a LESA Model may be required. This model would provide a numeric threshold for determining significance under CEQA of impacts on conversion of mapped farmland to non-agricultural uses.

As previously determined, build-out of the General Plan Update would result in significant and unavoidable impacts to farmland conversion and conflicts with land under Williamson Act land use contracts. Thus, future development as a result of the General Plan update would be cumulatively considerable in light of the cumulative impacts of past, present, and reasonably foreseeable future projects. The overall impact would be cumulative significant and unavoidable.

Mitigation Measures

There is no reasonable and feasible mitigation to reduce the Project's cumulative impact.

Level of Significance after Mitigation

Cumulative impacts would be significant and unavoidable.

RESPONSE TO COMMENT B-1

Thank you for your comments. The participation of the Department of Conservation, Division of Land Resource Protection (Division) in the public review of the draft EIR is appreciated. The commenter states that the Division monitors farmland conversion and administers the Williamson Act and other land conservation programs. The commenter also briefly summarizes the General Plan Update and specifically calls out the fact that its build out would affect 2,706 acres of Prime Farmland, Farmland of Statewide Importance, and Unique Farmland as well as 1,136 acres under a Williamson Act land use contract.

The comments have been noted for the record.

RESPONSE TO COMMENT B-2

The commenter states that although direct conversion of agricultural land is often an unavoidable impact, mitigation measures must be considered even if mitigation does not reduce impacts to less than significant provided that they are feasible and lessen a project's impact. The commenter also states that mitigation that is potentially feasible should be included and mitigation brought to the attention of the Lead Agency should not be left out. The Division recommends that the City consider the creation of an agricultural mitigation program "tailored to individual jurisdictional needs and goals" that effectively mitigates for the loss of important farmland.

In response to the Division's comment, page 79 of the General Plan Update has been revised to include the following additional policy:

Policy O5 Farmland Mitigation Program

In collaboration with the County of Kings and other cities in Kings County, determine the feasibility and, if feasible, consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of agricultural lands that are outside adopted urban growth boundaries.

Existing policies O5 to O10 have been renumbered to include this new policy.

Because of this new policy, pages 4.2-13 and 4.2-14 of the draft EIR has been revised to include the following textual additions:

> **Policy O5 Farmland Mitigation Program**
>
> In collaboration with the County of Kings and other cities in Kings County, determine the feasibility and, if feasible, consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of agricultural lands that are outside adopted urban growth boundaries.

Williamson Act Policies

Policy ~~O5~~ O6 Removal of Land from Williamson Act

Encourage use of Notices of Nonrenewal as the preferred method of removal of land within the Planned Area Boundary from Williamson Act Land Conservation Contract.

Policy ~~O6~~ O7 Cancellation and Succession to Williamson Act Contracts

Adopt and periodically update a set of policies that govern the cancellation of Williamson Act contracts, and define the circumstances that the City would be willing to succeed to an active contract.

Policy ~~O7~~ O8 Annexation of Williamson Act Lands

Consider annexation of Williamson Act lands only if the land is within the 2035 Growth Boundary and only if such annexation is necessary to provide for logical urban development, job creation, or the provision of municipal services.

Policy ~~O8~~ O9 New Williamson Act Contracts

Oppose new Williamson Act contracts on land within the Planned Area Boundary.

Deed-Restricted Agricultural Site Policies

Policy ~~O9~~ O10 Existing Deed-Restricted Agricultural Sites

Designate sites with existing deed agreements that limit the land to agricultural use with the Open Space land use designation.

Policy ~~O10~~ O11 New Deed-Restricted Agricultural Sites

Discourage new deed agreements that restrict land to agricultural use on land inside the Planned Area Boundary.

Also because of this new policy, page 4.2-16 of the draft EIR has been revised to include the following textual additions:

> The build out of the Planned Area as a result of the General Plan Update would, over the 2014 to 2035 planning period, convert approximately 2,706 acres of Prime Farmland, Farmland of Statewide Importance, and Unique Farmland, as shown on the maps prepared pursuant to the FMMP, to non-agricultural use. Future development would have to adhere to the Hanford Municipal Code Chapter 16.40.110 (Right to Farm) and proposed goals and policies of the General Plan Update related to agriculture. In response to comments the Kings County Farm Bureau voiced during the General Plan Update Committee meetings, the City increased urban densities for the various land uses within the General Plan Update. Additionally, the proposed City limits and SOI were designed to break along arterial roads

in order to create a logical buffer between proposed urban uses and adjacent agricultural lands.

In addition, Policy O5 (Farmland Mitigation Program) has been included in the General Plan Update to foster collaboration with the County of Kings and other cities in Kings County to develop a countywide farmland conversion mitigation program outside adopted urban growth boundaries (i.e., the City's Planned Area, also the Primary SOI). It is assumed that because expansion of the urban area proceeds in an orderly manner under the General Plan Update and is a logical result to accommodate anticipated future population growth, it is expected that the Planned Area would be converted to a nonagricultural land use as the natural progression of urban growth. The policy to work on developing a countywide farmland mitigation program for the urban conversion of agricultural lands that are outside adopted urban growth boundaries (in this case the Planned Area) is warranted due to the expectation that this conversion would occur as development continues in the City. It is also warranted that the City collaborate rather than unilaterally develop a farmland mitigation program because conversion of farmland is a regional issue that should be collectively developed by the County and all cities in Kings County. Mitigation Measure MM 4.2-1 has been developed that mandates that the City work with the County and other cities to develop a countywide farmland mitigation program, and this mitigation includes performance criteria. However, even with implementation of Mitigation Measure MM 4.2-1, the loss of this farmland as a result of the General Plan Update would remain significant and unavoidable.

The Study Area is larger than the area that would ultimately be needed for growth over the life of the General Plan Update, but has been determined to give decision-makers the greatest flexibility in making determinations about where and how the City should grow. Future development in the Study Area (but outside the Planned Area) would first require approval of the Kings County Local Area Formation Commission because such development means that the City would be annexing land and the City's SOIs would like need to be revised as well as future General Plan Update amendments, which would trigger the need for future CEQA review, including consideration of agriculture impacts. Future development in the Study Area would also have to comply with the Hanford Municipal Code Chapter 16.40.110 (Right to Farm), proposed goals and policies of the General Plan Update related to agriculture, and specifically Policy O5. Future development in the Study Area, even with Policy O5 and implementation of Mitigation Measure MM 4.2-1, would also result in significant and unavoidable impacts to agricultural resources.

Mitigation Measures

~~There is no reasonable and feasible mitigation to reduce this impact.~~

MM 4.2-1: COLLABORATE ON DEVELOPMENT OF COUNTYWIDE FARMLAND MITIGATION PROGRAM

The City shall work with the County of Kings and other cities in Kings County to consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of

agricultural lands that are outside adopted urban growth boundaries. Specific performance criteria for the development of the countywide farmland mitigation program shall include:

- The City shall take the lead in forming a committee that consists of the County of Kings and other cities' representatives to develop the program by January 2019.
- The City shall develop and sign a Memorandum of Understanding or other applicable agreement with County of Kings and the other cities in Kings County to work collaboratively in developing the program by January 2020.
- The City shall develop and sign a Memorandum of Understanding with Department of Conservation in the development of the program by January 2020.
- By January 2022, if a program has been developed, the City shall implement the agreed upon program and codify the adopted program language into its Municipal Code.
- If by January 2022, the program has not been developed, the City shall independently develop its own program and codify the adopted program language into its Municipal Code by 2023.

Level of Significance after Mitigation

Impacts would be significant and unavoidable.

In response to the Division's comment, page 4.2-17 of the draft EIR has been revised to include the following textual additions:

These areas would be affected by development of proposed land uses for these lands under the General Plan Update. This would ultimately result in the General Plan Update conflicting with existing land under Williamson Act land use contracts, which is a potentially significant impact. Prior to future development, any land under a Williamson Act land use contract would have to file a notice of non-renewal or cancellation and go through either process. Even with going through these processes adhering to Policy O5, and implementing Mitigation Measure MM 4.2-1, future development could result in conflicts with Williamson Act land use contracts because proposed urban land uses are not compatible with such contracts and impacts would be significant and unavoidable.

As shown in Figure 4.2-5, the General Plan Update would conflict with current agricultural zoning in the Planned Area. State law requires that zoning be consistent with its accompanying general plan. Modifications to the Municipal Code would occur as a public process after adoption of the General Plan Update. A primary goal when revising the Municipal Code would be to make it more understandable, even to people with limited or no experience with zoning, and to streamline the process of getting projects approved. In compliance with State law, once the zoning is consistent with the General Plan Update, the General Plan Update would not conflict with existing zooming for agricultural use and there would be no impact.

Mitigation Measures

There is no reasonable and feasible mitigation to reduce the Project's impact.

In response to the Division's comment, pages 4.2-19 and 4.2-21 of the draft EIR has been revised to include the following textual additions:

> As discussed in Impacts 4.2-1 and 4.2-2, the General Plan Update would convert FMMP-designated farmland to non-agricultural use and would conflict with Williamson Act land use contracts, which are both significant and unavoidable impacts. Therefore, the General Plan Update would involve other changes to the environment which, due to their location or nature, would result in the conversion of farmland to non-agricultural use and impacts would be significant and unavoidable even with adherence to Policy O5 and implementing Mitigation Measure MM 4.2-1. It is important to note that, due to Chapter 16.40.110 (Right to Farm) of the Hanford Municipal Code, requires notification that adjacent uses to future development could result in "potential inconveniences and discomforts often associated with agricultural activities and operations, including, but not limited to, equipment and animal noise; farming activities conducted on a 24-hour a day, 7-days a week basis; odors from manure, fertilizers, pesticides, chemicals, or other sources; the aerial and ground application of chemicals and seeds; dust; flies and other insects; and smoke from agriculture operations." Therefore, this acknowledgment establishes the right of adjacent landowners to continue to farm and therefore precludes ~~to~~ the indirect conversion of adjacent farmland as a result of potentially incompatible land uses as a result of the General Plan Update.
>
> As discussed in Impacts 4.2-3 and 4.2-4, the General Plan Update would not involve other changes that would convert forest land to non-forest land and there would be no impact.
>
> ***Mitigation Measures***
>
> ~~There is no reasonable and feasible mitigation to reduce the Project's impact.~~
>
> Implement Mitigation Measure MM 4.2-1.

In response to the Division's comment, pages 4.2-19 and 4.2-21 of the draft EIR has been revised to include the following textual additions:

> As previously determined, build-out of the General Plan Update would result in significant and unavoidable impacts to farmland conversion and conflicts with land under Williamson Act land use contracts. Thus, future development as a result of the General Plan update would be cumulatively considerable in light of the cumulative impacts of past, present, and reasonably foreseeable future projects. The overall impact would be cumulative significant and unavoidable even with adhering to Policy O5 and implementing Mitigation Measure MM 4.2-1.
>
> ***Mitigation Measures***
>
> ~~There is no reasonable and feasible mitigation to reduce the Project's cumulative impact.~~
>
> Implement Mitigation Measure MM 4.2-1.

The revisions above do not change the significance determinations in the draft EIR.

RESPONSE TO COMMENT B-3

The commenter states that agricultural easements and in-lieu fees are common mitigation tools, and the Division highlights easements because they follow an established rationale. The commenter briefly discusses why concurrent easement requirements or fees with project approval reduce possible conflicts over agricultural quality. The commenter also states that mitigation via easements can be implemented: 1) by outright purchase of easements or 2) the donation of fees to organizations or agencies whose purpose is to acquire and oversee easements.

As discussed in "Response to Comment 2-B," the City will work with other municipalities to implement a countywide farmland mitigation program (Policy O5) and Mitigation Measure MM 4.2-1 includes performance criteria to ensure that such a program is implemented. This may include: 1) funding and/or purchasing agricultural conversion easements or similar instrument, 2) purchasing credits from an established farmland mitigation bank, and/or 3) contributing agricultural land or equivalent funding to an organization that provides for the preservation of farmland.

RESPONSE TO COMMENT B-4

The commenter states that the California Council of Lands Trust is a useful source for agricultural mitigation banks and provides insight into farmland mitigation policies, including a guidebook. The commenter states that another source for conservation easements is the Division's California Farmland Conservancy Program.

The City will use as a resource the California Council of Lands Trust in the development of the countywide farmland mitigation program (Policy O5 and Mitigation Measure MM 4.2-1).

RESPONSE TO COMMENT B-5

The commenter thanks the City for the opportunity to comment on the draft EIR, requests noticing of future hearing dates regarding the EIR, and provides contact information.

As requested, the City will notice the Division of future hearing dates regarding the EIR.

Letter C

STATE OF CALIFORNIA

GOVERNOR'S OFFICE *of* PLANNING AND RESEARCH

STATE CLEARINGHOUSE AND PLANNING UNIT

EDMUND G. BROWN JR.
GOVERNOR

KEN ALEX
DIRECTOR

September 13, 2016

Received

SEP 15 2016

City of Hanford
Community Development

Darlene Mata
City of Hanford
317 North Douty Street
Hanford, CA 93230

Subject: City of Hanford 2035 General Plan Update
SCH#: 2015041024

Dear Darlene Mata:

The State Clearinghouse submitted the above named Draft EIR to selected state agencies for review. On the enclosed Document Details Report please note that the Clearinghouse has listed the state agencies that reviewed your document. The review period closed on September 12, 2016, and the comments from the responding agency (ies) is (are) enclosed. If this comment package is not in order, please notify the State Clearinghouse immediately. Please refer to the project's ten-digit State Clearinghouse number in future correspondence so that we may respond promptly.

Please note that Section 21104(c) of the California Public Resources Code states that:

1 "A responsible or other public agency shall only make substantive comments regarding those activities involved in a project which are within an area of expertise of the agency or which are required to be carried out or approved by the agency. Those comments shall be supported by specific documentation."

These comments are forwarded for use in preparing your final environmental document. Should you need more information or clarification of the enclosed comments, we recommend that you contact the commenting agency directly.

2 This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act. Please contact the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process.

Sincerely,

Scott Morgan
Director, State Clearinghouse

Enclosures
cc: Resources Agency

1400 10th Street P.O. Box 3044 Sacramento, California 95812-3044
(916) 445-0613 FAX (916) 323-3018 www.opr.ca.gov

MITIGATION MONITORING AND REPORTING PROGRAM

Agriculture and Forestry Resources

Impact	Mitigation Measure	Timeframe	Responsible Monitoring Agency	Date	Initials
4.2-1	**MM 4.2-1: COLLABORATE ON DEVELOPMENT OF COUNTYWIDE FARMLAND MITIGATION PROGRAM** The City shall work with the County of Kings and other cities in Kings County to consider adoption of a countywide farmland mitigation program that is tailored to the needs and goals of the Kings County agricultural region to mitigate the urban conversion of agricultural lands that are outside adopted urban growth boundaries. Specific performance criteria for the development of the countywide farmland mitigation program shall include: • The City shall take the lead in forming a committee that consists of the County of Kings and other cities' representatives to develop the program by January 2019. • The City shall develop and sign a Memorandum of Understanding or other applicable agreement with County of Kings and the other cities in Kings County to work collaboratively in developing the program by January 2020. • The City shall develop and sign a Memorandum of Understanding with Department of Conservation in the development of the program by January 2020.	Subsequent to the General Plan Update **Steps to Compliance:** • The City shall form a committee by January 2019. • The City shall development Memorandums of Understanding by January 2020. • The City shall develop a program with the County of Kings and other cities in Kings County and codify the adopted program language into its Municipal Code by January 2022. • If the program has not been developed with the County of Kings and other cities in Kings County, then the City shall independently develop and codify its own program and by 2023.	City of Hanford		

Impact	Mitigation Measure	Timeframe	Responsible Monitoring Agency	Date	Initials
	• By January 2022, if a program has been developed, the City shall implement the agreed upon program and codify the adopted program language into its Municipal Code. • If by January 2022, the program has not been developed, the City shall independently develop its own program and codify the adopted program language into its Municipal Code by 2023.				

4.2. AGRICULTURAL RESOURCES

4.2.1. Environmental Setting

The General Plan Area is located in the northeastern part of Kings County. Kings County is among the largest producing agricultural counties in California (ranked 12th of 58 counties) with a total of 617,030 acres in agricultural production.[1], Estimated gross crop value in 2000 exceeded $885 million. Table 4.2 - 1 lists Kings County's top 10 crops and the estimated 2000 dollar values.[2]

Table 4.2 - 1

Ten Leading Agricultural Commodities Produced In Kings County, 1992

Crop	Kings County 2000 Value
Milk	$293,313,000
Cotton	$232,100,000
Cattle and Calves	$62,617,000
Hay alfalfa	$33,928,000
Turkeys	$30,499,000
Wheat	$28,993,000
Tomatoes	$21,899,000
Peaches	$15,599,000
Corn Silage	$15,556,000
Grapes	$15,533,000

Source: King County Crop Report 2000

In comparison to the 1992 Kings County Crop Report, changes evident are increasing rank of Milk, cattle and calves in top valued crops. Also increasing in rank are hay/alfalfa, turkeys, wheat, and corn silage. Cotton remains high in the list while slipping in total annual value.

4.2.1.a Farmland Mapping and Monitoring Program

The Department of Conservation's Farmland Mapping and Monitoring Program was begun in 1980 to supplement the land Inventory and Monitoring activity of the USDA, Soil Conservation Service. For land inventory purposes, categorical definitions of important farmlands were developed by the Soil Conservation Service. These definitions recognize the land's suitability for agricultural production, rather than solely

[1] Source: Kings County Agricultural Crop Report 2000.
[2] Ibid.

reflecting the physical and chemical characteristics of soils. Lands which provide the best opportunity for agricultural production are designated as Prime Farmlands and Farmlands of Statewide Importance. Terms used in the Farmland Mapping and Monitoring Program are defined as follows:

Table 4.2 - 2

Description of Farmland Classifications

Farmland Category	Description
Prime (P)	Farmland with the best combination of physical and chemical features able to sustain long term production of agricultural crops. This land has the soil quality, growing season, and moisture supply needed to produce sustained high yields. Land must have been used for production of irrigated crops at some time during the two update cycles prior to the mapping date.
Statewide Importance (S)	Farmland similar to Prime Farmland but with minor shortcomings, such as greater slopes or less ability to store soil moisture. Land must have been used for production of irrigated crops at some time during the two update cycles prior to the mapping date.
Unique (U)	Farmland of lesser quality soils used for the production of the state's leading agricultural crops. This land is usually irrigated, but may include non-irrigated orchards or vineyards as found in some climatic zones in California. Land must have been cropped at some time during the two update cycles prior to the mapping date.
Local (L)	Land of importance to the local agricultural economy as determined by each County's Board of Supervisors and a local advisory committee. In Kings County this category is defined as lands that are presently under cultivation for small grain crops, but are not irrigated. Also lands that are currently irrigated pasture, but have the potential to be cultivated for row/field crop use.
Grazing (G)	Land on which the existing vegetation is suited to the grazing of livestock. This category was developed in cooperation with the California Cattlemen's Association, University of California Cooperative Extension, and other groups interested in the extent of grazing activities. The minimum mapping unit for Grazing Land is 40 acres.
Urban & Built Up Land (U)	Land occupied by structures with a building density of at least 1 unit to 1.5 acres, or approximately 6 structures to a 10 acre parcel.
Other (X)	Land which does not meet the criteria of any other category.
Water (W)	Water areas with an extent of at least 40 acres.

The State Department of Conservation, Division of Land Resources Protection publishes reports on the Farmland Mapping and Monitoring Program every two years. The last cycle was 1998 to 2000. This report for Kings County indicated that between the years 1998 to 2000, 695 acres of farmland was converted to urbanization.[3] Of that amount 225 was considered prime farmland and 52 acres of farmland of statewide

[3] California Department of Conservation, Division of Land Resource Protection, Farmland Mapping and Monitoring Program, Table A-8, 1998-2000 Land Use Conservation for Kings County.

importance. During that same time, 772 acres were converted to prime farmland. The preponderance of that conversion comes from reclassifying grazing land. Also, farmland of statewide importance increased by 6,164 also primarily from the reclassification of grazing land within this two year period. This reclassification is due to new irrigated lands. Improvements to grazing land during the reporting period has increased the net amount of prime farmland in Kings County by 136 acres and farmland of statewide importance by 4,073 acres. This report lists 890,786 acres of mapped land in Kings County. 607,501 (68.2%) acres are cultivated and 238,301 (26.8%) acres are used for grazing. Urbanized land accounts for 28,939 (3.2%) acres.

Figure 4.2 - 1, Prime Farmland and Farmland of Statewide Importance illustrates the general location of Prime Farmland and Important Farmlands within the Planning Area. It is estimated that there are 4,310 acres of Prime Farmland and 4,950 acres of Farmland of Statewide Importance in the undeveloped portion of the Planning Area (outside the City of Hanford). Essentially the existing City is surrounded by predominately cultivated Prime and farmland of Statewide importance within the Planning Area. The Planning Area boundaries are the same as adopted in 1994 with the exception of the additional 125 acres at Highway 43 and Lacey Blvd. The City's General Plan proposes to convert 5,919 acres (includes 50% residential "market factor") to urban uses by 2025 and at full build-out 10,330 acres within the Planning Area. This increase would represent converting 0.9% of mapped cultivated agricultural land by the year 2025 and 1.7% of cultivated agricultural land at full build-out beyond the year 2025.

4.2.1.b Williamson Act Land

The California Land Conservation Act (Williamson Act) allows counties and cities to establish agricultural preserves as a mechanism to protect agricultural lands. Generally, as development approaches an agricultural area, the price of land is driven upward by owners and buyers speculating on the land's future development potential. An increase in the assessed value of the agricultural land and corresponding increase in taxes charged to the owners encourages the sale of agricultural land for development. Under the Williamson Act, the local jurisdiction and landowners agrees to continue agricultural activities for at least 10 years. In return, the local jurisdiction agrees to assess the property at its agricultural rather than market value. Termination of the Contract may be in initiated by either the property owner or the local jurisdiction. This is done through a notice-of-non-renewal process, which ends the landowner's Contract obligation to use the land for agricultural purposes, and allows it to be converted for development purposes.

Figure 4.2 - 2, Location of Williamson Act Lands illustrates the land currently under Williamson Act contract and lands which notices-of-renewal have been filed. The Planning Area contains approximately 3,545 acres of lands currently under contract within in the unincorporated territory of the Planning Area. Between 1994 and 2001, approximately 570 acres have filed for non-renewal of the contracts. These non-renewals reflect the recent annexation of land to the City and the proposed New Hanford High School/Learning Center on the westside of the Planning Area. A substantial amount of contract land is located just east of 13th Avenue and reinforces the long term nature of agriculture outside of the Planning Area.

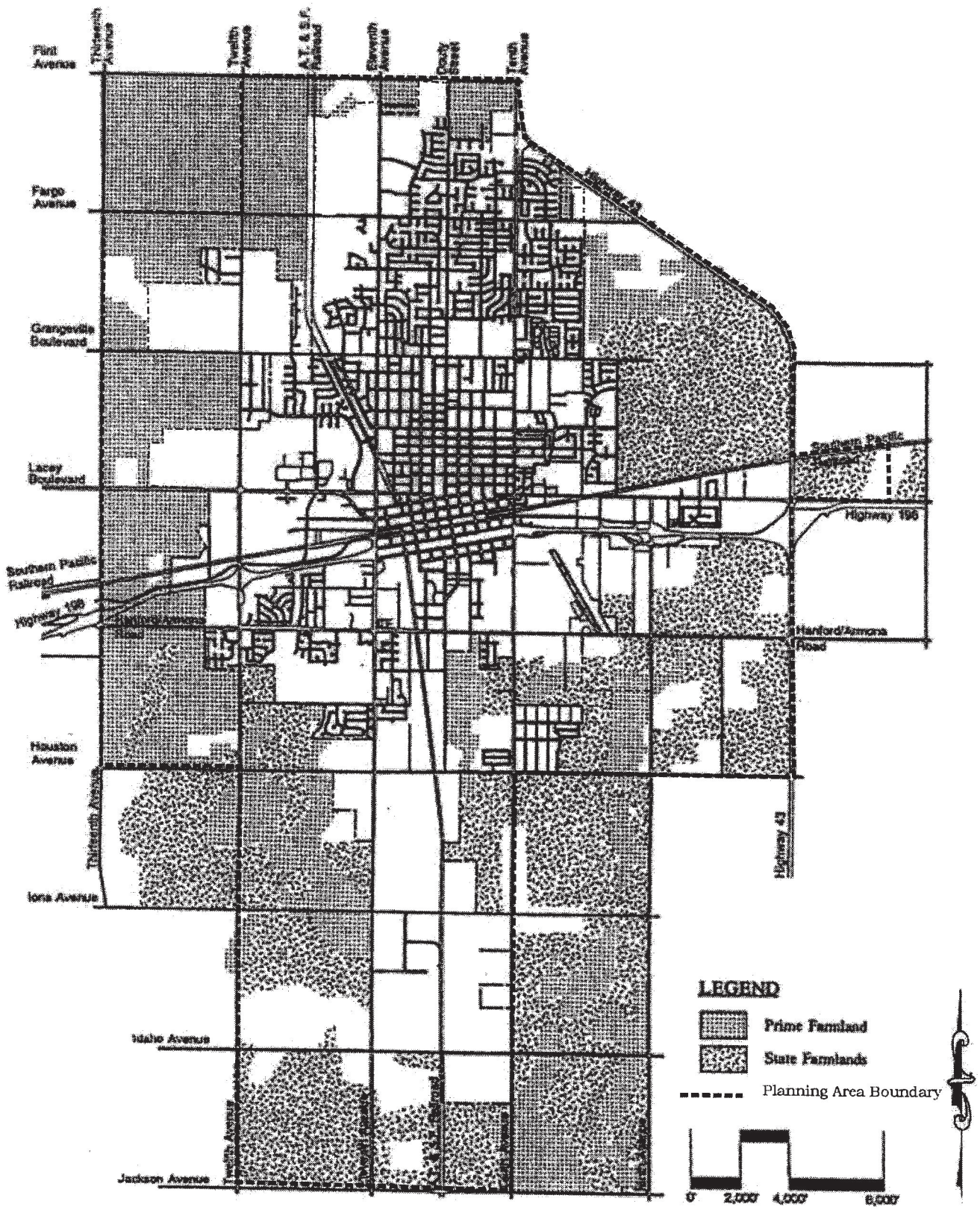


Figure 4.2- 1, Prime Farmland and Farmland of Statewide Importance

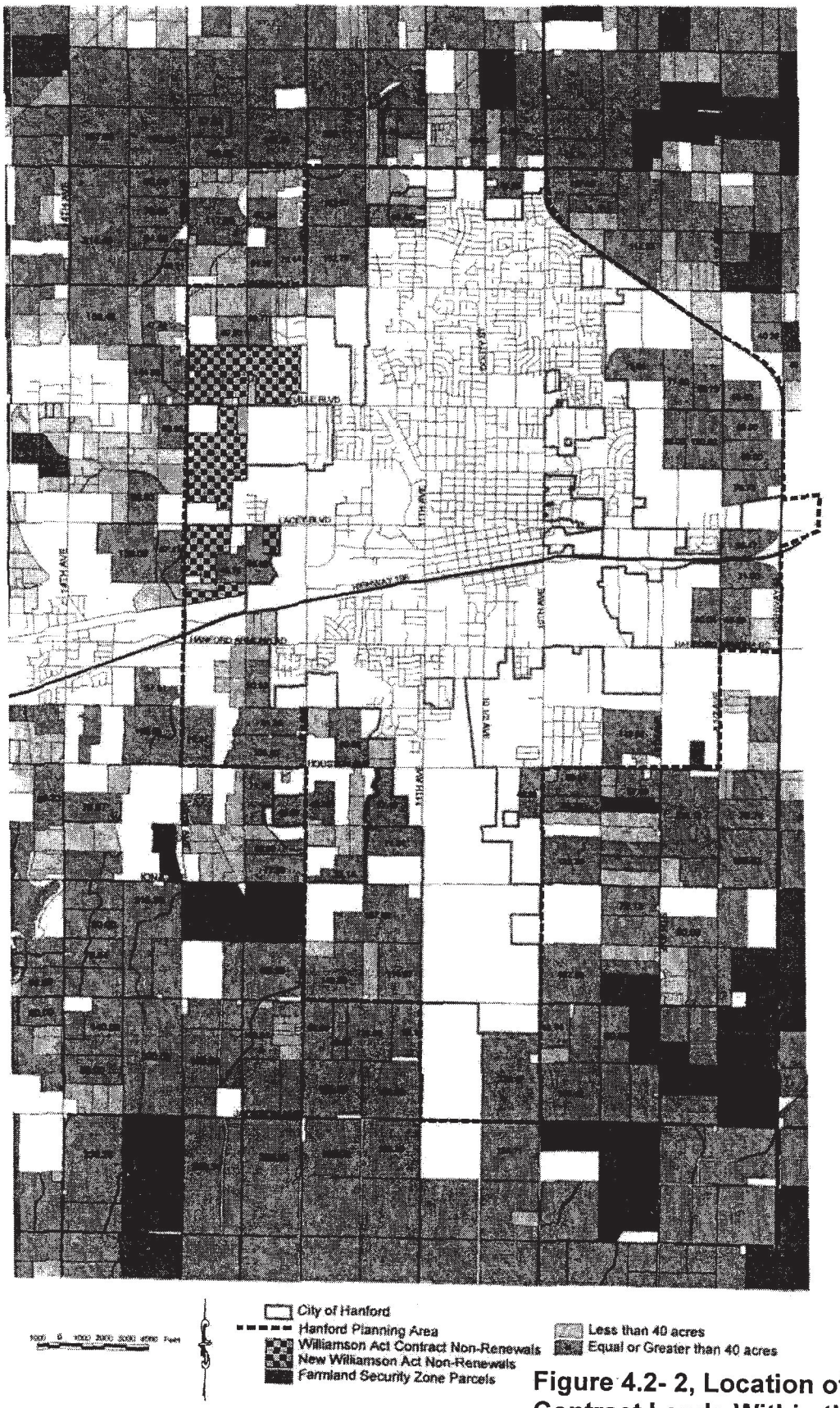


Figure 4.2- 2, Location of Williamson Act Contract Lands Within the Planning Area

4.2.2. Environmental Analysis

4.2.2.a Methodology

This analysis reviews the impacts to farmland generated by the build-out of the General Plan. Mapping of farmland from the State Department of Conservation, Division of Land Resource Protection, Mapping and Monitoring Program was used to generally locate various classes of farmland within the Planning Area. Kings County provided the general location of lands participating in the Williamson Act contracts. Acreage of urban growth within the Planning Area was taken from information provided by the Kings County GIS system. The designated urban land use shown in the General Plan was considered as built which yielded the worst case impact from implementation of the General Plan. The General Plan land use contains a factor of 50% of residential land that would not be built-out for purposes of maintaining competition between property owners. This land would remain undeveloped. Therefore, the actual impact to farmland is less than the worst case impacts shown in this Section.

4.2.2.b Thresholds of Significance

A significant impact would occur if the project would:

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

b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?

c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?

4.2.2.c Impacts

4.2.2.c(1) Loss of Prime and Farmland of Statewide Importance

The vacant land analysis in the Land Use Section of this EIR estimated that there were 9,453 of vacant land (primarily agricultural land) in the unincorporated territory within the Planning Area that is anticipated to be converted to urban use at full build-out of the General Plan. Table 4.2 - 3 indicates that an estimated 2,709 acres would remain as an agricultural buffer or open space within the Planning Area and 6,551 acres would be converted to urban use. Of the amount converted to urban use, it is estimated that 3,260 will be prime farmland and 3,291 will be farmland of statewide importance.

During the build-out of the General Plan (through the year 2025) approximately 5,518 acres is forecasted to be needed for urban use. Urban use includes residential, commercial, industrial, parks, and public facilities. This amount also includes the 50% "market factor" of almost 1,346 acres that may remain in agriculture within the Planning Area. The remaining 4,172 acres is expected to be converted to urban use. The preponderance of prime farmland is located on the western side of the City with the next

intensive amount south of Highway 198. The eastside of the City contains the least amount of prime farmland. It is expected that the westside of the Planning Area will

Table 4.2 - 3

Estimated Farmland Converted to Urban Use at General Plan Build-Out

Type of Land	Acres of Unincorporated County Vacant Land	Acres to Urban Use	Acres to Remain in Ag/OS
Prime	4,310	3,260	1,050
Statewide	4,950	3,291	1,659
Subtotal	9,260	6,551	2,709
Other	193	193	0
Total	9,453	6,744	2,709

continue to develop because there is adequate sewer collection either constructed or capacity available for extension. The eastside of the Planning Area is not adequately served by sewer to allow for additional development. It is expected that the westside of the Planning Area will almost completely build-out before land will become available in the eastside of the Planning Area.

Within the western and southern portions of the Planning Area there is an estimated 2,860 acres of prime farmland and 1,180 acres of farmland of statewide importance. The remainder of 400 acres of Prime farmland and 2,111 of Statewide importance farmland are located in the eastern portion of the City.

Approximately 3,545 acres of land within the Planning Area are in Williamson Act contracts. In the City limits, approximately 87 acres of land remain under contract. Between 1994 and the end of 2001, property owners representing 567 acres filed for non-renewal. These non-renewals have occurred on the westside of the City between 12th Avenue and 13th Avenue and between Highway 198 and Fargo Avenue. This land was identified in the 1994 General Plan as a logical growth area and can be served by the City sewer system. The preponderance of land in the Planning Area under contract is located south of Highway 198. In the eastern portion of the Planning Area (north of Highway 198) an estimated 765 acres of land is in Williamson Act contracts. The western portion of the Planning Area (north of Highway 198) has about 835 acres under contract. See Table 4.2 - 4.

Full implementation of the General Plan (beyond 2025) would result in the eventual conversion of as much as 6,551 acres of Prime farmland and farmland of statewide importance to urban uses. These acres would be developed in various land uses including, open space, residential, schools, parks and public facilities, commercial, and industrial land. The overall conversion of 6,551 acres of agriculture land would be a significant impact. This determination is consistent with the California Environmental Quality Act (CEQA). In 1994 the City adopted a Statement of Overriding Considerations for the unavoidable significant impact on agricultural land.

Table 4.2 - 4

Land Under Williamson Contract within the Planning Area

Location of Contract Land	Estimated Acreage Currently Under Contract	Cancellation between 1994 and 2001
Westside north of Hwy 198	835	567
West and south of Hwy 198	1,945	0
Eastside north of Hwy 198	765	0
Total	3,545	567

Full implementation of the General Plan would result in the eventual conversion of as much as 6,551 acres of Prime farmland and farmland of statewide importance to urban uses. Total farmland consumed by 2025 is estimated at 5,518 acres (including a 50% residential market factor) and represents approximately 0.9% of cultivated land in Kings County and at full-build-out it is estimated that 1.7% of cultivated land in Kings County will be converted to urban use. While the percentage is small compared to the total acreage, the cumulative impact of consuming this resource is considered an irreversibly significant unavoidable environmental impact.

A total of 3,540 acres of Williamson Act lands would be converted to land uses other than agriculture and would result in a significant impact. The Williamson Act contracts would have to expire from non-renewal or be cancelled prior to development being approved by the City.

A secondary effect of developing the estimated 5,518 acres (2025 horizon) of urban land is the potential for land use conflicts. Encroachment of urban uses into an area that is under agricultural production can prevent farmers from carrying out many of their normal farming practices (e.g., pesticide application). Farming practices that generate large amounts of dust, high levels of noise, or offensive odors may have to be reduced or curtailed due to complaints by adjacent residents. Further, state requirements restrict application of chemicals to fields when persons live in close proximity. In addition, farming operations can also experience vandalism, theft and nuisance activities from neighboring residents. The City has recently adopted a "right to farm" Ordinance patterned after the Ordinance in effect in Kings County.

Urbanization of agricultural land can also have an economic impact on the local economy because land taken out of production reduces the amount of money that flows into the local economy from agriculture. The report *Risks, Challenges and Opportunities: Agriculture, Resources and Growth in a Changing Central Valley* prepared by the American farmland Trust, indicated that for every one dollar of farm sales four dollars of farm-related activity occurred. For example, removal of 5,518 acres of field crops from production could lead to the loss of between four and five million dollars annually in the local agricultural economy. With a multiplier factor of four, these figures would increase to $16 to $20 million annually. This example is based on the field

crop being lint cotton, an average yield of 1,290 pounds per acre and an average price of $.62 per pound.[4] The calculated annual yield is $2,400 per acre using the multiplier factor.

Off setting the loss in the agricultural segment of the local economy, is the diversification of the local economy with jobs and economic impacts in the retail sales, industrial, and public service sector in the City. Similar to the range of value per acre in agricultural crops, the range of value for commercial, industrial, public service sector, and residential varies. All things being equal, the measurement of economic productivity for urban areas is per capita sales tax. As population grows in an economically balanced community, the per capita sales tax may remain relatively constant while the total amount of sales tax increases reflecting the community's growth and productivity. Assuming the current per capita sales tax $127.80[5] remains constant the anticipated generation of additional annual revenue from the City's growth to the year 2025 is estimated at $73 million. In comparison to agricultural revenue of about $2,400 per acre, the urban revenue production is about $94,255 per acre. While conversion of the agricultural land reduces overall productivity of food and fiber, urbanization promotes economic diversity and increases overall revenue production on a per acre basis.

4.2.2.c(2) Land Use Conflicts

In addition to the loss of Prime, Statewide Importance, and Williamson Act agricultural contract lands, conflicts may result between agriculture and urban uses. Local agricultural operations are often associated with impacts related to aerial and ground application of pesticides, noise and airborne dust emissions that occur during tilling or harvesting, flies and other pests, and unpleasant odors. Urban encroachment into agricultural areas may generate a demand for restrictions, which may significantly impact agricultural operations. For example, farmers may be required to use alternative pesticides which might not be as effective at controlling pests and could be more costly than pesticides currently being applied. Additional restrictions of agricultural activities may subsequently increase the cost of production, and lead to further declines in the economic viability of local farming operations at the edge of the City.

It is likely that the negative impacts of the urban-rural interface may be mitigated through appropriate land use planning on both sides of the interface. For the most part the General Plan Land Use Element provides a very low density residential land use, separating major roads from adjacent agricultural uses. Within urban areas, light industrial warehouse, fleet parking, and storage are the least sensitive to agricultural land use impacts. This distance and density will reduce, but not eliminate conflicts if intensive agriculture is nearby. The General Plan contains policies that promote compact development on the City's fringe and does not promote leap frog development into agricultural land. The County General Plan provides for a Limited Agricultural designation, 20 acre minimum lot sizes in land use around the City. This relatively small size lot may help to avoid large scale agricultural operations, but will not ensure that conflicts will not occur.

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[4] Based on values obtained from the Kings County Crop Report 2000
[5] Personal communication with Tom Dibble, Finance Director, City of Hanford.

Consistent with the recommendations of the Kings County General Plan, the City has adopted a Right to-Farm Ordinance as a mitigation measure for the loss of agricultural land in the County.

Local right-to-farm ordinances act to preserve existing farms and protect framing operations against the result of land use conflicts which result from complaints from neighboring urban land uses. To protect farmers from these situations, the California Legislature, along with other states, have passed right-to-farm laws, including the Thurman Act. In response to the Thurman Act, the Legislature reviews actions based on 13 factors, including productive agricultural land.

Right-to-farm ordinances typically require notification to prospective home buyers of potential nuisances, such as odors, dust, flies and noise, which may be associated with nearby agricultural operations. Right-to-farm ordinances may be successful in relieving some pressures on farmers from their neighbors, but generally do not address issues of trespass, vandalism, or increasing government regulation. More importantly, right-to-farm ordinances do not remove the influence of inflated land values on farmers' expectations and desires to continue farming.

Another approach to farmland impact mitigation is the Transfer of Development Rights. Transfer of Development Rights (TDR) programs attempt to preserve agricultural land and to direct urban or non-farm development to specific locations. A typical TDR program establishes both a preservation district and a development district. Development rights are assigned for all properties in the preservation district. Agricultural landowners in the preservation district may not develop their property, but are allowed to sell their development rights to landowners in designated development districts. The developers in development districts are encouraged to participate in the program by the offer of a density bonus, which allows development at a higher density than current zoning, and thus increases the developer's profit. The public pays only for the administration of the TDR program.

Transfer of development rights are less manageable due to the difficulty in determining the transfer value of development rights, and because development pressures and timing must coincide with acquisition funding needs.

For a TDR program to work effectively, the government jurisdiction must make available a development district that is fully serviced and subject to strong development pressures. Some facilitation of the transfer or rights between buyers and seller is necessary, because the technique is not widely known and could prove confusing.

Although these techniques may help lessen the impacts associated with conflicts between urban and agriculture issues, the overall loss of agriculture land would result in a significant impact.

4.2.2.c(3) Regional Impacts

Increased urbanization within Kings County is expected to increase as communities attempt to broaden the overall economic base and provide a range of job opportunities. While urban areas have increased in size over the years, the amount of agricultural land

in production both expanded and contracted based on the data assembly in the Farmland Mapping and Monitoring Program. Kings County Agricultural Crop Report describes an increase in production as crops shift to meet market fluctuations and new growth areas (milk, cattle, and feed for example).

Assuming that the amount of farmland contained in the Farmland Mapping and Monitoring Program remains constant, full build-out of the General Plan to the limits of the Planning Area (9,453 of agricultural land converted), it would increase the amount of agricultural land used for urban purposes within the County from 3.2% (28,939 acres) to 4.4% (39,392 acres).

In 1994 the City's General Plan defined a Planning Area that would accommodate growth of the City at a reasonable growth rate into the future. That Planning Area boundary remains the same (with the exception of the additional 125 acres) in this General Plan Update. The analysis in the Land Use Section of this EIR indicates that the capacity of the Planning Area exceeds the 2025 population projections. Because land normally has greater economic value in urban use than in farm use, land prices in urbanizing areas increase above their value for agricultural production. High land values encourage farmers to hold on to farmland for its development potential rather than as farmland. The preservation of remaining farmland resources adjacent to and surrounding the urbanizing area within the Planning Area becomes increasingly difficult. The City has attempted to stem speculation of farmland for urban purposes outside of the Planning Area by adopting and enforcing General Plan and development policies that limit the ability of public infrastructure to expand beyond the Planning Area boundaries. This policy construct is meant to maintain agriculture surrounding the Planning Area. Nevertheless, as first noted in the 1994 General Plan EIR, the conversion of agricultural land within the Planning Area would result in the loss of agricultural land in Kings County and the resultant decline in crop production and an increase in conflicts between urban/rural uses. The City of Hanford has purchased 1,600 acres of agricultural land south of the Planning Area. This land will be maintained in perpetual agricultural production using treated wastewater as the source of irrigation supply. This acquisition is a substantial amount of land and should be considered as part of the mitigation for agricultural impacts within the Planning Area.

The conversion of agricultural land at the cumulative level is an unavoidable and significant impact. Policies and Actions may lessen the degree of impact, but not reverse urban development trends and their effects on agricultural production.

4.2.2.d Mitigation Measures

The General Plan Land Use, Open Space/Conservation, and Recreation Element, and the Public Facilities Element contains Policies and Programs which help mitigate impacts on agricultural resources associated with implementation of the General Plan, particularly growth management policies. Specifically: Policy LU 1.2, Policy LU 2.2, Policy 2.3, Policy LU 2.4, Programs LU 2.4 - A & B, Policy LU 8.1, Programs LU 8.1 - A, B & D, Policy LU 8.2, Program LU 8.2 - A & B, Objective LU 21, Policy LU 21.1, Policy LU 21.2, Program LU 21.2 – A, Policy LU 23.1: Objective OCR 1, Policy OCR 1.1, Programs OCR 1.1 - A & B, Policy OCR 1.2, Programs OCR 1.3 – A & B, Objective

OCR 6, Policy OCR 6.1; Policy PF 1.3, Policy PF 1.4, Programs PF 1.4 – A & B. Policy PF 4.2, Policy PF 4.3, Program PF 4.3 – A.

Level of Significance After Mitigation

A total of 3,260 acres of Prime Agriculture and 3,291 acres of Statewide Importance within the Planning Area would be converted to non-agriculture land use resulting in a significant impact. Approximately 3,545 acres of land within the Planning Area are in Williamson Act contracts and are eventually expected to be converted to non-agriculture land uses resulting in a significant impact. The General Plan proposes policies and objectives, which help alleviate impacts associated with conversion of agriculture land. Although implementation of General Plan Goals, Policies and Objectives help mitigate impacts the effects of the loss of agricultural land, such loss is considered an cumulatively significant unavoidable impact.

Mitigation Implementation and Monitoring Responsibility

Implementation: The City of Hanford Community Development Department through the Annexation, Subdivision Map, and project review processes shall be responsible for recommending findings of consistency with the General Plan. The Hanford Planning Commission and City Council are responsible for adopting such findings of consistency prior to project approval.

Monitoring: The various implementing departments of the City of Hanford are responsible for administering the City's Site Plan Review and Subdivision Ordinance processes. An application for a Certificate of Occupancy is required prior to completing a project. The conditions of approval are checked prior to issuing a Certificate of Occupancy.

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** Successor Agency for the discussion of the following

SUBJECT:
Review And Approval Of the Recognized Obligation Payment Schedule (ROPS 26-27) For The Period July 1, 2026 To June 30, 2027, as required by AB 1484 and amendments under SB 107 of Redevelopment Agency (RDA) Successor Agencies.

Recommendation:

That the Redevelopment Agency (RDA) Successor Agency review and approve the Recognized Obligation Payment Schedule (ROPS 26-27) for the period July 1, 2026 To June 30, 2027.

Recommended Motion:

That the RDA Successor Agency, by motion, approve the Recognized Obligation Payment Schedule (ROPS 26-27) for the period July 1, 2026 to June 30, 2027.

Background:

AB 1484 and amendments under SB 107 require Redevelopment Agency (RDA) Successor Agencies to prepare a Recognized Obligation Payment Schedule (ROPS) annually and submit the ROPS to the State Department of Finance (DOF). The ROPS 26-27 is a list of obligations or payments that are, or may be, due within the twelve-month period. The attached ROPS is for the period of July 1, 2026 to June 30, 2027. Once all obligations are paid in full, the Agency can file a dissolving statement with the DOF and future ROPS statements will no longer need to be filed.

Approval of the City of Hanford's ROPS 26-27 by the Kings County Oversight Board will take place at the January 21, 2026 meeting. This approval is necessary in order to submit the ROPS to the State Department of Finance (DOF) by the February 1, 2026 deadline.

The Agency owes Kings Economic Development Corporation (EDC) principal on a loan for purchase of land in the Kings Industrial Park plus appreciated value. The EDC will also be entitled to a portion of the "appreciation" in accordance with the terms of its Promissory Note. As instructed by the DOF, since the amount of appreciation will not be realized until the date of sale, the Agency shall report the outstanding debt as $0.

The subject land was in a long pending lawsuit which was settled with final City Council approval at a Special Meeting held on January 31, 2023. While the lawsuit did not legally prevent other potential

buyers from purchasing the land, it did have discouraging effects. Interested parties indicated a desire to continue negotiations once all legal matters were resolved. Since the settlement of the lawsuit, the City has been looking to sell this last remaining parcel.

Staff is requesting the (City Council serving as) RDA Successor Agency Board approve the ROPS 26-27 for the period July 1, 2026 - June 30, 2027.

Fiscal Impact:

This report is for informational purposes only to the State. There is no fiscal impact until the sale of the final parcel of land occurs.

ATTACHMENTS:

1. ROPS 26-27 Summary

Recognized Obligation Payment Schedule (ROPS 26-27) - Summary
Filed for the July 1, 2026 through June 30, 2027 Period

Successor Agency: Hanford

County: Kings

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	26-27A Total (July - December)	26-27B Total (January - June)	ROPS 26-27 Total
A Enforceable Obligations Funded as Follows (B+C+D)	**$ -**	**$ -**	**$ -**
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	**$ -**	**$ -**	**$ -**
F RPTTF	-	-	-
G Administrative RPTTF	-	-	-
H Current Period Enforceable Obligations (A+E)	**$ -**	**$ -**	**$ -**

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/

Signature Date

Hanford
Recognized Obligation Payment Schedule (ROPS 26-27) - ROPS Detail
July 1, 2026 through June 30, 2027

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	**ROPS 26-27 Total**	**ROPS 26-27A (Jul - Dec)**					**26-27A Total**	**ROPS 26-27B (Jan - Jun)**					**26-27B Total**
											Fund Sources						**Fund Sources**					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								$-		$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-	$-
1	KINGS EDC LOAN	Third-Party Loans	05/04/2000	06/30/2043	KINGS EDC	LOAN FOR LAND PURCHASE	INDUSTRIAL PARK	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
3	SUCCESSOR AGENCY ADM	Admin Costs - Litigation	07/01/2019	06/30/2043	CITY OF HANFORD	ADMINISTRATIVE COSTS	ALL AREAS	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-

Hanford
Recognized Obligation Payment Schedule (ROPS 26-27) - Report of Cash Balances
July 1, 2023 through June 30, 2024
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
	ROPS 23-24 Cash Balances (07/01/23 - 06/30/24)	**Fund Sources**					**Comments**
		Bond Proceeds		**Reserve Balance**	**Other Funds**	**RPTTF**	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	**Beginning Available Cash Balance (Actual 07/01/23)** RPTTF amount should exclude "A" period distribution amount.			250,074			
2	**Revenue/Income (Actual 06/30/24)** RPTTF amount should tie to the ROPS 23-24 total distribution from the County Auditor-Controller						
3	**Expenditures for ROPS 23-24 Enforceable Obligations (Actual 06/30/24)**					8,952	
4	**Retention of Available Cash Balance (Actual 06/30/24)** RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	**ROPS 23-24 RPTTF Prior Period Adjustment** RPTTF amount should tie to the Agency's ROPS 23-24 PPA form submitted to the CAC		No entry required				
6	**Ending Actual Available Cash Balance (06/30/24) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)**	**$-**	**$-**	**$250,074**	**$-**	**$(8,952)**	

Hanford
Recognized Obligation Payment Schedule (ROPS 26-27) - Notes
July 1, 2026 through June 30, 2027

Item #	Notes/Comments
1	
3	

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** GENERAL BUSINESS

SUBJECT:
Designation of a Public Hearing date for the City of Hanford Solid Waste rate study.

RECOMMENDATION:

Recommendation:
That the City Council establishes March 17, 2026 as the Public Hearing date for the City of Hanford Solid Waste rate study and re-affirm the Councils desire to proceed with scenario 2 of the current rate study.

Recommended Motion:
That by motion, the City Council establishes March 17, 2026 as the Public Hearing date for the City of Hanford Solid Waste rate study and re-affirm the Councils desire to proceed with scenario 2 of the current rate study.

BACKGROUND:

April 1, 2025 Staff gave a presentation to Council of the struggles with unfunded mandates and unforeseen costs associated with solid waste.

July 1, 2025 Staff sought and received appropriations to conduct a Solid Waste rate study with R3 Consultants.

December 2, 2025 Staff presented the preliminary findings from R3 Consultants. At this meeting, Council provided direction as to which scenario to move forward with drafting a final rate study and public notice. Council selected scenario 2, including the potential option of KWRA increasing fees to $90 a ton, but a Public Hearing date was not set at that time.

FISCAL IMPACT:

No fiscal impact at this time.

ATTACHMENTS:
1. Rate Study

HANFORD
CALIFORNIA

Refuse Rate Study and Public Hearing Determination

Historical Background

- April 1, 2025, Staff presented a presentation on the struggles and short comings within the Solid Waste Division.

- July 1, 2025, Staff asked and received appropriations to conduct a prop 218 rate study.

- December 2, 2025, Staff presented Council the preliminary findings from R3 Consultants

At that meeting, Council provided direction as to which scenario to move forward with in drafting a final rate study but a hearing date was not set at that time.

Council selected to move forward with scenery 2 and to include the projected $90 tipping fee at KWRA.

Council additionally stated that they would ike to review annual rates before additional increase went into effect.

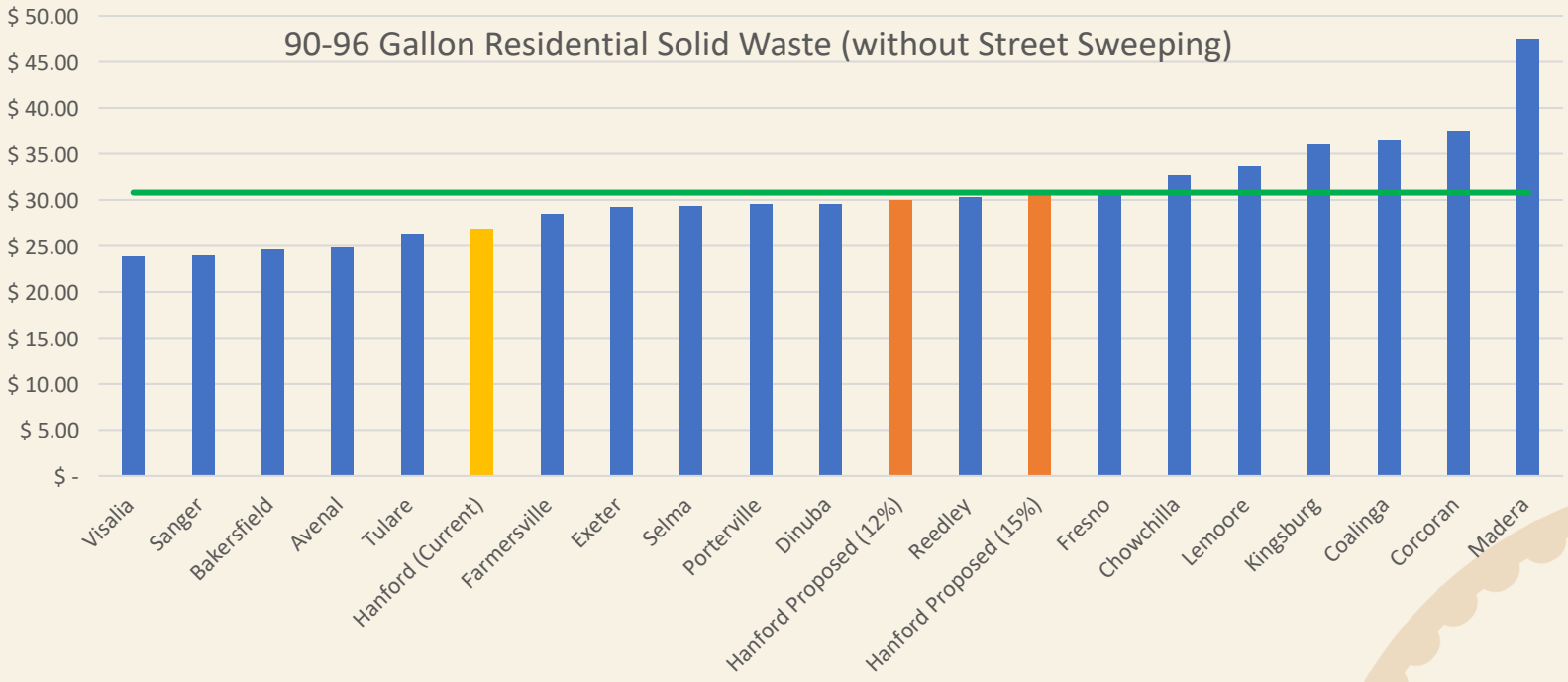
Proposed Prop 218 Rate Increase

- **Scenario 1 –** 15% + 5% each of the following 4 years
- **Scenario 2 –** 10% + 10% + 5% each of the following 3 year

	Year				
	1	2	3	4	5
	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31
Scenario 1	15.0%	5.0%	5.0%	5.0%	5.0%
Scenario 2	10.0%	10.0%	5.0%	5.0%	5.0%

KWRA Tip Fee – Assumes 3.35% annual increase in KRWA Fees over the 5-year planning period = $91.40 Solid Waste Tip Fee by FY 30/31 (currently $75.00).

Proposed Rate Comparison



Recommended Action

Recommended Action

- Affirm the desired rate structure of scenario 2 and set a date for a Public Hearing

Next Steps

- Advise City Staff to issue Prop 218 notices to the public and begin the 45 day-review period
- At a March Council Meeting, following the 45 day-review period, adopt a resolution accepting/decling the new Solid Waste rates, effective April 1, 2026

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** GENERAL BUSINESS

SUBJECT:
Approval of the 2026 Solar Equipment Lease/Purchase Agreement and an Escrow and Account Control Agreement and the City Manager to execute such actions.

RECOMMENDATION: Adopt Resolution No. 26-04-R approving an Equipment Lease/Purchase Agreement and an Escrow and Account Control Agreement and authorizing certain actions in connection therewith relating to the financing of certain equipment for the City, and the City Manager to execute such actions.

RECOMMENDED MOTION: I move to adopt Resolution No. 26-04-R approving an Equipment Lease/Purchase Agreement and an Escrow and Account Control Agreement and authorizing certain actions in connection therewith relating to the financing of certain equipment for the City and the City Manager to execute such actions.

BACKGROUND:
The City has been in ongoing discussions with OPTERRA Energy Services (“Opterra”) related to an large-scale Energy Savings Project (the “Project”) at the City of Hanford’s Wastewater Treatment Facility (“WWTF”). At the December 16, 2025, meeting, the City Council authorized a “Solar Only” contract with Opterra for design and construction of the solar portion of the Project. The Solar Only component of the larger Project has a cost of $3,680,000, which is unchanged from the Solar Only cost presented to City Council at the September 16, 2025, meeting.

In addition to the approval at the December 16, 2025, meeting, the City Council authorized several prior actions related to this Solar Only project. First, at the June 3, 2025, meeting City Council authorized procurement of an electrical switchgear cabinet at a cost of $133,368. That switchgear was procured in advance due to the long lead time associated with manufacturing and delivery. Estimated delivery date for that switchgear is late January 2026.

The second previous item is Resolution 25-54-R (September 16, 2025), which made a finding that the project is compliant with the requirements of California Government Code sections 4217.10 through 4217.18 and also authorized the City Manager to negotiate the contract with Opterra and issue a Limited Notice to Proceed with a not-to-exceed amount of $200,000. The third previous council action on this Project is Resolution 25-65-R (November 18, 2025), which authorized a second Limited Notice to Proceed and authorized Opterra to continue performing a limited scope of work and expenses not to exceed $390,000.

This agenda item is related to a separate financing agreement with Banc of America Public Capital

Corp, which will provide the funding for the $3,680,000 Solar Only Project.

Structure of the 2026 Equipment Lease:

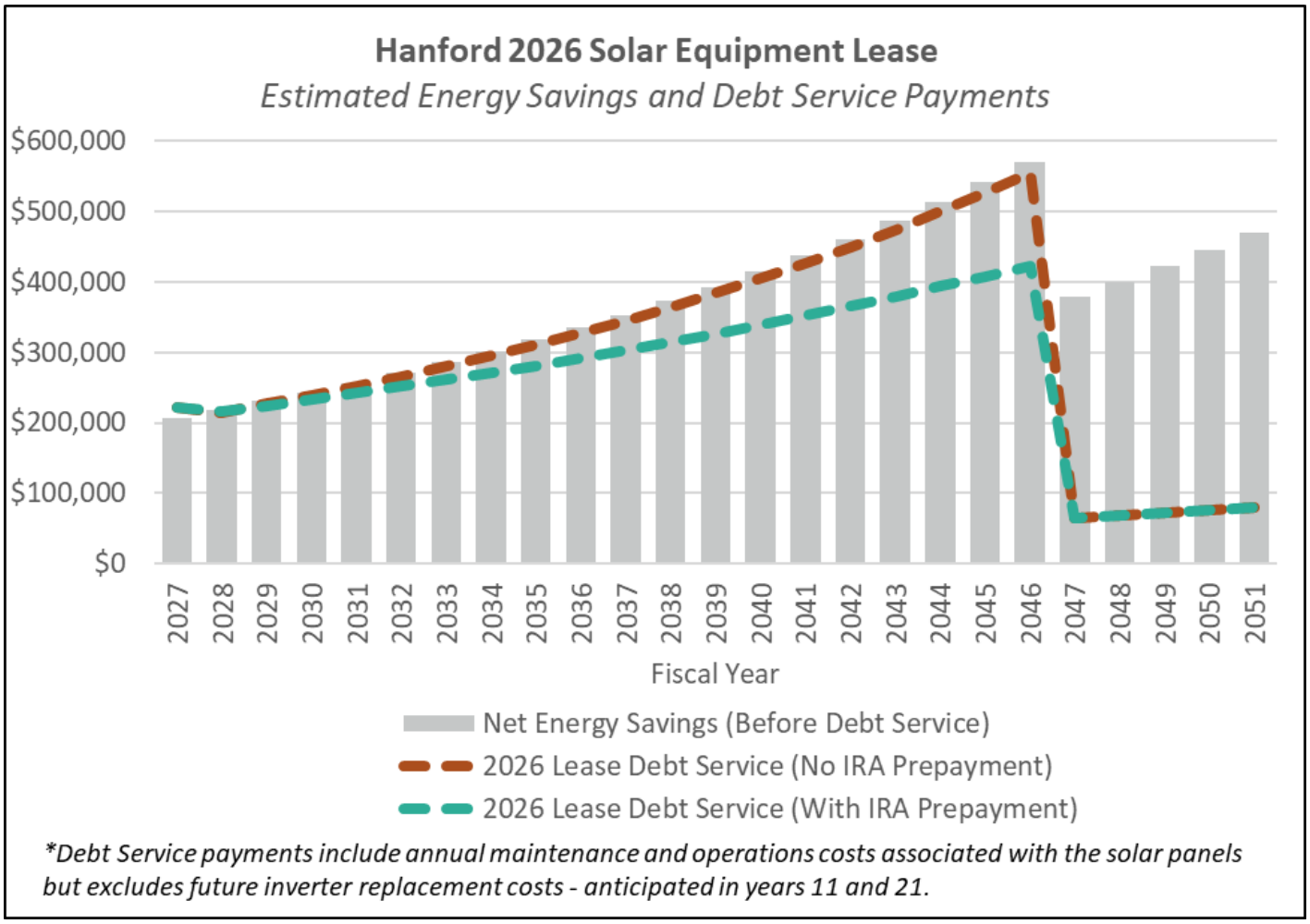
City staff are requesting authorization to enter into a 2026 Solar Equipment Lease/Purchase Agreement ("2026 Equipment Lease") in an amount of $3,740,000, which will provide funding for the $3,680,000 cost of the Solar Only Project as well as an estimated $60,000 total costs of issuing the debt. This financing will not reimburse the City for costs previously authorized and incurred related to prior City Council actions.

City staff worked with its municipal advisor NHA Advisors LLC ("NHA") and placement agent Oppenheimer and Company ("Oppenheimer") to solicit bids from a variety of local, regional, and national banks for the 2026 Equipment Lease. The City received six bids from banks and Banc of America Public Capital Corp ("BAPCC") was determined to be the optimal bid – both in terms of the lowest issuance costs and the lowest interest rate. A copy of BAPCC's bid is attached hereto (Attachment E).

The 2026 Equipment Lease will be structured as an appropriations lease, meaning that the City will covenant to appropriate amounts in each year's budget sufficient to pay the lease payments due in that fiscal year. Security for the 2026 Equipment Lease will be the solar panels themselves, as evidenced by a UCC-1 filing with the California Secretary of State. Lease payments will be structured to escalate at 5.5% annually for the 20-year term. Lease payments will Commence October 1, 2026 and will be due each October 1 and April 1 until final maturity on October 1, 2045. BAPCC has provided a locked and fixed interest rate of 4.489% for the 2026 Equipment Lease. This rate is locked through closing of the 2026 Equipment Lease, which protects the City from the risk of an increase in market interest rates. The interest rate is also a fixed rate, which means it will not change during the 20-year term of the financing.

The 2026 Equipment Lease has some prepayment terms that provide additional flexibility to the City. Since the Solar Only Project is currently eligible for a federal investment tax credit under the Inflation Reduction Act, BAPCC has offered the City a one-time extraordinary prepayment option where the City can use money received from the federal government related to those Inflation Reduction Act tax credits and apply them to prepay a portion of the 2026 Equipment Lease. This would decrease future 2026 Equipment Lease payments, saving the City interest over the long-term. Additionally, after a 3-year period where prepayment is not allowed, the City would be able to prepay a portion or all of the 2026 Equipment Lease from years 4-10 at 102% of par and from year 11 onward at 101% of par.

The 2026 Equipment Lease is intentionally structured such that each year's payment is equal to or less than the estimated net energy savings guaranteed by Opterra under its "Guaranteed Savings" feature in the contract for the Solar Only project. The graph below illustrates the projected savings and debt service payments for two potential scenarios. Grey bars in the graph represent the estimated net energy savings (net of annual operating and maintenance costs paid to Opterra). The orange line shows the anticipated debt service on the 2026 Equipment Lease without any prepayment from federal tax credits (i.e. "No IRA Prepayment") while the green line shows that same anticipated debt service without after applying an estimated $936,000 in federal tax credits to a pro rata reduction of outstanding 2026 Equipment Lease payments. The amount by which the orange or green lines are lower than the grey bar represents net energy savings from the Solar Only Project.



In order for the City to enter into the 2026 Equipment Lease, City Council will need to adopt a resolution approving the lease documents and authorizing City staff to execute those lease documents and take other necessary actions.

Discussion of Lease Documents:

Equipment Lease/Purchase Agreement: The Equipment Lease/Purchase Agreement ("ELPA") is included as Attachment B to this staff report and outlines the terms governing the 2026 Equipment Lease. The ELPA will identify the location and type of energy improvements (solar panels) and that the security for the 2026 Lease is a lien on the equipment. This lien will be in place until the 2026 Lease matures in October 2045, or is otherwise prepaid in accordance with the lease terms. The ELPA also contains the payment details, prepayment provisions, and other covenants of the City. A detailed payment schedule for the 2024 Lease can be found in Exhibit B of the ELPA.

Escrow and Account Control Agreement: The Escrow and Account Control Agreement ("Escrow Agreement") included as Attachment C to this staff report. This Escrow Agreement is among BAPCC, the City of Hanford, and UMB Financial Corporation ("UMB"). The Escrow Agreement identifies the various covenants between the City and UMB as the Escrow Agent. UMB will hold the proceeds of the 2026 Lease starting on the closing/funding day and will distribute them to pay for Opterra project costs as requested from time to time by the City. Given the timing of the Solar Only Project, the escrow is likely fully drawn down within 12 months of closing the financing.

Placement Agent Agreement: This agreement is between the City of Hanford and its placement agent (Oppenheimer and Company). In its role as placement agent, Oppenheimer solicited local,

regional, and national banks and secured six viable bids for the lease. Interest rates on those bids ranged from 4.489% up to 5.41%. The Placement Agent Agreement outlines the role that Oppenheimer serves on the 2026 Equipment Lease, their required disclosures, and their contingent fee.

FISCAL IMPACT:
The 2026 Equipment Lease will have no financial impact on the FY 2025-26 budget cycle. First payments on the 2026 Equipment Lease will be due in October 2026 (FY 2026-27 Budget), with an estimated total payment in FY 2026-27 just below $200,000. That payment amount will escalate at approximately 5.5% annually through FY 2045-46. Since the payments are structured to mimic the estimated net savings from the Solar Only project, the net cost (savings less debt service) is expected to break even or have net savings to the City over the 20-year term.

The costs associated with issuing the 2026 Equipment Lease will be paid out of the proceeds of the 2026 Equipment Lease (no direct budgetary impact).

ATTACHMENTS:
1. Resolution 26-04-R
2. ELPA
3. Escrow and Account Control Agreement
4. 2026 Eqpt Lease Presentation
5. BAPCC Term Sheet
6. Placement Agent Agreement

CITY OF HANFORD CALIFORNIA

RESOLUTION NO. 26-04-R

Authorization of associated Financing Agreements with Banc of America Public Capital Corp Pursuant to Government Code Section 4217.10-18 et seq., Making Certain Findings Required Therefore, and Authorizing Related Actions

WHEREAS, the City of Hanford, California (the “City") finds it to be in the best interests of the City to implement projects to promote energy efficiency and renewable energy to achieve utility budget cost reductions;

WHEREAS, Government Code sections 4217.10 through 4217.18 authorize the City's governing board (the “City Council”) to enter into one or more energy service contracts with any person or entity if the City Council finds that the anticipated cost to the City for thermal or electrical energy or conservation services provided by the energy conservation facility under the contract will be less than the anticipated marginal cost to the City of thermal, electrical, or other energy that would have been consumed by the City in the absence of those energy service contracts ("Savings");

WHEREAS, Government Code sections 4217.10 through 4217.18 authorize the City Council to enter into one or more facility financing contracts if the City finds that funds for the repayment thereof are projected to be available from the Savings, representing funds that otherwise would have been used for purchase of electrical, thermal, or other energy required by the City in the absence of the energy conservation services and facilities financed by proceeds available through the facility financing contracts;

WHEREAS, Government Code sections 4217.10 through 4217.18 require that a public hearing be held, and public comment be taken, at a regularly scheduled meeting of the City Council, at which meeting the City Council may consider and adopt the findings described herein and award energy services contracts and facility financing contracts based thereon, and that notice thereof be must given at least two weeks prior to the meeting;

WHEREAS, the City gave notice of its intent to conduct a public hearing and take public comment upon the subject matter of Resolution No. 25-54-R two weeks prior to the regularly scheduled public meeting of the City Council on September 16, 2025, at which meeting the City Council held a public hearing, took public comment, and approved Resolution No. 25-54-R, all as required under Government Code sections 4217.10 through 4217.18;

WHEREAS, the City Council and City staff reviewed the qualifications presented by OPTERRA Energy Services (“Opterra”) to provide assessment and implement improvements for energy consumption and infrastructure in order to reduce energy expenses, and found Opterra's qualifications to appear bona fide and adequate;

WHEREAS, Opterra assessed the feasibility of various potential energy conservation measures to reduce the City's energy consumption and expense and recommended specific energy conservation measures based thereon ("Analysis" as set forth in Exhibit B), upon which the City Council and City staff have relied;

WHEREAS, Opterra and the City have entered into an Engineering, Procurement and Construction Contract ("Energy Services Contract,") dated December 16, 2025, to provide design/build implementation of the recommended energy conservation measures for the price stated therein and under the terms of that Energy Services Contract, Opterra will provide annual reporting and a savings performance guarantee;

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

WHEREAS, Banc of America Public Capital Corp or its affiliate has offered to enter into an Equipment Lease/Purchase Agreement ("Equipment Lease/Purchase Agreement,") between the City, as Lessee, and Banc of America Public Capital Corp or its affiliate, as Lessor;

WHEREAS, Banc of America Public Capital Corp or its affiliate has offered to enter into an Escrow and Account Control Agreement ("Escrow Agreement," and, together with the Equipment Lease/Purchase Agreement, the "Financing Agreements"), with the City and UMB Bank, National Association, as escrow agent, under terms that are beneficial to the City;

WHEREAS, the Analysis indicates that funds for the repayment of lease payments under the Equipment Lease/Purchase Agreement are anticipated to be available from the Savings, representing funds that otherwise would have been used for purchase of electrical, thermal, or other energy required by the City in the absence of the energy conservation services provided under the Energy Services Contract;

WHEREAS, in accordance with Government Code Section 5852.1, the City Council has obtained and disclosed the information set forth in Exhibit A hereto; and

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

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

Section 2. **Equipment Lease/Purchase Agreement Findings.** The City Council finds that funds for the repayment of rental payments under the Equipment Lease/Purchase Agreement are projected to be available from the Savings, representing funds that otherwise would have been used for purchase of electrical, thermal, or other energy required by the City in the absence of the energy conservation services, and that it is in the best interest of the City to approve and enter into the Financing Agreements.

Section 3. Financing Agreements Approval. The forms of the Financing Agreements, in the forms on file with the City Clerk, are hereby approved, with such changes thereto, deletions therefrom and additions or modifications thereto as may be approved pursuant to Section 4 hereof.

Section 4. Execution and Delivery. The City Manager, (the "Responsible Officers"), is hereby authorized and directed for and in the name of and on behalf of the City to execute and deliver the Financing Agreements, each in substantially the form presented to and considered at this meeting, with such changes therein, deletions therefrom and additions thereto as may be approved (i) by any Responsible Officer, in such person's discretion, as being in the best interests of the City, and (ii) as to form, by City Attorney; such approval to be conclusively evidenced by the execution and delivery thereof by the person executing the same on behalf of the City.

Section 5. Further Actions. The Responsible Officers are, and each of them acting alone is, hereby authorized and directed to take such actions and to execute such documents and certificates as may be necessary to effectuate the purposes of this resolution, including the execution and delivery of the Financing Agreements, and execution and delivery of any and all memorandums of agreement or understanding, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, deem necessary or advisable in order to consummate the transactions and requirements as described herein.

Section 6. Ratification. All actions heretofore taken by any officer of the City with respect to the execution and delivery of the Financing Agreements, and the financing of the equipment and projects described therein are hereby approved, confirmed and ratified.

Section 7. Effective Date. This Resolution shall take effect upon adoption.

PASSED AND ADOPTED as of January 20, 2026 by the following vote:

AYES: _____

NOES:_____

ABSENT:_____

ABSTAIN:_____

_____
Mark Kairis
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 _____day of _____, 20___.

Date: _____

_____
City Clerk

EXHIBIT A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by NHA Advisors, LLC, the City's Municipal Advisor, as required by Section 5821.1 of the California Government Code, which has been provided to the City in good faith:

(A) True interest cost of the Equipment Lease/Purchase Agreement ("Lease"): 4.49%[1]

(B) Finance charge of the Lease (sum of all costs of issuance and fees/charges paid to third parties): $60,000

(C) Net proceeds to be received (net of finance charges, reserves and capitalized interest, if any):$3,680,000

(D) Total payment amount through maturity: $6,200,606

[1] The true interest cost means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Lease.

EXHIBIT B

ANALYSIS

City of Hanford Phase 3 Solar only project								
Preliminary Cash Flow Analysis								
Project Cost								$3,680,000
Financing Costs								$60,000
Amount to be Financed								$3,740,000
Finance Term in Years								20
Estimated Annual Interest Rate								4.49%
Annual Escalation of Electricity Cost								6.00%
Annual Escalation of Solar Maintenance Cost								5.00%
Annual Degradation of Solar Panels								0.50%
Year	Solar Energy Savings	IRA Direct Payment	Total Program Savings	Lease Payment	Inverter Replacement costs	Solar Operations & Maintenance Cost	Total Program Costs	Net Savings
Year 1	$207,500	$938,400	$1,145,900	$197,735		$24,577	$222,312	$923,588
Year 2	$218,850		$218,850	$187,552		$25,806	$213,358	$5,492
Year 3	$230,821		$230,821	$197,812		$27,096	$224,908	$5,913
Year 4	$243,447		$243,447	$208,633		$28,451	$237,084	$6,363
Year 5	$256,764		$256,764	$220,046		$29,873	$249,919	$6,845
Year 6	$270,809		$270,809	$232,081		$31,367	$263,448	$7,361
Year 7	$285,622		$285,622	$244,775		$32,936	$277,711	$7,911
Year 8	$301,246		$301,246	$258,165		$34,582	$292,747	$8,498
Year 9	$317,724		$317,724	$272,288		$36,311	$308,600	$9,124
Year 10	$335,103		$335,103	$287,180		$38,127	$325,307	$9,796
Year 11	$353,433		$353,433	$302,891	$119,465	$40,033	$462,389	-$108,956
Year 12	$372,766		$372,766	$319,457		$42,035	$361,492	$11,274
Year 13	$393,156		$393,156	$336,931		$44,137	$381,068	$12,089
Year 14	$414,662		$414,662	$355,362		$46,344	$401,706	$12,957
Year 15	$437,344		$437,344	$374,802		$48,661	$423,462	$13,882
Year 16	$461,267		$461,267	$395,303		$51,094	$446,397	$14,870
Year 17	$486,498		$486,498	$416,925		$53,649	$470,574	$15,925
Year 18	$513,110		$513,110	$439,730		$56,331	$496,061	$17,049
Year 19	$541,177		$541,177	$463,784		$59,147	$522,932	$18,245
Year 20	$570,779		$570,779	$489,154		$62,105	$551,259	$19,520
Year 21	$379,260		$379,260	$0	$194,596	$65,210	$259,806	$119,454
Year 22	$400,006		$400,006	$0		$68,471	$68,471	$331,535
Year 23	$421,886		$421,886	$0		$71,894	$71,894	$349,992
Year 24	$444,964		$444,964	$0		$75,489	$75,489	$369,475
Year 25	$469,303		$469,303	$0		$79,263	$79,263	$390,040
Year 26	$494,974		$494,974	$0		$83,226	$83,226	$411,747
Year 27	$522,049		$522,049	$0		$87,388	$87,388	$434,661
Year 28	$550,605		$550,605	$0		$91,757	$91,757	$458,848
Year 29	$580,723		$580,723	$0		$96,345	$96,345	$484,378
Year 30	$612,489		$612,489	$0		$101,162	$101,162	$511,326
Totals	**$12,088,338**		**$13,026,738**	**$6,200,606**		**$1,632,868**	**$8,147,535**	**$4,879,204**

EQUIPMENT LEASE/PURCHASE AGREEMENT
(ESCROW ACCOUNT)

This Equipment Lease/Purchase Agreement (this *"Agreement"*) dated as of January 27, 2026, and entered into by and between Banc of America Public Capital Corp, a Kansas corporation (together with its successors, assigns and transferees, and as more particularly defined herein, *"Lessor"*), and City of Hanford, a city existing under the laws of the State of California (*"Lessee"*).

WITNESSETH:

WHEREAS, Lessee desires to lease and acquire from Lessor certain Equipment (as such term is defined herein), subject to the terms and conditions hereof; and,

WHEREAS, Lessee is authorized under the constitution and laws of the State (as such term is defined herein) to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Acquisition Amount" means $3,740,000.00. The Acquisition Amount is the amount represented by Lessee to be sufficient, together with other funds of Lessee (if any) that are legally available for the purpose of acquiring and installing the Equipment.

"Acquisition Period" means the period ending five (5) business days prior to January 27, 2027.

"Agreement" means this Equipment Lease/Purchase Agreement, including the exhibits hereto, together with any amendments and modifications to this Agreement pursuant to Section 13.04.

"Casualty Value" means the amount that is shown for each Rental Payment Date under the column titled "Casualty Value" on the Payment Schedule.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code herein shall be deemed to include the relevant United States Treasury Regulations proposed or in effect thereunder.

"Collateral" has the meaning set forth in Section 6.02.

"Commencement Date" means the date when Lessee's obligation to pay Rental Payments commences hereunder, which shall be the date on which the Acquisition Amount is deposited with the Escrow Agent.

"Contract Rate" means the rate identified as such in the Payment Schedule.

"Disbursement Request" means the disbursement request attached to the Escrow Agreement as Schedule 1 and made a part thereof.

"Equipment" means the equipment, fixtures and other goods and property listed in the Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Article V or Section 8.01. Whenever reference is made in this Agreement to Equipment, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

"Equipment Costs" means the total cost of the Equipment, including related soft costs such as freight, installation and taxes and other capitalizable costs, and other costs incurred in connection with the acquisition, installation and/or financing of the Equipment.

"Equipment Schedule" means the Equipment Schedule attached hereto as *Exhibit A* and made a part hereof (including any duly authorized and executed amendments thereto).

"Escrow Account" means the account established and held by the Escrow Agent pursuant to the Escrow Agreement.

"Escrow Agent" means the Escrow Agent identified in the Escrow Agreement, and its successors and assigns.

"Escrow Agreement" means the Escrow and Account Control Agreement in form and substance acceptable to and executed by Lessee, Lessor and the Escrow Agent, pursuant to which the Escrow Account is established and administered.

"Event of Default" means an Event of Default described in Section 12.01.

"Event of Non-appropriation" means the failure of Lessee's governing body to appropriate or otherwise make available funds to pay Rental Payments under this Agreement following the Original Term or then current Renewal Term sufficient for the continued performance of this Agreement by Lessee.

"Lease Term" means the Original Term and all Renewal Terms.

"Lessee" means the entity referred to as Lessee in the first paragraph of this Agreement.

"Lessee's Counsel" means Griswold, LaSalle, Cobb, Dowd & Gin, LLP.

"Lessor" means (a) the entity referred to as Lessor in the first paragraph of this Agreement and its successors or (b) any assignee or transferee of any right, title or interest of Lessor in and to this Agreement pursuant to Section 11.01 hereof, including the right, title and interest of Lessor in and to the Equipment, the Rental Payments and other amounts due hereunder, the Escrow Agreement and Escrow Account and other Collateral, but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform hereunder.

"Lien" means any lien (statutory or otherwise), security interest, mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, encumbrance, preference, priority or other security or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing and the filing of any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction).

"Material Adverse Change" means any change in Lessee's creditworthiness that could have a material adverse effect on (i) the financial condition or operations of Lessee, or (ii) Lessee's ability to perform its obligations under this Agreement.

"OpTerra Contract" means that certain Engineering, Procurement and Construction Contract dated as of December 16, 2025, between the Lessee and OpTerra, and as further amended or restated from time to time.

"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at such Commencement Date.

"Outstanding Balance" means the amount that is shown for each Rental Payment Date under the column titled "Outstanding Balance" on the Payment Schedule.

"Payment Schedule" means the Payment Schedule attached hereto as *Exhibit B* and made a part hereof.

"Prepayment Price" means the amount that is shown for each Rental Payment Date under the column titled "Prepayment Price" on the Payment Schedule.

"Principal Portion" means the amount that is shown for each Rental Payment Date under the column titled "Principal Portion" on the Payment Schedule.

"*Prior Lessor*" means (a) Banc of America Public Capital Corp or (b) any entity who was previously a Lessor under the terms of this Agreement but by reason of assignment or transfer is not a current Lessor under the terms of this Agreement.

"Project Grant" means a grant, subsidy, or other incentive that the Lessee receives for the Equipment.

"Related Documents" means this Agreement and the Escrow Agreement, each as may be amended and supplemented.

"Renewal Terms" means the consecutive renewal terms of this Agreement, the first of which commences immediately after the end of the Original Term and each having a duration and a term coextensive with each successive fiscal year of Lessee; *provided* that the final such Renewal Term shall commence on the first day of the last such fiscal year and end on the first business day after the last scheduled Rental Payment Date.

"Rental Payment Date" means each date on which Lessee is required to make a Rental Payment under this Agreement as specified in the Payment Schedule.

"Rental Payments" means the basic rental payments payable by Lessee on the Rental Payment Dates and in the amounts as specified in the Payment Schedule, consisting of a principal component and an interest component, and in all cases sufficient to repay such principal component and interest thereon at the applicable Contract Rate (or Taxable Rate if then in effect).

"Scheduled Term" means the Original Term and all scheduled Renewal Terms, with a final Renewal Term ending on October 1, 2045, as set forth in *Exhibit B* attached hereto.

"SEC" means the U.S. Securities and Exchange Commission.

"State" means the State of California.

"Taxable Rate" means, for each day that the interest component of Rental Payments is taxable for Federal income tax purposes, an interest rate equal to the Contract Rate plus a rate sufficient such that the total interest to be paid on any Rental Payment Date would, after such interest was reduced by the amount of any Federal, state or local income tax (including any interest, penalties or additions to tax) actually imposed thereon, equal the amount of interest otherwise due to Lessor.

"Vendor" means the manufacturer, installer or supplier of the Equipment or any other person as well as the agents or dealers of the manufacturer, installer or supplier with whom Lessee arranged Lessee's acquisition, installation, maintenance and/or servicing of the Equipment, and includes, without limitation, OPTERRA Energy Services, LLC (*"OpTerra"*).

"Vendor Agreement" means any contract entered into by Lessee and any Vendor for the acquisition, installation, maintenance and/or servicing of the Equipment, and includes, without limitation, the OpTerra Contract.

ARTICLE II

Section 2.01. Representations and Covenants of Lessee. Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the constitution and laws of the State, with full power and authority to enter into the Related Documents and the transactions contemplated thereby and to perform all of its obligations thereunder.

(b) Lessee has duly authorized the execution and delivery of the Related Documents by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of the Related Documents.

(c) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to this Agreement.

(d) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a city of the State.

(e) Lessee has complied with such procurement and public bidding requirements as may be applicable to the Related Documents and the acquisition and installation by Lessee of the Equipment.

(f) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Renewal Terms) scheduled to be paid hereunder.

(g) Lessee has kept, and throughout the Lease Term shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within two hundred seventy (270) days after the end of its fiscal year, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) upon Lessor's request, its annual budget for any prior or current fiscal year or for the following fiscal year when approved but not later than thirty (30) days prior to the end of its current fiscal year. The financial statements described in this subsection (g)(i) shall be accompanied by an unqualified opinion of Lessee's independent auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(h) Lessee has an immediate need for the Equipment and expects to make immediate use of the Equipment. Lessee's need for the Equipment is not temporary and Lessee does not expect the need for any item of the Equipment to diminish during the Scheduled Term.

(i) The payment of the Rental Payments or any portion thereof is not (under the terms of this Agreement or any underlying arrangement) directly or indirectly (x) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property;

or (y) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the Acquisition Amount will be used, directly or indirectly, to make or finance loans to any person other than Lessee. With the exception of the terms of the OpTerra Contract, Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(j) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or impairs its ability to perform its obligations under the Related Documents. Lessee will, at its expense, maintain its legal existence and do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's first priority security interest in the Equipment and the Escrow Account and Lessor's rights and benefits under the Related Documents.

(k) Lessee is the fee owner of the real estate where the Equipment is and will be located (the *"Real Property"*) and has good and marketable title thereto, and there exists no mortgage, pledge, Lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such Real Property. In the event any lien, encumbrance, restriction, asserted encumbrance, claim, dispute or other issue exists or arises with respect to the Lessee's legal title to or valid and marketable, beneficial use and enjoyment of the Real Property or impairs or adversely impacts Lessor's right, title or interest in the Equipment or any of Lessor's rights or remedies under this Agreement with respect to the Equipment (each of the foregoing referred to as a *"Real Property Issue"*), Lessee will take all steps necessary to promptly quiet, resolve and/or eliminate such Real Property Issue to the satisfaction of Lessor and ensure that Lessee and Lessor have adequate access to and use of (including beneficial use and enjoyment of) the Real Property for all purposes of the Equipment contemplated herein and Lessee shall ensure that its fee interest in the Real Property and Lessor's right, title or interest in the Equipment and rights or remedies under this Agreement with respect to the Equipment remain free and clear of Real Property Issues.

(l) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

(m) Lessee represents to Lessor that it has adopted a debt policy in compliance with SB 1029 and Section 8855 of the Government Code of California *et seq.* and covenants that it shall comply with Section 8855 of the Government Code of California *et seq.* as amended (the *"CDIAC Act"*) throughout the Lease Term, including (i) preparing, submitting and filing the report of the proposed debt issuance relating to this Agreement by the method required by the California Debt and Investment Advisory Commission

(*"CDIAC"*), (ii) preparing, submitting and filing the report of final sale (and accompanying documents) relating to this Agreement by the method required by CDIAC, (iii) submitting an annual report relating to the report of final sale for this Agreement by the method required by CDIAC, and (iv) paying all fees charged by CDIAC or the CDIAC Act relating to this Agreement, including, but not limited to the fee in an amount equal to 2.5 basis points (.025%) of the Acquisition Amount not to exceed five thousand dollars ($5,000) or as otherwise prescribed by the CDIAC Act.

(n) As of the date of execution and delivery of this Agreement, Lessee has not granted any Lien on the Collateral that would be senior in priority to, or pari passu with, the first priority Lien on the Collateral granted to Lessor under Section 6.02 of this Agreement.

(o) The street addresses and legal descriptions affixed to the UCC-1 financing statements and fixture filings filed and recorded pursuant to Section 3.04(vi), Section 6.01 and/or Section 6.02 hereof are true, accurate and complete street addresses and legal descriptions of all the properties on which the Equipment is located or to be installed. In the event any street address, legal description, other information, UCC-1 financing statement or fixture filing (or continuations or amendments thereof) filed or recorded with respect to the Lessor's interests in the Equipment or any of the real property on which the Equipment is located or to be installed reflects any incorrect or incomplete real property legal description, equipment description or other information, Lessee shall take all steps necessary at its expense (with the Lessor's prior written approval) to promptly correct any errors or deficiencies with respect to such legal descriptions, street address, other information, UCC-1 financing statements and/or fixture filings and to protect Lessor's interests in the Equipment.

(p) Lessee will pay all Equipment Costs and costs of issuance in excess of the Acquisition Amount available therefor out of its own funds. Lessor shall not have any responsibility to pay amounts for any Equipment Costs or costs of issuance with respect to the Related Documents or the Equipment that individually or collectively exceed the Acquisition Amount.

(q) Lessee has complied with California Government Code Section 4217.10 *et seq.* and other applicable law pertaining to the authorization of this Agreement and the financing and acquisition by the Lessee of the Equipment.

(r) To the extent applicable, as determined by Lessee in its sole discretion, Lessee has complied with the requirements of California Government Code Section 5852.1 *et seq.* in connection with this Agreement and the Equipment.

(s) In connection with the Lessee's compliance with any continuing disclosure undertakings (each, a *"Continuing Disclosure Agreement"*) entered into by the Lessee pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the *"Rule"*), the Lessee may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its

successor (*"EMMA"*), notice of its incurrence of its obligations under the Related Documents and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with the Related Documents, in each case including posting a full copy thereof or a description of the material terms thereof (each such posting, an *"EMMA Posting"*). Except to the extent required by applicable law, including the Rule, the Lessee shall not file or submit or permit the filing or submission of any EMMA Posting that includes the following unredacted confidential information about the Lessor or its affiliates and the Escrow Agent in any portion of such EMMA Posting: address, account information and logos of the Lessor or its affiliates and the Escrow Agent; e-mail addresses, telephone numbers, fax numbers, names and signatures of officers, employees and signatories of the Lessor or its affiliates and the Escrow Agent; and the form of Disbursement Request that is attached to the Escrow Agreement.

The Lessee acknowledges and agrees that the Lessor and its affiliates are not responsible for the Lessee's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with the Rule, any Continuing Disclosure Agreement or any applicable securities or other laws, including but not limited to those relating to the Rule.

ARTICLE III

Section 3.01. Lease of Equipment. Subject to the terms and conditions of this Agreement, Lessor agrees to provide the Acquisition Amount to acquire the Equipment. Lessor hereby demises, leases and transfers to Lessee, and Lessee hereby acquires, rents and leases from Lessor, the Equipment. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Scheduled Term as set forth in the Payment Schedule. At the end of the Original Term and at the end of each Renewal Term until the maximum Scheduled Term has been completed, Lessee shall be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee shall have terminated this Agreement pursuant to Section 3.03 or Section 10.01 of this Agreement. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Payment Schedule.

Section 3.02. Continuation of Lease Term. Lessee intends, subject to Section 3.03 hereof, to continue the Lease Term through the Original Term and all Renewal Terms and to pay the Rental Payments due hereunder. Lessee affirms that sufficient funds are legally available to pay all Rental Payments when due during the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Scheduled Term can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due hereunder, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget

and appropriate funds or to extend the Lease Term for any Renewal Term is within the sole discretion of the governing body of Lessee.

Section 3.03. Non-appropriation. Lessee is obligated only to pay such Rental Payments as may lawfully be made during Lessee's then current fiscal year from funds budgeted and appropriated for that purpose. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments following the then current Original Term or Renewal Term, this Agreement shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section 3.03, Lessee agrees to cease use of the Equipment and peaceably remove and deliver to Lessor, at Lessee's sole expense (from legally available funds), the Equipment to Lessor at the location(s) to be specified by Lessor.

Section 3.04. Conditions to Lessor's Performance. (a) As a prerequisite to the performance by Lessor of any of its obligations under this Agreement, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, the following:

(i) An Escrow Agreement substantially in the form attached hereto as *Exhibit I*, satisfactory to Lessor and executed by Lessee and the Escrow Agent and a Vendor Agreement satisfactory to Lessor and executed by Lessee and the Vendor;

(ii) A certified copy of a resolution, ordinance or other official action of Lessee's governing body, substantially in the form attached hereto as *Exhibit C-1*, authorizing the execution and delivery of this Agreement and the Escrow Agreement and performance by Lessee of its obligations under this Agreement and the Escrow Agreement;

(iii) A Certificate completed and executed by the Clerk or Secretary or other comparable officer of Lessee, substantially in the form attached hereto as *Exhibit C-2*, completed to the satisfaction of Lessor;

(iv) Opinions of Lessee's Counsel which opine on the matters set forth in the form attached hereto as *Exhibit D* and which are otherwise satisfactory to Lessor;

(v) Evidence of insurance as required by Section 7.02 hereof;

(vi) All documents, including financing statements, affidavits, notices and similar instruments which Lessor deems necessary or appropriate at that time pursuant to Section 6.02 hereof;

(vii) A waiver or waivers of interest in the Equipment from any mortgagee or any other party having an interest in the real estate on which the Equipment will be located and/or landlord of the real estate on which the Equipment will be located and amendments and agreements releasing liens and encumbrances, if any, on the real property where the Equipment is and will be located;

(viii) *Reserved*;

(ix) A copy of the Form 8038-G, fully completed and executed by Lessee;

(x) In the event that Lessee is to be reimbursed for expenditures that it has paid more than sixty (60) days prior to the Commencement Date, evidence of the adoption of a reimbursement resolution or other official action covering the reimbursement from tax exempt proceeds of expenditures incurred not more than sixty (60) days prior to the date of such resolution;

(xi) Copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to Equipment has passed to Lessee), to the extent required by Section 5.01(b) hereof;

(xii) Wire instructions for payments to be made to Vendors and Form W-9 from each such Vendor;

(xiii) A certified copy of any Surety Bond satisfying the conditions set forth in Section 7.04 hereof, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date, *provided however,* that no "Disbursement Request" pursuant to the Escrow Agreement (other than for costs of issuance) shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in Section 7.04 have been delivered to Lessor; and

(xiv) Such other items reasonably required by Lessor.

(b) In addition to satisfaction of the conditions set forth in subsection (a) of this Section 3.04, the performance by Lessor of any of its obligations under the Related Documents shall be subject to: (i) no Material Adverse Change having occurred since the date of this Agreement, (ii) no Event of Default having occurred and then be continuing and (iii) no Event of Non-appropriation having occurred or being threatened with respect to this Agreement.

(c) Subject to satisfaction of the foregoing, Lessor will deposit the Acquisition Amount with the Escrow Agent to be held and disbursed pursuant to the Escrow Agreement.

Section 3.05. Evidence of Filing Form 8038-G. As soon as it is available, Lessee shall provide to Lessor evidence that it, or its paid preparer, has filed the Form 8038-G for this Agreement with the Internal Revenue Service by delivering to Lessor proof of mailing such Form 8038-G. Notwithstanding anything to the contrary in this Agreement, it shall not be an Event of Default hereunder if Lessee does not provide to Lessor evidence that it (or its paid preparer) filed the Form 8038-G for this Agreement with the Internal Revenue Service.

ARTICLE IV

Section 4.01. Rental Payments. Subject to Section 3.03 of this Agreement, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the

Rental Payment Dates and in such amounts as provided in the Payment Schedule. If any Rental Payment or other amount payable hereunder is not paid within ten (10) days of its due date, Lessee shall pay an administrative late charge of five percent (5%) of the amount not timely paid or the maximum amount permitted by law, whichever is less. Lessee shall not permit the Federal Government to guarantee any Rental Payments under this Agreement. Rental Payments consist of principal and interest components as more fully detailed on the Payment Schedule, the interest on which begins to accrue as of the Commencement Date.

Section 4.02. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal as more fully detailed on the Payment Schedule.

Section 4.03. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments shall constitute a current expense of Lessee payable from funds that are legally available for that purpose (which may include, but are not limited to, the Lessee's general fund and/or the Lessee's Wastewater Enterprise Fund) and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of Lessee.

Section 4.04. Rental Payments to be Unconditional. Except as provided in Section 3.03 of this Agreement, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in this Agreement shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment, disputes with the Lessor or the Vendor of any Equipment, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances, or failure of any Vendor to deliver any Equipment or otherwise perform any of its obligations for whatever reason, including bankruptcy, insolvency, reorganization or any similar event with respect to any Vendor or under any Vendor Agreement, or the failure or inability (for whatever reason) of Lessee to receive (or delay in receipt of) all or any portion of any Project Grant or other grant, subsidy, or other incentive, including but not limited to any refundable tax credit under Section 6417 of the Internal Revenue Code of 1986, as amended by the Inflation Reduction Act of 2022 (Pub. L. No. 117-169), any amounts described or derived from California Assembly Bill AB 841, any federal, state, local, private or other incentives or rebates or any substantially similar (to any of the foregoing) provision of federal, state, local or foreign tax or other law (including regulations or other guidance from any taxing or other authority).

Section 4.05. Tax Covenants. Lessee agrees that it will not take any action that would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes, nor will it omit to take or cause to be taken, in a timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes. In connection with the foregoing, Lessee hereby agrees that (a) so long as any Rental Payments remain unpaid, moneys on deposit

in the Escrow Account shall not be used in a manner that will cause this Agreement to be classified as an "arbitrage bond" within the meaning of Section 148(a) of the Code; and (b) Lessee shall rebate, from funds legally available for the purpose, an amount equal to excess earnings on the Escrow Account to the Federal Government if required by, and in accordance with, Section 148(f) of the Code, and make the determinations and maintain the records required by the Code.

Section 4.06. Event of Taxability. Upon the occurrence of an Event of Taxability, the interest component of Rental Payments and any charge on Rental Payments or other amounts payable based on the Contract Rate shall have accrued and be payable at the Taxable Rate retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for Federal income tax purposes (which retroactive date shall be the earliest date as of which the interest component of any Rental Payment is deemed includible in the gross income of the owner or owners thereof for Federal income tax purposes, which may be earlier than the date of delivery of such determination by the Internal Revenue Service), and Lessee will pay such additional amount as will result in the owner receiving the interest component at the Taxable Rate.

For purposes of this Section, *"Event of Taxability"* means the circumstance of the interest component of any Rental Payment paid or payable pursuant to this Agreement becoming includible for Federal income tax purposes in an owner's gross income as a consequence of any act, omission or event whatsoever, including but not limited to the matters described in the immediately succeeding sentence, and regardless of whether the same was within or beyond the control of Lessee. An Event of Taxability shall be presumed to have occurred upon (a) the receipt by Lessor or Lessee of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other written correspondence which legally holds that the interest component of any Rental Payment is includable in the gross income of the owner thereof; (b) the issuance of any public or private ruling of the Internal Revenue Service that the interest component of any Rental Payment is includable in the gross income of the owner thereof; or (c) receipt by Lessor or Lessee of a written opinion of a nationally recognized firm of attorneys experienced in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, selected by Lessor and acceptable to Lessee, to the effect that the interest component of any Rental Payment has become includable in the gross income of the owner thereof for Federal income tax purposes. For all purposes of this definition, an Event of Taxability shall be deemed to occur on the date as of which the interest component of any Rental Payment is deemed includable in the gross income of the owner thereof for Federal income tax purposes.

Section 4.07. Mandatory Prepayment. (a) Any funds not applied to Equipment Costs and remaining in the Escrow Account on the earliest of (i) the expiration of the Acquisition Period, (ii) the date on which Lessee delivers to the Lessor the executed Disbursement Request to effect the final disbursement to pay (or reimburse) Equipment Costs from the Escrow Account or (iii) a termination of the Escrow Account as provided in the Escrow Agreement shall be applied by Lessor on each successive Rental Payment Date thereafter to pay all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months and any remaining amounts shall be applied by Lessor as prepayment to the applicable unpaid Principal Portion of Rental Payments owing hereunder in the inverse order of the Rental Payment Dates at a price of 100% of such prepaid Principal Portion plus accrued interest thereon to the prepayment date.

(b) In connection with any partial prepayment of Rental Payments, Lessor shall prepare a new Payment Schedule reflecting such partial prepayment and shall deliver the same to the Lessee, which new Payment Schedule shall be deemed to amend and replace the prior Payment Schedule and shall be binding on the parties, absent manifest error.

ARTICLE V

Section 5.01. Acquisition, Delivery, Installation and Acceptance of Equipment. (a) Lessee shall order the Equipment to be acquired and financed hereunder, cause the Equipment to be delivered and installed at the location specified in the Equipment Schedule and pay any and all delivery and installation costs and other Equipment Costs in connection therewith. Lessee shall conduct such inspection and testing of the Equipment as it deems appropriate in order to unconditionally accept such Equipment. When the Equipment has been delivered and correctly installed, including any component of Equipment, Lessee shall promptly accept such Equipment and evidence said acceptance by executing and delivering Disbursement Requests to the Lessor pursuant to the Escrow Agreement for the purpose of effecting disbursements from the Escrow Account to pay (or reimburse) Equipment Costs for the Equipment so acquired and installed. In connection with the execution and delivery by Lessee to Lessor of the final Disbursement Request, Lessee shall deliver to Lessor a "Final Acceptance Certificate" in the form attached hereto as Exhibit E.

(b) Lessee shall deliver to Lessor together with each Disbursement Request copies of invoices (and proof of payment of such invoices if Lessee seeks reimbursement for prior expenditures) and bills of sale or other evidence of title transfer to Lessee relating to each item of Equipment accepted by Lessee as evidenced by such Disbursement Request. Once approved, Lessor shall deliver such Disbursement Request to the Escrow Agent for disbursement from the Escrow Account in accordance with the Escrow Agreement.

Section 5.02. Quiet Enjoyment of Equipment. So long as no Event of Default and no Event of Non-appropriation exists hereunder, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term.

Section 5.03. Location; Inspection. Once installed, no item of the Equipment will be moved or relocated from the location specified for it in the Equipment Schedule without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property where the Equipment is located for the purpose of inspecting the Equipment.

Section 5.04. Use and Maintenance of the Equipment. Lessee shall not install, use, operate or maintain the Equipment (or cause the Equipment to be installed, used, operated or maintained) improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated hereby. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative, or judicial body, including, without limitation, all anti-money laundering laws and regulations;

provided that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights hereunder.

Lessee agrees that it shall (a) maintain, preserve, and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer; (b) proceed promptly, at its expense, to protect its rights and exercise its remedies under any warranty then in effect with respect to the Equipment; and (c) replace or rebuild any component of the Equipment that becomes permanently unfit for normal use or inoperable during the Lease Term (herein, the *"Inoperable Component"*) in order to keep the Equipment as a whole in good repair and working order during the Lease Term. Lessee shall promptly notify Lessor in writing when any component of the Equipment is reasonably expected within forty-five (45) days to become an Inoperable Component. Lessee shall promptly replace or rebuild the Inoperable Component with a similar component of comparable or improved make and model that has at least the equivalent value and utility of the Inoperable Component, a remaining useful life of no less than the remaining Scheduled Term and such replacement or rebuilt component shall be in good operating condition. Lessor shall have no responsibility to maintain, repair or make improvements or additions to the Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to re-certify the Equipment as eligible for manufacturer's maintenance upon the return of the Equipment to Lessor as provided for in Sections 3.03 and 12.02(b) of this Agreement.

Lessee shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, parts, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

ARTICLE VI

Section 6.01. Title to the Equipment. During the Lease Term, so long as Lessee is not in default under Article XII hereof and an Event of Non-appropriation has not occurred, all right, title and interest in and to each item of the Equipment shall be vested in Lessee immediately upon its acceptance of each item of Equipment, subject to the terms and conditions hereof. Lessee shall at all times protect and defend, at its own cost and expense, its title, and Lessor's first priority security interest, in and to the Equipment (and Lessor's other Collateral as defined in Section 6.02 hereof) from and against all claims, Liens and legal processes of its creditors, and keep all Equipment (and such other Collateral) free and clear of all such claims, Liens and processes. Lessee will, at its expense, do any further act and execute, acknowledge, deliver, file, register and record any further documents the Lessor may reasonably request in order to protect Lessor's first priority security interest in the Collateral. Upon the occurrence of an Event of Default or upon termination of this Agreement pursuant to Section 3.03 hereof, full and unencumbered legal title to the Equipment shall, at Lessor's option, pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall deliver possession of the Equipment to Lessor in accordance with Section 3.03 or 12.02 of this

Agreement, as applicable. Upon payment of all amounts due and owing hereunder by Lessee in accordance with Section 10.01 hereof, Lessor's security interest or other interest in the Equipment shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may reasonably request to evidence the termination of Lessor's security interest in the Equipment.

Section 6.02. Security Interest. As additional security for the payment and performance of all of Lessee's obligations hereunder, Lessee hereby grants to Lessor a first priority security interest constituting a first Lien on (a) the Equipment, together with all replacements, repairs, restorations, modifications and improvements thereof or thereto and all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment, and all substitutions, renewals, or replacements of and additions, improvements, accessions and accumulations to any and all of such Equipment, together with all the rents, issues, income, profits, proceeds and avails therefrom, (b) moneys and investments held from time to time in the Escrow Account, (c) all accounts, chattel paper, deposit accounts, documents, instruments, general intangibles and investment property (including any securities accounts and security entitlements relating thereto) evidenced by or arising out of or otherwise relating to the foregoing collateral described in clauses (a) and (b) above, as such terms are defined in Article 9 of the California Commercial Code, and (d) any and all proceeds of any and all of the foregoing, including, without limitation, insurance proceeds (collectively, the *"Collateral"*). Lessee authorizes Lessor to file (and Lessee agrees to execute, if applicable) such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Collateral, including, without limitation, such financing statements with respect to personal property and fixtures under Article 9 of the California Commercial Code and treating such Article 9 as applicable to entities such as Lessee.

Section 6.03. Personal Property, No Encumbrances. Lessee agrees that the Equipment is deemed to be and will remain personal property, and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, Lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; *provided,* that if Lessor or its assigns is furnished with a waiver of interest in the Equipment acceptable to Lessor or its assigns in their respective discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not be unreasonably withheld.

ARTICLE VII

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Equipment free of all levies, Liens, and encumbrances except those created by this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and that the Equipment will therefore be exempt from all property taxes. If the lease, sale, purchase, operation, use, possession or acquisition of

any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all sales and other taxes, special assessments, governmental and other charges of any kind that are at any time lawfully assessed or levied against or with respect to the Equipment, the Rental Payments or any part of either thereof, or which become due during the Lease Term, whether assessed against Lessee or Lessor. Lessee shall pay all utility and other charges incurred in the operation, use and maintenance of the Equipment. Lessee shall pay such taxes, assessments or charges as the same may become due; *provided* that, with respect to any such taxes, assessments or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the Lease Term. Lessor will not claim ownership of the Equipment under this Agreement for the purposes of any tax credits, benefits or deductions with respect to such Equipment. Lessee shall pay the fee charged by the California Debt and Investment Advisory Commission with respect to this Agreement pursuant to Section 8856 (or any successor provision) of the California Government Code.

Section 7.02. Insurance. Lessee shall during the Lease Term maintain or cause to be maintained (a) casualty insurance naming Lessor and its assigns as loss payee and insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lessor, in an amount at least equal to the greater of (i) the then applicable Outstanding Balance or (ii) the replacement cost of the Equipment; (b) liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability with limits of at least $5,000,000 per occurrence for bodily injury and property damage coverage (such liability insurance coverage may be in a combination of primary general liability and/or excess liability umbrella coverage), and in all events under clauses (a) and (b) above issued in form and amount satisfactory to Lessor and by an insurance company that is authorized to do business in the State and having a financial strength rating by A.M. Best Company of "A-" or better; and (c) worker's compensation coverage as required by the laws of the State. Notwithstanding the foregoing, Lessee may self-insure against the risks described in clauses (a) and/or (b) through a government pooling arrangement, self-funded loss reserves, risk retention program or other self-insurance program, in each case with Lessor's prior written consent (which Lessor may grant, withhold or deny in its sole discretion) and *provided* that Lessee has delivered to Lessor such information as Lessor may request with respect to the adequacy of such self-insurance to cover the risks proposed to be self-insured and otherwise in form and substance acceptable to Lessor. In the event Lessee is permitted, at Lessor's sole discretion, to self-insure as provided in this Section 7.02, Lessee shall provide to Lessor a self-insurance letter in form and substance satisfactory to Lessor, in Lessor's sole discretion. Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout the Lease Term. Lessee shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least thirty (30) days in advance of such cancellation or modification.

Section 7.03. Risk of Loss. Whether or not covered by insurance or self-insurance, Lessee hereby assumes all risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Equipment from any cause whatsoever, and no such loss of or damage to or liability arising from the Equipment shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under this Agreement. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest

extent permitted by applicable law, but only from legally available funds) for any and all liabilities, obligations, losses, costs, claims, taxes or damages suffered or incurred by Lessor, regardless of the cause thereof and all expenses incurred in connection therewith (including, without limitation, counsel fees and expenses, and penalties connected therewith imposed on interest received) arising out of or as a result of (a) entering into this Agreement or any of the transactions contemplated hereby, (b) the ordering, acquisition, ownership use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item of the Equipment, (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person, and/or (d) the breach of any covenant of Lessee under or in connection with this Agreement or any material misrepresentation provided by Lessee under or in connection with this Agreement. The provisions of this Section 7.03 shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

Section 7.04. Surety Bonds; *Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties*. Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied in accordance with such Surety Bond to the payment and performance of the Vendor's obligations in accordance with the related Vendor Agreement and, if for whatever reason such proceeds are not so applied, first to amounts due Lessor under this Agreement, and any remaining amounts shall be payable to Lessee if allowed by law.

In the event of a material default by any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to the Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds, adjustments or otherwise in connection with the foregoing shall, with the prior written consent of the Lessor either be (a) applied to repair or replace the Equipment in order to address the Vendor's default, or (b) paid to Lessor and applied against Lessee's obligations hereunder.

Section 7.05. Advances. In the event Lessee shall fail to keep the Equipment in good repair and working order or shall fail to maintain any insurance required by Section 7.02 hereof, Lessor may, but shall be under no obligation to, maintain and repair the Equipment or obtain and maintain any such insurance coverages, as the case may be, and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest

thereon from the due date until paid at a rate equal to the Contract Rate (or the Taxable Rate if then in effect) *plus* five percent (5%) per annum or the maximum amount permitted by law, whichever is less.

ARTICLE VIII

Section 8.01. Damage, Destruction and Condemnation. If, prior to the termination of the Lease Term, (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, (i) Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment or such part thereof and any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or (ii) Lessee shall exercise its option to prepay the obligations hereunder in accordance with Section 10.01(a)(ii) hereof.

If Lessee elects to replace any item of the Equipment (the *"Replaced Equipment"*) pursuant to this Section 8.01, the replacement equipment (the *"Replacement Equipment"*) shall be new or of a quality, type, utility and condition at least as good as the Replaced Equipment, shall be of equal or greater value than the Replaced Equipment and shall provide at least the same level of energy and/or operational savings expected in the aggregate from the Replaced Equipment prior to such casualty, destruction or condemnation and shall have an expected remaining useful life at least through the Scheduled Term. Lessee shall grant to Lessor a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each item of Replacement Equipment is free and clear of all claims, Liens, security interests and encumbrances, excepting only those Liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor's security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute "Equipment" for purposes of this Agreement. Lessee shall complete the documentation of Replacement Equipment on or before the next Rental Payment Date after the occurrence of a casualty event, or be required to exercise its option to prepay the obligations hereunder with respect to the damaged Equipment in accordance with Section 10.01(a)(ii) hereof.

For purposes of this Article VIII, the term *"Net Proceeds"* shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

Section 8.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pay or

cause to be paid to Lessor the amount of the then applicable Casualty Value *plus* all other amounts then owing hereunder, and, upon such payment, the Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds remaining, if any, after completing such repair, restoration, modification or improvement or after paying such Casualty Value *plus* all other amounts then owing hereunder shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section 8.02, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

ARTICLE IX

Section 9.01. Disclaimer of Warranties. Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of any of the Equipment, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee's acquisition of the Equipment shall be on an "as is" basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Equipment or the existence, furnishing, functioning or Lessee's use of any item, product or service provided for in this Agreement.

Section 9.02. Vendor Agreements; Warranties. Lessee covenants that it shall not in any material respect amend, modify, rescind or alter any Vendor Agreement without the prior written consent of Lessor. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default under this Agreement and so long as no Event of Non-appropriation has occurred, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against a Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the applicable Vendor of the Equipment, and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor under this Agreement, including the right to receive full and timely Rental Payments and other payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to any of the Equipment.

ARTICLE X

Section 10.01. Prepayment; Payment in Full or in Part.

(a) *Prepayment*. Lessee shall have the option to prepay or satisfy some or all of its obligations hereunder, at the following times and upon the following terms:

(i) *Optional Prepayment in Whole.* From and after the date specified (if any) in the Payment Schedule (the *"Prepayment Option Commencement Date"*), on the Rental Payment Dates specified in the Payment Schedule, upon not less than forty-five (45) days prior written notice, and upon payment in full of the sum of all Rental Payments then due

plus the then applicable Prepayment Price, which shall include a prepayment premium on the unpaid Outstanding Balance as set forth in the Payment Schedule *plus* all other amounts then owing hereunder; or

(ii) *Casualty or Condemnation Prepayment.* In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment, on the day specified in Lessee's notice to Lessor of its exercise of the prepayment option (which shall be the earlier of the next Rental Payment Date or sixty (60) days after the casualty event) upon payment in full to Lessor of (A) in the event such prepayment occurs on a Rental Payment Date, the sum of (i) all Rental Payments then due *plus* (ii) the then applicable Casualty Value *plus* (iii) all other amounts then owing hereunder OR, (B) in the event such prepayment occurs on a date other than a Rental Payment Date, the sum of (i) the applicable Casualty Value shown on the Payment Schedule for the Rental Payment Date immediately preceding the applicable date of such prepayment (or if the date of such prepayment occurs prior to the first Rental Payment Date, the earliest Casualty Value shown on the Payment Schedule) *plus* (ii) accrued interest at the Contract Rate (or the Taxable Rate if then in effect) on the Outstanding Balance as of the Rental Payment Date immediately preceding the applicable date of such prepayment from such Rental Payment Date (or if the date of such prepayment occurs prior to the first Rental Payment Date, the Commencement Date) to the date of such prepayment *plus* (iii) all other amounts then owing hereunder; or

(iii) *Extraordinary Prepayment in Part.* Prior to December 31, 2029, on any Rental Payment Date following the Lessee's receipt of the Project Grant, upon not less than thirty (30) days prior written notice, the Lessee may exercise a one-time extraordinary prepayment up to a total principal amount of $938,400 which shall be applied by Lessor to the applicable unpaid Principal Portion of Rental Payments owing hereunder (on a pro rata basis) at a price of 100% of such prepaid Principal Portion plus accrued interest thereon to the prepayment date. In connection with any partial prepayment of Rental Payments, Lessor shall prepare a new Payment Schedule reflecting such partial prepayment and shall deliver the same to the Lessee, which new Payment Schedule shall be deemed to amend and replace the prior Payment Schedule and shall be binding on the parties, absent manifest error.

(b) *Payment in Full.* Lessor's security interests in and to the Equipment will be terminated and Lessee will own such Equipment free and clear of Lessor's security interest in such Equipment after either (i) payment of either (A) the applicable Prepayment Price and all other amounts then owing hereunder in accordance with Section 10.01(a)(i) of this Agreement or (B) the applicable Casualty Value and all other amounts then owing hereunder in accordance with Section 10.01(a)(ii) of this Agreement or (ii) upon the expiration of the Scheduled Term and payment in full of all Rental Payments then due and all other amounts then owing hereunder in accordance with this Agreement. Notwithstanding anything herein to the contrary, no portion of Lessor's security interests in and to the Equipment or other Collateral will be terminated due to any partial prepayment pursuant to Section 10.01(a)(iii) of this Agreement.

ARTICLE XI

Section 11.01. Assignment by Lessor. (a) Lessor's right, title and interest in and to this Agreement, the Rental Payments and any other amounts payable by Lessee hereunder, the Escrow Agreement, its security interest in the Collateral (collectively, the *"Assigned Rights"*), may be assigned and reassigned by Lessor at any time, in whole or in part, to one or more assignees or sub-assignees without the necessity of obtaining the consent of Lessee; *provided,* that any such assignment, transfer or conveyance (i) shall be made only to investors each of whom Lessor reasonably believes is a "*qualified institutional buyer*" as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended, or an *"accredited investor"* as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended, and in either case is purchasing the Assigned Rights (or any interest therein) for its own account with no present intention to resell or distribute such Assigned Rights (or interest therein), subject to each investor's right at any time to dispose of the Assigned Rights (or any interest therein) as it determines to be in its best interests, (ii) shall not result in more than 35 owners of the Assigned Rights or the creation of any interest in the Assigned Rights in an aggregate principal component that is less than $100,000 and (iii) shall not require Lessee to make Rental Payments, to send notices or otherwise to deal with respect to matters arising hereunder or under the Escrow Agreement with or to more than one Lease Servicer (as such term is defined below), and any trust agreement, participation agreement or custodial agreement under which multiple ownership interests in the Assigned Rights are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, trustee, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the *"Lease Servicer"*) to act on their behalf with respect to the Assigned Rights, including with respect to the exercise of rights and remedies of Lessor on behalf of such owners upon the occurrence of an Event of Default or an Event of Non-appropriation under this Agreement. Lessor and Lessee hereby acknowledge and agree that the restrictions and limitations on transfer as provided in this Section 11.01 shall apply to the first and subsequent assignees and sub-assignees of any of the Assigned Rights (or any interest therein).

(b) Unless to an affiliate controlling, controlled by or under common control with Lessor, no assignment, transfer or conveyance permitted by this Section 11.01 shall be effective as against Lessee until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee; *provided,* that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, participation interests, trust certificates or partnership interests with respect to the Rental Payments payable under this Agreement, it shall thereafter be sufficient that Lessee receives notice of the name and address of the bank, trust company or other entity that acts as the Lease Servicer. Notices of assignment provided pursuant to this Section 11.01(b) shall contain a confirmation of compliance with the transfer requirements imposed by Section 11.01(a) hereof. During the Lease Term, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees or Lease Servicer last designated in such register. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against the Prior Lessor or the Vendor. Assignments in part may include without limitation assignment of all of Lessor's security

interest in and to the Equipment and all rights in, to and under this Agreement related to such Equipment, and all of Lessor's security interest in and to the Collateral, or all rights in, to and under the Escrow Agreement.

(c) If Lessor notifies Lessee of its intent to assign this Agreement, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment substantially in the form of *Exhibit H* attached hereto within five (5) business days after its receipt of such request.

Section 11.02. Assignment and Subleasing by Lessee. **None of Lessee's right, title, and interest in, to and under this Agreement or any portion of the Equipment, the Escrow Agreement, the Escrow Account or any of the other Collateral may be assigned, encumbered or subleased by Lessee for any reason, and any purported assignment, encumbrance or sublease without Lessor's prior written consent shall be null and void.**

ARTICLE XII

Section 12.01. Events of Default Defined. Any of the following events shall constitute an *"Event of Default"* under this Agreement:

(a) Failure by Lessee to (i) pay any Rental Payment or other payment required to be paid under this Agreement within ten (10) days after the date when due as specified herein, (ii) maintain insurance as required herein, or (iii) observe and perform any covenant, condition or agreement on its part to be observed or performed under Section 6.01 or 6.02 hereof;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement contained in this Agreement on its part to be observed or performed, other than as referred to in subsection (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance shall prove to have been false, incorrect, misleading, or breached in any material respect on the date when made;

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee is an obligor, if such default (i) arises under any other agreement for borrowing money, lease financing of property or provision of credit provided by Lessor or any affiliate of Lessor, or (ii) arises under any obligation under which there is outstanding, owing or committed an aggregated amount in excess of $100,000.00;

(e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable Federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, liquidation, readjustment, reorganization, moratorium or insolvency proceeding; or

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be immediately due and payable;

(b) With or without terminating the Lease Term, Lessor may enter the premises where the Equipment is located and retake possession of such Equipment or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee and other amounts hereunder that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies hereunder, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 3.03 of this Agreement. The exercise of any such remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities hereunder or with respect to the Equipment;

(c) Lessor may terminate the Escrow Agreement and apply any proceeds in the Escrow Account to the Rental Payments scheduled to be paid hereunder; and/or

(d) Lessor may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement or the Escrow Agreement or as a secured party in any or all of the Equipment or the Escrow Account.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article XII it shall not be necessary to give any notice other than such notice as may be required in this Article XII.

ARTICLE XIII

Section 13.01. Notices. All notices, certificates or other communications under this Agreement shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee.

Section 13.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.04. Amendments, Changes and Modifications. This Agreement may only be amended by Lessor and Lessee in writing.

Section 13.05. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; *provided,* that only Counterpart No. 1 of this Agreement shall constitute chattel paper for purposes of the applicable Uniform Commercial Code.

Section 13.06. Applicable Law; Venue; Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the laws of the State. The parties hereto consent and submit to the jurisdiction of the State and venue in any state or Federal court of such State for the purposes of any suit, action or other proceeding arising in connection with this Agreement, and each party expressly waives any objections that it may have to the venue of such courts. The parties hereto expressly waive any right to trial by jury in any action brought on or with respect to this Agreement. If the waiver of jury trial contained herein is unenforceable for any reason, then the parties hereto agree that the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision.

Section 13.07. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 13.08. No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated by this Agreement (including in connection with any amendment, waiver or other modification hereof or of any other related document), the Lessee acknowledges and agrees that: (a) (i) the transactions regarding this Agreement provided by the Lessor and any affiliate thereof are arm's-length commercial transactions between the Lessee, on the one hand, and the Lessor and its affiliates, on the other hand, (ii) the Lessee has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Lessee is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and by the other related documents; (b) (i) the Lessor and its affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Lessee, or any other person and (ii) neither the Lessor nor any of its affiliates has any obligation to the Lessee with respect to the transactions contemplated by this Agreement except those obligations expressly set forth herein and in the other related documents; and (c) the Lessor and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Lessee, and neither the Lessor nor any of its affiliates has any obligation to disclose any of such interests to the Lessee. To the fullest extent permitted by law, the Lessee, hereby waives and releases any claims that it may have against the Lessor or any of its affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated by this Agreement.

Section 13.09. Entire Agreement. The parties agree that this Agreement constitutes the final and entire agreement between the parties superseding all conflicting terms or provisions of any prior proposals, term sheets, solicitation documents, requests for proposals, award notices, approval letters or any other agreements or understandings between the parties.

Section 13.10. Electronic Signatures. The Related Documents may be executed and delivered by facsimile signature or other electronic or digital means (including, without limitation, Adobe's Portable Document Format (*"PDF"*)). Any such signature shall be of the same force and effect as an original signature, it being the express intent of the parties to create a valid and legally enforceable contract between them. The exchange and delivery of the Related Documents and the related signature pages via facsimile or as an attachment to electronic mail (including in PDF) shall constitute effective execution and delivery by the parties and may be used by the parties for all purposes. Notwithstanding the foregoing, at the request of either party, the parties hereto agree to exchange inked original replacement signature pages as soon thereafter as reasonably practicable.

[*Remainder of Page Intentionally Left Blank*]

[*Signature Page Follows*]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Equipment Lease/Purchase Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:	LESSEE:
BANC OF AMERICA PUBLIC CAPITAL CORP	CITY OF HANFORD
11333 McCormick Road Hunt Valley II M/C MD5-032-07-05 Hunt Valley, MD 21031 Attention: Contract Administration Fax No.: (443) 541-3057	319 North Douty Street Hanford, CA 93230 Attention: Chris Tavarez, Acting City Manager Telephone: (559) 585-2500 Fax No.: (559) 582-1152 Email: ctavarez@hanfordca.gov
By:_____ Name: _____ Title: _____	By:_____ Name: Chris Tavarez Title: Acting City Manager

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that this Agreement constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security interest or ownership herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

LIST OF EXHIBITS

EXHIBIT A	—	Form of Equipment Schedule
EXHIBIT B	—	Form of Payment Schedule
EXHIBIT C-1	—	Form of Authorizing Resolution
EXHIBIT C-2	—	Form of Incumbency and Authorization Certificate
EXHIBIT D	—	Form of Opinion of Lessee's Counsel
EXHIBIT E	—	Form of Final Acceptance Certificate
EXHIBIT F	—	Reserved
EXHIBIT G	—	Reserved
EXHIBIT H	—	Form of Notice and Acknowledgement of Assignment
EXHIBIT I	—	Form of Escrow and Account Control Agreement

EXHIBIT A

EQUIPMENT SCHEDULE

Location of Equipment:

Equipment Description (Scope of Work):

EXHIBIT B

PAYMENT SCHEDULE

RENTAL PAYMENT DATE	RENTAL PAYMENT AMOUNT	INTEREST PORTION	PRINCIPAL PORTION	OUTSTANDING BALANCE	PREPAYMENT PRICE (including prepayment premium, if any)	CASUALTY PRICE (including casualty premium, if any)
1/27/26				$3,740,000.00	NA	$3,814,800.00
10/1/26	$ 113,791.16	$ 113,791.16	$ 0.00	3,740,000.00	NA	3,814,800.00
4/1/27	83,944.30	83,944.30	0.00	3,740,000.00	NA	3,814,800.00
10/1/27	93,776.30	83,944.30	9,832.00	3,730,168.00	NA	3,804,771.36
4/1/28	93,775.62	83,723.62	10,052.00	3,720,116.00	NA	3,794,518.32
10/1/28	98,906.00	83,498.00	15,408.00	3,704,708.00	NA	3,778,802.16
4/1/29	98,906.17	83,152.17	15,754.00	3,688,954.00	NA	3,762,733.08
10/1/29	104,316.57	82,798.57	21,518.00	3,667,436.00	$3,740,784.72	3,740,784.72
4/1/30	104,316.60	82,315.60	22,001.00	3,645,435.00	3,718,343.70	3,718,343.70
10/1/30	110,022.79	81,821.79	28,201.00	3,617,234.00	3,689,578.68	3,689,578.68
4/1/31	110,022.82	81,188.82	28,834.00	3,588,400.00	3,660,168.00	3,660,168.00
10/1/31	116,040.64	80,541.64	35,499.00	3,552,901.00	3,623,959.02	3,623,959.02
4/1/32	116,039.86	79,744.86	36,295.00	3,516,606.00	3,586,938.12	3,586,938.12
10/1/32	122,387.22	78,930.22	43,457.00	3,473,149.00	3,542,611.98	3,542,611.98
4/1/33	122,387.83	77,954.83	44,433.00	3,428,716.00	3,497,290.32	3,497,290.32
10/1/33	129,082.53	76,957.53	52,125.00	3,376,591.00	3,444,122.82	3,444,122.82
4/1/34	129,082.58	75,787.58	53,295.00	3,323,296.00	3,389,761.92	3,389,761.92
10/1/34	136,144.38	74,591.38	61,553.00	3,261,743.00	3,326,977.86	3,326,977.86
4/1/35	136,143.82	73,209.82	62,934.00	3,198,809.00	3,262,785.18	3,262,785.18
10/1/35	143,590.27	71,797.27	71,793.00	3,127,016.00	3,189,556.32	3,189,556.32
4/1/36	143,589.87	70,185.87	73,404.00	3,053,612.00	3,114,684.24	3,114,684.24
10/1/36	151,445.32	68,538.32	82,907.00	2,970,705.00	3,000,412.05	3,000,412.05
4/1/37	151,445.47	66,677.47	84,768.00	2,885,937.00	2,914,796.37	2,914,796.37
10/1/37	159,728.86	64,774.86	94,954.00	2,790,983.00	2,818,892.83	2,818,892.83
4/1/38	159,728.61	62,643.61	97,085.00	2,693,898.00	2,720,836.98	2,720,836.98
10/1/38	168,465.54	60,464.54	108,001.00	2,585,897.00	2,611,755.97	2,611,755.97
4/1/39	168,465.46	58,040.46	110,425.00	2,475,472.00	2,500,226.72	2,500,226.72
10/1/39	177,680.97	55,561.97	122,119.00	2,353,353.00	2,376,886.53	2,376,886.53
4/1/40	177,681.01	52,821.01	124,860.00	2,228,493.00	2,250,777.93	2,250,777.93
10/1/40	187,400.53	50,018.53	137,382.00	2,091,111.00	2,112,022.11	2,112,022.11
4/1/41	187,400.99	46,934.99	140,466.00	1,950,645.00	1,970,151.45	1,970,151.45
10/1/41	197,651.23	43,782.23	153,869.00	1,796,776.00	1,814,743.76	1,814,743.76
4/1/42	197,651.64	40,328.64	157,323.00	1,639,453.00	1,655,847.53	1,655,847.53
10/1/42	208,462.52	36,797.52	171,665.00	1,467,788.00	1,482,465.88	1,482,465.88
4/1/43	208,462.50	32,944.50	175,518.00	1,292,270.00	1,305,192.70	1,305,192.70
10/1/43	219,865.00	29,005.00	190,860.00	1,101,410.00	1,112,424.10	1,112,424.10

RENTAL PAYMENT DATE	RENTAL PAYMENT AMOUNT	INTEREST PORTION	PRINCIPAL PORTION	OUTSTANDING BALANCE	PREPAYMENT PRICE (including prepayment premium, if any)	CASUALTY PRICE (including casualty premium, if any)
4/1/44	219,865.15	24,721.15	195,144.00	906,266.00	915,328.66	915,328.66
10/1/44	231,892.14	20,341.14	211,551.00	694,715.00	701,662.15	701,662.15
4/1/45	231,891.88	15,592.88	216,299.00	478,416.00	483,200.16	483,200.16
10/1/45	489,154.05	10,738.05	478,416.00	0.00	0.00	0.00
	$6,200,606.20	$2,460,606.20	$3,740,000.00			

Contract Rate. The Contract Rate is 4.489% per annum.

Prepayment Option Commencement Date. For purposes of Section 10.01 of the Agreement, the Prepayment Option Commencement Date is October 1, 2029.

LESSOR:	LESSEE:
BANC OF AMERICA PUBLIC CAPITAL CORP	CITY OF HANFORD
By:_____	By:_____
Name: _____	Name: Chris Tavarez
Title: _____	Title: Acting City Manager

[Signature Page to Payment Schedule]

EXHIBIT C-1

FORM OF AUTHORIZING RESOLUTION

See Transcript Item #3(a)

EXHIBIT C-2

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting City Clerk of the City of Hanford (*"Lessee"*) certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the *"Officials"*) in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute, in writing or electronically, and deliver the Equipment Lease/Purchase Agreement dated as of January 27, 2026 by and between Lessee and Banc of America Public Capital Corp (*"Lessor"*), the Escrow and Account Control Agreement dated as of January 27, 2026 by and among Lessor, Lessee and UMB Bank, National Association, as Escrow Agent, all documents related thereto and delivered in connection therewith, and any future modification(s) or amendments thereof (collectively, the *"Operative Agreements"*), and the Operative Agreements each are the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms.

NAME OF OFFICIAL	TITLE	SIGNATURE
Chris Tavarez	Acting City Manager	_____

Dated: January 27, 2026

By:_____
Name: Natalie Corral
Title: City Clerk

(The signer of this Certificate cannot be listed above as authorized to execute the Operative Agreements.)

EXHIBIT D

FORM OF OPINION OF COUNSEL TO LESSEE
(TO BE TYPED ON LETTERHEAD OF COUNSEL)

[Closing Date]

Banc of America Public Capital Corp
11333 McCormick Road
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attn: Contract Administration

Re: Equipment Lease/Purchase Agreement,
dated as of January 27, 2026, by and between
Banc of America Public Capital Corp, as Lessor,
and the City of Hanford, as Lessee

Ladies and Gentlemen:

As legal counsel to the City of Hanford (*"Lessee"*), I have examined (a) an executed counterpart of that certain Equipment Lease/Purchase Agreement, dated as of January 27, 2026, and Exhibits thereto by and between Banc of America Public Capital Corp (*"Lessor"*) and Lessee (the *"Agreement"*), which, among other things, provides for the lease of certain property (the *"Equipment"*) and a certain Escrow and Account Control Agreement dated as of January 27, 2026 by and among Lessor, Lessee, and UMB Bank, National Association as Escrow Agent (the *"Escrow Agreement"*), (b) an executed counterpart of the ordinances or resolutions of Lessee with respect to authorization of the transaction contemplated by the Agreement, the Escrow Agreement and documents related thereto, and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Agreement, the Escrow Agreement, and the documents relating thereto are herein collectively referred to as the "*Transaction Documents*".

Based on the foregoing, I am of the following opinions:

1. Lessee is a city, duly organized and existing under the laws of the State, and is a political subdivision of the State within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "*Code*") and the obligations of Lessee under the Agreement will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code, notwithstanding Section 103(b) of the Code.

2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The Transaction Documents have been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Transaction Documents are legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms, except to the extent limited by state and federal law affecting creditor's remedies and by bankruptcy, reorganization, moratorium or other laws of general application relating to or affecting the enforcement of creditors' rights.

4. The authorization, approval, execution and delivery of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, procurement and public bidding laws and all other applicable State or Federal laws.

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment, the Escrow Account or other Collateral thereunder.

All capitalized terms herein shall have the same meanings as in the Transaction Documents unless otherwise provided herein. Lessor and its successors and assigns are entitled to rely on this opinion.

Sincerely,

EXHIBIT E

FORM OF FINAL ACCEPTANCE CERTIFICATE

Banc of America Public Capital Corp
11333 McCormick Road
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attn: Contract Administration

Re: Equipment Lease/Purchase Agreement,
dated as of January 27, 2026, by and between
Banc of America Public Capital Corp, as Lessor,
and the City of Hanford, as Lessee

Ladies and Gentlemen:

In accordance with the above-referenced Equipment Lease/Purchase Agreement (the *"Agreement"*), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment has been delivered, installed and unconditionally accepted on the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes and the Equipment has been delivered, installed and is unconditionally accepted for all purposes by Lessee, and title to the Equipment has transferred to Lessee and any security interest of Vendor therein has been released.

3. Lessee is currently maintaining the insurance coverage required by Section 7.02 of the Agreement.

4. Lessee hereby reaffirms that the representations, warranties and covenants contained in the Agreement are true and correct as of the date hereof.

5. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default exists at the date hereof.

6. No Material Adverse Change has occurred since the date of the execution and delivery of the Agreement.

7. No Event of Non-appropriation has occurred or been threatened.

Capitalized terms used, but not defined, in this Final Acceptance Certificate shall have the same meanings as when such terms are used in the Agreement.

Date: _____-

LESSEE:

CITY OF HANFORD

By:_____
Name: _____
Title: _____

(SEAL)

EXHIBIT F

RESERVED

EXHIBIT G

RESERVED

EXHIBIT H

FORM OF NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

Dated _____

Banc of America Public Capital Corp (*"Assignor"*) hereby gives notice that it has assigned and sold to _____ (*"Assignee"*) all of Assignor's right, title and interest in, to and under the Equipment Lease/Purchase Agreement dated as of January 27, 2026 (the *"Agreement"*), by and between Assignor and the City of Hanford (*"Lessee"*), together with all exhibits, schedules, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith, the Rental Payments and other amounts due under the Agreement, all of Assignor's right, title and interest in the Equipment (as defined in the Agreement), and all of Assignor's right, title and interest in, to and under the Escrow and Account Control Agreement dated as of January 27, 2026 (the *"Escrow Agreement"*) by and among Lessee, Assignor and UMB Bank, National Association, as Escrow Agent, together with the Escrow Account and other Collateral (collectively, the "*Assigned Property*"). Each capitalized term used but not defined herein has the meaning set forth in the Agreement.

1. Lessee hereby acknowledges the effect of the assignment of the Assigned Property and absolutely and unconditionally agrees to deliver to Assignee all Rental Payments and other amounts coming due under the Agreement in accordance with the terms thereof on and after the date of this Acknowledgment.

2. Lessee hereby agrees that: (i) Assignee shall have all the rights of Lessor under the Agreement and all related documents, including, but not limited to, the rights to issue or receive all notices and reports, to give all consents or agreements to modifications thereto, to receive title to the Equipment in accordance with the terms of the Agreement, to declare a default and to exercise all rights and remedies thereunder in connection with the occurrence of an Event of Non-appropriation or an Event of Default; and (ii) **[except as provided in Section 3.03 of the Agreement,]** the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in the Agreement shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense.

3. Lessee agrees that, as of the date of this Notice and Acknowledgment of Assignment (this *"Acknowledgement"*), the following information about the Agreement is true, accurate and complete:

Number of Rental Payments Remaining	_____
Amount of Each Rental Payment	$_____
Total Amount of Rental Payments Remaining	$_____
Frequency of Rental Payments	_____
Next Rental Payment Due	_____
Funds Remaining in Escrow Account	$_____

4. The Agreement remains in full force and effect, has not been amended, no Event of Default (or event which with the passage of time or the giving of notice or both would constitute an Event of Default) has occurred thereunder and no Event of Non-appropriation has occurred or is threatened with respect thereto.

5. Assignor hereby acknowledges the transfer restrictions imposed by Section 11.01 of the Agreement and confirms that the assignment to Assignee has been made in accordance with the provisions of that Section.

6. Any inquiries of Lessee related to the Agreement and any requests for disbursements from the Escrow Account, if applicable, and all Rental Payments and other amounts coming due pursuant to the Agreement on and after the date of this Acknowledgment should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

_____
_____
_____

ACKNOWLEDGED AND AGREED:

LESSEE: CITY OF HANFORD

By:_____
Name: _____
Title: _____

ASSIGNOR: BANC OF AMERICA PUBLIC CAPITAL CORP

By:_____
Name: _____
Title: _____

EXHIBIT I

ESCROW AND ACCOUNT CONTROL AGREEMENT

See Item #4 in Transcript

ESCROW AND ACCOUNT CONTROL AGREEMENT

This Escrow and Account Control Agreement (this *"Agreement"*), dated as of _____, 2026, by and among Banc of America Public Capital Corp, a Kansas corporation (together with its successors and assigns, hereinafter referred to as *"Lessor"*), City of Hanford, a city existing under the laws of the State of California (hereinafter referred to as *"Lessee"*) and UMB Bank, National Association, a national banking association organized under the laws of the United States of America (hereinafter referred to as *"Escrow Agent"*).

Reference is made to that certain Equipment Lease/Purchase Agreement dated as of _____, 2026 between Lessor and Lessee (hereinafter referred to as the *"Lease"*), covering the acquisition and lease of certain Equipment described therein (the *"Equipment"*). It is a requirement of the Lease that the Acquisition Amount ($3,740,000) be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Creation of Escrow Account. (a) There is hereby created an escrow fund to be known as the "City of Hanford Escrow Account" (the *"Escrow Account"*) to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) Lessee may, from time to time, provide written instructions for Escrow Agent to use any available cash in the Escrow Account to purchase any money market fund or liquid deposit investment vehicle that Escrow Agent from time to time makes available to the parties hereto. Such written instructions shall be provided via delivery to Escrow Agent of a signed and completed Escrow Account Investment Selection Form (such form available from Escrow Agent upon request). All funds invested by Escrow Agent at the direction of Lessee in such short-term investments (as more particularly described in Escrow Agent's Escrow Account Investment Selection Form) shall be deemed to be part of the Escrow Account and subject to all the terms and conditions of this Agreement. The Escrow Agent is hereby authorized and directed to sell or redeem any such investments as it deems necessary to make any payments or distributions required under this Agreement. The Lessee acknowledges that neither the Escrow Agent nor the Lessor is providing investment supervision, recommendations, or advice. If any cash is received for the Escrow Account after the cut-off time for the designated short-term investment vehicle, the Escrow Agent shall hold such cash uninvested until the next Business Day. *"Business Day"* means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in Chicago, Illinois, Hanford, California or New York, New York. In the absence of written instructions from Lessee (on Escrow Agent's Escrow Account Investment Selection Form) designating a short-term investment of cash in the Escrow Account, cash in the Escrow Account shall remain uninvested and it shall not be collateralized. Escrow Agent shall have no obligation to pay interest on cash in respect of any period during which it remains uninvested. Lessee shall

be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, neither the Escrow Agent nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Account, and Lessee agrees to and does hereby release the Escrow Agent and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Escrow Account shall become part of the Escrow Account, and gains and losses on the investment of the moneys on deposit in the Escrow Account shall be borne by the Lessee. The Escrow Agent shall have no discretion whatsoever with respect to the management, disposition or investment of the Escrow Account. The Escrow Agent shall not be responsible for any market decline in the value of the Escrow Account and has no obligation to notify Lessor and Lessee of any such decline or take any action with respect to the Escrow Account, except upon specific written instructions stated herein. For purposes of this Agreement, "Qualified Investments" means any investments which meet the requirements of California Government Code Sections 53600 *et seq*.

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) the expiration of the Acquisition Period or (ii) the date on which Lessee executes a Final Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account, (ii) the date on which Lessee executes a Final Acceptance Certificate or (iii) written notice given by Lessor of the occurrence of an Event of Default under the Lease and Lessor's election to terminate this Agreement or termination of the Lease due to an Event of Non-appropriation. Notwithstanding the foregoing, this Agreement shall not terminate nor shall the Escrow Account be closed until all funds deposited hereunder have been disbursed.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. Notwithstanding and without limiting the generality of the foregoing, concurrent with the execution of this Agreement, Lessee and Lessor, respectively, shall deliver to the Escrow Agent an authorized signers form in the form of Exhibit A-1 (Lessee) and Exhibit A-2 (Lessor) attached hereto. Notwithstanding the foregoing sentence, the Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications reasonably believed by it to have been sent or given by the parties or by a person or persons authorized by the parties. The Escrow

Agent specifically allows for receiving direction by written or electronic transmission from an authorized representative with the following caveat, to the extent permitted by law, Lessee and Lessor agree to indemnify and hold harmless the Escrow Agent against any and all claims, losses, damages, liabilities, judgments, costs and expenses (including reasonable attorneys' fees) (collectively, *"Losses"*) incurred or sustained by the Escrow Agent as a result of or in connection with the Escrow Agent's reasonable reliance upon and compliance with instructions or directions given by written or electronic transmission given by each, respectively, *provided, however,* that such Losses have not arisen from the gross negligence or willful misconduct of the Escrow Agent, with regards to the execution of the instructions or directions in question.

In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Escrow Agent and its directors, officers, employees and agents and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement; and in connection therewith, does to the extent permitted by law indemnify the Escrow Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement. The Escrow Agent shall be reimbursed by Lessee ~~the non-prevailing party in such action~~ for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Agreement until a final judgment in such action is received; [provided solely as between the Lessor and Lessee, the Lessor and Lessee agree that any obligation for reimbursement under this clause (g) shall be borne by the party determined by a court of competent jurisdiction to be responsible for causing the loss, damage, liability, cost or expense of the Escrow Agent].

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the advice or opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its gross negligence or willful misconduct.

(i) The compensation fee for Escrow Agent's services under this Agreement is $0.00. Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account, execution of the directions provided by the Lessee and Lessor and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of

Default under the Lease, any termination of the Lease due to an Event of Non-appropriation or in connection with any dispute between Lessor and Lessee concerning the Escrow Account. The terms of this paragraph shall survive termination of this Agreement and/or the earlier resignation or removal of the Escrow Agent.

(j) The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the *"Effective Date"*), which shall be a date not less than 60 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Escrow Account.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument, or document other than this Agreement, whether or not an original or a copy of such agreement has been provided to the Escrow Agent.

(l) The permissive rights of the Escrow Agent to do things enumerated in this Agreement shall not be construed as a duty and, with respect to such permissive rights, the Escrow Agent shall not be answerable for other than its gross negligence or willful misconduct.

(m) Nothing in this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder.

(n) In no event shall the Escrow Agent be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

(o) In the event that any of the funds in the Escrow Account shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the funds in the Escrow Account, the Escrow Agent is hereby expressly authorized to respond as it deems appropriate or to comply with all writs, orders or decrees duly entered or issued. To the extent permitted by law, the Escrow Agent shall inform the Lessor and Lessee in writing about any such attachment, garnishment, levy, court order, judgment or decree within ten (10) business days of its receipt of any such attachment, garnishment, levy, court order, judgment or decree. In the event that the Escrow Agent reasonably obeys or complies with any such writ, order or decree, it shall not be liable to any of the other parties to this Agreement or to any other person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

Section 2. Acquisition and Installation of Equipment.

(a) *Acquisition Contracts*. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to inquire as to the performance or nonperformance of any provision of any other agreement, instrument, or document other than this Agreement or monitor or enforce Lessee's compliance with the foregoing covenant.

(b) *Authorized Escrow Account Disbursements*. It is agreed as between Lessee and Lessor that disbursements from the Escrow Account shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring and installing the Equipment.

(c) *Requisition Procedure*. No disbursement from the Escrow Account shall be made unless and until Lessor has approved in writing such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due. All disbursements shall be made by wire transfer. The Escrow Agent is authorized to obtain and rely on confirmation of such Disbursement Request and payment instructions by telephone call-back to the person or persons designated for verifying such requests on Exhibit A-2 (such person verifying the request shall be different than the person initiating the request). The Lessor and Lessee hereby confirm that any call-back performed by Escrow Agent to verify a disbursement instruction pursuant to a Disbursement Request submitted pursuant to this Section 2(c) before release, shall be made to Lessor only and Escrow Agent shall have no obligation to call-back Lessee.

Each such Disbursement Request shall be signed by an authorized representative of Lessee (an *"Authorized Representative"*) and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition duly executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule 1;

2. Delivery to Lessor of copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale therefor or other evidence of title transfer, and release by Vendor of any security interest, therefor as required by Section 3.04 of the Lease and any additional documentation reasonably requested by Lessor; and

3. The disbursement shall occur during the Acquisition Period.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule 1 and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied.

Section 3. Deposit to Escrow Account. Upon satisfaction of the conditions specified in Section 3.04 of the Lease, Lessor will cause the Acquisition Amount to be deposited in the Escrow Account. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Escrow Account. The Escrow Agent shall not be liable for any amount in excess of the Acquisition Amount.

Section 4. Excess Proceeds in Escrow Account. Upon receipt of written instructions from Lessor including a representation that one of the following conditions has been satisfied (upon which representation Escrow Agent shall conclusively rely), any funds remaining in the Escrow Account on or after the earliest of (a) the expiration of the Acquisition Period, (b) the date on which Lessee executes a Final Acceptance Certificate, or (c) upon a termination of the Escrow Account as provided in this Agreement, shall be distributed by the Escrow Agent to the Lessor in order for the Lessor to apply such funds to amounts owed by Lessee under the Lease in accordance with Section 4.07 of the Lease.

Section 5. Security Interest. The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account, and all proceeds thereof, and all investments made with any amounts in the Escrow Account. If the Escrow Account, or any part thereof, is converted to investments as set forth in this Agreement, such investments shall be made in the name of Escrow Agent and the Escrow Agent hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

Section 6. Control of Escrow Account. In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Escrow Account, (iii) all of Lessee's rights in respect of the Escrow Account, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the *"Collateral"*), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the California Commercial Code (the *"Commercial Code"*) but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) *Provided* that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (i) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (ii) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (iii) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a Lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may effect sales, trades, transfers and exchanges of Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders ~~duly~~ delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

Section 7. Information Required Under USA Patriot Act. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA Patriot Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA Patriot Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

Section 8. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This Agreement may not be amended except in writing signed by all parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail *provided* that any formal notice shall be attached to an email message in PDF format and *provided further* that any notice or other communication sent to an e-mail address shall be deemed received upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt.

If a court of competent jurisdiction declares any provision hereof invalid, it will be ineffective only to the extent of such invalidity, so that the remainder of the provision and Agreement will continue in full force and effect.

This Agreement and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersede all prior agreements and understandings, oral or written.

If to Lessor:	Banc of America Public Capital Corp 11333 McCormick Road Mail Code: MD5-032-07-05 Hunt Valley, MD 21031 Attn: Contract Administration
If to Lessee:	City of Hanford 319 North Douty Street Hanford, CA 93230 Attention: Chris Tavarez Telephone: (559) 585-2500 Fax No.: 559-582-1152 Email: ctavarez@hanfordca.gov
If to Escrow Agent:	UMB Bank, National Association 3070 Bristol Street, Suite 300 Costa Mesa, CA 92526 Attention: Chris Johnson, Vice President Telephone: (949) 807-1033 E-mail: chris.johnson@umb.com

Section 9. Lessee and Lessor understand and agree that they are required to provide the Escrow Agent with a properly completed and signed Tax Certification (as defined below) and that the Escrow Agent may not perform its duties hereunder without having been provided with such Tax Certification. As used herein "Tax Certification" shall mean an IRS form W-9 or W-8 as described above. The Escrow Agent will comply with any U.S. tax withholding or backup withholding and reporting requirements that are required by law. With respect to earnings allocable to a foreign person, the Escrow Agent will withhold U.S. tax as required by law and report such earnings and taxes withheld, if any, for the benefit of such foreign person on IRS Form 1042-S (or any other required form), unless such earnings and withheld taxes are exempt from reporting under Treasury Regulation Section 1.1461-1(c)(2)(ii) or under other applicable law. With respect to earnings allocable to a United States person, the Escrow Agent will report such income, if required, on IRS Form 1099 or any other form required by law. The IRS Forms 1099 and/or 1042-S shall show the Escrow Agent as payor and Lessee as payee. Escrow Agent shall recognize Lessee as the designated party for regulatory reporting purposes.

Lessee and Lessor agree that they are not relieved of their respective obligations, if any, to prepare and file information reports under Code Section 6041, and the Treasury regulations thereunder, with respect to amounts of imputed interest income, as determined pursuant to Code Sections 483 or 1272. The Escrow Agent shall not be responsible for determining or reporting such imputed interest.

Section 10. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the parties hereto consent to jurisdiction in the State of California and venue in any state or Federal court located in the State of California, and each party expressly waives any objections that it may have to the venue of such courts. THE PARTIES HERETO EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT. If the waiver of jury trial contained herein is unenforceable for any reason, then the parties hereto agree that the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision.

Section 11. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding. Any bank or corporation into which the Lessor may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

Section 12. This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

Section 13. No party hereto shall assign its rights hereunder until its assignee has submitted to the Escrow Agent (i) Patriot Act disclosure materials and the Escrow Agent has determined that on the basis of such materials it may accept such assignee as a customer and (ii) assignee has delivered an IRS Form W-8 or W-9, as appropriate, to the Escrow Agent which the Escrow Agent has determined to have been properly signed and completed.

Section 14. Escrow Agent will treat information related to this Agreement as confidential but, unless prohibited by law, Lessee and Lessor authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates and other representatives and advisors of Escrow Agent and third parties selected by any of them, wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Escrow Agent and any such subsidiary, officer, affiliate or third party may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessor will treat information related to this Agreement as confidential but, unless prohibited by law, Escrow Agent and Lessee authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates, other representatives and advisors of Lessor and debt and equity sources and third parties selected by any of them, and to their prospective assignees wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Lessor and any such subsidiary, officer, affiliate, debt and equity source or third party or prospective assignee may transfer or disclose any such information as required by any law, court, regulator or legal process. For the avoidance of doubt, nothing

herein prohibits any individual from communicating or disclosing information regarding suspected violations of laws, rules, or regulations to a governmental, regulatory, or self-regulatory authority without any notification to any person.

Lessee will treat the terms of this Agreement as confidential except on a "need to know" basis to persons within or outside Lessee's organization (including affiliates of such party), such as attorneys, accountants, bankers, financial advisors, auditors and other consultants of such party and its affiliates, except as required by any law, court, regulator or legal process and except pursuant to the express prior written consent of the other parties, which consent shall not be unreasonably withheld.

Section 15. This Agreement may be executed and delivered by facsimile signature or other electronic or digital means (including, without limitation, Adobe's Portable Document Format (*"PDF"*)). Any such signature shall be of the same force and effect as an original signature, it being the express intent of the parties to create a valid and legally enforceable contract between them. The exchange and delivery of this Agreement and the related signature pages via facsimile or as an attachment to electronic mail (including in PDF) shall constitute effective execution and delivery by the parties and may be used by the parties for all purposes. Notwithstanding the foregoing, at the request of either party, the parties hereto agree to exchange inked original replacement signature pages as soon thereafter as reasonably practicable.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Escrow and Account Control Agreement as of the date first above written.

BANC OF AMERICA PUBLIC CAPITAL CORP,
as Lessor

By:_____
Name: _____
Title: _____

CITY OF HANFORD, as Lessee

By:_____
Name: _____
Title: _____

UMB BANK, NATIONAL ASSOCIATION, as
Escrow Agent

By:_____
Name: _____
Title: _____

[Signature Page to Escrow and Account Control Agreement]

SCHEDULE 1
TO THE ESCROW AND ACCOUNT CONTROL AGREEMENT

FORM OF DISBURSEMENT REQUEST

Re: Equipment Lease/Purchase Agreement dated as of _____, 2026 by and between Banc of America Public Capital Corp, as Lessor, and the City of Hanford, as Lessee (the *"Lease"*) (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow and Account Control Agreement, dated as of _____, 2026 (the *"Escrow and Account Control Agreement"*) by and among Banc of America Public Capital Corp (*"Lessor"*), the City of Hanford (*"Lessee"*) and UMB Bank, National Association (the *"Escrow Agent"*), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow and Account Control Agreement for the following purposes:

DISBURSEMENT AMOUNTS:

Payee's Name and Address (if disbursement via wire, must include wire transfer instructions)	INVOICE NUMBER	DOLLAR AMOUNT	PURPOSE
<Payee's Name> <Payee Address 1> <Payee Address 2> <Payee Address 3> <Payee Bank Name*> <Payee Bank ABA/Routing*> <Payee Bank Account No*> <Payee Account Name*> <*Payee Address and Payee Bank information is required.>	<invoice list OR "see attached" with a spreadsheet>	< invoice amount>	<general description of equipment; ex "police cruiser">

<Payee's Name> <Payee Address 1> <Payee Address 2> <Payee Address 3> <Payee Bank Name*> <Payee Bank ABA/Routing*> <Payee Bank Account No*> <Payee Account Name*> <*Payee Address and Payee Bank information is required.>	<invoice list OR "see attached" with a spreadsheet>	< invoice amount>	<general description of equipment; ex "police cruiser">
<Payee's Name> <Payee Address 1> <Payee Address 2> <Payee Address 3> <Payee Bank Name*> <Payee Bank ABA/Routing*> <Payee Bank Account No*> <Payee Account Name*> <*Payee Address and Payee Bank information is required..>	<invoice list OR "see attached" with a spreadsheet>	< invoice amount>	<general description of equipment; ex "police cruiser">

Lessee hereby represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(i) Each obligation specified in the table herein titled as "Disbursement Amounts" (a) has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for Equipment Costs relating to the Equipment identified above and has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof), and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof), and the Equipment relating to such obligation has been delivered, installed and accepted by Lessee. **[For COI Disbursement only: Each obligation specified in the table herein titled as "Disbursement Amounts" (a) has been incurred by Lessee in the stated amount, and (b) the same is a proper charge for costs of delivery of the Lease identified above and has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof, in which event Lessee further certifies that the requested reimbursement is not with respect to any amount previously paid).]**

(ii) For each item of Equipment relating to an obligation specified in the table herein titled as "Disbursement Amounts" (a) Lessee has conducted such inspection and

testing of the Equipment as it deems appropriate in order to unconditionally accept such Equipment, and (b) such Equipment has been delivered, installed, and unconditionally accepted for all purposes by Lessee and title thereto has transferred to Lessee and any security interest of Vendor therein has been released. Attached hereto is a copy of the original invoice, and certification from Vendor as to title transfer and release by Vendor of any security interest with respect to such obligation.

(iii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other Liens or rights to Liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to the Lease.

(vii) The disbursement shall occur during the Acquisition Period.

(viii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(ix) No Material Adverse Change has occurred since the date of the execution and delivery of the Lease.

(x) The information in this Disbursement Request regarding each Payee, including their respective name, address and wiring instructions (collectively, the *"Payee Information"*), is true and correct, such Payee Information has been verified and confirmed by Lessee and the Lessor can rely on Lessee's verification and confirmation of the accuracy of such Payee Information. Lessee hereby acknowledges and agrees that any call-back performed by Lessor to verify the disbursement instructions pursuant to this Disbursement Request shall be made to Lessee only and Lessor shall have no obligation to call-back any Payee listed above.

Dated: _____

CITY OF HANFORD

By:_____
Name: _____
Title: _____

Disbursement of funds from the Escrow Account in accordance with the foregoing Disbursement Request hereby is authorized

BANC OF AMERICA PUBLIC CAPITAL CORP
as Lessor under the Lease

By:_____
Name:_____
Title:_____

[Signature Page to Disbursement Request]

[AN "EXHIBIT A-1" MUST BE COMPLETED AND EXECUTED AT TIME OF EXECUTION OF THE AGREEMENT]

EXHIBIT A-1

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting City Clerk of the City of Hanford (*"Lessee"*) certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the *"Officials"*) in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute, in writing or electronically, and deliver the Equipment Lease/Purchase Agreement dated as of _____, 2026 by and between Lessee and Banc of America Public Capital Corp (*"Lessor"*), the Escrow and Account Control Agreement dated as of _____, 2026 by and among Lessor, Lessee and UMB Bank, National Association, as Escrow Agent, all documents related thereto and delivered in connection therewith, and any future modification(s) or amendments thereof (collectively, the *"Operative Agreements"*), and the Operative Agreements each are the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms.

NAME OF OFFICIAL	TITLE	SIGNATURE
Chris Tavarez	Acting City Manager	_____
Jason Waters	Deputy City Manager	_____
Destiny Borba	Acting Finance Director	_____

Dated: _____, 2026

By:_____
Name: Natalie Corral
Title: City Clerk_____

(The signer of this Certificate cannot be listed above as authorized to execute the Operative Agreements.)

[AN "EXHIBIT A-2" MUST BE COMPLETED AND EXECUTED AT TIME OF EXECUTION OF THE AGREEMENT]

EXHIBIT A-2

ESCROW AND ACCOUNT CONTROL AGREEMENT DATED AS OF _____, 2026 BY AND AMONG BANC OF AMERICA PUBLIC CAPITAL CORP, AS LESSOR, THE CITY OF HANFORD, AS LESSEE AND UMB BANK, NATIONAL ASSOCIATION, AS ESCROW AGENT

CERTIFICATE OF AUTHORIZED REPRESENTATIVES – [LESSOR]

Name:	Candy Tam	**Name:**	Nancy Nusenko
Title:	Authorized Agent	**Title:**	Authorized Agent
Phone:	415-765-7492	**Phone:**	443-541-3646
Facsimile:	415-633-0183	**Facsimile:**	
E-mail:	Candy.tam@bofa.com	**E-mail:**	Nancy.a.nusenko@bofa.com
Signature:		**Signature:**	

Fund Transfer / Disbursement Authority Level:
☐ Initiate
☐ Verify transactions initiated by others

Fund Transfer / Disbursement Authority Level:
☐ Initiate
☐ Verify transactions initiated by others

Name:	Nancy K. Hepner	**Name:**	Arlene Sobieck
Title:	Authorized Agent	**Title:**	Authorized Agent
Phone:	443-541-3645	**Phone:**	443-541-3643
Facsimile:	804-553-2407	**Facsimile:**	
E-mail:	Nancy.k.hepner@bofa.com	**E-mail:**	Arlene.sobieck@bofa.com
Signature:		**Signature:**	

Fund Transfer / Disbursement Authority Level:
☐ Initiate
☐ Verify transactions initiated by others

Fund Transfer / Disbursement Authority Level:
☐ Initiate
☐ Verify transactions initiated by others

The Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the person or persons identified above including without limitation, to initiate and verify funds transfers as indicated.

BANC OF AMERICA PUBLIC CAPITAL CORP

By:_____
Name:_____
Title:_____

Date: _____, 2026

CITY OF HANFORD

2026 SOLAR EQUIPMENT LEASE

NHA | ADVISORS
Financial & Policy Strategies.
Delivered.

January 20, 2026

Financing Team Overview

City of Hanford – Lessee

- Obligated party for the Lease

NHA Advisors – Municipal Financial Advisor

- Manages the financing process and assists in structuring the Lease

Oppenheimer & Company – Placement Agent

- Distributes lender RFP, negotiates with potential lenders, and assists in structuring the Lease

Bank of America Public Capital Corp ("BAPCC") – Lessor

- Originates the Lease
- Lessor's counsel drafts the legal documents

UMB – Escrow Agent

- Manages escrow account and distributes loan proceeds to the City/Opterra as needed to pay for project and lease issuance costs

Background on Energy Project

- At the 12/16/2026 meeting, City Council considered and approved an Agreement with OPTERRA Energy Services ("Opterra") to install solar photovoltaic ("PV") improvements at the Wastewater Treatment Facility
- Contract cost: $3,680,000
- City paid some other project costs our of Wastewater Fund reserves and plans to fund the $3.68M contract cost with an equipment lease financing
- Anticipated savings of $2.5M+ in net energy savings (savings after debt service and solar operations and maintenance costs) over the next 25 years
  - Total lease repayment: $5.3M, assuming federal tax credits

NHA | ADVISORS
Financial & Policy Strategies.
Delivered.

Inflation Reduction Act Investment Tax Credit

- Current incentive under the 2022 Inflation Reduction Act ("IRA")
  - **IRA "Direct-Pay" Project Incentive:**
    - Valued at 25.5% of solar project costs – approximately $938K
    - Cash tax credit paid at the conclusion of the project construction
- 2026 Lease amount can be partially prepaid when IRA tax credit is received

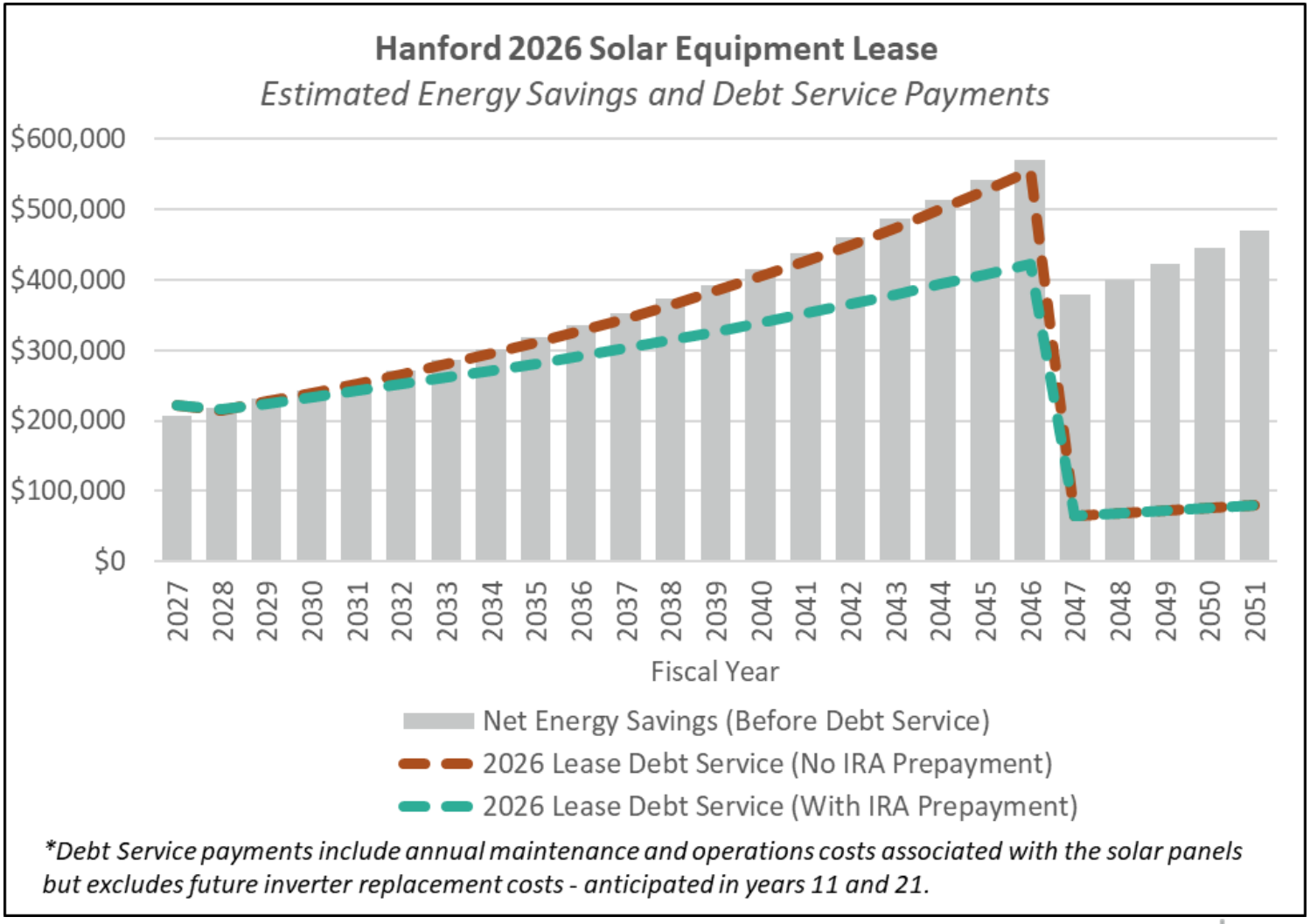
Energy Equipment Lease

- Placement agent ran the financing bid process
  - 15 local, regional, and national banks invited to bid on the 20-year tax-exempt equipment lease
  - City received 6 proposals
  - Bank of America Public Capital Corp – Lowest Bid

2026 Solar Equipment Lease – Key Terms	
Principal Amount	$3,740,000
Final Maturity	10/1/2045
Interest Rate	4.489% (fixed, locked through closing)
Annual Debt Service Escalation*	5.5%

**Debt service escalates in line with the projected energy savings provided by Opterra*

Projected Net Energy Savings & Lease Net Debt Service



**Debt Service payments include annual maintenance and operations costs associated with the solar panels but excludes future inverter replacement costs - anticipated in years 11 and 21.*

Overview of Legal Documents

- **Resolution**
  - Authorizes City staff to execute documents and perform other actions as needed to finalize the 2026 Lease
    - Not-to-exceed amount of $3,740,000 and not-to-exceed interest rate of 4.50%
    - Both are slightly higher than the amounts expected, to be conservative
- **Equipment Lease/Purchase Agreement**
  - Describes the terms of the 2026 Lease
  - Identifies location of the improvements and that the security for the 2026 Lease is a lien on the equipment – no real City properties are pledged as security
  - Contains payment details (Exhibit B), prepayment provisions, and other covenants
- **Escrow and Account Control Agreement**
  - Outlines UMB's role as escrow agent
  - Identifies process for City/Opterra drawing down the 2026 Lease funds for project costs

APPENDIX: SAVINGS DETAIL

Savings Detail

Notes:

Inverter cost in Years 11 and 21

NEM 2.0 pricing expires in year 20, resulting in a decrease in savings in year 21

Total net savings through year 25: $1.6M (without IRA ITC), $2.5M (with IRA ITC).

City of Hanford Phase 3 Solar only project								
Preliminary Cash Flow Analysis								
Project Cost								$3,680,000
Financing Costs								$60,000
Amount to be Financed								$3,740,000
Finance Term in Years								20
Estimated Annual Interest Rate								4.49%
Annual Escalation of Electricity Cost								6.00%
Annual Escalation of Solar Maintenance Cost								5.00%
Annual Degradation of Solar Panels								0.50%
Year	Solar Energy Savings	IRA Direct Payment	Total Program Savings	Lease Payment	Inverter Replacement costs	Solar Operations & Maintenance Cost	Total Program Costs	Net Savings
Year 1	$207,500	$938,400	$1,145,900	$197,735		$24,577	$222,312	$923,588
Year 2	$218,850		$218,850	$187,552		$25,806	$213,358	$5,492
Year 3	$230,821		$230,821	$197,812		$27,096	$224,908	$5,913
Year 4	$243,447		$243,447	$208,633		$28,451	$237,084	$6,363
Year 5	$256,764		$256,764	$220,046		$29,873	$249,919	$6,845
Year 6	$270,809		$270,809	$232,081		$31,367	$263,448	$7,361
Year 7	$285,622		$285,622	$244,775		$32,936	$277,711	$7,911
Year 8	$301,246		$301,246	$258,165		$34,582	$292,747	$8,498
Year 9	$317,724		$317,724	$272,288		$36,311	$308,600	$9,124
Year 10	$335,103		$335,103	$287,180		$38,127	$325,307	$9,796
Year 11	$353,433		$353,433	$302,891	$119,465	$40,033	$462,389	-$108,956
Year 12	$372,766		$372,766	$319,457		$42,035	$361,492	$11,274
Year 13	$393,156		$393,156	$336,931		$44,137	$381,068	$12,089
Year 14	$414,662		$414,662	$355,362		$46,344	$401,706	$12,957
Year 15	$437,344		$437,344	$374,802		$48,661	$423,462	$13,882
Year 16	$461,267		$461,267	$395,303		$51,094	$446,397	$14,870
Year 17	$486,498		$486,498	$416,925		$53,649	$470,574	$15,925
Year 18	$513,110		$513,110	$439,730		$56,331	$496,061	$17,049
Year 19	$541,177		$541,177	$463,784		$59,147	$522,932	$18,245
Year 20	$570,779		$570,779	$489,154		$62,105	$551,259	$19,520
Year 21	$379,260		$379,260	$0	$194,596	$65,210	$259,806	$119,454
Year 22	$400,006		$400,006	$0		$68,471	$68,471	$331,535
Year 23	$421,886		$421,886	$0		$71,894	$71,894	$349,992
Year 24	$444,964		$444,964	$0		$75,489	$75,489	$369,475
Year 25	$469,303		$469,303	$0		$79,263	$79,263	$390,040
Year 26	$494,974		$494,974	$0		$83,226	$83,226	$411,747
Year 27	$522,049		$522,049	$0		$87,388	$87,388	$434,661
Year 28	$550,605		$550,605	$0		$91,757	$91,757	$458,848
Year 29	$580,723		$580,723	$0		$96,345	$96,345	$484,378
Year 30	$612,489		$612,489	$0		$101,162	$101,162	$511,326
Totals	**$12,088,338**		**$13,026,738**	**$6,200,606**		**$1,632,868**	**$8,147,535**	**$4,879,204**

BANK OF AMERICA

Michael C. Brunsman
Senior Vice President
Energy Services

Global Leasing
5305 E Galbraith Rd, Suite 1200
Cincinnati, OH 45236
T 513-929-5102 M 513-484-0049
michael.brunsman@bofa.com

December 18, 2025

VIA ELECTRONIC MAIL

City of Hanford
315-321 North Douty St
Hanford, CA 93230

Cc: Jeff Land, Michael Garcia, Oppenheimer and Co., Inc.
Brad Koster & Tina Wilson, BofA Global Leasing – Energy Services

Re: City of Hanford, approximately $3,750,000 Non-Bank Qualified Tax-Exempt Equipment Financing, Annual Appropriations Structure

Banc of America Public Capital Corp and its affiliates ("*BAPCC*") is pleased to submit to City of Hanford (the "City") the Non-Bank Qualified Tax-Exempt Financing proposal (the *Proposed Transaction*") as described in the attached Summary of Terms and Conditions (the "*Term Sheet*"). Please review the Term Sheet and contact me if you have any questions.

This letter and the Term Sheet (collectively, the "*Proposal*" or the "*Proposal Letter*") include only a brief description of the principal terms of the Proposed Transaction, and are intended for discussion purposes only. Please understand that this Proposal is not a commitment or offer to purchase, and does not create any obligation for BAPCC. BAPCC will not be responsible or liable for any damages, consequential or otherwise, that may be incurred or alleged by any person or entity as a result of this Proposal Letter. BAPCC will notify you in writing of its decision to proceed with the Proposed Transaction after completing its review and analysis.

This Proposal must be accepted on or before December 31, 2025 in order for the BAPCC to proceed with its consideration of the Proposed Transaction. To accept this Proposal, please sign the enclosed copy of this Proposal Letter and return it to my attention at the following email address: michael.brunsman@bofa.com.

Thank you for allowing us the opportunity to prepare this Proposal for City of Hanford.

Sincerely yours,

Banc of America Public Capital Corp

Michael C. Brunsman

By: Michael C. Brunsman
Title: Senior Vice President

The undersigned, by its authorized representative below, accepts the Proposal contingent upon proper approval at a meeting of its Governing Board. The undersigned agrees to furnish BAPCC, its successors and assigns, any information relating to the business or financial condition of the City or its affiliates, and authorizes the BAPCC, Bank of America, N.A. and their affiliates to disclose to, discuss with and distribute such information (and any information they may already have) to any other affiliates or proposed assignees or successors of BAPCC.

City of Hanford

By: _____

Title: Interim City Manager

Date: 12/22/2025

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City of Hanford
315-321 North Douty St
Hanford, CA 93230

Cc: Jeff Land, Michael Garcia, Oppenheimer and Co., Inc.
Brad Koster & Tina Wilson, BofA Global Leasing – Energy Services

RE: **City of Hanford** Financing Proposal

Banc of America Public Capital Corp is pleased to submit the following financing proposal for the City of Hanford solar and energy efficiency project with Opterra. No municipal financial products or municipal securities have been included in the following proposal.

I. Lessee City of Hanford

II. Lessor Information

Lessor Name:	Banc of America Public Capital Corp ("BAPCC")
Address:	312 Walnut Street, Suite 2200
	Cincinnati, OH 45202
Contact:	Michael Brunsman
Telephone:	513-929-5102
Email:	michael.brunsman@bofa.com

Background: BAPCC offers unique financing features and qualifications that can be leveraged on behalf of the City to complete this private placement transaction at a low interest cost and in a smooth and efficient manner. These features and qualifications include:

1. **Taxable & Tax-Exempt Private Placement Experience:** BAPCC is a leading provider of private placement capital to the state government, municipal local government, K-12, housing authority, and higher education tax-exempt markets. Our teams are highly experienced in documenting and closing tax-exempt and taxable private placement transactions in California, such as the subject of this bid.

2. **Energy Services Focus:** BAPCC's Energy Services group is a leading provider of financial solutions for energy efficiency, renewable energy, and energy generation equipment and assets; and as such we have experience in working with energy services companies. Bank of America is committed to improving the environment and has increased its current Environmental Business Initiative to $1 trillion. Since 2007, the Bank's Environmental Business Initiative has deployed more than $158 billion in financing to low-carbon and sustainable business activities across the globe.

3. **Financial Strength:** Information regarding Bank of America's financial condition can be found in the Annual Report on our website, www.bankofamerica.com.

III. Lease Structure

Purpose	Finance the solar and energy efficiency project designed and installed by Opterra under a performance contract with City of Hanford (the "City" or "Lessee").
Structure	This transaction will be structured as a Non-Bank Qualified Tax-Exempt Equipment Lease/Purchase Agreement (the "Agreement") between the Lessee and the Lessor. The obligation to make Rental Payments under the Agreement shall be an annual appropriation obligation of the Lessee payable from any lawfully available funds. Regardless of the status of installation or performance of the Equipment, the Lessee's obligation to make payments commence on that certain date as set forth in the Agreement. Legal title to the Equipment shall be vested in the Lessee. The Agreement will be a net financial contract of the Lessee, and all expenses (including, but not limited to, insurance, maintenance, and taxes) will be for the account of the Lessee.
Security	Lessor's security interest in the Equipment will be evidenced by filing a UCC-1 Financing Statement (Personal Property) with respect to Equipment. Prior to closing, Lessee will be required to provide legal descriptions (as applicable) for the property locations at which the Equipment will be installed in order to enable the Lessor to record fixture filings in the appropriate recording offices.
Proceeds	Not to exceed $3,750,000
Term	Approximately 20 years all-in
Payments	Payments similar to those shown on the attached amortization schedules.
Prepayment	Beginning with the first payment date in payment year 4 and on each payment date through payment year 10, City will have the option to prepay its obligations under the Agreement in whole only with a prepayment premium of 102% of the outstanding principal balance. Beginning with the first payment date in payment year 11 and continuing through maturity, City will have the option to prepay its obligations under the Agreement in whole only at 101% of the outstanding principal balance.

<table>
<tr><td>Extraordinary Optional Prepayment</td><td>Extraordinary optional prepayment to accommodate Inflation Reduction Act will be permitted by Lessor. Lessor will accommodate the extraordinary optional prepayment for the IRA subsidy up to a mutually agreed maximum with prepayment at par.

The prepayment proceeds may be applied on a pro rata basis.</td></tr>
<tr><td>Termination</td><td>The financing will be subject to annual appropriations (see Structure section above).</td></tr>
<tr><td>Interest Rate</td><td>20 years) 4.489%, locked through February 16, 2026

The calculation for the Interest Rate for each option above is:

15-Year SOFR SWAP Rate* X 79% + Applicable Spread Below:

<table>
<tr><th>Average Life Swap Term</th><th>Schedule Index Rate*</th><th>x 79%</th><th>Spread</th><th>Indicative Interest Rate</th></tr>
<tr><td>15</td><td>4.06%</td><td>3.21%</td><td>1.282%</td><td>4.489%</td></tr>
</table>

*Rates as of December 18, 2025 on Refinitiv page USDSROIS=

<u>Index Succession</u>: In the event the SOFR swap index ceases (a) to be determined and made available through the applicable Refinitiv screen page (or comparable source selected by Lessor), (b) to be a representative index for approximating movements in Lessor’s costs of funding fixed-rate transactions, or (c) to be the generally accepted swap index in the marketplace, Lessor may in its discretion use another replacement swap index applicable to U.S. Dollar collateralized funding that is generally accepted in the commercial credit marketplace as a comparable substitute for the index.</td></tr>
<tr><td>Rate Expiry</td><td><u>If this Proposal is signed and returned to Lessor on or prior to December 31, 2025, Lessor will hold the Interest Rate through February 16, 2026</u>.

If closing of the transaction occurs after such rate lock expiration, the respective Interest Rate for the transaction is subject to repricing <u>at the discretion of Lessor</u> seven (7) business days prior to the scheduled closing date in accordance with the selected option formula above. In no event will the respective SOFR SWAP Rate(s) used to reset the Interest Rate be less than the SOFR SWAP Rate(s) in the pricing grid above.</td></tr>
</table>

	IF LESSEE ASKS LESSOR TO LOCK THE RESPECTIVE INTEREST RATE ABOVE FOR FUNDING, LESSEE AGREES NOT TO SEEK FUNDING FOR THE PROJECT WITH ANOTHER LENDER FOR A PERIOD OF SIX MONTHS AS A MEANS TO CIRCUMVENT THE RATE THAT LESSEE HAS ASKED LESSOR TO HOLD. PLEASE NOTE THAT THE PRICING AND INTEREST RATE ABOVE ARE BASED ON THE AVERAGE LIFE OF THE ATTACHED DRAFT AMORTIZATION SCHEDULES. TO THE EXTEXT THAT THE AVERAGE LIFE OF THE FINAL SELECTED AMORTIZATION SCHEDULE CHANGES FROM THE ATTACHED, THE RESPECTIVE INTEREST RATE ABOVE IS SUBJECT TO MODIFCATION BY LESSOR TO ACCOUNT FOR ANY LENGTHENING OF THE AVERAGE LIFE OF THE FINAL SCHEDULE.
Closing Costs	Lessor does not charge any closing costs or fees. The Lessee will be responsible for paying its costs, including delivery of a validity and tax opinion from the Lessee's Bond Counsel and any CDIAC Reporting Fee.
Escrow Account Terms	At closing, proceeds from the Agreement will be deposited into an Escrow Account established pursuant to an Escrow and Account Control Agreement (the "*Escrow*") by and among the City, the Lessor and the Escrow Agent. The Escrow Agent will be selected by the City, subject to the Lessor's approval. The Lessor has an arrangement with UMB, under which escrow agent services for these types of transactions are provided at no charge to City. During the installation period, the City will requisition funds in the manner outlined in the Escrow. No funds will be disbursed without the written approval of the City and approval of the Lessor. The City will direct the investments in the Escrow Account and all interest earnings will accrue to the City's benefit.
Documents	Documents shall be prepared by the Lessor's Counsel and will include all documents, certificates and opinions as are reasonably necessary to evidence and carry out the transaction. All documents must be acceptable to all parties.
Payment & Performance Bonds	The Lessor requires to be listed as dual obligee on the payment and performance bonds provided by Opterra. No draws from Escrow will be permitted until such bonds are in place.
Credit Approval	This proposal is an indication of interest in the transaction, and not a commitment to provide financing by the Lessor. Consummation of this transaction is subject to credit approval by the Lessor and execution and delivery of documentation acceptable to all parties. All fundings are subject to no material adverse change in the financial condition of the City from the time of credit approval.

Closing Date	On or before February 16, 2026. Sample amortization utilizes a closing date of January 27, 2026.
Assignment	The Lessor shall be entitled to assign its right, title and interest or any part thereof in the Agreement and Equipment, on a private placement basis to qualified purchasers. In addition, the Lessor shall be entitled to assign its right, title and interest or any part thereof in the Agreement to a trustee for the purpose of issuing certificates of participation or other forms of certificates evidencing an undivided interest in such Agreement, provided such certificates are sold only on a private placement basis (and not pursuant to any "public offering") to a purchaser(s) who represent that (I) such purchaser has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment (ii) such purchaser understands neither the Agreement or certificates will be registered under the Securities Act of 1933, (iii) such purchaser is either an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933, or a qualified institutional buyer within the meaning of Rule 144A, and (iv) that it is the intention of such purchaser to acquire such certificates (A) for investment for its own account or (B) for resale in a transaction exempt from registration under the Securities Act of 1933. At any time, the Lessor may sell, assign or encumber all or any part of its right title and interest in the Agreement; however, in no event shall the Lessor assign this Agreement as a public offer of participation. The City consents to a private placement transaction within the meaning of applicable federal securities laws.
City's Responsibilities	All responsibilities imposed by the ownership or possession of the Equipment including, but not limited to, taxes, insurance and equipment maintenance, shall be borne by the City.
USA Patriot Act Compliance	All financial institutions are required by Federal Law to obtain, verify and record information that identifies each customer who opens an account with us. When you open an account with us, we will ask you for your name, address and other information that will allow us to identify you, such as documents evidencing legal status and formation, taxpayer identification number and date of birth (if applicable).
Market Disruption	Notwithstanding anything contained herein to the contrary, in the event any material change shall occur in the financial markets after the date of this Proposal Letter, including but not limited to any governmental action or other event which materially adversely affects the extension of credit by banks, leasing companies or other lending institutions, the Lessor may modify the indicative pricing described above.

III. Other Information

Capitalized terms used but not defined herein shall have the meaning given such terms in the transaction documents (i.e. the Agreement, Facility Lease, Site Lease, the Escrow).

This proposal letter and the Term Sheet include only a brief description of the principal terms of the Proposed Transaction and do not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documentation for the transaction contemplated hereby. The Lessor will not be responsible or liable for any damages, consequential or otherwise, that may be incurred or alleged by any person or entity, including the City or Opterra as a result of this Proposal Letter.

Thank you for the opportunity to provide this proposal. If you have any questions or would like to discuss this proposal in further detail, please let us know.

Sincerely yours,

Banc of America Public Capital Corp

Michael C. Brunsman

By: Michael C. Brunsman
Title: Senior Vice President

STANDARD DISCLOSURES AND DISCLAIMERS

The transaction described in this document is an arm's length, commercial transaction between you and Banc of America Public Capital Corp (*"BAPCC"*) in which: (i) BAPCC is acting solely as a principal (*i.e.*, as a lender or assignee) and for its own interest; (ii) BAPCC is not acting as a municipal advisor or financial advisor to you; (iii) BAPCC has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to this transaction and the

discussions, undertakings and procedures leading thereto (irrespective of whether BAPCC or any of its affiliates has provided other services or is currently providing other services to you on other matters); (iv) the only obligations BAPCC has to you with respect to this transaction are set forth in the definitive transaction agreements between us; and (v) BAPCC is not recommending that you take an action with respect to the transaction described in this document, and before taking any action with respect to the this transaction, you should discuss the information contained herein with your own legal, accounting, tax, financial and other advisors, as you deem appropriate. If you would like a municipal advisor in this transaction that has legal fiduciary duties to you, you are free to engage a municipal advisor to serve in that capacity.

STATEMENT FOR PROPOSALS SUBMITTED UNDER RFPS

This proposal is submitted in response to your Request for Proposal. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the exemption provided for responses to requests for proposals or qualifications under the municipal advisor rules (the *"Rules"*) of the Securities and Exchange Commission (240 CFR 15Ba1-1 *et seq.*).

The Staff of the SEC's Office of Municipal Securities has issued guidance which provides that, in order for a request for proposals to be consistent with this exemption, it must (a) identify a particular objective, (b) be open for not more than a reasonable period of time (up to six months being generally considered as reasonable), and (c) involve a competitive process (such as by being provided to at least three reasonably competitive market participants) or by being publicly posted to your official website. In submitting this proposal, we have relied upon your compliance with this guidance.

In submitting this proposal, we are not undertaking to act as a "municipal advisor" to you or any other person within the meaning of the Rules. In connection with this proposal and the transactions described herein, we are not subject to, and we hereby disclaim, any fiduciary duty to you or to any other person. We understand that you will consult with and rely on the advice of your own municipal, financial, tax, legal and other advisors as and to the extent you deem necessary in connection with your evaluation of this proposal and the transactions described herein.

PLACEMENT AGENT AGREEMENT

[Date]

City of Hanford
315-321 North Douty Street
Hanford, CA 93230

Attention: Christopher Tavarez, Interim City Manager

The undersigned, Oppenheimer & Co. Inc. (the "Placement Agent"), offers to enter into the following agreement (this "Agreement") with the City of Hanford (the "City"), which, upon acceptance by the City, will be binding upon the City and the Placement Agent.

The City acknowledges and agrees that (i) the placement of the Equipment Lease/Purchase Agreement (the "Obligations") pursuant to this Placement Agent Agreement is an arm's-length commercial transaction between the City and the Placement Agent, (ii) in connection therewith and with the discussion, undertakings and procedures leading up to the consummation of such transaction, the Placement Agent is not acting as a fiduciary of or a financial advisor to the City, (iii) the Placement Agent has not assumed an advisory or fiduciary responsibility in favor of the City with respect to (a) the offering of the Obligations or the process leading thereto (whether or not the Placement Agent has advised or is currently advising the City on other matters) or (b) any other obligation to the City except the obligations expressly set forth in this Placement Agent Agreement, and (iv) the City has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Obligations.

The Obligations shall be issued under and pursuant to the Equipment Lease/Purchase Agreement, dated as of [DATE] (the "Issuing Document"), by and between the Banc of America Public Capital Corp (the "Purchaser").

Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Placement Agent and the City hereby agree as follows:

1. Appointment of Placement Agent; Placement of Obligations; Closing.

(a) The City hereby appoints the Placement Agent to act, and the Placement Agent hereby agrees to act, as the exclusive placement agent for the City in connection with the private sale and issuance of its Obligations, and the Placement Agent hereby accepts such appointment. As compensation for its services hereunder, the Placement Agent shall charge a fee not in excess of $20,000. At the closing of any such sale, the City shall pay or cause to be paid such fee to the Placement Agent by wire transfer or immediately available funds. The above fee does not include any services the Placement Agent may render in the future to the City with respect to any offering or placement of municipal securities other than the Obligations.

(b) The City understands that the Placement Agent will be acting as the agent of the City in the offering and sale of the Obligations and agrees that, in connection therewith, the Placement Agent will use its "best efforts" to place the Obligations. The Placement Agent agrees that,

in furtherance of its obligations hereunder, it shall provide substantially accurate and complete information to potential purchasers of the Obligations to the extent that it is able.

(c) The City expressly agrees that nothing in this Agreement evidences or creates any expressed or implied commitment by the Placement Agent to purchase or place any of the Obligations.

(d) On the closing date, the City will cause to be delivered (a) a final approving opinion of Griswold, Lasalle, Cobb, Dowd & Gin, L.L.P., as Counsel to the City ("Counsel"), dated the closing date, addressed to or with a reliance letter to the Placement Agent, in a form acceptable to the Placement Agent, to the effect that the Obligations constitute valid and legally binding obligations of the City payable from any source of legally available funds of the City, as set forth in the Issuing Document and that the interest on the Obligations is exempt from federal and State of California income taxes under existing laws, regulations, rulings and judicial decisions, (b) one or more certificates in form and tenor satisfactory to the Placement Agent evidencing the proper execution and delivery of the Obligations and receipt of payment therefor, including statements of the City, dated as of the date of such delivery, to the effect that there is no litigation pending or, to the knowledge of the signer or signers thereof, threatened relating to the issuance, sale and delivery of the Obligations, (c) a letter or certificate of the Purchaser, addressed to the Placement Agent, in form and content acceptable to the Placement Agent.

2. Reliance. The City recognizes that, in providing services under this Agreement, the Placement Agent will rely upon and assume the accuracy and completeness of the financial, accounting, tax and other information discussed with or reviewed by the Placement Agent for such purpose, and the Placement Agent does not assume responsibility for the accuracy and completeness thereof. The Placement Agent will have no obligation to conduct any independent evaluation or appraisal of the assets or the liabilities of the City or any other party or to advise or opine on related solvency issues. Nothing in this Agreement is intended to confer upon any other person (including creditors, employees or other constituencies of the City) any rights or remedies hereunder or by reason hereof.

3. Termination. The Placement Agent's authorization to carry out its duties hereunder may be terminated by the City or the Placement Agent at any time with or without cause, effective upon receipt of written notice to that effect by the other party. Notwithstanding the foregoing, in the event the City terminates this Agreement and within twelve (12) months after the City sells the Obligations to an investor identified by the Placement Agent prior to such termination, the amounts payable under Section 1(a) shall be immediately due and payable to the Placement Agent by the City.

4. Notices. Any notice or other communication to be given to any of the parties to this Agreement may be given by delivering the same in writing as follows: to the City at ~~315 321~~319 North Douty Street, Hanford, CA 93230, Attention: Interim City Manager, and to the Placement Agent at 135 Main Street, Suite 1700, San Francisco, CA 94105, Attention: Municipal Capital Markets Group.

5. Survival of Representations, Warranties and Agreements. This Agreement is made solely for the benefit of the City and the Placement Agent, and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the City contained in this Agreement shall remain operative and in full force and effect regardless of delivery of any payment for the Obligations.

6. Counterparts. The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

7. Effectiveness. This Agreement shall become effective upon the execution of the acceptance hereof by duly authorized signatory of the City, which acceptance hereof shall be indicated on the signature page hereof, and shall be valid and enforceable as of the time of such acceptance. This Agreement may be executed by facsimile transmission and in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Very truly yours,

OPPENHEIMER & CO. INC.

By:_____
Executive Director

CITY OF HANFORD

By: _____
Interim City Manager

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** GENERAL BUSINESS

SUBJECT:
Approval of the City of Hanford Salary Schedules

RECOMMENDATION:

Recommendation: That the City Council, by motion, approve the attached salary schedules to restate full-time and part-time employee rates and update the salary range for the position of City Manager.

Recommended Motion: By motion, approve the attached salary schedules and authorize administration to amend all other documents as may be necessary to implement the updates.

BACKGROUND:

Pursuant to the California Code of Regulations (CCR) 570.5, the California Public Employees' Retirement System (CalPERS) requires that a publicly available pay schedule be used to determine pay rates. Additionally, pay rates shall be limited to the amount listed on a pay schedule and must meet **all** of the following eight requirements:

1. Be duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws
2. Identify the position title for every employee position
3. Show the pay rate as a single amount or multiple amounts within a range for each identified position
4. Indicate the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually
5. Be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's website
6. Indicate an effective date and date of any revisions
7. Is retained by the employer and available for public inspection for not less than five years
8. Does not reference another document in lieu of disclosing the pay rate

Staff intends to continue to obtain City Council approval on a frequent basis to satisfy the requirements set forth by the California Code of Regulations (CCR) 570.5. Additional updates to the salary schedule may be made based on organizational needs as long as they remain in compliant with established Administrative Regulations.

FISCAL IMPACT:

No changes have been made to the part-time salary schedule as the beginning rates exceed the state's minimum wage hourly rate established for 2026. Previously approved bargaining unit increases have already been approved and incorporated into the City's budget. Pursuant to department request, the part-time Clerical Support salary range has been amended and a part-time Aquatics Technician has been added based on operational needs. The position of Fire Marshall has been amended to Deputy Fire Chief/Deputy Fire Marshal. Additionally, the newly established salary for the City Manager position was negotiated with the selected candidate. All updates remain within the City's budgeted allocation.

ATTACHMENTS:

1. City of Hanford Comprehensive Salary Schedule



Salary Schedules
Adopted by City Council January 20, 2026
Effective Date: February 2, 2026

City of Hanford Full-Time Salary Schedule

City Council Adoption Date: 01-20-2026 Effective Date: 02-01-2026

BARGAINING UNIT	JOB TITLE	OT DESIGNATION	FLSA DESIGNATION	SALARY RANGE	*MONTHLY SALARY*					*HOURLY SALARY*				
					1/MIN	2	3	4	5/MAX	1/MIN	2	3	4	5/MAX
GEMA	Accountant	1	E	106	$6,055	$6,358	$6,676	$7,009	$7,360	34.93	36.68	38.51	40.44	42.46
SEIU	Accounting Clerk	3	40	63	$3,947	$4,145	$4,352	$4,569	$4,798	22.77	23.91	25.11	26.36	27.68
GEMA	Accounting Technician I	2	40	78	$4,583	$4,812	$5,052	$5,305	$5,570	26.44	27.76	29.15	30.61	32.14
GEMA	Accounting Technician II	2	40	88	$5,062	$5,315	$5,581	$5,860	$6,153	29.20	30.66	32.20	33.81	35.50
GEMA	Administrative Analyst I	1	E	99	$5,648	$5,930	$6,226	$6,538	$6,865	32.58	34.21	35.92	37.72	39.60
GEMA	Administrative Analyst II	1	E	109	$6,238	$6,550	$6,878	$7,222	$7,583	35.99	37.79	39.68	41.66	43.75
SEIU	Administrative Assistant	3	40	73	$4,360	$4,578	$4,807	$5,047	$5,300	25.15	26.41	27.73	29.12	30.58
GEMA	Administrative Specialist	2	40	85	$4,913	$5,159	$5,417	$5,688	$5,972	28.35	29.76	31.25	32.81	34.45
SEIU	Administrative Technician	3	40	83	$4,816	$5,057	$5,310	$5,576	$5,854	27.79	29.18	30.63	32.17	33.77
SEIU	Animal Control Officer	3	40	69	$4,190	$4,400	$4,620	$4,850	$5,093	24.17	25.38	26.65	27.98	29.38
GEMA	Assistant Engineer	1	E	115	$6,622	$6,953	$7,301	$7,666	$8,049	38.20	40.12	42.12	44.23	46.44
PUMA	Assistant Finance Director	1	E	156	$9,958	$10,456	$10,979	$11,528	$12,104	57.45	60.32	63.34	66.51	69.83
SEIU	Assistant Planner	3	40	104	$5,936	$6,232	$6,544	$6,871	$7,215	34.24	35.96	37.75	39.64	41.62
GEMA	Associate Civil Engineer	1	E	135	$8,080	$8,484	$8,909	$9,354	$9,822	46.62	48.95	51.40	53.97	56.66
GEMA	Associate Engineer	1	E	125	$7,315	$7,681	$8,065	$8,468	$8,891	42.20	44.31	46.53	48.85	51.30
GEMA	Associate Planner	1	E	114	$6,557	$6,884	$7,229	$7,590	$7,970	37.83	39.72	41.70	43.79	45.98
GEMA	Associate Surveyor	1	E	130	$7,688	$8,073	$8,476	$8,900	$9,345	44.35	46.57	48.90	51.35	53.91
PUMA	Building and Safety Manager	1	E	146	$9,015	$9,466	$9,939	$10,436	$10,958	52.01	54.61	57.34	60.21	63.22
SEIU	Building Inspector I	3	40	93	$5,320	$5,586	$5,866	$6,159	$6,467	30.69	32.23	33.84	35.53	37.31
SEIU	Building Inspector II	3	40	103	$5,877	$6,171	$6,479	$6,803	$7,143	33.90	35.60	37.38	39.25	41.21
PUMA	Building Official	1	E	141	$8,577	$9,006	$9,457	$9,929	$10,426	49.49	51.96	54.56	57.29	60.15
GEMA	Building Superintendent	1	E	115	$6,622	$6,953	$7,301	$7,666	$8,049	38.20	40.12	42.12	44.23	46.44
PUMA	City Clerk	1	E	125	$7,315	$7,681	$8,065	$8,468	$8,891	42.20	44.31	46.53	48.85	51.30
PUMA	City Engineer	1	E	168	$11,221	$11,782	$12,371	$12,990	$13,639	64.74	67.97	71.37	74.94	78.69

BARGAINING UNIT	JOB TITLE	OT DESIGNATION	FLSA DESIGNATION	SALARY RANGE	*MONTHLY SALARY* 1/MIN	2	3	4	5/MAX	*HOURLY SALARY* 1/MIN	2	3	4	5/MAX
Unrepresented	City Manager	1	E	208	16,707	17,542	18,419	19,340	20,307	96.38	101.20	106.26	111.58	117.16
PUMA	City Surveyor	1	E	155	$9,860	$10,353	$10,870	$11,414	$11,984	56.88	59.73	62.71	65.85	69.14
GEMA	Civil Engineer	1	E	145	$8,926	$9,372	$9,841	$10,333	$10,849	51.49	54.07	56.77	59.61	62.59
SEIU	Code Compliance Officer	3	40	93	$5,320	$5,586	$5,866	$6,159	$6,467	30.69	32.23	33.84	35.53	37.31
GEMA	Code Compliance Supervisor	1	E	105	$5,995	$6,295	$6,609	$6,940	$7,287	34.59	36.32	38.13	40.04	42.04
SEIU	Combined Building Inspector	3	40	113	$6,492	$6,816	$7,157	$7,515	$7,891	37.45	39.32	41.29	43.36	45.52
GEMA	Communications Dispatch Supervisor	3	40	110	$6,301	$6,616	$6,947	$7,294	$7,659	36.35	38.17	40.08	42.08	44.18
SEIU	Communications Dispatcher	3	40	79	$4,628	$4,860	$5,103	$5,358	$5,626	26.70	28.04	29.44	30.91	32.46
EMEA	Community Development Director	1	E	173	$11,793	$12,383	$13,002	$13,652	$14,335	68.04	71.44	75.01	78.76	82.70
SEIU	Community Development Technician	3	40	83	$4,816	$5,057	$5,310	$5,576	$5,854	27.79	29.18	30.63	32.17	33.77
SEIU	Community Enhancement Officer	3	40	61	$3,869	$4,063	$4,266	$4,479	$4,703	22.32	23.44	24.61	25.84	27.13
PUMA	Community Relations Manager	1	E	127	$7,462	$7,835	$8,227	$8,638	$9,070	43.05	45.20	47.46	49.84	52.33
SEIU	Community Services Officer	3	40	64	$3,987	$4,186	$4,395	$4,615	$4,846	23.00	24.15	25.36	26.63	27.96
SEIU	Computer Technician	3	40	86	$4,962	$5,210	$5,471	$5,744	$6,032	28.63	30.06	31.56	33.14	34.80
SEIU	Construction Coordinator/Inspector	3	40	111	$6,364	$6,682	$7,016	$7,367	$7,735	36.71	38.55	40.48	42.50	44.63
SEIU	Construction Inspector I	3	40	91	$5,215	$5,476	$5,750	$6,037	$6,339	30.09	31.59	33.17	34.83	36.57
SEIU	Construction Inspector II	3	40	101	$5,761	$6,049	$6,352	$6,669	$7,003	33.24	34.90	36.64	38.48	40.40
SEIU	Custodian	3	40	51	$3,503	$3,678	$3,862	$4,055	$4,258	20.21	21.22	22.28	23.39	24.56
PUMA	Deputy City Engineer	1	E	160	$10,362	$10,881	$11,425	$11,996	$12,596	59.78	62.77	65.91	69.21	72.67
Unrepresented	Deputy City Manager	1	E	193	$14,390	$15,110	$15,865	$16,659	$17,491	83.02	87.17	91.53	96.11	100.91
IAFF	Deputy Fire Chief/Deputy Fire Marshal	1	E	164	$10,783	$11,322	$11,888	$12,483	$13,107	62.21	65.32	68.59	72.02	75.62
PUMA	Deputy Public Works Director	1	E	160	$10,362	$10,881	$11,425	$11,996	$12,596	59.78	62.77	65.91	69.21	72.67
SEIU	Development Services Assistant	3	40	64	$3,987	$4,186	$4,395	$4,615	$4,846	23.00	24.15	25.36	26.63	27.96
SEIU	Development Services Technician	3	40	79	$4,628	$4,860	$5,103	$5,358	$5,626	26.70	28.04	29.44	30.91	32.46
SEIU	Engineering Technician I	3	40	81	$4,721	$4,958	$5,205	$5,466	$5,739	27.24	28.60	30.03	31.53	33.11
SEIU	Engineering Technician II	3	40	91	$5,215	$5,476	$5,750	$6,037	$6,339	30.09	31.59	33.17	34.83	36.57

BARGAINING UNIT	JOB TITLE	OT DESIGNATION	FLSA DESIGNATION	SALARY RANGE	*MONTHLY SALARY* 1/MIN	2	3	4	5/MAX	*HOURLY SALARY* 1/MIN	2	3	4	5/MAX
GEMA	Environmental Compliance Analyst	1	E	99	$5,648	$5,930	$6,226	$6,538	$6,865	32.58	34.21	35.92	37.72	39.60
GEMA	Environmental Compliance Supervisor	1	E	114	$6,557	$6,884	$7,229	$7,590	$7,970	37.83	39.72	41.70	43.79	45.98
SEIU	Facilities Maintenance Technician I	3	40	66	$4,067	$4,270	$4,484	$4,708	$4,943	23.46	24.64	25.87	27.16	28.52
SEIU	Facilities Maintenance Technician II	3	40	76	$4,492	$4,717	$4,953	$5,200	$5,460	25.92	27.21	28.57	30.00	31.50
EMEA	Finance Director	1	E	179	$12,519	$13,145	$13,802	$14,492	$15,217	72.22	75.84	79.63	83.61	87.79
PUMA	Finance Manager	1	E	146	$9,015	$9,466	$9,939	$10,436	$10,958	52.01	54.61	57.34	60.21	63.22
GEMA	Financial Analyst	1	E	119	$6,891	$7,236	$7,597	$7,977	$8,376	39.76	41.74	43.83	46.02	48.32
IAFF	Fire Battalion Chief	1	E	162	10,571	11,099	11,654	12,237	12,849	60.99	64.03	67.24	70.60	74.13
IAFF	Fire Battalion Chief*	4	E	120	$9,743	$10,231	$10,743	$11,279	$11,845	40.15	42.16	44.27	46.48	48.81
IAFF	Fire Captain	4	24	141	$8,577	$9,006	$9,457	$9,929	$10,426	49.49	51.96	54.56	57.29	60.15
IAFF	Fire Captain*	4	24	99	$7,906	$8,302	$8,717	$9,153	$9,610	32.58	34.21	35.92	37.72	39.60
EMEA	Fire Chief	1	E	179	$12,519	$13,145	$13,802	$14,492	$15,217	72.22	75.84	79.63	83.61	87.79
IAFF	Fire Engineer	4	24	124	$7,243	$7,605	$7,985	$8,384	$8,803	41.78	43.87	46.07	48.37	50.79
IAFF	Fire Engineer*	4	24	82	$6,676	$7,011	$7,360	$7,729	$8,115	27.51	28.89	30.33	31.85	33.44
GEMA	Fire Marshal	1	E	122	$7,100	$7,455	$7,828	$8,219	$8,630	40.96	43.01	45.16	47.42	49.79
GEMA	Fire Prevention Coordinator	1	E	93	$5,320	$5,586	$5,866	$6,159	$6,467	30.69	32.23	33.84	35.53	37.31
IAFF	Firefighter	4	24	114	$6,557	$6,884	$7,229	$7,590	$7,970	37.83	39.72	41.70	43.79	45.98
IAFF	Firefighter*	4	24	72	$6,045	$6,346	$6,664	$6,996	$7,346	24.91	26.15	27.46	28.83	30.27
SEIU	Fleet Mechanic I	3	40	72	$4,317	$4,533	$4,759	$4,997	$5,247	24.91	26.15	27.46	28.83	30.27
SEIU	Fleet Mechanic II	3	40	82	$4,769	$5,007	$5,257	$5,520	$5,796	27.51	28.89	30.33	31.85	33.44
GEMA	Fleet Superintendent	1	E	115	$6,622	$6,953	$7,301	$7,666	$8,049	38.20	40.12	42.12	44.23	46.44
GEMA	Fleet Supervisor	1	E	99	$5,648	$5,930	$6,226	$6,538	$6,865	32.58	34.21	35.92	37.72	39.60
SEIU	Heavy Equipment Operator	3	40	76	$4,492	$4,717	$4,953	$5,200	$5,460	25.92	27.21	28.57	30.00	31.50
GEMA	Housing Analyst	1	E	119	$6,891	$7,236	$7,597	$7,977	$8,376	39.76	41.74	43.83	46.02	48.32
SEIU	Housing Program Specialist	3	40	83	$4,816	$5,057	$5,310	$5,576	$5,854	27.79	29.18	30.63	32.17	33.77
PUMA	Human Resources Analyst	1	E	112	$6,427	$6,749	$7,086	$7,441	$7,813	37.08	38.94	40.88	42.93	45.07

BARGAINING UNIT	JOB TITLE	OT DESIGNATION	FLSA DESIGNATION	SALARY RANGE	*MONTHLY SALARY*					*HOURLY SALARY*				
					1/MIN	2	3	4	5/MAX	1/MIN	2	3	4	5/MAX
PUMA	Human Resources Manager	1	E	161	$10,466	$10,989	$11,539	$12,116	$12,722	60.38	63.40	66.57	69.90	73.39
GEMA	Human Resources Technician	2	40	85	$4,913	$5,159	$5,417	$5,688	$5,972	28.35	29.76	31.25	32.81	34.45
PUMA	Information Systems Analyst	1	E	125	$7,315	$7,681	$8,065	$8,468	$8,891	42.20	44.31	46.53	48.85	51.30
GEMA	Information Systems Specialist	1	E	106	$6,055	$6,358	$6,676	$7,009	$7,360	34.93	36.68	38.51	40.44	42.46
PUMA	Information Technology Manager	1	E	140	$8,492	$8,917	$9,363	$9,831	$10,323	49.00	51.44	54.02	56.72	59.55
GEMA	Land Surveyor	1	E	145	$8,926	$9,372	$9,841	$10,333	$10,849	51.49	54.07	56.77	59.61	62.59
SEIU	Landscape Services Technician	3	40	81	$4,721	$4,958	$5,205	$5,466	$5,739	27.24	28.60	30.03	31.53	33.11
SEIU	Meter Reader	3	40	64	$3,987	$4,186	$4,395	$4,615	$4,846	23.00	24.15	25.36	26.63	27.96
SEIU	Office Assistant I	3	40	44	$3,267	$3,431	$3,602	$3,782	$3,971	18.85	19.79	20.78	21.82	22.91
SEIU	Office Assistant II	3	40	54	$3,609	$3,790	$3,979	$4,178	$4,387	20.82	21.86	22.96	24.10	25.31
SEIU	Parking Control Officer	3	40	54	$3,609	$3,790	$3,979	$4,178	$4,387	20.82	21.86	22.96	24.10	25.31
EMEA	Parks & Community Services Director	1	E	168	$11,221	$11,782	$12,371	$12,990	$13,639	64.74	67.97	71.37	74.94	78.69
SEIU	Parks Maintenance Worker I	3	40	61	$3,869	$4,063	$4,266	$4,479	$4,703	22.32	23.44	24.61	25.84	27.13
SEIU	Parks Maintenance Worker II	3	40	71	$4,274	$4,488	$4,712	$4,948	$5,195	24.66	25.89	27.19	28.55	29.97
PUMA	Parks Manager	1	E	137	$8,243	$8,655	$9,088	$9,542	$10,019	47.55	49.93	52.43	55.05	57.80
GEMA	Parks Supervisor	1	E	94	$5,373	$5,642	$5,924	$6,220	$6,531	31.00	32.55	34.18	35.89	37.68
PUMA	Payroll Analyst	1	E	99	$5,648	$5,930	$6,226	$6,538	$6,865	32.58	34.21	35.92	37.72	39.60
GEMA	Payroll Specialist	2	40	78	$4,583	$4,812	$5,052	$5,305	$5,570	26.44	27.76	29.15	30.61	32.14
GEMA	Plans Examiner	1	E	111	$6,364	$6,682	$7,016	$7,367	$7,735	36.71	38.55	40.48	42.50	44.63
HPOA	Police Cadet	4	40	53.5	$3,591	$3,771	$3,959	$4,157	$4,365	20.72	21.75	22.84	23.98	25.18
HPOA	Police Captain	1	E	161.5	$10,518	$11,044	$11,597	$12,176	$12,785	60.68	63.72	66.90	70.25	73.76
EMEA	Police Chief	1	E	185	$13,289	$13,954	$14,651	$15,384	$16,153	76.67	80.50	84.53	88.75	93.19
HPOA	Police Corporal	4	14	124.5	$7,279	$7,643	$8,025	$8,426	$8,847	41.99	44.09	46.30	48.61	51.04
HPOA	Police Lieutenant	1	E	153.5	$9,714	$10,199	$10,709	$11,245	$11,807	56.04	58.84	61.78	64.87	68.12
HPOA	Police Officer/Investigator*	4	14	114.5	$6,589	$6,919	$7,265	$7,628	$8,009	38.02	39.92	41.91	44.01	46.21
SEIU	Police Records Assistant	3	40	62	$3,908	$4,104	$4,309	$4,524	$4,750	22.55	23.67	24.86	26.10	27.41

BARGAINING UNIT	JOB TITLE	OT DESIGNATION	FLSA DESIGNATION	SALARY RANGE	*MONTHLY SALARY* 1/MIN	2	3	4	5/MAX	*HOURLY SALARY* 1/MIN	2	3	4	5/MAX
HPOA	Police Sergeant	4	14	139.5	$8,450	$8,873	$9,317	$9,782	$10,272	48.75	51.19	53.75	56.44	59.26
GEMA	Police Support Services Administrator	1	E	120	$6,960	$7,308	$7,673	$8,057	$8,460	40.15	42.16	44.27	46.48	48.81
PUMA	Principal Planner	1	E	141	$8,577	$9,006	$9,457	$9,929	$10,426	49.49	51.96	54.56	57.29	60.15
GEMA	Project Manager	1	E	132	$7,843	$8,235	$8,647	$9,079	$9,533	45.25	47.51	49.88	52.38	55.00
SEIU	Property and Evidence Technician	3	40	69	$4,190	$4,400	$4,620	$4,850	$5,093	24.17	25.38	26.65	27.98	29.38
EMEA	Public Works Director	1	E	175	$12,030	$12,632	$13,264	$13,927	$14,623	69.41	72.88	76.52	80.35	84.36
PUMA	Public Works Manager	1	E	142	$8,663	$9,096	$9,551	$10,029	$10,530	49.98	52.48	55.10	57.86	60.75
GEMA	Purchasing Agent	1	E	119	$6,891	$7,236	$7,597	$7,977	$8,376	39.76	41.74	43.83	46.02	48.32
SEIU	Recreation Coordinator	3	40	85	$4,913	$5,159	$5,417	$5,688	$5,972	28.35	29.76	31.25	32.81	34.45
PUMA	Recreation Manager	1	E	119	$6,891	$7,236	$7,597	$7,977	$8,376	39.76	41.74	43.83	46.02	48.32
GEMA	Recreation Supervisor	1	E	99	$5,648	$5,930	$6,226	$6,538	$6,865	32.58	34.21	35.92	37.72	39.60
SEIU	Recycling Coordinator	3	40	92	$5,268	$5,531	$5,807	$6,098	$6,403	30.39	31.91	33.50	35.18	36.94
SEIU	Refuse Collector	3	40	70	$4,232	$4,444	$4,666	$4,899	$5,144	24.42	25.64	26.92	28.26	29.68
PUMA	Refuse Manager	1	E	129	$7,612	$7,993	$8,392	$8,812	$9,252	43.92	46.11	48.42	50.84	53.38
SEIU	Refuse Service Worker	3	40	76	$4,492	$4,717	$4,953	$5,200	$5,460	25.92	27.21	28.57	30.00	31.50
GEMA	Refuse Supervisor	1	E	102	$5,819	$6,110	$6,415	$6,736	$7,073	33.57	35.25	37.01	38.86	40.80
GEMA	Regulatory Compliance Analyst	1	E	99	$5,648	$5,930	$6,226	$6,538	$6,865	32.58	34.21	35.92	37.72	39.60
PUMA	Risk Management Analyst	1	E	115	$6,622	$6,953	$7,301	$7,666	$8,049	38.20	40.12	42.12	44.23	46.44
GEMA	Safety and Risk Technician	2	40	85	$4,913	$5,159	$5,417	$5,688	$5,972	28.35	29.76	31.25	32.81	34.45
GEMA	Sanitary Sewer Collection Supervisor	1	E	104	$5,936	$6,232	$6,544	$6,871	$7,215	34.24	35.96	37.75	39.64	41.62
GEMA	Senior Administrative Analyst	1	E	119	$6,891	$7,236	$7,597	$7,977	$8,376	39.76	41.74	43.83	46.02	48.32
PUMA	Senior Civil Engineer	1	E	155	$9,860	$10,353	$10,870	$11,414	$11,984	56.88	59.73	62.71	65.85	69.14
SEIU	Senior Combined Building Inspector	3	40	123	$7,171	$7,529	$7,906	$8,301	$8,716	41.37	43.44	45.61	47.89	50.29
SEIU	Senior Communications Dispatcher	3	40	100	$5,704	$5,989	$6,289	$6,603	$6,933	32.91	34.55	36.28	38.09	40.00
GEMA	Senior Construction Inspector	1	E	120	$6,960	$7,308	$7,673	$8,057	$8,460	40.15	42.16	44.27	46.48	48.81
SEIU	Senior Custodian	3	40	61	$3,869	$4,063	$4,266	$4,479	$4,703	22.32	23.44	24.61	25.84	27.13

BARGAINING UNIT	JOB TITLE	OT DESIGNATION	FLSA DESIGNATION	SALARY RANGE	*MONTHLY SALARY* 1/MIN	2	3	4	5/MAX	*HOURLY SALARY* 1/MIN	2	3	4	5/MAX
PUMA	Senior Engineer	1	E	150	$9,381	$9,850	$10,343	$10,860	$11,403	54.12	56.83	59.67	62.65	65.78
SEIU	Senior Facility/Building Maintenance Technician	3	40	96	$5,481	$5,756	$6,043	$6,345	$6,663	31.62	33.20	34.87	36.61	38.44
SEIU	Senior Fleet Mechanic	3	40	92	$5,268	$5,531	$5,807	$6,098	$6,403	30.39	31.91	33.50	35.18	36.94
PUMA	Senior Human Resources Analyst	1	E	122	$7,100	$7,455	$7,828	$8,219	$8,630	40.96	43.01	45.16	47.42	49.79
SEIU	Senior Maintenance Worker	3	40	81	$4,721	$4,958	$5,205	$5,466	$5,739	27.24	28.60	30.03	31.53	33.11
SEIU	Senior Meter Reader	3	40	74	$4,404	$4,624	$4,855	$5,098	$5,353	25.41	26.68	28.01	29.41	30.88
GEMA	Senior Planner	1	E	126	$7,388	$7,758	$8,145	$8,553	$8,980	42.62	44.76	46.99	49.34	51.81
GEMA	Senior Plans Examiner	1	E	121	$7,030	$7,381	$7,750	$8,138	$8,544	40.56	42.58	44.71	46.95	49.30
SEIU	Senior Police Records Assistant	3	40	72	$4,317	$4,533	$4,759	$4,997	$5,247	24.91	26.15	27.46	28.83	30.27
SEIU	Senior Refuse Collector	3	40	85	$4,913	$5,159	$5,417	$5,688	$5,972	28.35	29.76	31.25	32.81	34.45
SEIU	Senior Utilities Maintenance Worker	3	40	91	$5,215	$5,476	$5,750	$6,037	$6,339	30.09	31.59	33.17	34.83	36.57
SEIU	Sewer Collections Maintenance Worker I	3	40	61	$3,869	$4,063	$4,266	$4,479	$4,703	22.32	23.44	24.61	25.84	27.13
SEIU	Sewer Collections Maintenance Worker II	3	40	71	$4,274	$4,488	$4,712	$4,948	$5,195	24.66	25.89	27.19	28.55	29.97
SEIU	Shop and Parts Specialist	3	40	77	$4,537	$4,764	$5,002	$5,252	$5,515	26.18	27.49	28.86	30.30	31.82
SEIU	Sports Coordinator	3	40	85	$4,913	$5,159	$5,417	$5,688	$5,972	28.35	29.76	31.25	32.81	34.45
SEIU	Storm Maintenance Worker I	3	40	61	$3,869	$4,063	$4,266	$4,479	$4,703	22.32	23.44	24.61	25.84	27.13
SEIU	Storm Maintenance Worker II	3	40	71	$4,274	$4,488	$4,712	$4,948	$5,195	24.66	25.89	27.19	28.55	29.97
SEIU	Streets Maintenance Worker I	3	40	61	$3,869	$4,063	$4,266	$4,479	$4,703	22.32	23.44	24.61	25.84	27.13
SEIU	Streets Maintenance Worker II	3	40	71	$4,274	$4,488	$4,712	$4,948	$5,195	24.66	25.89	27.19	28.55	29.97
PUMA	Streets Manager	1	E	131	$7,765	$8,153	$8,561	$8,989	$9,438	44.80	47.04	49.39	51.86	54.45
GEMA	Streets Supervisor	1	E	106	$6,055	$6,358	$6,676	$7,009	$7,360	34.93	36.68	38.51	40.44	42.46
GEMA	Supervising Building Inspector	1	E	126	$7,388	$7,758	$8,145	$8,553	$8,980	42.62	44.76	46.99	49.34	51.81
SEIU	Traffic Control Technician	3	40	96	$5,481	$5,756	$6,043	$6,345	$6,663	31.62	33.20	34.87	36.61	38.44
EMEA	Utilities & Engineering Director	1	E	179	$12,519	$13,145	$13,802	$14,492	$15,217	72.22	75.84	79.63	83.61	87.79
SEIU	Water Operator I	3	40	71	$4,274	$4,488	$4,712	$4,948	$5,195	24.66	25.89	27.19	28.55	29.97
SEIU	Water Operator II	3	40	81	$4,721	$4,958	$5,205	$5,466	$5,739	27.24	28.60	30.03	31.53	33.11

BARGAINING UNIT	JOB TITLE	OT DESIGNATION	FLSA DESIGNATION	SALARY RANGE	*MONTHLY SALARY* 1/MIN	2	3	4	5/MAX	*HOURLY SALARY* 1/MIN	2	3	4	5/MAX
PUMA	Utilities Manager	1	E	131	$7,765	$8,153	$8,561	$8,989	$9,438	44.80	47.04	49.39	51.86	54.45
GEMA	Utilities Supervisor	1	E	108	$6,177	$6,485	$6,810	$7,150	$7,508	35.63	37.42	39.29	41.25	43.31
GEMA	Utility Billing Specialist	1	E	91	$5,215	$5,476	$5,750	$6,037	$6,339	30.09	31.59	33.17	34.83	36.57
SEIU	Water Conservation Technician	3	40	83	$4,816	$5,057	$5,310	$5,576	$5,854	27.79	29.18	30.63	32.17	33.77
PUMA	WWTP Manager	1	E	142	$8,663	$9,096	$9,551	$10,029	$10,530	49.98	52.48	55.10	57.86	60.75
SEIU	WWTP Operator I	3	40	79	$4,628	$4,860	$5,103	$5,358	$5,626	26.70	28.04	29.44	30.91	32.46
SEIU	WWTP Operator II	3	40	89	$5,113	$5,368	$5,637	$5,919	$6,214	29.50	30.97	32.52	34.15	35.85
GEMA	WWTP Supervisor	1	E	111	$6,364	$6,682	$7,016	$7,367	$7,735	36.71	38.55	40.48	42.50	44.63
SEIU	WWTP/OIT	3	40	64	$3,987	$4,186	$4,395	$4,615	$4,846	23.00	24.15	25.36	26.63	27.96

*2,912 hours worked annually (all other job classifications salary are based on 2,080 hours worked annually)

Administrative assignment pay in the Fire Department is calculated by taking current base rate x 2,912 multiplying that amount by 1.075 and dividing the total by 2,080. This converts a 56 hour work week to a 40 hour week.

The designated salary range is the nearest possible to the calculated amount without falling below it.

Barganing Group Designation	
Executive Management Employees Association	EMEA
General Employees Management Association	GEMA
International Association of Firefighters	IAFF
Hanford Police Officers Association	HPOA
Professional Upper Management Association	PUMA
Service Employees International Union Local 521	SEIU
Unrepresented	Unrep
Not Applicable	NA

Overtime Designation	
Management Employee	1. No compensation for overtime work
Conf/Other Employee	2. Shall be paid for overtime work
General Employee	3. Shall be paid for overtime work
Fire/Police Employee	4. Shall be paid for overtime work

FLSA Designation
E - Exempt
40 - 40 hour, 7 day work period (non-exempt)
14 - 86 hour/14 day work period (7k exemption)
24 -182 hour/24 day work period (7k exemption)

City of Hanford Part-Time Salary Schedule
City Council Adoption Date - 01-20-2026 Effective Date: 02-01-2026

BARGAINING UNIT	JOB TITLE	OT DESIGNATION	FLSA DESIGNATION	*HOURLY SALARY* 1/MIN	to	5/MAX
NA	Airport Manager	3	40	$25.00	to	$25.00
NA	Airport Operations Attendant	3	40	$17.00	to	$19.00
NA	Aquatics Technician	3	40	$23.00	to	$28.00
NA	Certified Instructor	3	40	$17.00	to	$23.00
NA	Clerical Support	3	40	$17.00	to	$22.00
NA	Code Enforcement Officer	3	40	$17.00	to	$19.00
NA	Community Service Officer	3	40	$17.00	to	$19.00
NA	Custodian	3	40	$17.00	to	$19.00
NA	Engineering Technician Aide	3	40	$17.00	to	$19.00
NA	Facilities Host	3	40	$17.00	to	$19.00
NA	Fire Help	3	40	$22.24	to	$26.40
NA	Fire Inspector	3	40	$25.00	to	$25.00
NA	Fleet Mechanic (Helper)	3	40	$17.00	to	$25.00
NA	Graffiti Control Officer	3	40	$17.00	to	$19.00
NA	Ice Rink Maintenance Technician	3	40	$18.00	to	$22.00
NA	Ice Rink Manager	3	40	$20.00	to	$22.00
NA	Intern	3	40	$17.00	to	$19.00
NA	Licensed Surveyor in Training	3	40	$35.00	to	$50.00
NA	Lead Facilities Host	3	40	$21.00	to	$23.00
NA	Management Intern	3	40	$17.00	to	$22.00
NA	Meter Reader	3	40	$17.00	to	$19.00
NA	Paint Program Coordinator	3	40	$17.00	to	$19.00
NA	Parking Control Officer	3	40	$17.00	to	$19.00
NA	Pool Manager	3	40	$17.00	to	$19.00
NA	Parks/Public Works Laborer	3	40	$18.00	to	$22.00
NA	Recreation Leader I	3	40	$17.00	to	$18.00
NA	Recreation Leader II	3	40	$17.50	to	$18.50
NA	Recreation Leader III	3	40	$18.00	to	$19.00
NA	Refuse Collector	3	40	$17.00	to	$20.50
NA	Reserve Police Officer (Level I)	3	40	$22.24	to	$26.40
NA	Senior Fire Inspector	3	40	$30.00	to	$30.00
NA	Sports Coordinator	3	40	$22.00	to	$22.00
NA	Sports Official	3	40	$17.00	to	$23.00

Barganing Group Designation

Not Applicable NA

Overtime Designation

3.General Employee Shall be paid for overtime work

FLSA Designation

40 - 40 hour, 7 day work period (non-exempt)

The above list contains the City of Hanford's part-time positions. Appointments for part-time work may be paid at an hourly rate as high as Step “3” of the range to which a full-time job classification has been established. Part-time appointments made at higher than Step “3” must be approved by the City Manager. If a part-time employee works more than 1,000 hours in a fiscal year he/she must become a member of CalPERS with the employee and the City making the appropriate contribution as defined by the City’s CalPERS contract. The employee will remain a CalPERS member until termination.

AGENDA
STAFF REPORT

MEETING DATE: 1/20/2026	**AGENDA SECTION:** GENERAL BUSINESS

SUBJECT:
City Manager Employment Agreement

RECOMMENDATION:

Recommendation: It is recommended that the City Council, by motion, approve the attached Employment Agreement for Christopher Tavarez and authorize the Mayor to execute the Agreement.

Recommended Motion: I move to approve the Employment Agreement for Christopher Tavarez and authorize the Mayor to execute the Agreement.

BACKGROUND:

With the resignation of former City Manager Mario Cifuentez II, the City has gone through the process of recruiting a new City Manager. In mid-2025 a Request for Proposals was issued seeking a qualified executive recruiting firm. Bob Murray and Associates were selected to conduct the national recruitment. Over 30 applications were received from interested parties across many states. Upon completion of the recruitment process and a "Community Meet and Greet" on January 5, 2026, a final candidate was identified. Thereafter, the Council extended an offer of employment to the finalist, Interim City Manager Christopher Tavarez, who has been serving in his capacity since August 2025.

Prior to Mr. Tavarez's appointment to the Interim City Manager position, he served as a Deputy City Manager since July 2025 and as the City's Finance Director since April 2021.

Employment terms were discussed with Mr. Tavarez, and the attached Employment Agreement reflects the efforts of negotiations. The terms are summarized as follows:

- Term: five (5) year term.

- Performance Evaluations: Mr. Tavarez will be evaluated after the first six (6) months of employment and after the one (1) year anniversary of his hiring. Subsequent evaluations will occur annually.

- Salary: $20,307.00 per month ($243,684.00 per year). Adjustments to the City Manager's salary will occur when the salaries of Executive Management Association (EMEA) members are adjusted, and the City Manager's salary will be adjusted in a manner consistent with the adjustment of salaries of EMEA members (e.g., the City Manager's salary will be increased by two percent (2%) if the

salaries of EMEA members are increased by two percent (2%)).

- At-Will and Severance: Mr. Tavarez will be an at-will employee. If he is terminated for no-cause more than six (6) months before the Employee Agreement expires, he will receive a severance equal to six (6) months of his then-current salary; provided however, receipt of a severance payment will be conditioned on Mr. Tavarez's signature of a General Release Agreement that releases the City of liability associated with his employment.

- Vehicle Allowance: $500.00 per month.

- Cell Phone/Mobile Device Reimbursement: $100.00 per month.

- Misc. Benefits: Mr. Tavarez will receive benefits received by EMEA members.

FISCAL IMPACT:

Mr. Tavarez will receive: (i) a monthly salary of $20,307.00; and (ii) other compensation and reimbursements that he currently receives as Interim City Manager. The salary amount shall be adjusted according to any salary increases provided to the EMEA bargaining unit.

ATTACHMENTS:

1. Employment Agreement - Final

CITY OF HANFORD
CITY MANAGER EMPLOYMENT AGREEMENT

* * * * *

This Employment Agreement ("**Agreement**") is entered the 20th day of January 2026 and is made by and between the City of Hanford, a California municipal corporation ("**City**"), and Christopher Tavarez ("**Employee**") an individual, (sometimes collectively "**the Parties**").

RECITALS

A. City is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.

B. The Hanford City Council conducted an extensive recruitment process for the City Manager position, and after carefully evaluating Employee's knowledge, skills, experience, administrative skills, and abilities, unanimously desires to appoint Employee to the position of City Manager.

C. The Parties mutually agree that this form of Agreement reflects the terms and conditions under which the Parties intend and desire to employ Employee,

NOW, THEREFORE, City and Employee agree as follows:

SECTION 1. DUTIES AND PROFESSIONAL CONDUCT.

Employee shall serve as City Manager at the pleasure of the Council and shall be an "AT-WILL" exempt employee of City. City hereby employs Employee as City Manager to perform the functions and duties specified in the job description, the laws of the State of California and Ordinances and Resolutions of the City, and to perform such other duties and functions as the Hanford City Council ("**Council**") shall from time-to-time assign.

Employee shall remain exclusively employed by the City and shall not accept other employment that would be in conflict with Employee's obligations owed to the City under this Agreement, until such time as Employee resigns or is terminated by City, or upon written approval of the City.

Employee shall adhere to the professional code of ethics as prescribed by the International City/County Management Association.

Consistent with the provisions of Hanford Municipal Code section 2.08.070, the Council and its members shall deal with the administrative matters of the City only through the City Manager, except for the purpose of inquiry, and neither the Council, nor any member thereof, shall give orders or instructions to any subordinate of the City Manager. The City Manager shall receive direction and

instruction from the Council only when it is sitting in a duly convened meeting of the Council, and individual Council members shall not give orders or direction to the City Manager without the knowledge and concurrence of a majority of the Council. The provisions of this section shall not be construed as limiting consultations on an individual basis between Council members and the City Manager.

SECTION 2. TERM OF AGREEMENT.

The term of this Agreement shall commence on February 2, 2026 (**"Commencement Date"**), and shall be in effect for five (5) years through February 2, 2031, or until terminated as set forth below.

SECTION 3. SALARY.

City shall pay Employee an initial monthly salary of TWENTY THOUSAND THREE HUNDRED AND SEVEN DOLLARS ($20,307.00) for services rendered, payable in installments at the same time and in the same manner as other employees of the City are paid. Increases in Employee's salary may be effective at any time in the sole discretion of the Council.

To maintain appropriate separation between the salaries of the City Manager and Executive Management Association ("**EMEA**") employees, the salary provided under this Agreement shall be adjusted at the same time any salary range increase is provided to the EMEA employees during the term of this Agreement. An adjustment to Employee's salary will be equal to the adjustment to the salaries of EMEA members. For example (and solely for the purposes of illustration), if EMEA members receive a two percent (2%) salary increase, Employee's salary will be increased by two percent (2%).

Employee's salary increases approved by the City Council from time to time pursuant to this Agreement shall be effective as set forth in an annual salary resolution or minute action approved by the City Council.

Employee shall continue to receive a separate cell phone/mobile device reimbursement in the amount of ONE HUNDRED DOLLARS ($100.00 per month) in compliance with Administrative Regulation 1.26.

Employee shall continue to receive an additional TEN PERCENT (10%) for longevity pay, which shall be automatically adjusted to match any future modifications to longevity pay offered to the members of EMEA. This additional compensation is based on years of management and technical level service at the City and other public entities.

Employee shall continue to receive an additional FIVE PERCENT (5%) certificate pay for being a Certified Public Accountant, which shall be automatically adjusted to match any future modifications to certificate pay offered to the members of EMEA.

Employee shall continue to receive a monthly FIVE HUNDRED DOLLAR ($500.00) car allowance.

All items in this section shall encompass the Employee's monthly salary and benefits.

If the City reduces the Salary or any other financial benefit of the Employee in a percentage that is greater than the average reduction of all EMEA members, such action shall constitute a termination of this Agreement without Cause under Section 8 of this Agreement, and Employee shall be entitled to Severance.

SECTION 4. BENEFITS AND LEAVE.

Employee was previously assigned to the position of Interim City Manager. He will continue to receive vacation and sick leave hours, retirement benefits, insurance, and other employment benefits Employee currently receives as described below:

City shall continue to provide Employee with eighty (80) hours of Management Leave per calendar year. It is preferred that Management Leave be used as time off. Employee may also cash out up to sixty-four (64) hours of their Management Leave or convert all or a portion of their leave to deferred compensation. Any Management Leave hours not taken by Employee by PP025 will be compensated to their cash-out balance, up to sixty-four (64) hours if available in PP026. Management Leave shall not be carried over to a new calendar year.

City will maintain Employee's enrollment in the Public Employees' Retirement System ("PERS"), and City will pay the employer's required contribution. Employee shall pay, at his sole cost, the full employee contribution to PERS. City will maintain, in effect, the 3% @ 60 PERS retirement program as a Classic CalPERS member. Retirement formula designation is based on Employee's CalPERS service date.

City will continue to provide term life insurance for Employee in the coverage amount of TWO HUNDRED THOUSAND DOLLARS ($200,000.00).

City shall provide Employee with the same health, dental, and vision insurance coverage offered to the members of EMEA.

Employee shall continue to receive a matched employer contribution for deferred compensation up to SEVENTY-FIVE DOLLARS ($75.00) per pay period.

Employee shall continue to accrue vacation leave at the rate of 6.462 hours per bi-weekly pay period (168 hours annually).

Employee shall continue to accrue sick leave at the rate of 3.69 hours per bi-weekly pay period (96 hours annually).

The use and accumulation of vacation and sick leave shall be the same as EMEA employees as outlined in the Compensation and Benefit Summary for EMEA.

Unless otherwise outlined in this agreement, benefits shall be the same as EMEA employees outlined in the Compensation and Benefit Summary for EMEA.

Except in an emergency, Employee will not be required to work on the holidays identified in the Compensation and Benefit Summary for EMEA. It is recognized that Employee may work all days of the week and hours are flexible.

SECTION 5. PERFORMANCE EVALUATION.

During the initial months of the Term of this Agreement, the Employee and the City Council shall meet to review and discuss performance expectations and establish an evaluation process.

The Employee shall receive a performance evaluation at the sixth (6^{th}) month anniversary of the Commencement Date. Another evaluation shall occur at the one (1) year anniversary of the Commencement Date and annually thereafter. At City expense, a facilitator may be used for any evaluation process upon mutual agreement of the City Council and the Employee.

This provision does not limit City Council's authority to perform additional evaluations of Employee's performance, if necessary, including closed session items related thereto. Failure to conduct an evaluation shall not affect the rights, duties, or obligations of either party under this Agreement.

SECTION 6. BUSINESS AND PROFESSIONAL EXPENSES.

City agrees to pay the professional dues and subscriptions on behalf of Employee which are necessary for Employee's continuation or full participation in international, national, regional, state, or local associations and organizations necessary and desirable for Employee's continued professional participation, growth and advancement, or for the good of the City, as set forth in the City's budget.

City agrees to pay Employee's travel and subsistence expenses for official travel, meetings, and occasions reasonably necessary to continue Employee's professional development, and for Employee's reasonable participation in necessary official and other functions for the City; including, but not limited to, national, regional, state, and local conferences, and governmental groups and committees on which Employee serves as a member. Notwithstanding the above, the number of conferences or meetings City will pay for each year, and attendance at out-of-state conferences and meetings, shall be at the discretion of the City Council as set forth in the City's budget.

SECTION 7. CREDIT CARD.

City will provide to Employee a State of California purchasing card (CalCard) that Employee may utilize for City-related expenses. Employee shall only use City's CalCard for City-related business and in accordance with State law and regulations and the City's then-current purchasing card policy, the terms of which are incorporated herein by reference. Any misuse of City's CalCard shall be grounds for discipline, including surrender of CalCard and/or immediate termination of employment for cause. Any legal expenses incurred by the City as a result of Employee's misuse of CalCard shall be reimbursed by Employee.

SECTION 8. TERMINATION OF AGREEMENT, SEVERANCE, AND GENERAL RELEASE AGREEMENT.

A. In accordance with Hanford Municipal Code Section 2.08.080 termination shall mean removal of the City Manager and shall be effective only by a majority vote of the whole council (3 of 5 votes), as then constituted, convened in a regular council meeting.

B. This employment relationship may be terminated as follows:

1. Expiration of Agreement - This Agreement shall automatically terminate upon expiration. The City Council shall provide the Employee with written notice at least six (6) months prior to the expiration date indicating whether the Agreement will be extended or allowed to expire, and expiration of this Agreement shall constitute a termination of this Agreement without Cause under Section 8 of this Agreement, and Employee shall be entitled to Severance.

2. Employee Resignation - By Employee with prior written notice to City of at least thirty (30) calendar days. Aside from normal rate of compensation and accrued and unused vacation leave and up to sixty-four (64) hours of accrued and unused management leave, Employee shall not be entitled to any additional compensation or payment, including Severance.

3. Termination Without Cause – Subject to Hanford Municipal Code Section 2.08.080, the majority of the entire City Council may terminate this Agreement at any time without cause at a Regular City Council Meeting and if the Employee signs, delivers to the City Council and does not revoke the General Release Agreement in the form attached hereto as Exhibit A, Employee shall be entitled to Severance compensation equal to Employee's current salary for six (6) months (compensation identified in Section 3 of this agreement). However, in accordance with California Code Section 53260, the Severance amount will not exceed an amount equal to Employee's then current monthly salary multiplied by the number of months remaining on the unexpired term of this Agreement. Additionally, the City will pay six months of Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage for Employee and his enrolled dependents. If Employee finds other employment that provides health benefits and Employee qualifies to begin receiving those health benefits before the six-month severance period expires, then the health benefits provided by the City shall terminate.

   Severance for salary shall be paid in one lump sum and in the same manner as the customary payout of earned benefits. In addition to the Severance payment above, upon termination without cause Employee shall also receive payment for the cash value of the following upon the date of termination: accrued and unused vacation leave and up to sixty-four (64) hours of accrued and unused management leave.

4. Termination for Cause - By City, without payment of any Severance or additional compensation beyond the termination date, for any cause for disciplinary action under the City's then-current Policy of Administration for Executive Management Employees as well as any of the following:

    a. Any negligent action or inaction by Employee that materially and adversely: impedes or disrupts the operations of City or its organizational units; is detrimental to employees or public safety; or violates City's properly-established rules or procedures.

    b. Conviction of, or plea of guilty or nolo contendre to, any crime or offense (other than minor traffic violations or similar offenses) which is likely to have a material adverse impact on the City or on the Employee's reputation;

    c. Material breach of this Agreement; or

    d. Proven failure of the Manager to observe or perform any of his duties and obligations, if that failure continues for a period of thirty (30) business days from the date of his receipt of notice from the City Council specifying the acts or omissions deemed to amount to that failure.

5. Communications Upon Separation - In the event the City terminates Employee for Cause or Without Cause, the City and Employee agree that no member of the City Council, the City Executive Management staff, nor Employee, shall make written, oral, or electronic statements at any public meeting or to any member of the public or the press concerning the termination except in the form of a joint press release or statement, the content of which is mutually agreeable to the City and Employee. The joint press release or statement shall not contain any text or information that is disparaging to either party. Either party may verbally repeat the substance of the joint press release or statement in response to any inquiry.

6. Release and Waiver for Severance – In exchange for the Severance compensation Employee hereby expressly releases the City and waives any and all rights he may have under any applicable law, City policy, or otherwise to bring a claim or file a complaint relating to his termination or an alleged breach of this Agreement, or otherwise appeal or grieve his termination and the terms of this Agreement.

7. Abuse of Office. In the event that Employee is convicted of a crime involving an abuse of his office or position, as defined in California Government Code section 53243.4, Employee shall be required to fully reimburse the City in accordance with California Government Code sections 53243, 53243.1, 53243.2 and/or 53243.3.

C. Notwithstanding the foregoing provisions, Employee's employment shall not be terminated other than for cause, during or within a period of one hundred and eight (180) calendar days before or following the date of a regular election for one (1) or more seats on the Council.

SECTION 9. BONDING.

City shall bear the full cost of any fidelity or other bonds (or equivalent coverage) required of Employee under any law or ordinance.

SECTION 10. CONFIDENTIALITY.

Employee acknowledges that in the course of his employment, Employee will be given or will have access to confidential and proprietary documents and information, relating to the City, its residents, businesses, employees, and customers ("Confidential Information"). Such Confidential Information may include, but is not limited to, all information given to or otherwise accessible to Employee that is not public information or would be exempt from public disclosure as confidential, protected, exempt, or privileged information. Employee shall hold the Confidential Information in trust for City's benefit and shall not disclose the Confidential Information to others or utilize such information for personal benefit without express written consent of City.

SECTION 11. INDEMNIFICATION.

In accordance with Government Code section 825, et seq., City shall defend, hold harmless, and indemnify Employee against any claim or action against him arising out of an alleged act or omission occurring in the scope of his employment with the City, and Employee shall reasonably cooperate in good faith in the defense. This provision is not intended to, and shall not operate to, expand the protections afforded to Employee or the City's obligations as provided in Government Code 825, et seq., except that this Section shall operate as Employee's standing written request to the City for defense and indemnity as required by Government Code section 825 for any and all claims or actions against him arising out of an alleged act or omission occurring in the scope of his employment with the City whether such claim is submitted or action commenced during or after his employment with the City. In the event there is a conflict of interest between City and Employee such that independent counsel is required for Employee, Employee may engage his/her own legal counsel, in which event City shall indemnify Employee, including direct payment of all such reasonable costs related thereto.

SECTION 12. NOTICES.

Notices pursuant to this Agreement shall be in writing given by deposit in the custody of the United Stated Postal Service (certified mail, return receipt requested) or deposit in the custody of a nationally recognized delivery service, addressed as follows:

CITY:
City of Hanford
Attn: Mayor
319 N. Douty Street
Hanford, CA 93230

EMPLOYEE:
Christopher Tavarez
(At the home address on file with the Human Resources Division).

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to the civil judicial process. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission of the United States Postal Service or nationally-recognized delivery service. Notice mailed must include/utilize delivery confirmation or the equivalent service offered by the delivery service at the time notice is mailed.

SECTION 13. MISCELLANEOUS PROVISIONS.

A. The text of this Agreement and the documents referenced herein, which are incorporated by reference, shall constitute the entire agreement between the parties, and supersede any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Employee by City. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by either party, or anyone acting on behalf of either party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding on either party.

B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee. This Agreement shall not be assignable.

C. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid, or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

D. Any modification of this Agreement will be effective only if it is in writing and signed by both Employee and City.

E. No waiver or any breach of any term, condition or provision of this Agreement shall constitute a waiver of any other breach of any other term, condition or provision and no consent of one (1) party to any departures by the other shall be effective unless such waiver shall be in writing and shall be signed by the non-waiving party or a duly authorized agent thereof and the same shall be

effective only for a period, on the conditions, and for the specific instances and purposes specified in such writing.

F. This Agreement shall be governed by the laws of the State of California. The venue for any and all litigation arising from this Agreement shall be in the Superior Court for the County of Kings, California, if in state court, or the United States District Court, Eastern District of California, if in federal court.

G. In the event legal action is brought to enforce this Agreement, the party prevailing in such action shall be entitled to his/its reasonable attorneys' fees and costs, which will be paid by the non-prevailing party, except as to enforce Section 11, which contains its own attorneys' fee provision.

H. In the event of a conflict between this Agreement and any other City rule, regulation, policy, practice, or procedure, this Agreement shall control.

I. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

IN WITNESS WHEREOF, the parties have executed this Agreement in Hanford, Kings County, California.

EMPLOYEE

Dated: January ___, 2026

_____
CHRISTOPHER TAVAREZ

CITY

City of Hanford, a municipal corporation

Dated: January ___, 2026

By: _____
MARK KAIRIS
Mayor

APPROVED AS TO FORM:

GRISWOLD, LaSALLE, COBB,
DOWD & GIN, L.L.P., City Attorneys

By: _____
TY N. MIZOTE

ATTEST:

By: _____
NATALIE CORRAL
City Clerk

EXHIBIT A

CITY OF HANFORD

CITY MANAGER GENERAL RELEASE AGREEMENT

This General Release Agreement ("Release Agreement") is entered into by and between Christopher Tavarez (“Employee") and City of Hanford ("City"), in light of the following facts:

A. Employee's employment with City concluded on _____.

B. Certain disputes have arisen between City and Employee.

C. City and Employee each deny any liability whatsoever to the other.

D. City and Employee wish to fully and finally resolve any and all disputes they may have with each other.

E. Employee is hereby informed that he has twenty-one (21) days from receipt of this Agreement to consider it. City hereby advises Employee to consult with his legal counsel before signing this Agreement.

F. Employee acknowledges that for a period of seven (7) days following the signing of this Agreement ("Revocation Period"), he may revoke the Agreement. This Agreement shall not become effective or enforceable until the day the Revocation Period has expired.

G. Employee acknowledges that the salary payment referenced in Section 8 of Employee’s Employment Agreement, which is incorporated herein by reference, titled Termination of Agreement, Severance, and General Release Agreement represents all compensation, including salary, accrued benefit balances, and reimbursed expenses, due and payable to him/her through the date of employment termination. Employee also acknowledges that City has made this salary payment without regard to whether he signs this Agreement. The salary payment does not constitute consideration for this Agreement.

1. Receipt of Salary Payment. Employee hereby acknowledges receipt of all compensation owed to him, including salary, accrued benefit balances, and reimbursed expenses (salary payment) from City.
2. Severance. City shall pay severance in one lump sum and in the same manner as the customary payout of earned benefits less applicable deductions and shall pay six months of Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage for Employee and his enrolled dependents. In addition to the severance payment, upon termination without cause Employee shall also receive payment for the cash value of the following upon the date of termination: accrued and unused vacation leave and up to sixty-four (64) hours of accrued and unused management leave. Employee acknowledges that the severance payment is in excess of all amounts due and owing him as a result of his employment by City.
3. General Release. In consideration of the severance to be paid and provided to Employee, and other good and valuable consideration, Employee hereby releases and discharges City and its

past and present City Council Members, employees, representatives and agents, from all rights, claims, causes of action, and damages, both known and unknown, in law or in equity, concerning and/or arising out of his employment by City which he now has, or ever had, including but not limited to any rights, claims, causes of action or damages arising under Title VII of the Civil Rights Act of 1964, the Vocational Rehabilitation Act of 1973, the Employee Retirement Income Security Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers Benefits Protection Act, the Family and Medical Leave Act of 1993, the Domestic Partners Act of 2003, the California Labor Code, the Private Attorneys General Act of 2004, the California Moore-Brown-Roberti Family Rights Act, the California Unruh Civil Rights Act, the California Fair Employment and Housing Act, any other federal, state, or local employment practice legislation, or any federal or state common law, including wrongful discharge, breach of express or implied contract, or breach of public policy.

Employee hereby waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California. Employee understands and acknowledges the significance and consequences of this specific waiver of Section 1542. Section 1542 of the Civil Code of California states as follows:

> "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of City and its past and present City Council Members, employees, representatives and agents, Employee expressly acknowledges that this General Release is intended to include in its effect, without limitation, all claims which he does not know or suspect to exist in his favor.

Employee further acknowledges that he has read this General Release and that he understands that this is a general release, and that he intends to be legally bound by the same.

4. Fees and Costs. Employee and City agree that in the event of litigation relating to this Release Agreement, the prevailing party shall be entitled to recover his reasonable attorneys' fees and costs.

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EMPLOYEE

Dated: _____, 20___

_____
CHRISTOPHER TAVAREZ

CITY
City of Hanford, a municipal corporation

Dated: _____, 20___

By: _____
_____
Mayor

APPROVED AS TO FORM:

By: _____
_____
City Attorney

ATTEST:

By: _____
_____
City Clerk

Council Future Agenda Items				
Originated Date	**Item**	**Originator**	**Staff Lead**	**Date Estimate**
11/26/2025	Main Street Hanford Annual Report	City Manager	Chris Tavarez	Feb 2026
11/4/2025	Artificial Intelligence Policy Discussion	City Council	Chris Tavarez	TBD
11/18/2025	RFP for City Attorney Services	City Council	Chris Tavarez	Mid 2027