

AGENDA
NEWMAN CITY COUNCIL/REDEVELOPMENT AGENCY
REGULAR MEETING JULY 12, 2011
CITY COUNCIL CHAMBERS, 7:00 P.M., 1200 MAIN STREET

1. Call To Order.
2. Pledge Of Allegiance.
3. Invocation.
4. Roll Call.
5. Declaration Of Conflicts Of Interest.
6. Ceremonial Matters
 - a. Badge Pinning Of Reserve Officer Ronil Singh.
 - b. Civility Presentation By Tom Changnon, Stanislaus County Superintendent Of Schools.
 - c. Proclamation Recognizing Tom Applegate's Service To The Community.
7. Items from the Public - Non-Agenda Items.
8. Consent Calendar
 - a. Waive All Readings Of Ordinances And Resolutions Except By Title.
 - b. Approval Of Warrants.
 - c. Approval Of Minutes Of The June 28, 2011 Regular Meeting.
9. Public Hearings.
10. Regular Business
 - a. Appointment Of Members To Fill Vacancies On Parks And Recreation Commission.
 - b. Report On Newman Chamber Of Commerce Request To Hold Event In The Downtown Plaza.
 - c. Report On 2011 Newman Fall Festival.
 - d. Acceptance Of Appraisal For 938 Fresno Street.
11. Items From District Five Stanislaus County Supervisor.
12. Items From The City Manager And Staff.
13. Items From City Council Members.
14. Adjournment.

Calendar of Events

July 12 - City Council - 7:00 P.M.

July 14 - Recreation Commission - 7:00 P.M.

July 21 - Planning Commission - 7:00 P.M.

July 26 - City Council - 7:00 P.M.

August 8 - NCLUSD Board Meeting - 6:00 P.M.

August 9 - City Council - 7:00 P.M.

August 11 - Recreation Commission - 7:00 P.M.

August 12 - City Furlough Day - City Offices Closed

August 16 - Two-On-Two Meeting With The School Board - 4:00 P.M.

August 18 - Planning Commission - 7:00 P.M.

August 23 - City Council - 7:00 P.M.

Proclamation of the City of Newman

WHEREAS, TOM APPELEGATE through his community service, has contributed to making Newman a better place to live; and

WHEREAS, TOM APPELEGATE served the community as a member of the City Council from 1999 to 2002; and

WHEREAS, TOM APPELEGATE served the community as a member of the Newman Planning Commission from 1995 to 1999; and again from 2004 until his resignation in June 2011; and

WHEREAS, TOM APPELEGATE served on the Newman Architectural Review Committee from 2005 to 2011; and

WHEREAS, TOM APPELEGATE served as a member of the Newman Downtown Improvement Committee which was instrumental in the design of both the Downtown Streetscape and Plaza Projects; and

WHEREAS, TOM APPELEGATE served as a member, treasurer and two-term President of the Newman Rotary Club and was selected as the 1999 Rotarian Of The Year; and

WHEREAS, TOM APPELEGATE has been active in numerous Rotary activities benefiting the Newman community, including serving on numerous club fund raising committees, assisting with the annual Toys for Tots program and serving as chairman of the Newman Read-In project; and

WHEREAS, TOM APPELEGATE has demonstrated the strength of the human spirit by continuing to be a constant presence in the community despite his numerous health issues; and

WHEREAS, these and other accomplishments performed by TOM APPELEGATE exemplify the true spirit of Newman;

Now, Therefore, I, Edward Katen, Mayor, do hereby proclaim Tuesday, July 12th, 2011, as TOM APPELEGATE DAY, in the City of Newman.

Dated this Day, July 12th, 2011

Mayor

FY 10/11

Date.: Jul 6, 2011
Time.: 5:08 pm
Run by: EMILY M. FARIA

CITY OF NEWMAN
CASH DISBURSEMENTS REPORT

Page.: 1
List.: NEW1
Group: PYCPDP

Ck #	Check Date	CK Amount	Vendor Name	Description
039422	07/06/11	340.00	AAA UPHOLSTERY	RE-UPHOLSTER 1 TRUCK SEAT/RE-WELD FRAME SUBLET
039423	07/06/11	4927.50	AECOM USA, INC	PQRST/FRESNO/MERCED/WEST INFRASTRUCTURE/4-30-5-27
039423	07/06/11	133.65	AECOM USA, INC	GENERAL ENGINEERING REQUESTS/2-26-11 TO 5-27-11
039423	07/06/11	97.20	AECOM USA, INC	GENERAL REQUESTS/RULE 20A 2-26 TO 5-27-11
039423	07/06/11	1242.00	AECOM USA, INC	GANERAL REQUESTS/AUTO ZONE PLAN REVIEW/2-26/5-27
039424	07/06/11	334.35	AT&T	T1 LINE AT PD/5-20 TO 6-19-11
039424	07/06/11	135.47	AT&T	EMERGENCY DISPATCH LINE @ PD/5-20 TO 6-19-11
039425	07/06/11	393.40	JAMES J. BELL	CONTRACT SERVICES 6-16-11 TO 6-30-11/J. BELL
039426	07/06/11	53611.59	BERTOLOTTI DISPOSAL	MONTHLY GARBAGE SERVICE/JUNE 2011
039427	07/06/11	34.68	CAL TRAFFIC SIGNS	1 PARK & RIDE SIGN
039428	07/06/11	80.00	MANUEL LORENZO H CANGA MD	TB SKIN TESTS/ROBERT & CHRIS VARGAS/DUARTE/EDDINGT
039429	07/06/11	41.00	CHEVRON	LATE FEE ON CHEVRON BILL
039430	07/06/11	116.59	ELAINE COLLISON (NT)	REIMBURSEMENT ON SUPPLIES PURCHASED/COLLISON
039431	07/06/11	641.20	CROP PRODUCTION SERVICES	GLYSTAR/ACTIVATOR/CREDIT ON CORN SEED
039432	07/06/11	60.00	JESSICA CUEVAS	ZUMBA INSTRUCTOR/JUNE 2011
039433	07/06/11	46518.14	DELTA WIRELESS, INC	PO #11-48
039434	07/06/11	76.95	DITTO AN ACME PRINTING COMPAN	4 EMERGENCY ROAD ATLAS/FIRE DEPT
039435	07/06/11	90.00	DONALD DUDLEY	BASKETBALL CAMP INSTRUCTOR/DUDLEY
039436	07/06/11	200.00	EFRAIN DURAN	REFUND MEMORIAL BLDG DEPOSIT/EFRAIN DURAN
039437	07/06/11	650.27	ENERGY SYSTEMS	BALDWIN OIL FILTERS/OIL/CANAL SCH LIFT STATION
039437	07/06/11	637.74	ENERGY SYSTEMS	ANNUAL GENERATOR MAINTENANCE/PD
039437	07/06/11	655.99	ENERGY SYSTEMS	ANNUAL GENERATOR MAINTENANCE/WELL #8
039437	07/06/11	742.23	ENERGY SYSTEMS	OIL FILTERS/OIL FILTER PRIME/OIL/WELL #6
039437	07/06/11	692.23	ENERGY SYSTEMS	ANNUAL GENERATOR MAINTENANCE/ WELL #1R

Date.: Jul 6, 2011
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Run by: EMILY M. FARIA

CITY OF NEWMAN
CASH DISBURSEMENTS REPORT

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List.: NEW1
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Ck #	Check Date	CK Amount	Vendor Name	Description
039438	07/06/11	2298.00	FGL ENVIRONMENTAL, INC	BACTI/COLIFORM/METALS/WET CHEMISTRY/WWTP
039439	07/06/11	933.43	GARTON TRACTOR	REPAIRS TO BACKHOE HORN
039439	07/06/11	1076.52	GARTON TRACTOR	REPAIRS TO MOWER DECK
039440	07/06/11	124124.84	GREG OPINSKI CONSTRUCTION, INC	PROGRESS PAYMENT #3/PQRST STREET CONSTRUCTION
039441	07/06/11	22.74	STEPHANIE HOUSE	REIMBURSEMENT FOR SUPPLIES/HOUSE
039442	07/06/11	252.04	HUB INTERNATIONAL OF CA INS SE	LIABILITY INS PREMIUM/DURAN/GARCIA
039443	07/06/11	307.19	IDEXX LABORATORIES, INC.	SUPPLIES FOR WATER TESTING
039444	07/06/11	77.94	JOE'S LANDSCAPING & CONCRETE,	10 RAINBIRD 1800 6" POP-UPS
039444	07/06/11	29.10	JOE'S LANDSCAPING & CONCRETE,	QUIK FIX/PRIMER/PVC FITTING/SPRINKLER
039444	07/06/11	230.00	JOE'S LANDSCAPING & CONCRETE,	1 CONCRETE CUTTING BLADE
039444	07/06/11	903.50	JOE'S LANDSCAPING & CONCRETE,	CLEAN UP AT 1563 P STREET
039445	07/06/11	898.51	MITCHELL INSTRUMENTS	PO #11-61
039446	07/06/11	336.00	TYLER MITCHELL	TENNIS INSTRUCTOR/JUNE 2011
039447	07/06/11	2000.00	NEWMAN FIREFIGHTERS, INC.	MONTHLY DINNER MEETING REIMBURSEMENT/FY 10-11/FD
039447	07/06/11	28970.00	NEWMAN FIREFIGHTERS, INC.	2897 FIR CALLS/306 HOURS TRAINING/VOLUNTEER FIREM
039448	07/06/11	630.49	NEWMAN ACE HARDWARE/JACT, INC	BATTERIES/WIRE/GLOVES/HOSE/STIHL CHAIN/SPRINKLERS
039449	07/06/11	1610.00	GEORGE OSNER	PLANNING SERVICES/MAY 2011/AREA MASTER PLAN #3
039450	07/06/11	376.00	BIANCA PARDO	ZUMBA INSTRUCTOR/JUNE 2011
039451	07/06/11	49765.46	P G & E	GAS & ELECTRIC 3-1-*11 TO 6-17-11
039452	07/06/11	80.08	PRECISION INSPECTION, INC	CODE ENFORCEMENT SERVICES-907 FIG LANE
039453	07/06/11	141.83	RALEY'S IN STORE CHARGE	SUPPLIES FOR BARBEQUE FOR PUBLIC WORKS
039454	07/06/11	370.00	RANDHAWA MEDICAL GRP, IN	PRE-EMPLOYMENT PHYSICAL/SINGH/PD
039455	07/06/11	135.00	SHANE SEQUEIRA	BASKETBALL CAMP INSTRUCTOR/SEQUEIRA
039456	07/06/11	71.26	SHARPENING SHOP	CLEANED & REBUILT CARBURETOR/WEED EATER

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CITY OF NEWMAN
CASH DISBURSEMENTS REPORT

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Ck #	Check Date	CK Amount	Vendor Name	Description
039457	07/06/11	750.00	SHASTA ELEVATOR COMPANY	PREVENTATIVE MAINTENANCE/ELEVATOR AT MUSEUM
039458	07/06/11	40.00	KELI SILVA	REFUND 1/2 PARK RENT/UNUSABLE RESTROOM/SILVA
039459	07/06/11	594.70	SOLECON, INC	FREON/VACUUMED CONDENSOR/MAINTENANCE/CITY HALL
039459	07/06/11	345.68	SOLECON, INC	MAINTENANCE/CHANGED FILTERS & BELTS/CLEAN COILS
039459	07/06/11	277.90	SOLECON, INC	PREVENTIVE MAINTENANCE/CLEAN COILS/FILTERS/REC CNT
039459	07/06/11	525.56	SOLECON, INC	FREON/TIGHTEN BELTS/CLEAN COILS/FILTERS/DEICING/PD
039459	07/06/11	280.19	SOLECON, INC	PERFORMED PREVENTIVE MAINTENANCE/BELTS/FILTERS/MEM
039459	07/06/11	278.58	SOLECON, INC	MAINTENANCE/FILTER CHANGE/CLEANED COILS/FD
039460	07/06/11	2505.51	SPRINGBROOK SOFTWARE	TRAVEL EXPENSES 5-23 TO 5-27-11/BUSINESS LIC TRNG
039461	07/06/11	98.00	STANISLAUS COUNTY	CNG FUEL PUMPED @ MORGAN RD STATION/MAY 2011
039462	07/06/11	43.31	STAPLES CREDIT PLAN	4 100 PK DVD-R'S
039463	07/06/11	56.42	STAPLES ADVANTAGE	BINDER CLIPS/TAPE DISPENSER/ADD ROLLS/PEN REFILLS
039463	07/06/11	47.95	STAPLES ADVANTAGE	MEMO BOOKS/PAPER/HP INK CARTRIDGES/PD
039464	07/06/11	8020.50	STANTEC CONSULTING SERVICES, I	PO #11-03A
039464	07/06/11	1069.50	STANTEC CONSULTING SERVICES, I	PO #11-02A
039465	07/06/11	7750.00	TESCO CONTROL, INC.	PO #11-23
039465	07/06/11	2530.00	TESCO CONTROL, INC.	PO #11-17
039466	07/06/11	108.00	UNDERGRND SERV ALERT, INC	UNDERGROUND BILLABLE FAXES 11/10 THRU 5/31/11
039467	07/06/11	2431.82	UNITED RENTALS NORTHWEST, INC	PO #11-62
039467	07/06/11	92.66	UNITED RENTALS NORTHWEST, INC	THROTTLE KIT/CABLE WACKER/CASING
039468	07/06/11	24.71	VALLEY PARTS SERVICE	CAR WASH/PD
039468	07/06/11	37.06	VALLEY PARTS SERVICE	6 CAR WASH/PD
039468	07/06/11	431.23	VALLEY PARTS SERVICE	HANDLE/REFRIGERANT/METAL STAMP/BATTERY/ANTIFREEZE
039469	07/06/11	254.65	YANCEY LUMBER COMPANY	DOG FOOD/K-9 DOGS

Accounts Payable

AP Check Register for Council



City of Newman
1162 MAIN ST
PO BOX 787
NEWMAN, CA 95360

User: lhumphries
Printed: 07/08/2011 - 9:10 AM

Check D	Check Nun	Vendor I	Name	Account	Description	Amount
7/8/2011	100000	AME01	AMERICAN PLANNING ASSOC	10-06-663	APA MEMBERSHIP DUES 10-1-11 TO 9-30-12	290.00
7/8/2011	100001	ARA01	ARAIZA SERGIO	10-00-284	REFUND MEM BLDG DEPOSIT/ARAIZA	200.00
7/8/2011	100005	CAL98	CALIFORNIA CONSULTING, LL	10-02-620	MONTHLY RETAINER/GRANT & LOBBYING SERV	1,013.12
7/8/2011	100005	CAL98	CALIFORNIA CONSULTING, LL	60-50-620	MONTHLY RETAINER/GRANT & LOBBYING SERV	1,013.12
7/8/2011	100005	CAL98	CALIFORNIA CONSULTING, LL	63-56-620	MONTHLY RETAINER/GRANT & LOBBYING SERV	1,013.13
7/8/2011	100006	CAR21	CARTER JEFF	68-68-772	RENT FOR DOWNTOWN PARKING LOT/JULY 2011	100.00
7/8/2011	100007	CBA02	CBA (ADMIN FEES)	10-00-226	DENTAL-VISION ADMIN FEES/JULY 2011	214.50
7/8/2011	100009	COE01	COELHO CARL J. (CHUCK)	10-22-650	GAS ALLOWANCE/COELHO/JULY 2011	50.00
7/8/2011	100011	DEPA9	DEPARTMENT OF INDUSTRIAL F	10-07-666	ANNUAL ELEVATOR INSPECTION/MUSEUM	125.00
7/8/2011	100013	FIRA0	FIREtoWIRE, INC	10-02-620	WEB HOSTING 7-17-11 TO 8-17-11	6.99
7/8/2011	100013	FIRA0	FIREtoWIRE, INC	63-56-620	WEB HOSTING 7-17-11 TO 8-17-11	6.99
7/8/2011	100013	FIRA0	FIREtoWIRE, INC	60-50-620	WEB HOSTING 7-17-11 TO 8-17-11	6.99
7/8/2011	100013	FIRA0	FIREtoWIRE, INC	10-14-620	WEB HOSTING 7-17-11 TO 8-17-11	3.50
7/8/2011	100013	FIRA0	FIREtoWIRE, INC	10-21-620	WEB HOSTING 7-17-11 TO 8-17-11	6.98
7/8/2011	100013	FIRA0	FIREtoWIRE, INC	10-22-620	WEB HOSTING 7-17-11 TO 8-17-11	3.50
7/8/2011	100014	GRA02	GRANDFLOW	10-14-630	2500 AP AND PAYROLL CHECKS	540.71
7/8/2011	100014	GRA02	GRANDFLOW	60-50-630	2500 AP AND PAYROLL CHECKS	144.41
7/8/2011	100014	GRA02	GRANDFLOW	63-56-630	2500 AP AND PAYROLL CHECKS	144.41
7/8/2011	100015	HAL04	HALLINAN TOM	10-15-620	LEGAL RETAINER FEE/JULY 2011	525.00
7/8/2011	100015	HAL04	HALLINAN TOM	60-50-620	LEGAL RETAINER FEE/JULY 2011	525.00
7/8/2011	100015	HAL04	HALLINAN TOM	63-56-620	LEGAL RETAINER FEE/JULY 2011	525.00
7/8/2011	100016	HEW01	HEWLETT-PACKARD FINANCIAI	10-21-620	HARDWARE LEASE 7/18/11 TO 8/17/11/PD	590.86
7/8/2011	100017	INS00	IN-SYNCH SYSTEMS	10-21-620	MOBILE RECORDS MANAGEMENT SYSTEM/AUG	1,104.00
7/8/2011	100020	KA101	KAISER PERMANENTE	10-00-226	HEALTH INSURANCE PREMIUM/AUG 2011	1,974.00
7/8/2011	100021	LOC01	LOCAL GOV. COMMISSION	10-02-663	LOCAL GOVT MEMBERSHIP RENEWAL 4-2011 TO	75.00
7/8/2011	100022	NBS00	NBS	69-47-620	ADMIN FEES 7-1-11 TO 9-30-11/LMD ADMINISTRA	2,251.12
7/8/2011	100008	PAT09	CITY OF PATTERSON	10-03-620	CITY COUNCIL VIDEO REIMBURSEMENT/JUL 201	660.00
7/8/2011	100023	PER08	PERRY (NT) LANCE	60-50-615	BOOT ALLOWANCE FOR 2011-2012	135.46
7/8/2011	100018	ROL01	JOCELYN ROLAND, Ph.D.	10-21-620	ANNUAL CONTRACT	3,000.00
7/8/2011	100018	ROL01	JOCELYN ROLAND, Ph.D.	10-21-620	PRE-EMPLOYMENT PSYCHOLOGICAL SCREENIN	400.00
7/8/2011	100018	ROL01	JOCELYN ROLAND, Ph.D.	10-21-620	PRE-EMPLOYMENT PSYCHOLOGICAL SCREENIN	400.00
7/8/2011	100018	ROL01	JOCELYN ROLAND, Ph.D.	10-21-620	PRE-EMPLOYMENT PSYCHOLOGICAL SCREENIN	400.00
7/8/2011	100024	SAN08	SAN JOAQUIN VALLEY AIR	62-60-620	DIESEL GENERATOR PERMIT FEES/8-1-11 TO	479.00
7/8/2011	100026	SPR00	SPRINGBROOK SOFTWARE	10-14-631	ANNUAL MAINTENANCE 7/2011 TO 6/2012 SOFTW	3,910.00
7/8/2011	100026	SPR00	SPRINGBROOK SOFTWARE	63-56-631	ANNUAL MAINTENANCE 7/2011 TO 6/2012 SOFTW	3,910.00
7/8/2011	100026	SPR00	SPRINGBROOK SOFTWARE	60-50-631	ANNUAL MAINTENANCE 7/2011 TO 6/2012 SOFTW	3,910.00
7/8/2011	100028	UB*0001	WHEELAND RHONDA	63-00-201	Refund Check	83.29
7/8/2011	100004	UB*0001	CAETANO SHAUN	63-00-201	Refund Check	16.05
7/8/2011	100012	UB*0001	FANTAZIA JOHN	63-00-201	Refund Check	32.99
7/8/2011	100010	UB*0002	CRUICKSHANK ROBERT	63-00-201	Refund Check	29.14
7/8/2011	100025	UB*0002	SMITH BRYAN	63-00-201	Refund Check	72.36
7/8/2011	100003	UB*0002	BUTLER ROBIN	63-00-201	Refund Check	6.07
7/8/2011	100019	UB*0002	JOYCE JARRAD	63-00-201	Refund Check	15.06
7/8/2011	100002	UB*0002	BRYANT HEATHER	63-00-201	Refund Check	30.09
7/8/2011	100027	VAR07	VARGAS GEORGE	10-22-650	MONTHLY GAS ALLOWANCE/JULY 2011	50.00

Check D	Check Nun	Vendor	Name	Account	Description	Amount
7/8/2011	100029	Y-N00	Y-NOT NEWMAN FLORAL	10-01-6620	SYMPATHY ARRANGEMENT/EVANS	59.61
						30,052.45

MINUTES
NEWMAN CITY COUNCIL/REDEVELOPMENT AGENCY
REGULAR MEETING JUNE 28, 2011
CITY COUNCIL CHAMBERS, 7:00 P.M., 1200 MAIN STREET

1. Call To Order - Mayor Katen 7:00 P.M.
2. Pledge Of Allegiance.
3. Invocation - Council Member Martina.
4. Roll Call **PRESENT:** Davis, Hutchins, Candea And Martina.
ABSENT: Mayor Katen (Excused).
5. Declaration Of Conflicts Of Interest - None.
6. Ceremonial Matters - None.
7. Items from the Public - Non-Agenda Items

Vicki Lucas, Newman Chamber Of Commerce, Presented The Council With A Flyer For A Downtown Event To Be Held In The Plaza On August 6, 2011 And Asked For Their Consideration To Allow A Classic Car Show Event. The City Council Supported The Event And Asked That It Be Placed On The Agenda For Consideration At The July 12, 2011 Council Meeting.

Newman Library Branch Manager, Kelly Ferrini, Spoke About Some Of The Newman Library's Youth And Adult Programs Being Offered This Summer Including The Stanislaus Reads Program And Science Programs.

8. Consent Calendar

- a. Waive All Readings Of Ordinances And Resolutions Except By Title.
- b. Approval Of Warrants.
- c. Approval Of Minutes Of The June 14, 2011 Special Meeting And The June 14, 2011 Regular Meeting.
- d. Approval Of City Manager Contract Extension And Amendment.
- e. Adopt Resolution No. 2011-48, A Resolution Amending The City Of Newman Personnel Rules.
- f. Support Of The Newman Youth Sports Alliance Application For Statewide Park Program Grant Funds And Approval Of Land Tenure Letter Of Commitment For 648 West Mariposa Street.

David Reed, 1341 Kern Street Asked That Item 8.f. Be Pulled For Discussion.

Council Member Hutchins Requested That Warrant No. 039419 And Item 8.f. Be Pulled From The Consent Calendar.

ACTION: On A Motion By Hutchins Seconded By Davis And Unanimously Carried, The Consent Calendar Minus Warrant 039419 And 8.f. Was Approved.

ACTION: On A Motion By Candea Seconded By Davis And Unanimously Carried, Warrant Number 039149 Was Approved With Council Member Hutchins Not Participating.

David Reed, 1341 Kern Street, Stated That He Was Concerned About The Proximity Of The Park Location To Local Residents And The Negative Impacts It May Have. He Noted That He Would Like More Information Before This Type Of Use Is Approved.

ACTION: On A Motion By Hutchins Seconded By Candea And Unanimously Carried Item 8.f. Was Approved.

9. Public Hearings

- a. Adopt Resolution No. 2011-49, A Resolution Declaring The Existence Of A Public Nuisance Under Ordinance No. 95-4.

Mayor Pro Tem Martina Opened The Public Hearing At 7:17 P.M.

There Being No Public Comment, Martina Closed The Public Hearing At 7:18 P.M.

ACTION: On Motion By Davis Seconded By Candea And Unanimously Carried, Resolution No. 2011-49, A Resolution Declaring The Existence Of A Public Nuisance Under Ordinance No. 95-4, Was Adopted.

- b. Second Reading And Adoption Of Ordinance No. 2011-4, An Ordinance Amending Title 9, Police Regulations, Chapter 9.02 Animal Control Of The Newman City Code And Authorizing Staff To Publish A Summary Of Said Ordinance.

Mayor Pro Tem Martina Opened The Public Hearing At 7:19 P.M.

Derek Thibodeau, 639 Rodeo Grounds Way, Questioned If The Complaining Parties Would Have To Be Identified.

Chief Richardson Responded That The Officers On Site Would Not Release That Information, But If Someone Requests A Copy Of The Police Report, The Names Would Have To Be Contained In The Report.

Scott Barrus, 1529 Langston Drive, Stated That He Was Concerned That Two Separate Complaints Are Required To Take Action And Suggested That The Ordinance Be Modified.

Loren Miller, 724 Elyar Mountain Court, Noted That He Was Happy With The Ordinance And Thinks That It Is A Step In The Right Direction. Miller Mentioned That He Has Had Problems With Barking Dogs Since He Moved To Newman. He Stated That He Supported Stricter Regulations And A Single Complaining Party.

There Being No Public Comment, Martina Closed The Public Hearing At 7:27 P.M.

ACTION: Ordinance No. 2011-4, An Ordinance Amending Title 9, Police Regulations, Chapter 9.02 Animal Control Of The Newman City Code Had Its Second Reading By Title Only. On A Motion By

Hutchins Seconded By Davis Said Ordinance Was Unanimously Adopted And Staff Was Authorized To Prepare And Publish A Summary Of Said Ordinance.

- c. Adopt Resolution No. 2011-50, A Resolution Confirming The Assessment And Ordering The Levy For The Lighting And Landscape Maintenance District For Fiscal Year 2011/2012.

Mayor Pro Tem Martina Opened The Public Hearing At 7:31 P.M.

There Being No Public Comment, Martina Closed The Public Hearing At 7:32 P.M.

ACTION: On Motion By Candea Seconded By Hutchins And Unanimously Carried, Resolution No. 2011-50, A Resolution Confirming The Assessment And Ordering The Levy For The Lighting And Landscape Maintenance District For Fiscal Year 2011/2012, Was Adopted.

10. Regular Business

- a. Appointment Of Members To Fill Vacancies On Parks And Recreation Commission.

ACTION: The Council Agreed To Table Item 10.a. Because The Applicants Were Not Present.

- b. Report On Building Department's Assessment Of The Yancey Building.

City Building Official Mike Brinkman Provided The City Council With His Assessment Of The Yancey Building. Brinkman Noted That A New Foundation Would Cost Between \$15,000 And \$20,000. He Mentioned That If The Building Would Be Open To Public, That It Would Be Required To Meet ADA Standards. Brinkman Reported That The Building Needed A New Roof And That The Eastern Side Needs To Be Sealed From The Weather.

Council Member Martina Reminded Everyone Of The Importance Of Preserving Our Historic Buildings.

ACTION: The Council Directed Staff To Bring This Item Back In July With Additional Cost Estimates And Options For A Foundation.

- c. Report On The Main Street Intersections Rehabilitation Project.

ACTION: The Council Directed Staff To Pursue Option No. 2 For Rehabilitation Of These Main Street Intersections, Removing The Entire Crosswalk At The Downtown Locations And Installing Tumbled Cobble Pavers Over A Structural Base.

- d. Adopt Resolution No. 2011-51, A Resolution Authorizing The City Manager And The Director Of Public Works To Sign All Documents, Right-Of-Way Certifications, Assurances, Master Agreements And Other Statements For Funding Through The California Department Of Transportation.

ACTION: On Motion By Hutchins Seconded By Davis And Unanimously Carried, Resolution No. 2011-51, A Resolution Authorizing The City Manager And The Director Of Public Works To Sign All Documents, Right-Of-Way Certifications, Assurances, Master Agreements And Other Statements For Funding Through The California Department Of Transportation, Was Adopted.

11. Items From District Five Stanislaus County Supervisor.

Supervisor DeMartini Reminded The Community That The West Side Walks Campaign Was Underway And That The Next West Side Healthcare Taskforce Meeting Was Scheduled For August 4th In Newman At The Council Chambers. DeMartini Also Mentioned That The Healthy Choices Summit Would Be Held On August 18th In Newman And That The West Side Theatre.

12. Items From The City Manager And Staff.

City Manager Holland Notified The Council and The Community That There Were Openings On Both The Recreation And Planning Commissions And Noted That Those Positions Would Remain Open Until Filled. Holland Congratulated The Recreation Department For Winning The City Softball Tournament. He Stated That The Budget Picture Is Still Cloudy And It Appeared As Though Some Things Will Be Spared But That The RDA Is Still At Risk.

Public Works Director Reynolds Updated The Council On The Status Of The Newman Family Apartments, The S & T Street, P Q & R Street, The M Street Sewer Line And The Plaza Restroom Projects.

13. Items From City Council Members.

Council Member Hutchins Reported That He Had Attended A Restricting Meeting And Lobbied The State Not To Group Us With The Bay Area. Hutchins Noted That The State Budget Item Is Contingent Upon Projected Revenues.

Council Member Candea Complimented The Fall Festival Chicken Dinner And Wished O.H.S. Grad Jonathan Moreno Well As He Was Leaving For Basic Training. Candea Noted That A Disabled War Veteran Was Scolded For Taking Two Parking Spaces On Main Street While Visiting Our Community; Candea Went On To Explain That He Needed The Two Spaces In Order To Accommodate His Wheel Chair And He Asked That Citizens Be A Little More Tolerant In Similar Situations.

Council Member Martina Thanked Everyone For Attending.

14. Adjourn To Closed Session - 8:21 P.M.

- a. Conference With Real Property Negotiator – Merced County APN 054-022-001 - G.C. 54956.8. Agency Negotiator: Michael E. Holland. Under Negotiation: Price And Term Of Payment.
- b. Return To Open Session - 8:39 P.M.

No Reportable Action Was Taken.

15. Adjournment.

ACTION: On Motion By Hutchins Seconded By Davis And Unanimously Carried, The Meeting Was Adjourned At 8:40 P.M.

Honorable Mayor and Members
of the Newman City Council

Agenda Item: **10.a.**
City Council Meeting
July 12, 2011

REPORT ON APPOINTMENTS TO FILL VACANCIES ON THE RECREATION COMMISSION

RECOMMENDATION:

Consider appointment or reappointment Recreation Commission members.

BACKGROUND:

The City currently has three vacancies on the Recreation Commission. The vacancies are comprised of two regular commission seats and one seat for a non-voting Orestimba High School Representative. The Student Representative is a position that has been vacant for several years due to a lack of interest.

A notice was published in the West Side Index and two applications for the Recreation Commission were received. Former Commissioner Sebastian Rangel applied to be reappointed to the Commission and Austin Ramos applied to be the Orestimba High School representative. Both of the candidate's applications are attached for your review. Potential questions for the candidates will be provided to the Council at the meeting should you decide to interview the candidates.

Both appointments to the Recreation Commissions would be effective immediately; the term of the student representative would expire in June 1, 2012 and the other term for the regular seat would expire in January of 2015.

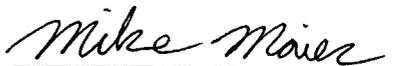
FISCAL IMPACT:

N/A

ATTACHMENTS:

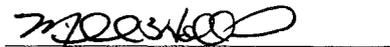
1. Copies of each candidate's Application for Citizen Service
2. Copies of the letters sent to each candidate apprising them of the interview/appointment process.

Respectfully submitted,

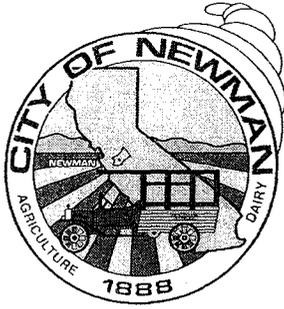


Mike Maier
Deputy City Clerk

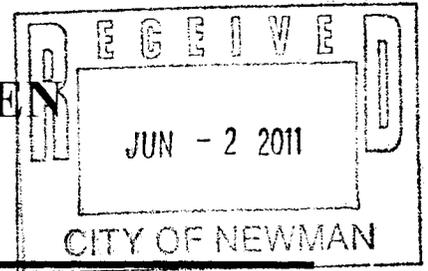
REVIEWED/CONCUR:



Michael E. Holland
City Manager



City of Newman APPLICATION FOR CITIZEN SERVICE



POSITION DESIRED: Planning Commission Parks & Recreation Commission
 Architectural Review Committee Other _____

NAME: Sebastian Rangel

ADDRESS: 701 Real Ave. Newman Ca 95360

HOME PHONE: (209) 862-1599 BUSINESS PHONE: (209) 202-4106

OCCUPATION: _____

EDUCATION: (List highest year completed and all degrees): High School

Are there any workday evenings you could not meet? Yes No

If so please list: _____

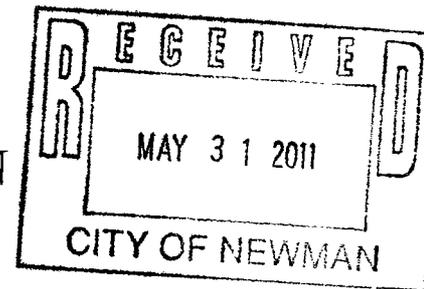
Why are you interested in this position? To keep kid off the street.

What do you consider to be your major qualifications? Out going person

Please attach a written statement containing any additional information you feel would be helpful to the City Council.



City of Newman APPLICATION FOR CITIZEN SERVICE



POSITION DESIRED: Planning Commission Parks & Recreation Commission
 Architectural Review Committee Other _____

NAME: Austin Ramos

ADDRESS: 433 Red Lion Way

HOME PHONE: 209-862-3755

BUSINESS PHONE: 209-417-7344

OCCUPATION: Student

EDUCATION: (List highest year completed and all degrees): Orestimba High School 10th Grade in the
Fall of 2011

Are there any workday evenings you could not meet? Yes No

If so please list: _____

Why are you interested in this position? I want to be a Parks & Rec. Commissioner for the City of

Newman, because I want to communicate between the students of Orestimba and the community of

Newman.

What do you consider to be your major qualifications? I participated in all sports that city had to offer

from Soccer to Basket Ball during my youthful years. Also my grandfather Richard Gaytan has been on

the commission since 1995 and has encouraged me to apply.

Please attach a written statement containing any additional information you feel would be helpful to the City Council.



July 6, 2011

Sebastian Rangel
701 Real Avenue
Newman, CA 95360

Re: Recreation Commission Interview/Appointment

Dear Sebastian:

The City has received and processed your Application for Citizen Service; pursuant to the City's policy for filling commission vacancies, the City Council will hold brief interviews with each candidate at their Regular Meeting on July 12, 2011 at 7:00 p.m. in the Council Chambers, 1200 Main Street. Following the interviews, the Mayor and Council will appoint and confirm the new commissioners.

Please plan on attending the July 12th meeting. Should you have any questions regarding this process, please feel free to contact me. Thank you for your interest in serving as a member of the City of Recreation Planning Commission.

Sincerely,

A handwritten signature in cursive script that reads 'Mike Maier'.

Mike Maier
Deputy City Clerk



July 6, 2011

Austin Ramos
433 Red Lion Way
Newman, CA 95360

Re: Recreation Commission Interview/Appointment

Dear Austin:

The City has received and processed your Application for Citizen Service; pursuant to the City's policy for filling commission vacancies, the City Council will hold brief interviews with each candidate at their Regular Meeting on July 12, 2011 at 7:00 p.m. in the Council Chambers, 1200 Main Street. Following the interviews, the Mayor and Council will appoint and confirm the new commissioners.

Please plan on attending the July 12th meeting. Should you have any questions regarding this process, please feel free to contact me. Thank you for your interest in serving as a member of the City of Recreation Planning Commission.

Sincerely,

A handwritten signature in cursive script that reads 'Mike Maier'.

Mike Maier
Deputy City Clerk

REPORT ON NEWMAN CHAMBER OF COMMERCE EVENT AT THE DOWNTOWN PLAZA

RECOMMENDATION:

Staff recommends the City Council approve the Newman Chamber of Commerce event scheduled at the Downtown Plaza on August 6th 2011 from 5 P.M. to 9 P.M.

BACKGROUND:

The Newman Chamber of Commerce has requested exclusive use of the Downtown Plaza, and the 1300 block of Main Street, on August 6th 2011 from 5 P.M. to 9 P.M. to host a classic car show. Event organizers have invited 65 vehicles to attend, but do not have an accurate count as to how many will be in attendance. There will be a D.J. until 9 P.M. and **NO** alcohol will be served or sold. The event date has no conflicts with other community events. The event organizers are seeking council approval for this year's event.

ANALYSIS:

As of the date and time of the preparation of this staff report, the Chamber is in the final stages of planning this event. Any subsequent changes will be reported out by staff during the presentation of this report.

The Chamber of Commerce has made the following requests:

- ❖ Exclusive use of the Downtown Plaza and the 1300 block of Main Street. Street Closures at Main/Tulare and Main/Fresno.
- ❖ Use of Plaza restroom facilities and electrical power at the location.
- ❖ Waive Standards for Downtown Events in the areas of:
 - Day of operation. This is a Saturday event. Per standards, Sunday is the preferred day.
 - Hours of operation. This event is scheduled until 9 P.M. Per standards, events are to end by 7 P.M.
 - Music hours of operation. Amplified music is scheduled until 9 P.M. Per standards, music to cease by 6 P.M.
 - Event planning timeframe. Event planning was received 30 days in advance. Per standards, event plans must be received 60 days in advance.
 - Clean-up deposit. Downtown standards require a \$1,000.00 deposit refundable upon satisfactory cleaning of the affected area. The Newman Chamber of Commerce assures staff that they will thoroughly clean up.
 - Business licenses. Downtown standards require all vendors to be licensed for business within the City.
 - Insurance reduction to \$1,000,000.00. Current standards indicated a figure of \$3,000,000.00 naming the City as an additional insured party.
 - Traffic/crowd control device costs. City-owned barricades could be utilized.

All other Standards for Downtown events will apply.

Event organizers have prepared two configurations for the event. Plan "A" has the 1300 block of Main Street closed to vehicular traffic and will be used for classic vehicle parking. The east plaza parking lot will be open for public parking. Plan "B" has the 1300 block of Main Street open to vehicular traffic and has the east plaza parking lot closed for classic vehicle parking. Event organizers will have more information as to the number of participants by the 25th of July and will be able to make a better determination as to which plan will be most suitable. Event organizers have obtained petition signatures from merchants in the 1300 block of Main Street in support of the event.

FISCAL IMPACT:

Staff recommends staffing this event with two uniformed police officers for the duration of the event. Projected overtime costs should not exceed \$700.00 for the duration indicated. It is staff's recommendation that all applicable costs be invoiced to the Newman Chamber of Commerce.

CONCLUSION:

Based upon the information contained in this report, the following options are available:

1. Approve the event as indicated.
2. Reject the event.

Staff recommends Alternative 1.

Staff also recommends that any additional costs be invoiced to the Newman Chamber of Commerce.

ATTACHMENTS:

- 1) Standards for downtown events
- 2) Signature list from local merchants
- 3) Proposed "Plan A" site map
- 4) Proposed "Plan B" site map
- 5) Event flyer

Respectfully submitted,



Brett Short
Police Lieutenant

REVIEWED/CONCUR:



Michael Holland
City Manager

STANDARDS FOR DOWNTOWN EVENTS

(Adopted October 11, 2006)

1. **DAYS:**
One Day Event: Sunday Preferred
Two Day Events: Saturday & Sunday or Sunday & Monday may be allowed on holiday weekends
2. **HOURS:**
Events should be scheduled during daylight hours. Events may not begin prior to 7:00 a.m. or end later than 7:00 p.m.
3. **STREET USAGE:**
First time event: One block
Anticipated crowd size: 1000 or less - one block
1000 or more - two blocks
2000 or more - three blocks
4. **INSURANCE:**
Three Million dollar policy naming the City as an additional insured. This must be received by the City three weeks prior to the event.
5. **SECURITY:**
Total cost of security for the event will be the responsibility of the event organizer. One half of the anticipated cost of police services will be deposited with the City Finance Department two weeks prior to the event.

General event: 1 officer per 200 attendees or as deemed necessary by the Chief of Police.

Alcohol/Bands/Dances - 2 officers per 300 attendees or more if required by the Chief of Police.
6. **MUSIC:**
No amplified sound systems before 10 A.M. or after 6 P.M. unless approved by the Chief of Police.
7. **ELECTRICAL:**
Extension cords shall be a minimum of 14-3 gauge wire and properly sized for intended use. The cords shall be protected from abrasions caused by foot traffic and shall be placed so as not to cause a tripping hazard. Use of City electrical outlets must be requested and approved by the City Council

8. **EVENT PLAN:**

The applicant is to complete a street closure plan for barricading the downtown streets and provide a site plan for the location of any portable stages, alcohol sales, and other semi-permanent structures. Included in this site plan should be any special requests of the city including use of electrical outlets. This must be submitted to the Chief of Police or his designee 60 days prior to the date of the event.

9. **CLEAN UP:**

The event organizer will be responsible for cleaning the streets, sidewalks and other public areas used by the event. A \$1,000.00 deposit will be required. The deposit will be refunded if all city property is cleaned to the satisfaction of the Director of Public Works or his designee.

10. **APPROVAL OF AFFECTED BUSINESSES:**

First Time Events: Provide written approval of at least 75 percent of any business affected by the proposed street closure in the blocks involved.

Yearly Events: Provide a flyer making the downtown business community aware of the type of event, date, time and streets to be used.

Notification must be completed at least 45 days prior to the City Council meeting and must be approved by the Chief of Police or his designee.

11. **BUSINESS LICENSES:**

All local and out of town vendors/businesses conducting sales of goods or services shall have a business license with the City of Newman prior to participating in the event.

12. **HEALTH PERMITS:**

Food vendors shall obtain a Stanislaus County Health Permit prior to the sale of any food items.

13. **CANOPIES OR OTHER TEMPORARY STRUCTURES:**

All temporary structures including but not limited to stages, platforms and booth structures must be inspected by the City's Building Department on the day of the event. Any direct cost to the City for this service will be the responsibility of the fundraiser/organizer. Any use of canopies must be inspected and approved by a designee of the City on the day of the event.

14. **BLEACHERS:**

All bleachers must be inspected by the City's Building Department the day of the event. Any direct cost to the City for this service will be the responsibility of the fundraiser/organizer.

15. **ADVERTISING:**

The event organizer shall not advertise or promote the event until the event has been approved by the City Council

16. **ALCOHOL:**

The sale or providing of alcohol shall be done under the following conditions:

- A. That it is the fundraiser/organizers responsibility to make sure vendors obtain an on sale one-day permit from the California Alcohol Beverage Control Board (commonly known as ABC). This must be done and received by the City two weeks prior to the event.
- B. That alcohol is served in paper or plastic cups (no glass cups or bottles).
- C. That no alcohol sold inside any establishment can be consumed in the street closure area.
- D. That the City Council approves the use of the street closure for a beer garden and that they waive the city ordinance prohibiting consumption of alcohol on public streets.

17. **TRAFFIC/CROWD CONTROL DEVICES:**

The fundraiser/organizer will be responsible for the direct cost of barricades, no parking signs, and any other required devices.

18. **STATEMENT OF FUNDS**

The fundraiser/organizer will provide documentation and/or a list of who has or will financially benefit from the fundraiser for the current event and any previous events. It will also state how much was raised and the amount or percentage that will or has been donated to what community organization.

Newman Chamber of Commerce

Petition for Main Street Closure for the 2011 "A Hot Night in the Plaza"
Classic Car Show Event

Saturday August 6, from 5:00 pm to 9:00 pm

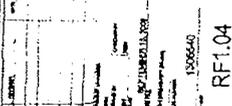
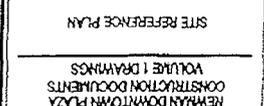
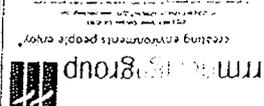
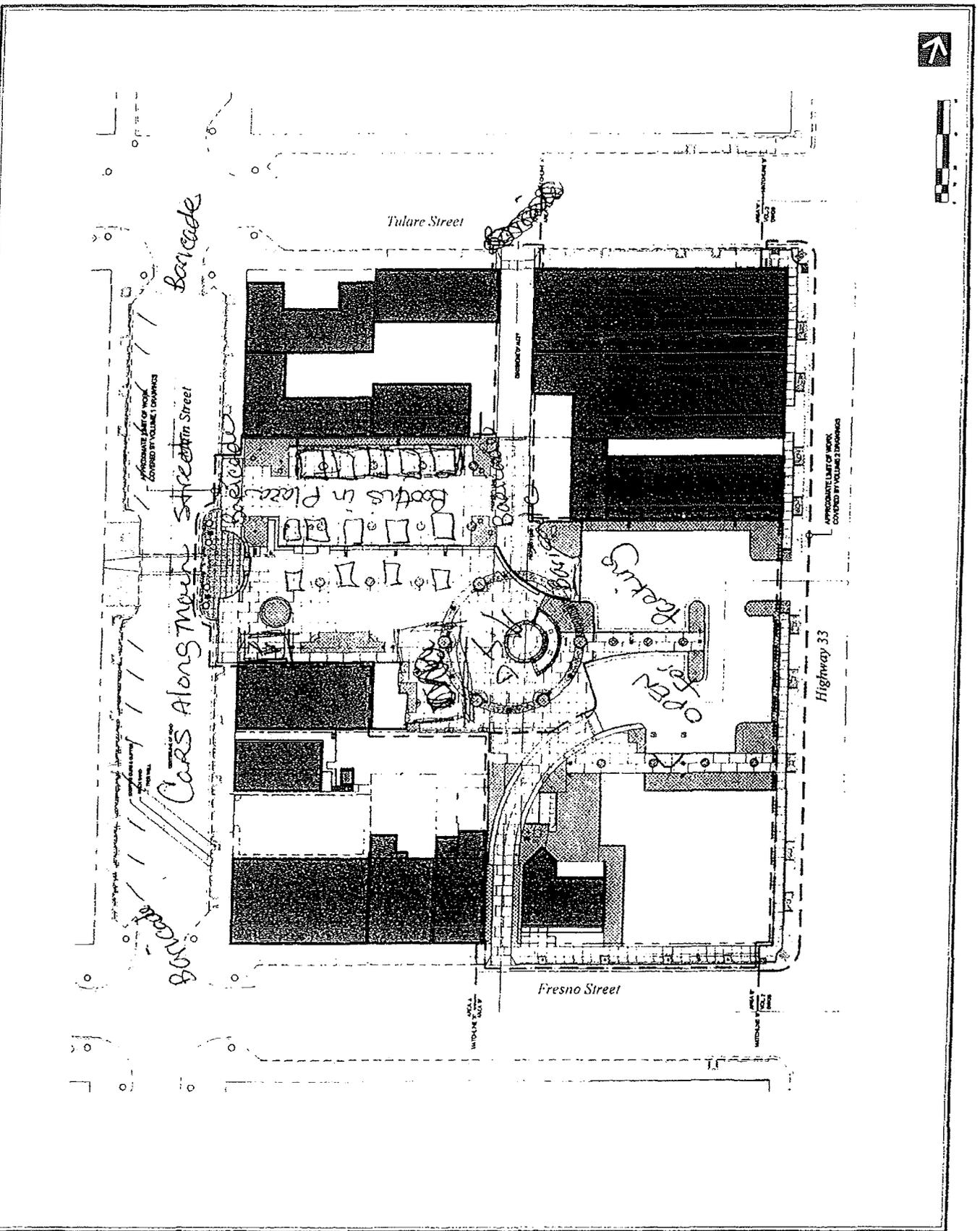
Notice to Main Street merchants regarding the City's intention to close off Main Street at Fresno and Tulare Streets on Saturday August 6, 2011 from 5:00 pm to 9:00 pm.

1. JJ LIQUOR *[Signature]*
2. ~~NOVUS SERVICES~~ *[Signature]*
3. State Farm *Michael Lammell*
4. Newman ACE *Mark Yampolski*
5. Felber Insurance *[Signature]*
6. Newman Medical Clinic *[Signature]*
7. Babcock *Renee (Blues)*
8. John A. Bonelli *STEPHEN & BARRIELLI*
9. *Don White* *Mountain Park Center*
10. *[Signature]* *US Post Office*
11. *[Signature]* *J's styles and More*
12. *[Signature]* *Bareis*
13. *[Signature]* *Platinum Mortgage*
14. *[Signature]* *West Side Theatre*
15. _____

Plan "A"

Site Map

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RF1.04

REHMAN DOWNTOWN PLAZA
CONSTRUCTION DOCUMENTS
VOLUME 1 DRAWINGS
SITE REFERENCE PLAN

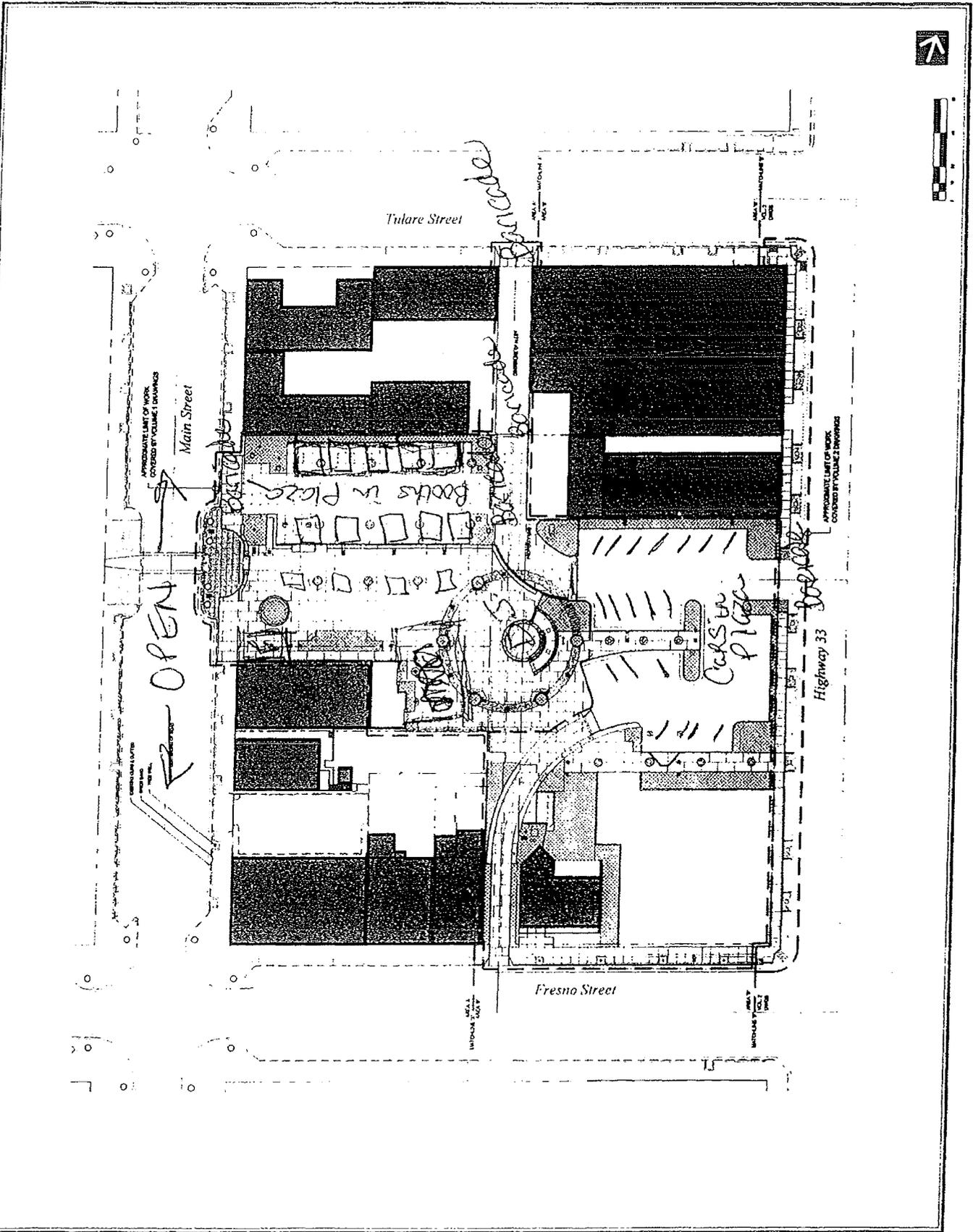
rm Group
creating environments people enjoy

CITY OF NEWMAN
CALIFORNIA

Plan "B"

Site Map

 <p>CITY OF NEWHALL CALIFORNIA</p>	 <p>firm creating environments people enjoy</p>	<p>NEWMAN DOWNTOWN PLAZA CONSTRUCTION DOCUMENTS VOLUME 1 DRAWINGS</p>	<p>SITE REFERENCE PLAN</p>	<p>1309640 RF1.04</p>
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2009 CAR SHOW AT THE PLAZA

THE CAR SHOW WILL BE HELD IN
DOWNTOWN NEWMAN
AT THE PLAZA FROM 1:00 - 9:00 PM
ON MONDAY, JULY 20, AT THE CHAMBER OF COMMERCE

There will be live music from the 50's, 60's &
70's, food, drinks, raffles & Lots of Fun.



Be sure to check out the evening's Westside Theater production
& visit our downtown restaurants & merchants for special deals.

Name _____ Email _____

Address, City, State & Zip _____

Telephone _____

Year, Make Model of Vehicle Entered _____

\$15.00 entry fee due by July 22.

Return entry fee & form to State Farm Insurance 1335 Main St #103 or fax to 209-862-3233.

Call 209-988-9192 for more information

REPORT ON NEWMAN FALL FESTIVAL 2011

RECOMMENDATION:

Staff recommends the City Council approve the annual Fall Festival.

BACKGROUND:

The Fall Festival is a well established annual community event. Staff has been working with the Fall Festival Committee in organizing this year's event.

ANALYSIS:

As of the date and time of the preparation of this staff report, the organizing committee is the intermediate stages of planning this year's event. Any subsequent changes will be reported out by staff during the presentation of this report and future reports.

Routine street closures and parade street closure as in previous years are as follows:

- ❖ "R" Street – Will be closed between Fresno and Tulare Streets from Wednesday, August 31 at 5am to Monday, September 5, at noon. The carnival will be set up on this street.
- ❖ Fresno Street – Will be closed between "R" and "Q" Street from Saturday, September 3, at 5am to Monday, September 5 at 12 am.
- ❖ Tulare Street – Will be closed between "R" and "Q" Streets, Sunday, September 4, from 7am to 7pm.
- ❖ "Q" Street - Will be closed between Fresno and Tulare Streets from Saturday, September 3, at 5am to Monday, September 5 at 12am.
- ❖ Fall Festival Parade Street Closure 9am to 2pm on Sunday, September 4, Main Street will be closed from Mariposa to Merced, Merced Street from Main to "P" Street, "P" Street from Merced to Fresno, and Fresno Street from "P" to "Q" Streets. This will also include "S" Street between Kern/Mariposa for horse staging.

The Fall Festival Committee has secured the \$3,000,000.00 insurance and liability policy with the city named as an additional insured. The organizing committee is requesting city services, as has been provided in past years, and is aware that any costs not covered by City Council action will be the responsibility of the Fall Festival Committee. The committee is also working with the Public Works Director on the required number of portable restrooms, trash receptacles, and barricades as well as other needs in the park. There are no changes in this area as well as these are the same requests as were approved by the City Council last year.

Other requests not covered by the Committees request are:

1. Waive Business License fees for vendors in the park
2. Exclusive use of City Park
3. Waive permit to have alcohol in the park.
4. Authorize the use of the entire City Park as a Beer Garden. (This has been approved by ABC in previous years.)

The Police Department has been working with the Fall Festival Committee to assess police coverage. Previous security issues for this event indicate usual calls for police service have been to handle minor incidents such as disturbances and public intoxication. The Fall Festival Committee will retain a private security firm to cover additional carnival security and overnight park security.

FISCAL IMPACT:

Past year's expense for employee overtime is generally about \$ 3,000.00. In previous years, \$ 1,000.00 was budgeted specifically for the Fall Festival event, but this has been eliminated from the City's budget.

The Police Department will again fully staff the park with all available personnel. It is staff's recommendation that all costs be invoiced to the Fall Festival Committee.

CONCLUSION:

This staff report is submitted for City Council consideration and action. Staff recommends the City Council approve the 2011 Fall Festival. Staff also recommends that any costs be invoiced to the Fall Festival Committee.

ATTACHMENTS:

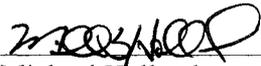
1. Request for City Services.

Respectfully submitted,



Brett Short
Police Lieutenant

REVIEWED/CONCUR:



Michael Holland
City Manager

2011 NEWMAN FALL FESTIVAL

Request for City Services:

August 31 to September 4

1. The carnival

- a. Barricades, parking, streets blocked
- b. A potable toilet and hand wash unit will be in place for them Wednesday.
- c. Friday, Saturday and Sunday, Night hours till Midnight
- d. Walk-around security (Private)

2. Parade

- a. Line up on P,Q,R and S streets from Yolo to Kern
- b. Horses on "S" Street for pre-judging
- c. Parade to start on Mariposa to Main, south to Merced, west to P Street, north to Fresno west to park, end of parade
- d. Parade will dismantle at the FDES Hall.
- e. Trailers for announcing and VIP at Tulare/Main (1 trailer) and Q/Fresno (1 trailer), VIP seating under awnings on opposite (south) side.
- f. Posting of signs, barricade control and parade monitoring.
- g. Begin the parade (P.D.)
- h. Power to sound systems
- i. Portable stairs at Fresno Street trailer for officials (north side)

3. Security

- a. All night in the park to protect booths on Saturday night only (Private)
- b. Additional security at the Beer and Margarita Booths.
- c. Carnival Security (Private)

4. Block Streets around the park, certain days, no parking

(specific vehicle will have parking permits as in the past).

- a. Children's games (Saturday morning) Fresno. Keep closed both days, 3rd & 4th for 3-on-3, Games, Parade, Races. Etc.
- b. Car Show (Sunday Morning) Tulare between R & Q Streets
- c. Carnival (Wed.-Sun.) on (R) Street

5. Park Facilities

- a. Waste-wheelers throughout the park
- b. Lighting throughout the park
- c. Close off the old fountain
- d. Lighting at the portable toilets
- e. Gazebo lighting and electricity
- f. Bleachers in park (Cerutti Bros and School Dist. and Stan. Co. Fair)
- g. Ice trailer electricity
- h. Recycle bins in park
- i. Temporary electricity pole at Tulare & Q Street

Honorable Mayor and Members
of the Newman City Council

ACCEPTANCE OF APPRAISAL FOR 938 FRESNO STREET

RECOMMENDATION:

Accept appraisal for 938 Fresno Street and direct staff to prepare final documents for purchase of property.

BACKGROUND:

In May, the City was approached by a local realtor regarding the availability of the I.O.O.F. building (938 Fresno Street) and its desire to purchase said building. After meeting in closed session, the Council directed staff to submit an offer based upon the terms identified within said session. On June 8th, a final agreement was completed by and between the City of Newman and the Grand Lodge of California. The final purchase price of \$980,000 was subject to the property appraising equal to or greater than the accepted price.

ANALYSIS:

The attached report was prepared by a City selected appraiser which has been previously used by the City. The report supports the agreed upon purchase price.

In addition, staff is providing copies of two reports: one developed by our technology consultant and the other by our building official. Staff will be prepared to answer any questions of the Council regarding these reports. Staff continues to work with office furniture supply companies to get price estimates for furnishing the office spaces. Price estimates for relocating the Council Chamber are more difficult due to significant design and technology options. As a result, this report will not be performed until after the close of escrow.

FISCAL IMPACT:

Purchase price of the building:	\$980,000
Technology/Security:	\$120,000
Audio/Video Chamber:	\$25,000
Generator:	\$50,000
Closing costs:	\$5,500
Furnishings offices:	\$TBD
Furnishings chamber:	\$TBD

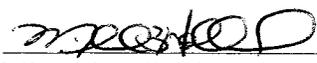
CONCLUSION:

After reviewing the three attached documents, staff recommends the Council accept said appraisal and direct staff to move forward with the purchase of said building. Upon Council direction, staff will prepare the necessary documentation (i.e. resolution, budget adjustment) for the July 26th meeting and be prepared to close escrow no later than July 29, 2011.

Attachments:

1. Appraiser's report
2. Building Official's report
3. Technology/Security report

Respectfully submitted,



Michael Holland
City Manager

APPRAISAL FOR
CITY OF NEWMAN

AS OF

JUNE 20, 2011

APPRAISAL OF
**938 FRESNO STREET
NEWMAN, CALIFORNIA 95360
APN: 128-009-030**

BY

COGDILL & GIOMI, INC.

Modesto, California



COGDILL & GIOMI, INC.
REAL ESTATE APPRAISERS & CONSULTANTS

July 6, 2011

Mr. Michael E. Holland
City Manager
City of Newman
1162 Main Street
Post Office Box 787
Newman, California 95360

Re: Appraisal of 938 Fresno Street, Newman, California 95360
Stanislaus County Assessor's parcel No. 128-009-030

Dear Mr. Holland:

In response to your recent request and authorization I have proceeded with the necessary inspection, investigations, and analyses to provide you with my opinion of the current market value of the improved commercial property known as 938 Fresno Street, in Newman, California. The property is further described as Stanislaus County Assessor's Parcel No. 128-009-030 and includes a 7,500 ± square foot, corner parcel, improved with a 14,565± square foot, two story office/ retail building. This property is owned by the I.O.O.F. and has been utilized as an office and meeting hall for many years.

The purpose for this assignment and this appraisal report is to assist the City of Newman in the potential purchase of this property. The City hopes to occupy the second floor initially and continue to lease the first floor retail and office spaces. The property is now partially occupied by two unrelated tenants, but is mostly vacant and recently renovated. Severe fire damage in early 2009 required virtually a re-construction of the premises, and the addition of an elevator, fire sprinklers, and ADA complaint access improvements.

My opinion of current market value (reflecting leased fee and fee simple ownership) and other pertinent information may be found within the Executive Summary section of this report. It is important to note that the final value opinion is based upon a series of Assumptions and Limiting Conditions found on pages 3 through 6. Also, the reader is advised to review the Scope of Work section carefully in order to gain a more complete understanding of the appraisal process and in particular how it related to this assignment.

Mr. Michael E. Holland
City Manager
July 6, 2011
PAGE TWO

This appraisal is being submitted as a Summary Report, written in conformance with the Uniform Standards of Professional Practice (USPAP) as adopted by the Appraisal Foundation. It is intended to serve the City of Newman and their specific needs only. No other parties are authorized to rely upon this report for any purpose whatsoever.

Respectfully Submitted,

COGDILL & GIOMI, INC.

James A.

Cogdill, SRA

James A. Cogdill, SRA

State of California No. AG003850
CEO / Chairman

Digitally signed by James
A. Cogdill, SRA
DN: cn=James A. Cogdill,
SRA, c=US
Date: 2011.07.15 13:09:21

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CERTIFICATION OF APPRAISAL

The undersigned certify as follows:

1. James A. Cogdill, SRA, has inspected the subject property and comparable sales and rental data used in this report.
2. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
3. The statements of fact contained in this report are true and correct.
4. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
5. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
6. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
7. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
8. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
9. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of professional Appraisal Practice.
10. No one provided significant professional assistance to the person signing this report.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.



12. The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAIs and SRAs who meet the minimum standards of this program are awarded periodic educational certification. As of the date of this report, I, James A. Cogdill, have completed the requirements of the continuing education program of the Appraisal Institute for its SRA members. James A. Cogdill is currently certified under the continuing education requirement of the State of California.
13. My employment was not conditioned upon the appraisal producing a specific value or a value within a given range or prospects of future employment or a loan application being approved.
14. Neither James A. Cogdill, nor any other appraiser with The firm of Cogdill & Giomi, Inc., has appraised this property within the last three years

**James A.
Cogdill, SRA**

Digitally signed by James A.
Cogdill, SRA
DN: cn=James A. Cogdill, SRA,
c=US
Date: 2011.07.15 13:09:33
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JAMES A. COGDILL, SRA
CERTIFIED GENERAL REAL ESTATE APPRAISER
STATE OF CALIFORNIA (NO. AG003850)
EXPIRATION DATE: DECEMBER 30, 2012



ASSUMPTIONS AND LIMITING CONDITIONS

For purposes of these Assumptions and Limiting Conditions the following words shall have the following meanings:

“**Appraisal**” means the appraisal report and opinion of value stated therein; or the letter opinion of value, to which these Assumptions and Limiting Conditions relate.

“**Property**” means the subject(s) of the Appraisal.

“**C&G**” means Cogdill & Giomi, Inc., Real Estate Appraisers and Consultants.

“**Appraiser**” means the employees of C&G who prepared and signed the Appraisal.

This appraisal is made subject to the following assumptions and limiting conditions:

1. No responsibility is assumed for the legal description or for any matters which are legal in nature. Title to the Property is assumed to be good and marketable and the Property is assumed to be free and clear of all liens unless otherwise stated.
2. The information contained in the Appraisal or upon which the Appraisal is based has been gathered from sources the Appraiser assumes to be reliable and accurate. Some of such information may have been provided by the owner of the Property. Neither the Appraiser nor C&G shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits and other factual matters. The Appraisal and the opinion of value stated therein are as of the date stated in the Appraisal. Changes since that date in external and market factors can significantly affect property value.
3. This report and all matters contained herein were prepared for the sole and exclusive benefit of the client(s) specified herein, and is intended for their use only. Neither all, nor any part of the contents of this report, or copy thereof, shall be used for any purpose by anyone but the client(s) specified herein nor shall it be conveyed or disseminated by anyone to the public through advertising, public relations, news, sales, or other media, without the express written consent and approval of the Appraiser. No one, except for the client(s) specified herein, may rely on this report for any purpose. Any person or entity who obtains or reads this report, or a copy thereof, other than the client(s) specified herein



expressly assumes all risk of damages to himself or third persons arising out of reliance thereon or use thereof and waives the right to bring any action based on the Appraisal, directly or indirectly, and the Appraiser shall have no liability to any such person or entity.

4. No part of the Appraisal or the identity of the Appraiser shall be conveyed to the public through advertising, public relations, news, sales or other media or used in any material without C&G's prior written consent. Reference to the Appraisal Institute, the MAI, RM or SRA designation is prohibited.
5. The Appraiser shall not be required to give testimony in any court or administrative proceedings relating to the Property or the Appraisal.
6. The Appraisal assumes (a) responsible ownership and competent management of the Property; (b) there are no hidden or unapparent conditions of the Property, subsoil or structures that render the Property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Appraisal; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value estimate contained in the Appraisal is based.
7. This report is intended to serve our exclusive client(s), and no third parties are authorized to rely upon it for any purpose whatsoever.
8. The appraiser is not a building or environmental inspector. The appraiser provides an opinion of value. The appraisal does not guarantee that the property is free of defects or environmental problems. The appraiser performed an inspection of visible and accessible areas only. Mold or other problems may be present in areas that the appraiser could not see. A professional inspection is recommended.
9. The physical condition of the improvements considered in the Appraisal is based on visual inspection by the Appraiser or other person identified in the Appraisal. C&G assumes no responsibility for the soundness of structural members nor for the condition of mechanical equipment, plumbing or electrical components.



10. The projected potential gross income referred to in the Appraisal may be based on lease summaries provided by the owner or third parties. The Appraiser has not reviewed lease documents and assumes no responsibility for the authenticity or completeness of lease information provided by others. C&G suggests that legal advice be obtained regarding the interpretation of lease provisions and the contractual rights of parties.
11. Report users are cautioned that any forecasts shown herein are intended to illustrate the apparent attitudes and projections of those persons and entities comprising the market at the date of this report. Such attitudes and projections change from time to time consistent with changes in the real estate market caused by supply and demand, interest rate fluctuation, inflation, investors' attitudes, tax benefits and general economic conditions. The projections shown are thought to approximate investor attitudes and current trends and conditions at the date of valuation. Inasmuch, however, as the projections are based upon assumptions and estimates of future events, no opinion is offered or expressed on the achievability of the projections and estimates. Inevitably some assumptions will not materialize and unanticipated events and circumstances will occur; therefore, the actual results achieved during the forecast period will vary from the forecast, and the variation may be material.
12. Unless otherwise stated in the Appraisal, the existence of potentially hazardous or toxic materials which may have been used in the construction or maintenance of the improvements or may be located at or about the Property was not considered in arriving at the opinion of value stated in the Appraisal. These materials (such as formaldehyde foam insulation, asbestos insulation and other potentially hazardous materials) may affect the value of the Property. The Appraiser is not qualified to detect such substances and C&G urges that an expert in this field be employed to determine the economic impact of these matters on the opinion of value stated in the Appraisal.
13. This report in no way should be considered or used as a feasibility analysis of the development.
14. Appraiser disclaims responsibility for the ability or inability of the present owner or any future purchaser or lessee to obtain the permits, licenses, environmental impact studies, or other approvals necessary for the successful development of the Property to its highest and best use or to the use contemplated by any owner, purchaser or lessee. The Appraiser disclaims responsibility for, and renders no opinion on conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, which conformity cannot be assumed without provision of specific professional or governmental inspection.



15. If the Appraisal is submitted to a lender or investor with the prior approval of C&G, such party should consider the Appraisal as one factor together with its independent investment considerations and underwriting criteria, in its overall investment decision.
16. Unless otherwise stated in the Appraisal, compliance with the requirements of the American With Disabilities Act of 1990 (ADA) has not been considered at arriving at the opinion of value stated in the Appraisal. Failure to comply with the requirements of the ADA may negatively affect the value of the Property. C&G recommends that an expert in this field be employed.
17. The information provided in this report leading to a conclusion of value and other conclusions is provided as a matter of opinion. Appraiser does not warrant or guarantee the accuracy of the opinion or the underlying data and no person shall rely upon the same as a guarantee or warranty of value.



DEFINITIONS

The definitions used in conjunction with this appraisal report are as follows:

Fee Simple Estate: *"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."*

Leased Fee Estate: *"An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; usually consists of the right to receive rent and the right to repossession at the termination of the lease."*

"Market Value" means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) *buyer and seller are typically motivated;*
- 2) *both parties are well informed or well advised, and acting in what they consider their own best interests;*
- 3) *a reasonable time is allowed for exposure in the open market;*
- 4) *payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and*
- 5) *the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

(Source: Office of the Comptroller of the Currency under 12 CRF, Part 34, Subpart C-Appraisals, 34.42 Definitions (f).)



Highest and Best Use:

1) *"The reasonable and probable use that supports the highest present value of vacant land or improved property, as defined, as of the date of the appraisal.*

2) *The reasonably probable and legal use of land or sites as though vacant, found to be physically possible, appropriately supported, financially feasible, and that results in the highest present land value.*

3) *The most profitable use.*

Implied in these definitions is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. Hence, in certain situations the highest and best use of land may be for parks, greenbelts, preservation, conservation, wildlife habitats, and the like."



SCOPE OF WORK

In developing this summary appraisal the following steps were taken:

1. Acquisition and review of available public records regarding the subject;
2. Inspection of the subject on June 20, 2011; and interview of John Borrelli, the subject listing broker, regarding property history, the pending transaction, etc.;
3. Interviews of various City officials in order to determine zoning and any further development potential for the subject;
4. Measurements, photographs, descriptions, and analysis of the physical features of the subject;
5. Tests and determination of the highest and best use;
6. Determination of the market area pertinent to the subject;
7. Collection and verification of data relative to the subject, i.e. sales, listings, rents, etc; and
8. Application of the appropriate valuation techniques(s) to determine market value;
9. Reconciliation of data and conclusion of final value opinion;
10. Determination of a realistic exposure time for the subject property.

Sources for this information included the Stanislaus County Assessor's office, Newman Planning and Public Works Department, the Multiple Listing Service, Loopnet, information retained within the appraiser's data plant, and interviews with local realtors and other market participants.

The actual valuation process involved data collection, and analysis typically used in The Direct Sales Comparison and Income Capitalization Approaches. Insufficient land sales and difficulty in accurately measuring all forms of depreciation severely limited any practical application of the Cost Approach, and as such a traditional Cost Analysis was not processed. Components of the Cost Approach were considered in the Highest and Best Use Analysis, and in measuring adjustments in the Sales Comparison Approach however.



EXECUTIVE SUMMARY

Identification Of Subject Property:	938 Fresno Street, Newman, California 95360
Assessor's Parcel No:	128-009-030
Owner of Record:	*Ground Lodge of California, Independent Order of Old Fellows, a non-profit fraternal California corporation.
Zoning:	C-1 (City of Newman)
Current Use:	Recently re-constructed two story, multi-tenant, office/retail property, in downtown Newman, roughly 10% occupied.
Highest and Best Use:	Continued use as a multi tenant office/retail property.
Real Estate Interest Valued:	Fee Simple and Leased Fee
Effective Date of Value:	June 20, 2011
Date of Report:	July 6, 2011
Extraordinary Assumptions:	None
Hypothetical Conditions:	None



**Opinion of Fee Simple/Leased Fee
Market Value:**

**\$980,000
(Pending Purchase Price)**

Allocated Leasehold Interests:

None

Estimated Exposure Time:

6 to 12 months

Specific Client:

City of Newman

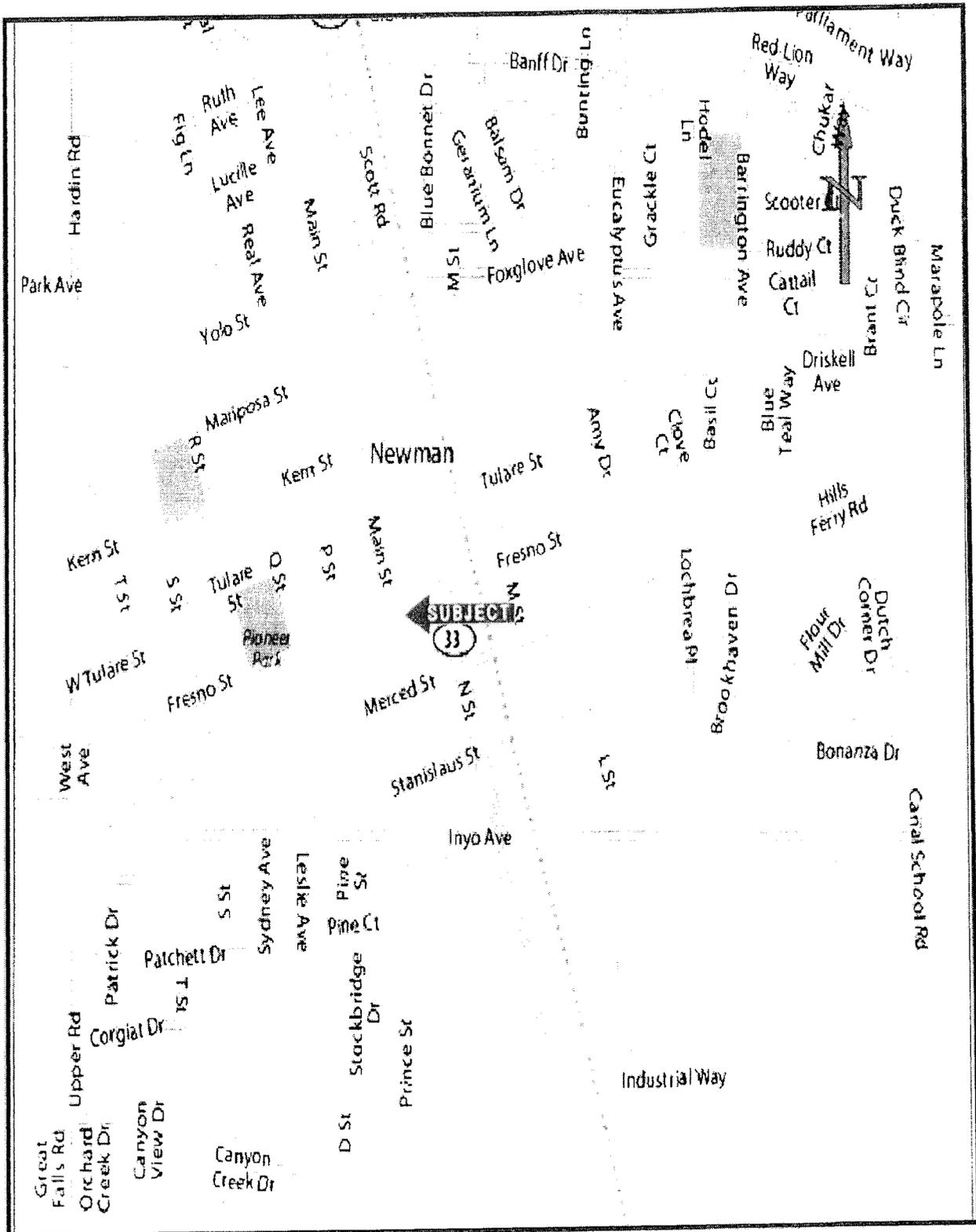
Intended Use of Appraisal:

To assist in the possible purchase of the subject property only, no third parties or other use of this report are authorized by the appraiser.

***Reflects pending ownership change, different from preliminary title report included in addenda**



NEIGHBORHOOD LOCATION MAP



CITY DATA

The small community of Newman has historically had an almost exclusive agricultural economic base, however, that trend is changing. Located along Highway 33, at the southern edge of Stanislaus County, Newman is roughly four to five miles east of Interstate 5, that directly connects with Highway 152, 580 and 205, commuter routes to and from the east and south Bay Area metropolitan areas. Because of this proximity and relatively easy access, Newman is transitioning to a bedroom community for not only Bay Area commuters, but other areas of the Central San Joaquin Valley as well. According to the California Department of Finance, the city had an estimated population of 10,505 as of January 2011.

The city of Newman has nine churches, a public library, a local weekly newspaper, four city parks and four playgrounds, with other recreational facilities such as a public swimming pool, barbecue area, organized Little Leagues and other youth sports activities. There are a total of twenty-five community clubs and organizations.

Newman is located roughly 80 miles south of Sacramento, 85 miles west of the Sierra Nevadas, and 90 miles east of the Pacific Coast. Annual temperatures typically range from around 36 degrees in January to just over 98 degrees in mid July. This area is known for its rich agricultural lands, and Newman is within a few minutes' driving time of several major wildlife refuges which serve as stopovers for hundreds of thousands of water fowl migrating along the Pacific Flyway.

Transportation services include the California Northern Railroad, with Amtrack connections located in nearby Merced and Modesto; United Parcel, Delta Pacific Motor Transportation, Moore, and Viking Truck Lines serve this area as well. Overnight delivery is available to San Francisco, Stockton, Sacramento and Los Angeles. Air service is found in nearby Modesto and Stockton, with connections to most major cities. Oakland, San Francisco and San Jose Airports are within 100 miles. Laidlaw Transportation and West Side Dial a Ride provide local bus service. The Port of Stockton, some 50 ± miles north, and the Ports of Oakland and San Francisco, 85 to 100 miles northwest serve as major shipping centers for import and export.

State Highways 33, 140, 99 and Interstate 5 are all within close proximity of Newman. Interstate 5 connects with Interstate 80, Highway 580 to the San Francisco Bay Area, and Highway 152 to San Jose and Silicon Valley. Highways 140 and 99 provide access to the Sierras and Yosemite National Park.

In 1990 the city's trade area included approximately 6,800 people, 5,860 lived within the city limits. With the development and increased market draw of the westside marketplace, the city's trade area nearly doubled. Market studies have projected that the trade area population of the city has exceeded 11,500.



Major city employers within Newman include the following:

*Manufacturing and Food
Food Processing Employment*

Company	Employees	Products
Saputo	113	Whey powder, cheese products
Newman Flange	70	Steel fabrication & welding
DiMare Bros.	Seasonal - 130	Tomato packing & shipping
Vege-Cool	Seasonal - 25	Lima bean & pea processing
Foster Farms	60	Turkey egg hatchery
Stewart & Jasper	140	Nut Grower/Processor
Valley Sun Products, Inc.	52	Sun dried tomato products



*Non-Manufacturing
Employment*

Company	Employees	Products
Pacific Gas & Electric	26	Direct services & business office
San Luis Convalescent Hospital Newman	77	Full time convalescent hospital Full time convalescent hospital
Crows Landing/Newman School District	300	Public education
City of Newman	44	General government
Bank of the West	11	Banking service
Bigelow Chevrolet-Buick	22	Automobile sales & service
Patchett's Ford-Mercury	22	Automobile sales & service
Rite Aid Drug Store	32	General drug store
Cerutti Brothers	35	Trucking
Raley's	70	Supermarket
Garton Tractor Company	15	Equipment sales & service

The city of Newman was organized as a general law city in 1908. The city operates under a council-manager form of government, with city council members elected at large for four year terms, and a mayor elected for a two year term. The city manager is appointed by, and serves under direction of the Newman City Council. The council is the legislative body of the city and is directly responsible to the electorate with respect to the establishment of policies relating to city operations and finances. Members of the council also serve as the governing board for the city's redevelopment agency.

The City of Newman is served by a 30 member volunteer fire department that recently received an I.S.O. rating of 3. The Newman Police Department is a full service department. All cases and traffic accidents within the city limits are handled by the NPD. The department currently has 13 sworn officers.

Police officers are on duty 24 hours a day, seven days a week. Dispatching for Newman Police Department is handled by the Stanislaus County Central Dispatch at all hours.



As Newman has rapidly changed, the community has recognized the need to update the General Plan. The General Plan is the basic planning document for cities. Under state law every city in California must adopt a comprehensive, long term General Plan for the physical development of both the city and any land outside the city's boundaries that the city judges to be relevant to its long range planning. All land use approvals in the city must be consistent with this General Plan.

The updated General Plan will guide planning, development and conservation in Newman over the upcoming decades. The updating process will address land use, community character, traffic and circulation, public services, public safety, and preservation of natural and historic resources. The General Plan update will be accomplished in several phases, a Public Review/Draft Environmental Impact Report was published in October 2006.

Information provided by the City indicates that there are roughly 225 residential lots in inventory now. Interviews with local builders found that buyer demand for new homes has diminished, as has the real estate market in general.

The City of Newman is commencing a city-wide re-zoning process that proposes the re-zoning of 177 parcels to conform with the Newman 2030 General Plan.

In summary, it appears that Newman is a changing community, with local government dedicated to keeping pace with the forecasted changes and to maintain an attractive community prepared to handle the anticipated growth and its many challenges.



NEIGHBORHOOD DESCRIPTION

The subject is part of Newman's downtown core, at the corner of Main and Fresno Street. Surrounding uses include typical shops, offices, restaurants, etc... In recent months, Newman has enhanced this neighborhood with a new Plaza project and attractive street improvements. The subject is just west of Highway 33, and close to surrounding residential neighborhoods.

In summary, this is a typical downtown neighborhood, common to most central valley communities.



MARKET TRENDS

At the present time the office and retail market throughout the region is depressed, with a considerable amount of vacancy in every town and almost every neighborhood. This declining market has caused landlords to offer major concessions to existing tenants, as well as potential tenants. Given the added supply, rent levels have dropped considerably over the past two years. Typical lease rates have dropped from 10% to 50%, depending upon the property's age, location and parking.

In the coming year lease rates may further decline as landlords compete against a growing inventory of available space. Premium space will still more than likely command higher rates, and overall the market will probably see only minor rate reductions, with landlords choosing to offer other concessions to attract tenants.

New office construction has all but stopped and it appears that any new development will be on a "build to suit" basis to accommodate specific tenants and/or owner/occupant users. Occupancy will continue to struggle as there is an oversupply of existing, available product.

Sales activity of improved properties has also been slow. Again, an over supply situation is prevalent throughout the region. The situation is exacerbated by the flood of REO properties (bank owned), or those listed due to the threat of foreclosure. While some sellers remain reluctant to lower asking prices, actual sales data generally show a substantial decline in values. Overall capitalization rates are also increasing and reflect changing investor attitudes. Conversely, owner occupant buyers are now finding deals "too good to pass up." Especially, buyers with cash. Financing can be difficult, especially if SBA funding isn't available, yet those that do qualify or have cash to spend, are finding deals that reflect prices well back of replacement costs.



SUBJECT PROPERTY DETAILS

Legal Description

According to the preliminary title report provided, issued from Fidelity National Title Company, order no. 11-3010288-RM, dated June 7, 2011, the subject is legally described as follows:

Lots 31 and 32 in block 74 of the town of Newman, according to the official map thereof filed in the office of the county recorder of Stanislaus County, California, on July 20th, 1916 in vol. 8 of maps, at page 42.

APN 128-009-030

Ownership

The title report shows vesting as:

A.M. WILLIAMS, C.P. PAULSON AND J.L. KINNEAR,
TRUSTEES OF ORESTIMBA LODGE #354 I.O.O.F.

Zoning

City planners indicate the subject is zoned C-1, Retail Commercial District. This is typical for the downtown business neighborhood. The subject is a legal, conforming use.

Utilities

Located within city limits, all public utilities and services are available and serve the subject. According to John Borrelli, each of the first floor spaces is individually metered for electricity and natural gas, yet the second floor space is divided into only three sections.

Taxes and Assessments

The subject tax and assessment details have been printed from the Stanislaus County Tax Collector's website and included on the following page.



Assessment Info

[Last Search](#)

[New Search](#)

[Print](#)

Assessment Info

Assessment #

128-000-030-000

Taxyear

2010

Feeparcel

128-000-030-000

Roll Call

CS

Taxes

1st

2nd

Total

Paid Status

PAID

PAID

Due/Paid Date

12/01/2010

12/01/2010

Total Due

\$292.94

\$292.94

\$585.88

Total Paid

\$292.94

\$292.94

\$585.88

Balance

\$0.00

\$0.00

\$0.00

Pay On-line

[Add to cart](#)

Taxcode Info

Tax Code

Rate

1st

2nd

Total

00001

1

\$206.13

\$206.13

\$412.26

COUNTY GENERAL TAX

46900

0.0268

\$5.53

\$5.53

\$11.06

NEW CROWS UNIF BOND 2002

46950

0.0632

\$13.03

\$13.03

\$26.06

NEW CROWS UNIF BOND 2007 REF

46955

0.0176

\$3.63

\$3.63

\$7.26

NEW CROWS UNIF BOND 2008 REF

46960

0.0566

\$11.67

\$11.67

\$23.34

NEW CROWS UNIF BOND SERIES 2009

47800

0.0107

\$2.21

\$2.21

\$4.42

YCCD - BOND 2005 A

47860

0.0149

\$3.08

\$3.08

\$6.16

YCCD - BOND 2007 C

47870

0.0003

\$0.06

\$0.06

\$0.12

YCCD - BOND 2010 D

55025

0

\$47.60

\$47.60

\$95.20

WESTSIDE HEALTHCARE DIST

Navigation

[Last Search](#)

[New Search](#)

[Print](#)

Easements / Encroachments / Issues of Title

The preliminary title report did not reveal any unusual easements, encroachments, or issues of title, and the appraiser has continued assuming there are no such encumbrances. The reader is advised to review the title report included within the addenda.

Flood Hazard Information

According to Realist.com, the subject is in zone AO, as per FEMA community panel no. 060388 0001 B, dated January 03, 1990.



PROPERTY DESCRIPTION

Site

According to the Stanislaus County Assessor's office the subject property, identified as APN 128-009-030, is located at the southeast corner of Fresno and Main Street, in downtown Newman, and is a narrow rectangular parcel with dimensions of 50' x 150', for a total site area of 7,500 square feet. The property is level to grade and all offsites and utilities are in place. The site is further accessed at the rear from a 20' wide public, paved alley between Fresno Street and Merced Street.

Zoned for commercial use, properties within this area are allowed to build out to the site lines and such is the case with most of the surrounding properties. As a result there is very little off street parking in this area. Recently, the city opened their Downtown Plaza, a public facility offering 57 parking stalls, new landscaping, and attractive street spaces. The Plaza is just north of the subject, and within easy walking distance.

In summary, the subject site is a typical downtown commercial lot with no unusual features evident.

Improvements

According to public records, the subject property improvements were originally constructed in 1925 as a fraternal meeting hall and street level office building. The I.O.O.F (Independent Order of Old Fellows) has owned and utilized this space for decades. In early 2009 the building was heavily damaged by fire, and according to John Borrelli, virtually rebuilt shortly afterwards.

The building now stands as a mix of construction materials, but has masonry exterior walls with attractive vintage accoutrements. The interior walls are frame with painted, textured sheetrock. The ceilings are a drop panel design with acoustic panels and recessed fluorescent lights. The floors are generally linoleum tiles over wood or concrete. Each of the first floor units has a small storefront with single door access.

Each first floor unit also includes a unisex restroom with toilet, wall mounted sink, plastic wainscoting, sheetrock walls and ceilings.

Near the center of the first floor is the main entrance and lobby. Accessed from Fresno Street, this area includes the main staircase to the second floor, a newly installed elevator, and an equipment room. A second staircase is found at the southeast corner of the building.



From my inspection and review of a building plan, I have determined that there is roughly 7,402 square foot of first floor gross building area, with an estimated 6,339± square feet of net rentable area. The balance is considered common area.

The individual units are all served with central heat and air conditioning, typical electrical and telephone service, and fire sprinklers throughout.

The second floor space is very similar in design and style, yet the floor plan is much different. There is again a central access area, and large open hallways leading to meeting rooms, community restrooms, and several private offices. The second floor has a total space of 7,163 square feet, and an estimated net rentable area of 5,848 square feet, for multi-tenant use. If a single tenant occupies the second floor, it can be argued that the 7,163 square feet is "net rentable."

The second floor would be best suited to a single tenant use in my opinion, but can accommodate individual tenancies, especially if some additional metering work is completed.

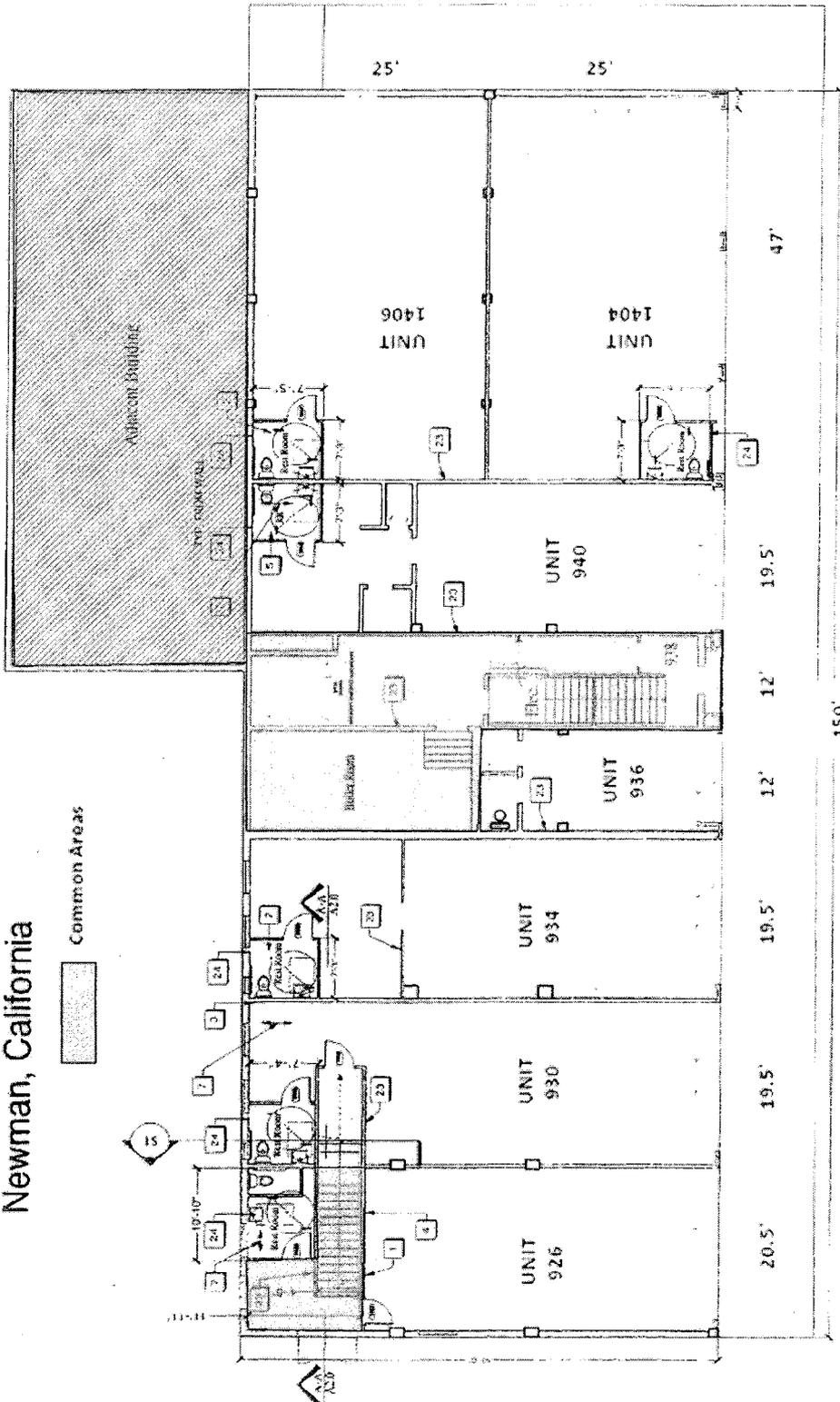
In summary, I have estimated the subject to include a total of 14,565 square feet gross building area, and around 13,502 square feet net rentable space. For analysis purposes, I will focus on the gross building area as this more accurately reflects the use and utility of the subject. This is virtually a new structure, most of which has not yet been occupied. The recent renovations make this an attractive property, updated to current code standards.

The floor plan is unusual, but acceptable. The addition of fire sprinklers and an elevator has increased the appeal and utility as well. I would estimate a remaining economic life of 40 years, with no measurable depreciation.



Independent Order of Odd Fellows
 Fresno and Main Street
 Newman, California

Common Areas

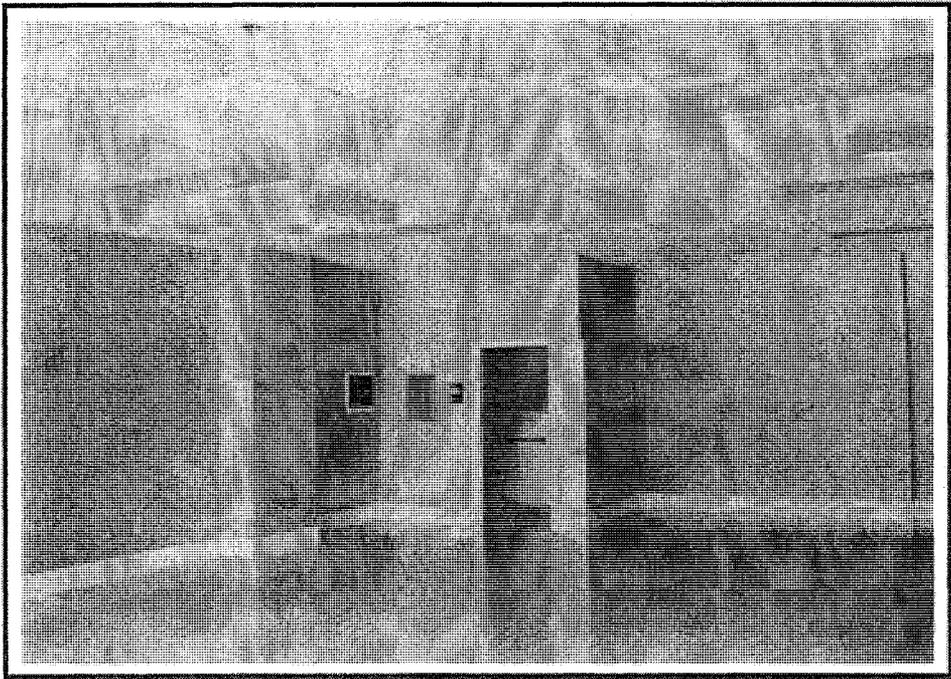


VP First Floor-I
 Scale: 1/8" = 1'-0"

SUBJECT PHOTOGRAPHS



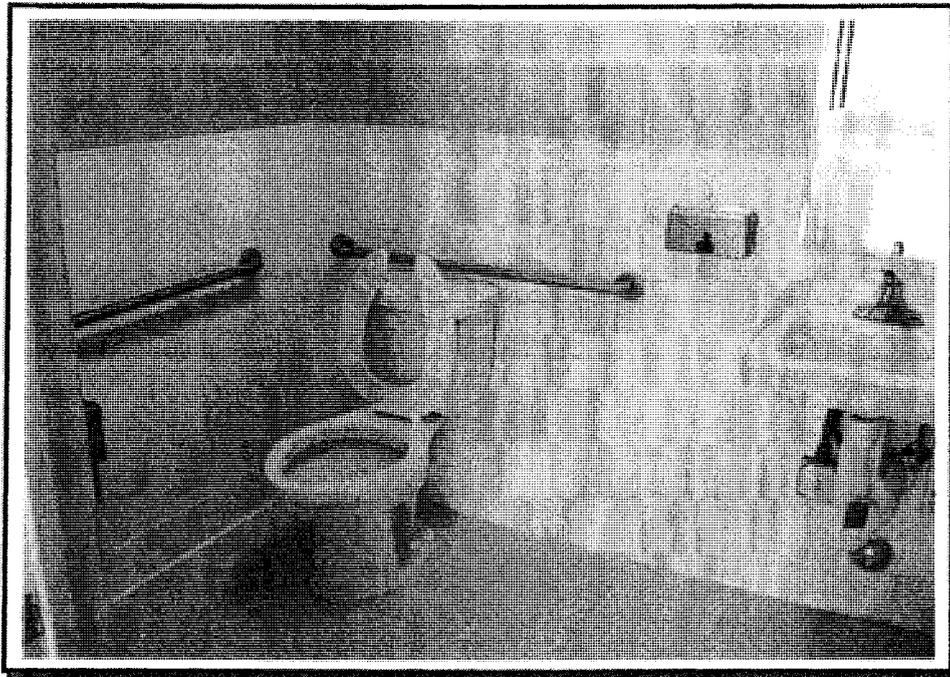
Subject Front



Typical Interior – 1st Floor



SUBJECT PHOTOGRAPHS



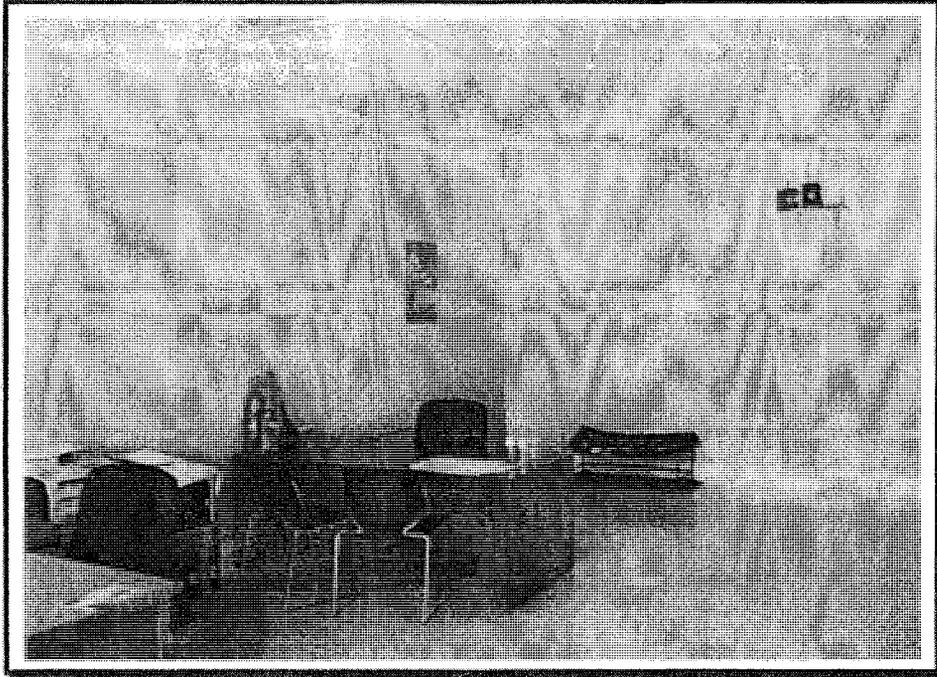
Typical Restroom



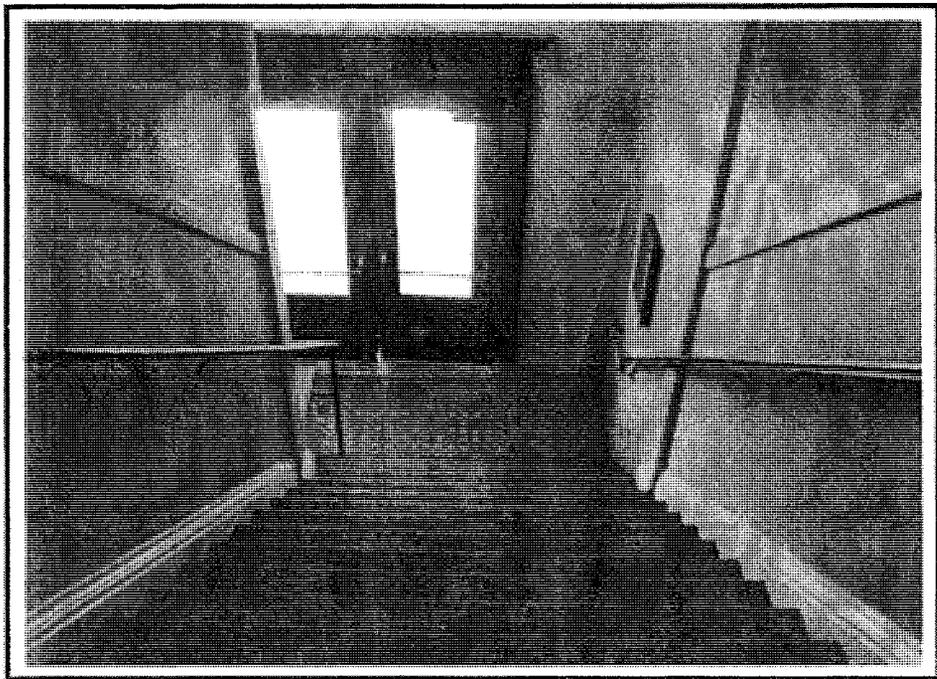
Barber Shop – Unit 936



SUBJECT PHOTOGRAPHS



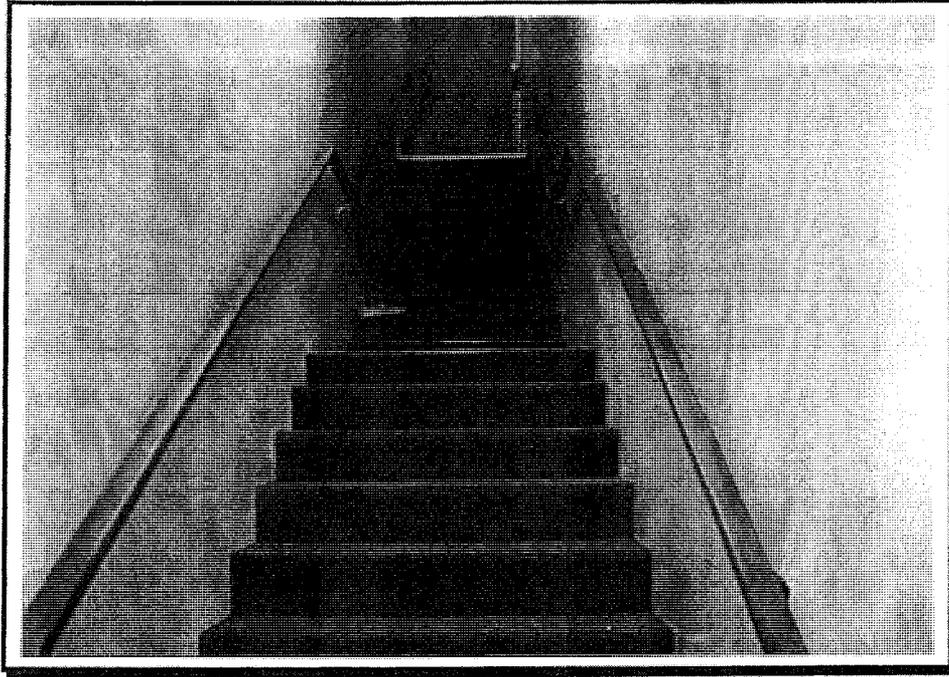
Office Interior - Unit 930



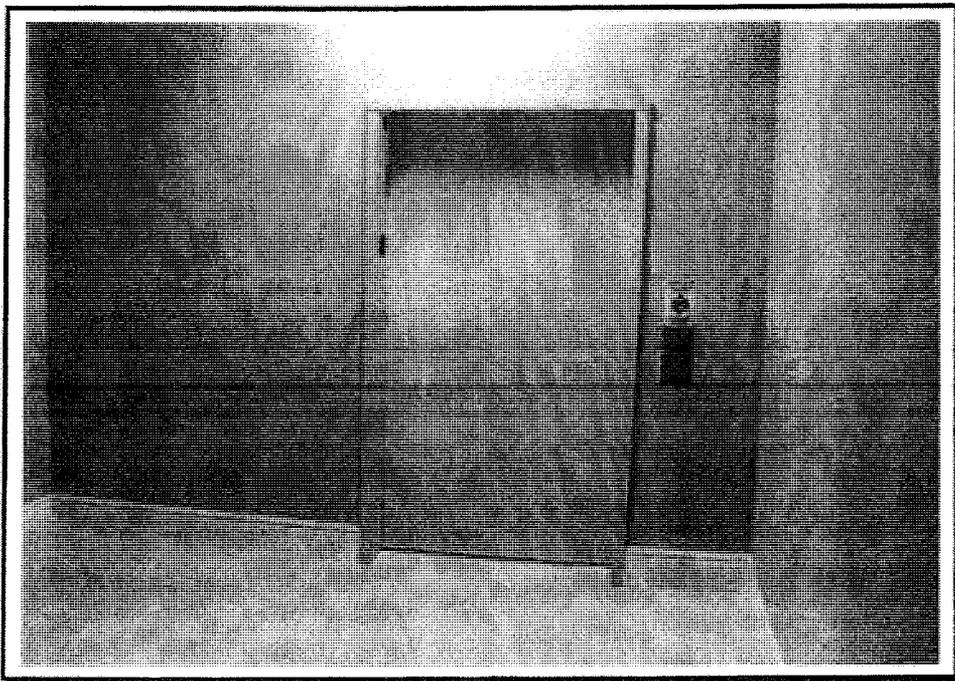
Main Stairs - Entry



SUBJECT PHOTOGRAPHS



Rear Stairs



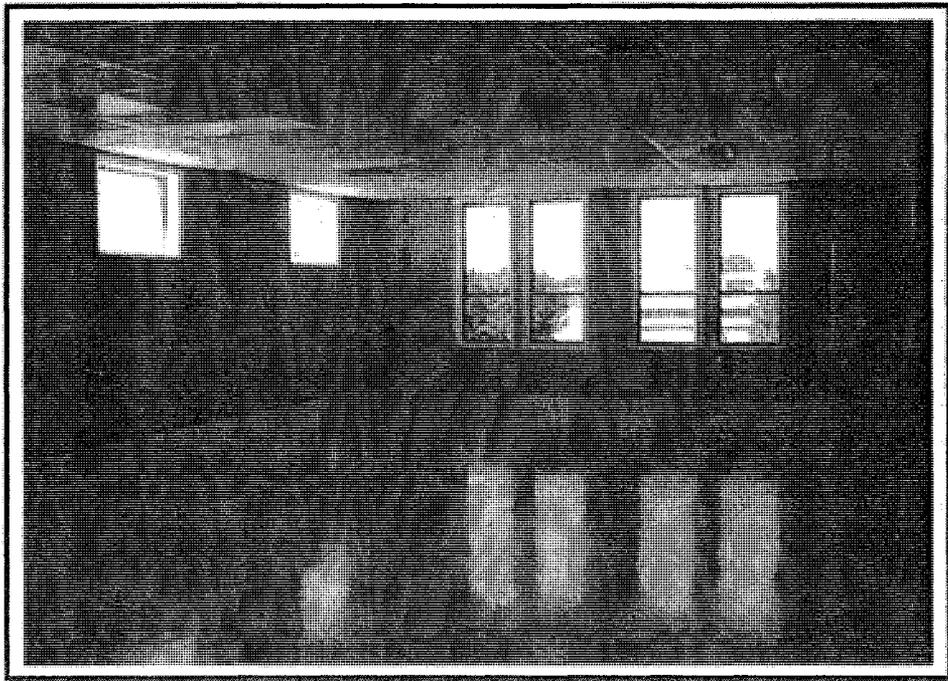
Evelavtor



SUBJECT PHOTOGRAPHS



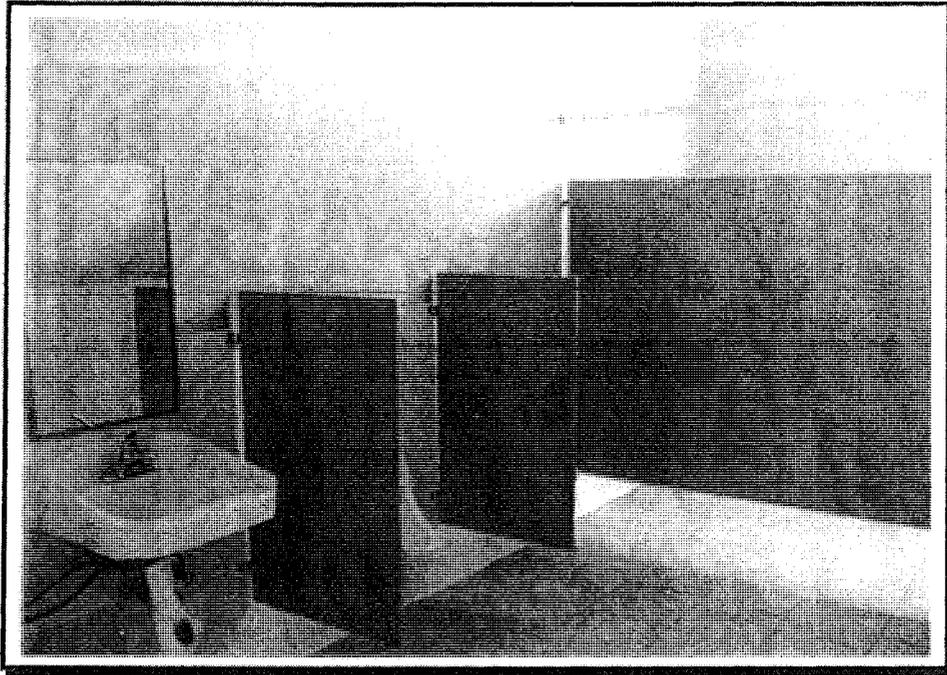
Second Floor - Hallway



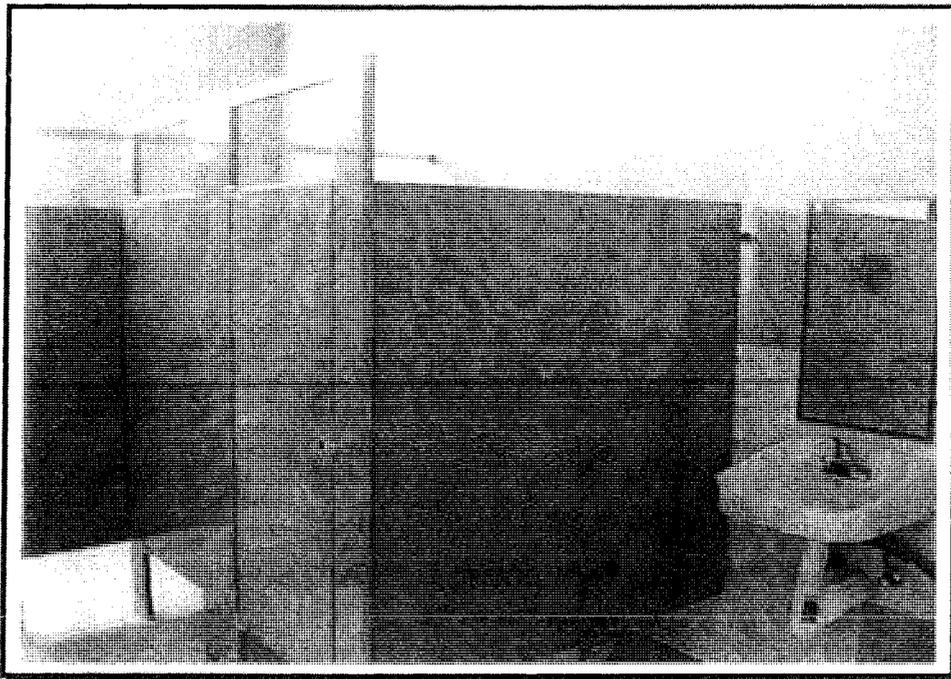
Meeting Room



SUBJECT PHOTOGRAPHS



Community Restroom



Community Restroom



SUBJECT PHOTOGRAPHS



Street Scene – Main Street South



View Along Alley



HIGHEST AND BEST USE

The definition of highest and best use has been stated in a previous section of this report. In order to determine the highest and best of the subject property a series of tests are applied and include:

1. Legally permissible;
2. Physically possible;
3. Economically feasible;
4. Most profitable.

As indicated earlier the subject property is zoned for commercial use, and the existing structure is allowed. The parcel size is 7,500 square feet and is somewhat limiting. Market demand is minimal, and it is doubtful that any new construction would be feasible, or profitable. As a result, the Highest and Best Use "As If Vacant" would likely be to hold until better market conditions return.

The Highest and Best use "As Improved" in my opinion, would be to continue the use as a mixed, multi-tenant office property. The first floor plan offers a good mix of unit sizes and store fronts to attract both office and retail users. I believe the struggles experienced to date have as much to do with the owner's approach toward triple net lease terms, as they do with a struggling economy. Newman, like most of the central valley competes best on gross terms with a more simplified leasing approach.

The subject second floor is another story. The design is really not conducive to many "small town" users. The small professional offices, large meeting rooms, oversized hallways, etc. result in a lot of inefficient spaces. Such a space would be best suited for occupancy by a single government entity such as The City Hall, school district, etc.. Outside of these potential tenants it would likely be difficult to lease up this second floor space, and maintain a stabilized occupancy.

In summary, I believe the highest and best use of the improved subject property would be to lease the first floor units to as many as seven tenants, and lease or owner occupy the second floor space as one tenant.



VALUATION METHODOLOGY

For this assignment the appraiser focused on the Direct Sales Comparison Approach and the Income Capitalization Approach.

DIRECT SALES COMPARISON APPROACH

Beginning with the Direct Sales Comparison Approach I have charted my data findings on the following page. This chart is then followed by a discussion and analysis, leading to an "as is" value conclusion via this approach.



COMPARABLE IMPROVED SALES SUMMARY

No.	Location / APN	Sale Date	MLS / Grantor / Grantee / Doc. #	Sale Price	Parcel Size (S.F.)	Bldg Size (S.F.)	Bldg. Type / Age / Finished %	L:B Ratio	Price Per S.F. / Bldg. Area
1	1305 Main St., Newman, CA / 128-010-037	Aug-04	<u>Mercurio</u> <u>Greenville</u> #126060	\$640,000	7,400 +/-	12,300	<u>Masonry</u> <u>96 yrs.</u> 100%	0.60 : 1	\$82.63
2A	1342 Main St., Newman, CA / 128-010-019	Jun-06	<u>Francois</u> <u>Ponce</u> #89921	\$700,000	7,400 +/-	6,400	<u>Masonry</u> <u>95 Yrs +/-</u> 100%	1.16 : 1	\$109.38
2B	1342 Main St., Newman, CA / 128-010-019	Mar-11	<u>Ponce</u> <u>Souza</u> #26714	\$236,000	7,400 +/-	6,400	<u>Masonry</u> <u>100 Yrs +/-</u> 100%	1.16 : 1	\$36.88
2C	1342 Main St., Newman, CA / 128-010-019	Avail. For Sale	<u>N/A</u> <u>N/A</u> <u>N/A</u>	\$375,000 (Asking)	7,400 +/-	6,400	<u>Masonry</u> <u>100 Yrs +/-</u> 100%	1.16 : 1	\$58.59 (Asking)
3	938 Fresno St., Newman, CA / 128-009-030 SUBJECT	Pending Jun-11	<u>Grand Lodge of CA</u> <u>City of Newman</u> N/A	\$980,000	7,500	15,000 (Per Listing)	<u>Mixed Constr.</u> <u>Rebuilt 2010</u> 100%	0.50 : 1	\$65.33

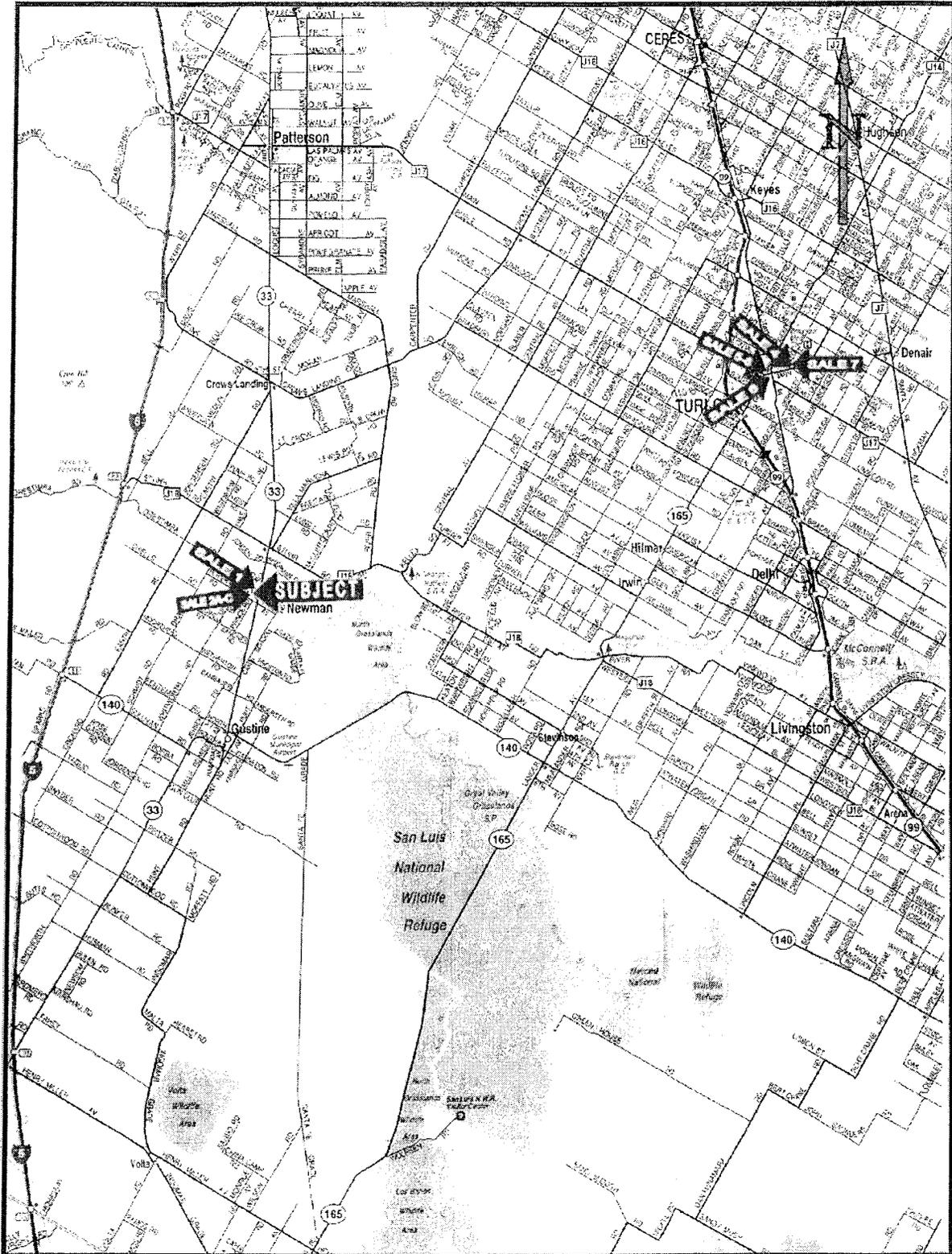


COMPARABLE IMPROVED SALES SUMMARY

No.	Location / APN	Sale Date	MLS / Grantor / Grantee / Doc. #	Sale Price	Parcel Size (S.F.)	Bldg Size (S.F.)	Bldg. Type / Age / Finished %	L:B Ratio	Price Per S.F. / Bldg. Area
4	300 E. Main Street, Turlock, CA / 061-025-062	May -09	<u>Wells Fargo Bank</u> <u>Jauregui</u> #46018	\$600,000	14,450+-	14,500	<u>Masonry</u> <u>96 Yrs. +-</u> 50%	1 : 1	\$41.38
5	200 W. Main St., Turlock, CA / 061-016-021	Sep-10	<u>Evergreen Enviro.</u> <u>BKB Properties</u> #82733	\$727,000	7,840 +-	16,119	<u>Masonry</u> <u>88 Yrs. +-</u> 100%	0.49 : 1	\$45.10
6	118 W. Main St., Turlock, CA / 061-016-026	Feb-11	<u>Union Block</u> <u>Thoreson</u> #15700	\$425,000	13,500	8,271	<u>Masonry</u> <u>103 Yrs.</u> 100%	1.63 : 1	\$51.38
7	331 E. Main St., Turlock, CA / 061-025-056	May-11	<u>Bank of Stockton</u> <u>Masacaja Holdings</u> #40130	\$750,000	20,000 +-	25,000	<u>Masonry</u> <u>89 Yrs.</u> 64%	0.80 : 1	\$30.00
8	144 S. Broadway, Turlock, CA / 043-045-017	Pending Jun-11	<u>Lyons Trust</u> <u>City of Turlock</u> N/A	\$477,894	7,000	3,095	<u>Steel / Stucco</u> <u>8 Yrs. +-</u> 100%	2.26 : 1	\$154.41



SALES LOCATION MAP



Discussion of Market Data

Comparable No. 1 is located at 1305 Main Street in downtown Newman, California. The oldest sale analyzed, occurring in August 2004 this sale involved a 7,400± square foot corner parcel improved with a two story retail/office building of 12,300 square feet. This property reportedly sold for \$640,000 or \$52.03 per square foot of total building area. The structure was estimated at 96 years old and of fair to average condition at the time of sale.

This sale required a negative adjustment for declining market conditions since 2004, with positive adjustments warranted for inferior overall quality and appeal, including and accounting for the subject's new elevator, fire sprinklers, etc., and a positive adjustment for inferior age and condition (reflects the subject's recently re-built status.)

Comparable No. 2A is a June 2006 transaction involving the property at 1342 Main Street in Newman, also known as the "St. George Hotel." This property sold near the peak of the market at \$700,000 and included a 7,400± square foot parcel improved with a 6,400 square foot, 95 year old two story structure designed for first floor restaurant and bar use with a second floor remaining as the original hotel rooms.

Analyzing this sale indicates that the buyers paid \$109.38 per square foot of building area. When considering this older sale, a substantial negative time adjustment is warranted as well as for the building size influence. When analyzing a property on a unit of comparison, such as a price per square foot, smaller properties generally will indicate a much higher value than their larger counterparts and thus, when comparisons are made, adjustments are necessary. Positive adjustments are needed for this transaction however to account for the inferior overall quality and appeal and age and condition.

Comparable No. 2B is the March 2011 transaction involving this property at 1342 Main Street in Newman. Due to financial difficulties, the property sold to a local investor at a reported \$236,000. Although confirmation could not be achieved, I have heard from others that this transaction involved basically a shell building in only fair condition. Analysis of this most recent transaction indicates that the buyers acquired this property for \$36.88 per square foot.

When comparing this transaction a positive condition of sale adjustment is warranted in my opinion. This reflects the distressed situation and probable extreme motivation on the seller's part. Once again, a negative adjustment is needed for the building size influence with substantial positive adjustments warranted for quality and appeal and age and condition.



Comparable No. 2C is the most recent and current listing of the "St. George Hotel" at 1342 Main Street. At this time the property is available through a local broker at a reported \$375,000 asking price. It is my understanding that there has been little interest to date and no offers are pending at or near this price.

Once again, an analysis was performed adjusting for the listing status and the other physical differences.

Comparable No. 3 is identified as 938 Fresno Street in Newman, California and is the pending transaction of the subject property. As of this writing escrow has opened and a transaction is underway priced at \$980,000 for this 7,500± square foot parcel with 15,000 square foot two story building. It is important to note that the building size listed here is what is recorded on the marketing information, yet not necessarily the appraiser's opinion of either gross or net rentable building area.

As indicated earlier in this report the subject is mixed construction that was extremely fire damaged a few years ago and virtually rebuilt with new interior improvements, elevator, fire sprinkler system, ADA compliant restrooms, etc...

According to John Borelli and the documentation provided the appraiser, this transaction will involve a \$294,000 down payment with the balance carried by the sellers over the next five years. The sales contract does not require any prepayment penalty if the loan balance is paid off early, and according to Michael Holland (Newman City Manager), this could very easily be the case.

Further investigation has found that the seller carried financing is at or very near market rate with a 6% annual interest charged on a 20 year amortization schedule with a five year call. It appears to be mutually beneficial, and as a result I do not believe any cash equivalency adjustment is warranted for these sale terms.

Comparables Nos. 1, 2A, 2B, 2C, and the subject sale 3 are the most recent and pertinent transactions to occur within Newman over the past several years. Requiring more data however, I expanded my search into nearby communities of Modesto, Turlock, Los Banos, Gustine, etc... The following transactions are from some of these surrounding communities.

Comparable No. 4 is identified as 300 East Main Street in downtown Turlock and is a May 2009 transaction of a mixed office and retail building. The purchase price was reported at \$600,000 cash to the sellers indicating that the buyers paid \$41.38 per square foot for a building that was approximately 50% finished and lacking in current upgrades such as fire sprinklers, elevator, ADA compliance, etc...



When compared to the subject this comparable required a negative adjustment for declining market conditions and superior site value, with positive adjustments needed for the inferior overall building quality and appeal, age and condition, and the finished area build out.

Comparable No. 5 is located at 200 West Main Street in Turlock, again part of the downtown business district. This September 2010 sale involved a 7,840 square foot parcel with an estimated 16,190 square foot two story building. The property sold for \$727,000 indicating that the buyers paid \$45.10 per square foot of building area.

When compared to the subject this comparable required a negative site value adjustment with substantial positive adjustments for the inferior overall quality, appeal, age and condition.

Comparable No. 6 is located at 118 West Main Street in downtown Turlock and again involved an older downtown mixed use property. This February 2011 sale at \$425,000 indicated that the buyers paid \$51.38 per square foot of total building area.

Adjustments for this sale were necessary for superior site value and the much smaller building size influence. Also positive adjustments needed for quality and appeal, age and condition.

Comparable No. 7 is located at 331 East Main Street in Turlock and was a May 2011 sale from the Bank of Stockton (an REO holding). The property reportedly sold at \$750,000 and involved a 20,000± square foot site with a 25,000 square foot two story masonry building. This sale indicates a basic price of \$30.00 per square foot to the total building area reflects a basic shell structure in need of substantial improvements. According to the listing broker the first floor was improved with an attractive real estate office, yet the second floor, accounting for roughly 1/3 of the total space, was unusable.

When analyzing this transaction a negative adjustment is needed for the superior site value, with positive adjustments warranted for building size influence, overall quality and appeal, age and condition, and finished area buildout.

Comparable No. 8 is a pending transaction of a property currently occupied by The City of Turlock. The Lyons Family Trust owns a recently reconstructed building at 144 S. Broadway, that they built to suit the city's occupancy needs. The pending transaction based upon a recent appraisal and further negotiations is reported at \$477,894, yet includes an accounting for an early lease buyout by this tenant buyer. The property includes a 7,000 square foot interior located site, with an 8 year old 3,095 square foot good quality office building. Analysis of this pending sale price indicates \$154.41 per square foot of building area.



When compared to the subject this transaction requires a negative adjustment for the conditions of sale (to account for the early lease buyout provision), and negative adjustments for the superior site value, building size influence, and overall quality and appeal.

Although not directly comparable to the subject, this pending sale was included because of its age and condition and generally similar surroundings.

Analysis of Market Data

Initially the market data considered produced a wide range and this data requires adjustment to narrow the parameters and provide a more realistic conclusion via this approach.

The adjustments were determined from paired sales whenever possible but when lacking this information, the appraiser relied upon depreciated cost estimates and information available from local market participants.

On the following page I have included a market data adjustment chart detailing this analysis leading to an adjusted value range and a conclusion of price per square foot of building area value for the subject property.



MARKET DATA ADJUSTMENT GRID

COMPARABLE NO.	1	2A	2B	2C	3	4	5	6	7	8
	SUBJECT									
PRICE PER S.F.	\$52.03	\$109.38	\$36.88	\$58.59 (ASKING)	\$65.33	\$41.38	\$45.10	\$51.38	\$30.00	\$154.41
COND. OF SALE ADJ.	\$0	\$0	\$3.70	(\$5.83)	\$0	\$0	\$0	\$0	\$0	(\$10.65)
TIME ADJ.	(\$10.40)	(\$55.00)	\$0	\$0	\$0	(\$4.15)	\$0	\$0	\$0	\$0
SITE VALE ADJ.	\$0	\$0	\$0	\$0	\$0	(\$5.85)	(\$1.15)	(\$9.05)	(\$4.00)	(\$10.00)
BLDG. SIZE INFL. ADJ.	\$0	(\$20.00)	(\$20.00)	(\$20.00)	\$0	\$0	\$0	(\$15.00)	\$20.00	(\$50.00)
QUALITY / APPEAL ADJ.	\$8.95	\$25.00	\$25.00	\$25.00	\$0	\$5.00	\$9.85	\$16.30	\$7.50	(\$10.00)
AGE / COND. ADJ.	\$15.00	\$5.00	\$20.00	\$20.00	\$0	\$15.00	\$15.00	\$15.00	\$5.00	\$0.00
FINISHED AREA ADJ.	\$0	\$0	\$0	\$0	\$0	\$12.50	\$0	\$0	\$9.00	\$0.00
TOTAL NET ADJUSTMENTS	\$13.55	(\$45.00)	\$28.70	\$19.15	\$0	\$22.50	\$23.70	\$7.25	\$37.50	(\$90.65)
INDICATED VALUES PER S.F.	\$65.58	\$64.38	\$65.58	\$77.74	\$65.33	\$63.88	\$68.80	\$58.63	\$67.50	\$73.76
	SUBJECT									



After analysis the comparables indicate a range of just under \$59.00 to just under \$78.00 per foot. The upper end is produced by a listing of a specialty property that is yet to sell. The lower end is produced by a smaller sale of an inferior property. Excluding these two extremes the remaining six comparables narrow to around \$64.00 to \$74.00 per square foot, with most near the lower end of this range.

As a result of this analysis, and again my understanding of current market conditions and the attractive new features of the subject property, I believe the pending sale price is well supported for the subject property via this analysis, at around \$65.33 per square foot. Based upon my estimate of gross building area the pending sale indicates \$67.28 per square foot ($\$980,000 / 14,565 \text{ SF}$), but this is still well within the adjusted data range.



DIRECT INCOME CAPITALIZATION APPROACH

For this analysis I first considered the subject at stabilized occupancy, assuming that most of the vacancies have been absorbed. After this hypothetical value is achieved, one can simply adjust for "lease-up" and determine a more realistic "as is" value via this approach.

The first step in the Income Capitalization Approach is to determine market rents appropriate to the subject property. Although finding specific recent rent comparables proved somewhat difficult, I was able to interview several property agents and managers and consult other appraisal files in order to determine a realistic rent for the subject. This information is charted on the following page.



DOWNTOWN NEWMAN RENTS SUMMARY

NO.	ADDRESS / TENANT	LEASE DATE	LEASE TERM	BLDG AREA RENTED (S.F.)	BASE MONTHLY RENT	CAM CHARGES	TOTAL MONTHLY RENT	TOTAL RENT PER S.F. BLDG	% OF FIN. AREA	TYPE OF LEASE SCH. INCR.	LANDLORD EXPENSES
1	930 FRESNO ST., NEWMAN, CA / SUBJECT	JAN-11	6 YRS. (First 3 Mo. Free)	890	\$550	\$230	\$780	\$0.88	100% Office - RR	NNN \$50 Mo. Incr. Fourth Year	Balance of Vacant space CAM charges
2	936 FRESNO ST., NEWMAN, CA / SUBJECT	OCT-10	6 YRS. (First 3 Mo. Free)	270	\$200	\$72	\$272	\$1.01	100% Barber Shop	NNN \$25 Mo. Incr. Fourth Year	Balance of Vacant space CAM charges
3	MAIN STREET, NEWMAN, CA / SALON	UNK.	MO. TO MO.	3,500	\$1,500	NO	\$1,500	\$0.43	100% Salon - RR	GROSS	Taxes, Insurances, Maintenance, Management
4	MAIN STREET, NEWMAN, CA / MORTGAGE OFFICE	2004	MO. TO MO.	442	\$455	NO	\$455	\$1.03	100% Office	FULL SERVICE	All - Except Telephone
5	TULARE STREET, NEWMAN, CA / OFFICE	UNK.	MO. TO MO.	373	\$600	NO	\$600	\$1.61	100% Office	FULL SERVICE	All - Except Telephone
6	1345 MAIN ST. NEWMAN, CA / AVAIL. FOR LEASE	AVAIL.	NEGO.	2,400	\$1,500	NO	\$1,500	\$0.63	100% Office - RR	GROSS	Taxes, Insurances, Maintenance, Management



The charted rent data indicates a range of roughly \$0.43 to \$1.61 per square foot, with terms involving net and gross leases. Adjusting the comparables to indicate "net" terms produced a range of around \$0.60 to \$1.25 ± per square foot. The first two comparables are the only leases in effect for the subject at this time. According to John Borelli, this is partially due to the pending sale status of the subject, which has resulted in a temporary hold on active marketing of the vacant spaces. Even so, demand for downtown Newman retail and office space is very limited at this time. Based upon the best available data, I have estimated market rents for the subject spaces individually, adjusted to account for unit size, location, floor plan, etc... The second floor space has been considered as a single unit. Consistent with my opinion of Highest and Best Use.

After determining the appropriate market rents for the subject property, the monthly rents can be annualized into a Potential Gross Income estimate. Next it is necessary to account for appropriate vacancy and collection loss in order to yield an Effective Gross Income estimate. Based again on conversations with market participants and my experience and understanding of the current market, I believe a typical investor would estimate a 10% vacancy and collection loss factor for the subject at this time.

Subtracting this 10% leaves an Effective Gross Income which should then be adjusted further to account for typical operating expenses. Under a typical net lease, operating expenses would include only basic structural maintenance, repairs, etc... These items have been estimated at 10% of the EGI, and once deducted yield a Net Operating Income for the subject property. Property taxes, utilities, general maintenance, etc. are passed through and paid by the tenants, in the form of additional rent.

The final step in this analysis is the application of an appropriate Overall Rate. Under current conditions it can be difficult to glean rates from recent transactions, yet based upon this data and other investment types, and sources of information such as the *Kopacz Investors Survey*, I believe that the subject property would warrant an overall rate of 8.5%.

Dividing the Net Operating Income estimate by this overall rate produces a value indication from this approach. This analysis has been summarized on the following page.



“AS IS” VALUE ADJUSTMENT

After establishing a hypothetical value “at stabilized occupancy,” it is necessary to account for the rent loss, holding costs, leasing commissions, etc. to measure a more accurate “as is” value.

At a projected 90% stabilized occupancy, roughly \$71,622 per year needs to be gained from the current position, that includes only units 930 and 936 as occupied. This “shortfall” then can be calculated as \$5,969± per month rent gross loss. Assuming a 24 month absorption period (based mostly on industry reports and speculations regarding the economy) I can measure a declining rent loss over this period.

Next, one must consider the holding/operating costs of the subject. A pro-forma provided by Mr. Borelli, tempered with other file data regarding expenses for similar properties, allowed me to calculate monthly expenses appropriate to the lessor’s share of unleased space. This would decline as spaces lease, and tenants pay their pro-rata share under the net lease terms.

Next, leasing commissions should be divided and are based upon a percentage of the projected rent over the lease period. For this analysis a rounded 5%, and 24 month term was considered “typical.”

Finally, I believe a contingency expense should be included to account for profit, and miscellaneous costs that inevitably arise. This was calculated at 20% of the combined rent loss and expenses. Applying a Discounted Cash Flow Analysis for this leaseup scenario resulted in a discount that is summarized on the following page.



DISCOUNTED CASH FLOW ANALYSIS - FOR LEASE UP ADJUSTMENT

PERIODS (Months)	1	2	3	4	5	6	7	8	9	10	11	12
NET RENT LOSS	\$5,969	\$5,720	\$5,472	\$5,223	\$4,974	\$4,725	\$4,477	\$4,228	\$3,979	\$3,731	\$3,482	\$3,233
LEASING COMMISSIONS	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
COMBINED LOSS & COMMISSIONS	\$6,269	\$6,020	\$5,772	\$5,523	\$5,274	\$5,025	\$4,777	\$4,528	\$4,279	\$4,031	\$3,782	\$3,533
HOLDING / OPERATING COSTS	\$1,825	\$1,749	\$1,673	\$1,597	\$1,521	\$1,445	\$1,369	\$1,293	\$1,217	\$1,141	\$1,065	\$989
SUBTOTAL	\$8,094	\$7,769	\$7,445	\$7,120	\$6,795	\$6,470	\$6,146	\$5,821	\$5,496	\$5,172	\$4,847	\$4,522
CONTINGENCY / PROFIT (20%)	\$1,619	\$1,554	\$1,489	\$1,424	\$1,359	\$1,294	\$1,229	\$1,164	\$1,099	\$1,034	\$969	\$904
TOTAL	\$9,713	\$9,323	\$8,934	\$8,544	\$8,154	\$7,764	\$7,375	\$6,985	\$6,595	\$6,206	\$5,816	\$5,426

PERIODS (Months)	13	14	15	16	17	18	19	20	21	22	23	24
NET RENT LOSS	\$2,985	\$2,736	\$2,487	\$2,238	\$1,990	\$1,741	\$1,492	\$1,244	\$995	\$746	\$497	\$249
LEASING COMMISSIONS	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
COMBINED LOSS & COMMISSIONS	\$3,285	\$3,036	\$2,787	\$2,538	\$2,290	\$2,041	\$1,792	\$1,544	\$1,295	\$1,046	\$797	\$549
HOLDING / OPERATING COSTS	\$913	\$837	\$761	\$685	\$609	\$533	\$457	\$381	\$305	\$229	\$153	\$77
SUBTOTAL	\$4,198	\$3,873	\$3,548	\$3,223	\$2,899	\$2,574	\$2,249	\$1,925	\$1,600	\$1,275	\$950	\$626
CONTINGENCY / PROFIT (20%)	\$840	\$775	\$710	\$645	\$580	\$515	\$450	\$385	\$320	\$255	\$190	\$125
TOTAL	\$5,038	\$4,648	\$4,258	\$3,868	\$3,479	\$3,089	\$2,699	\$2,310	\$1,920	\$1,530	\$1,140	\$751

DISCOUNT RATE 5% ANNUAL

NET PRESENT VALUE \$121,023

ROUNDED \$120,000



Therefore, subtracting the lease-up adjustment from the hypothetical "At Stabilized Occupancy" value leads to an "As Is" value via this approach.

At Stabilized Occupancy Value	\$855,000
Less Lease-Up Adjustment	<u>\$120,000</u>
Indicated "As Is" Value	\$735,000



RECONCILIATION AND CONCLUSION OF "AS IS" VALUE

The Direct Sales Comparison Approach supported a value indication of \$980,000. The Income Capitalization Approach indicated \$855,000 at "Stabilized Occupancy," and only \$735,000 "As Is." I do believe that the greatest market interest would come from at least a partial owner occupant user, and as such I believe more weight should be given the Direct Sales Comparison Approach.

Although not processed in this assignment, any Cost Approach indication would substantially exceed both the Sales and Income Approach, making it virtually impossible to replace the subject at a price anywhere near the subject's pending deal. As expected, there is not enough support to validate this price if one considered only an investment analysis. Market rents, vacancy, and capitalization rates reflect a much lower value. As a result, I believe the pending sale price of the subject is supported via recent sales and listing data, of properties purchased for more than just their rental income, and it is my conclusion of value for this property at this time.

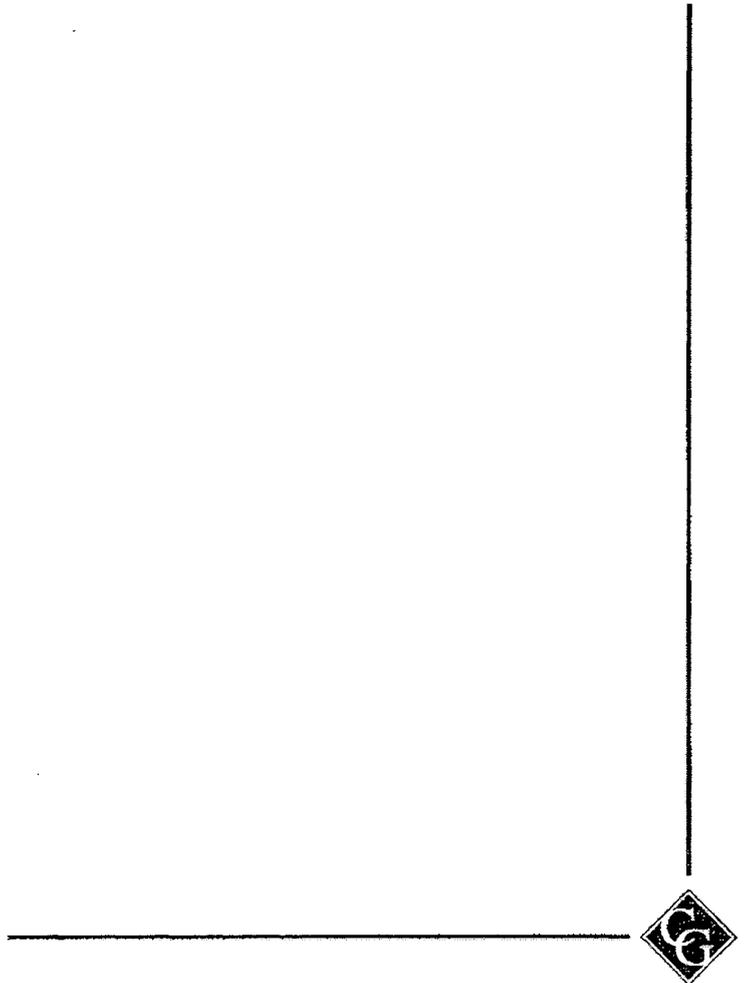


A D D E N D A

- **ENGAGEMENT ORDER**
- **PRELIMINARY TITLE REPORT**
- **IMPROVED SALES PHOTOGRAPHS**
- **STATEMENT OF QUALIFICATIONS
JAMES A. COGDILL, SRA**



ENAGEMENT ORDER



-----Original Message-----

From: Michael E. Holland <mholland@cityofnewman.com>

To: Jim Cogdill (Jcgd159@aol.com) <Jcgd159@aol.com>

Sent: Mon, Jun 13, 2011 9:27 am

Subject: Newman

Jim:

Please accept this letter as authorization to proceed forward with an appraisal for 938 Fresno Street, Newman CA. (APN 128-009-030) Based upon our phone conversation last week, the cost is anticipated to be \$3,500 and take about 30 days. Please confirm this information with an email when you get a chance.

Thank you,

Michael E. Holland
City Manager
City of Newman
(209) 862-3725
(209) 862-3199 fax

<http://mail.aol.com/33790-111/aol-6/en-us/mail/PrintMessage.aspx>

6/13/2011



From: Michael E. Holland <mholland@cityofnewman.com>
To: 'jcgdl59@aol.com' <jcgdl59@aol.com>
Subject: RE: Newman
Date: Mon, Jun 13, 2011 10:04 am

Prelim is already ordered. Contact should be with John Borrelli at the info below

John A. Borrelli
Stephens & Borrelli
1350 Main Street Suite 1
Newman, CA 95360
P - 209-862-2681

*Michael
1350 Main
A*
2 Tenants

From: jcgdl59@aol.com [<mailto:jcgdl59@aol.com>]
Sent: Monday, June 13, 2011 9:57 AM
To: Michael E. Holland
Subject: Re: Newman

Thank you Michael.
I will open a file.
Do you have a contact name and number?
Did you say you were going to order a prelim.?

-----Original Message-----

From: Michael E. Holland <mholland@cityofnewman.com>
To: Jim Cogdill (jcgdl59@aol.com) <jcgdl59@aol.com>
Sent: Mon, Jun 13, 2011 9:27 am
Subject: Newman

Jim:

Please accept this letter as authorization to proceed forward with an appraisal for 938 Fresno Street, Newman CA. (APN 128-009-030) Based upon our phone conversation last week, the cost is anticipated to be \$3,500 and take about 30 days. Please confirm this information with an email when you get a chance.

Thank you,

Michael E. Holland
City Manager
City of Newman
(209) 862-3725
(209) 862-3199 fax

PRELIMINARY TITLE REPORT



Visit Us on our Website: www.fnfc.com



Fidelity National Title Company
OF CALIFORNIA

ISSUING OFFICE: 3127 Transworld Drive, Suite 130 • Stockton, CA 95206

FOR SETTLEMENT INQUIRIES, CONTACT: Fidelity National Title Company of California - Merced
105 W. El Portal Drive • Merced, CA 95340
209 722-3911 • FAX 209 723-1958

PRELIMINARY REPORT

Title Officer: Ritch Boyatt
Escrow Officer: Robin McCall
Escrow No.: 11-3010288-RM

Title No.: 11-935854-RB
Locate No.: CAFNT0950-0924-0001-0000935854

TO: Stephens & Borrelli
1350 Main Street, Suite 1
Newman, CA 95360

ATTN: John Borrelli

PROPERTY ADDRESS: 938 Fresno Street/1404 Main Street, Newman, California

EFFECTIVE DATE: June 7, 2011, 07:30 A.M.

The form of policy or policies of title insurance contemplated by this report is:

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee
2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

A.M. Williams, C.P, Paulsen and J.L. Kinnear, Trustees of Orestimba Lodge #354 I.O.O.F.
3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

BA\RC 06/15/2011

Title No. 11-935854-RB
Locate No. CAFNT0950-0924-0001-0000935854

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF NEWMAN, COUNTY OF STANISLAUS, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Lots 31 and 32 in Block 74 of the Town of Newman, according to the Official Map thereof filed in the Office of the County Recorder of Stanislaus County, California, on July 20th, 1916 in Vol. 8 of Maps, at Page 42.

APN: 128-009-030

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. **Property taxes**, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2011-2012.
2. **The lien of supplemental taxes**, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.

3. The effect of the following Deed:

Grantor: Orestimba Lodge No. 354, Independent Order of Odd Fellows, a Non-profit Fraternal California Corporation
Grantee: Grand Lodge of California, Independent Order of Odd Fellows, a Non-profit Fraternal California Corporation
Recorded: May 16, 2006, Series NO. 2006-0073749, Official Records

NOTE: It is noted that the above mentioned Deed had an erroneous legal description and did not disclose the Trustees of said lodge.

4. No open Deeds of Trust: CONFIRM BEFORE CLOSING
5. **Any rights of the parties in possession** of a portion of, or all of, said land, which rights are not disclosed by the public record.

This Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

6. **Matters** which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said land that is satisfactory to this Company, and/or by inquiry of the parties in possession thereof.
7. **This Company will require** an Owner's Affidavit to be completed by the party(ies) named below before any title assurance requested under this application will be issued.

Party(ies): A.M. Williams, C.P. Paulsen and J.L. Kinnear, Trustees of Orestimba Lodge #354 I.O.O.F.

The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit.

8. **This Company will require** the following documents for review prior to the issuance of any title assurance predicated upon a conveyance or encumbrance by the corporation named below.

Corporation: Orestimba Lodge No. 354 and/or Grand Lodge of California, Independent Order of Odd Fellows, a Non-profit Fraternal California Corporation

- (a) A copy of the corporation By-Laws and Articles of Incorporation.
- (b) An original or certified copy of the Resolution authorizing the subject transaction, together with a Certificate of Compliance pursuant to Section 5912 or 7912 Corporations Code.
- (c) If the Articles and/or By-Laws require approval by a "parent" organization, we will also require a copy of those By-Laws and Articles of Incorporation.

The right is reserved to add requirements or additional items after completion of such review.

9. **This Company will require** the following in order to insure title vested in, or a conveyance from, the entity named below.

Name: Orestimba Lodge No. 354 and/or Grand Lodge of California, Independent Order of Odd Fellows, a Non-profit Fraternal California Corporation

- (a) A copy of the By-laws or Articles of Association (sometimes known as the "Agreement" or "Charter").
- (b) A copy of the resolution of the Association approving the present transaction and identifying the subject land. The resolution should also state that the transaction is necessary for the business purposes of the Association and should name the parties who are authorized to execute documents for the Association.

The right is reserved to add requirements or additional items after completion of such review.

10. **The application** for title insurance was placed by reference to only a street address or tax identification number.

Based on our records, we believe that the description in this report covers the parcel requested, however, if the legal description is incorrect a new report must be prepared.

If the legal description is incorrect, in order to prevent delays, the seller/buyer/borrower must provide the Company and/or the settlement agent with the correct legal description intended to be the subject of this transaction.

END OF ITEMS

- Note 1.** The charge for a policy of title insurance, when issued through this title order, will be based on the Basic (not Short-Term) Title Insurance Rate.

Note 2. The name(s) of the buyer(s) furnished with this application for Title Insurance is/are:

City of Newman

If these names are incorrect, incomplete or misspelled, please notify the Company.

Note 3. The Company is not aware of any matters which would cause it to decline to attach the CLTA Endorsement Form 116 indicating that there is located on said land commercial property known as 938 Fresno Street/1404 Main Street, Newman, CA to an Extended Coverage Loan Policy.

Note 4. There are NO deeds affecting said land, recorded within twenty-four (24) months of the date of this report.

Note 5. Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

Tax Identification No.:	128-009-030
Fiscal Year:	2010 - 2011
1st Installment:	\$292.94
2nd Installment:	\$292.94
Amount:	\$585.88
Exemption:	\$0.00
Land:	\$18,981.00
Improvements:	\$22,245.00
Personal Property:	\$0.00
Code Area:	003-027

Note 6. If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.

Note 7. Wiring instructions for Fidelity National Title Company of California, Merced, CA, are as follows:

Receiving Bank: Bank of America
275 Valencia Blvd, 2nd Floor
Brea, CA 92823-6340
ABA Routing No.: 026009593
Credit Account Name: Fidelity National Title Company of California - Merced
105 W. El Portal Drive, Merced, CA 95340
Credit Account No.: 12356-19937
Escrow No.: 11-3010288-RM

These wiring instructions are for this specific transaction involving the Title Department of the Stockton office of Fidelity National Title Company of California. These instructions therefore should not be used in other transactions without first verifying the information with our accounting department. It is imperative that the wire text be exactly as indicated. Any extraneous information may cause unnecessary delays in confirming the receipt of funds.

Note 8. Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirements cannot be met, please call the company at the number provided in this report.

END OF NOTES

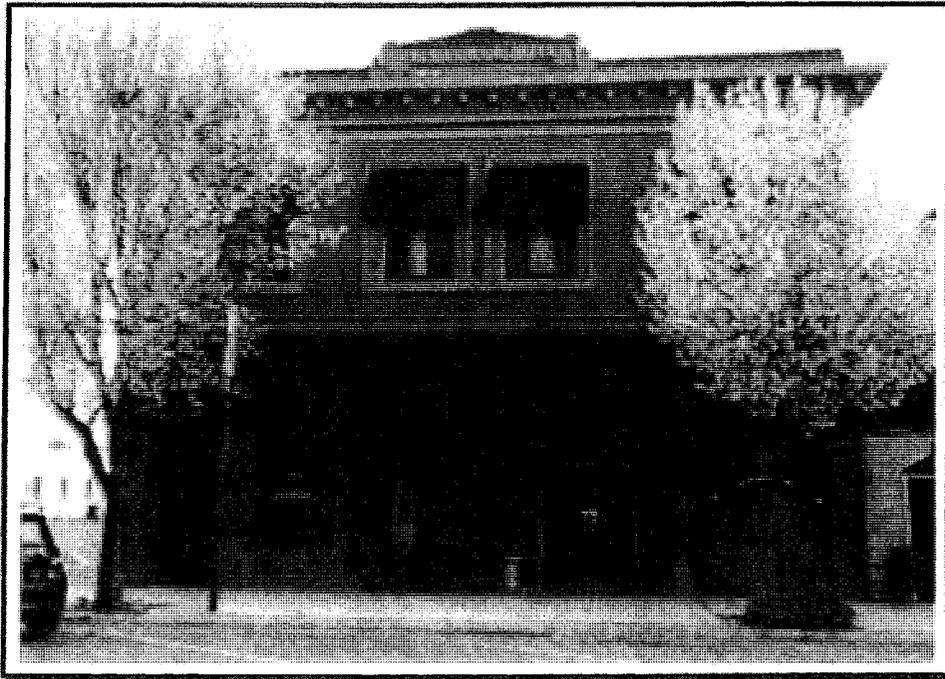
IMPROVED SALES PHOTOGRAPHS



COMPARABLE PHOTOGRAPHS



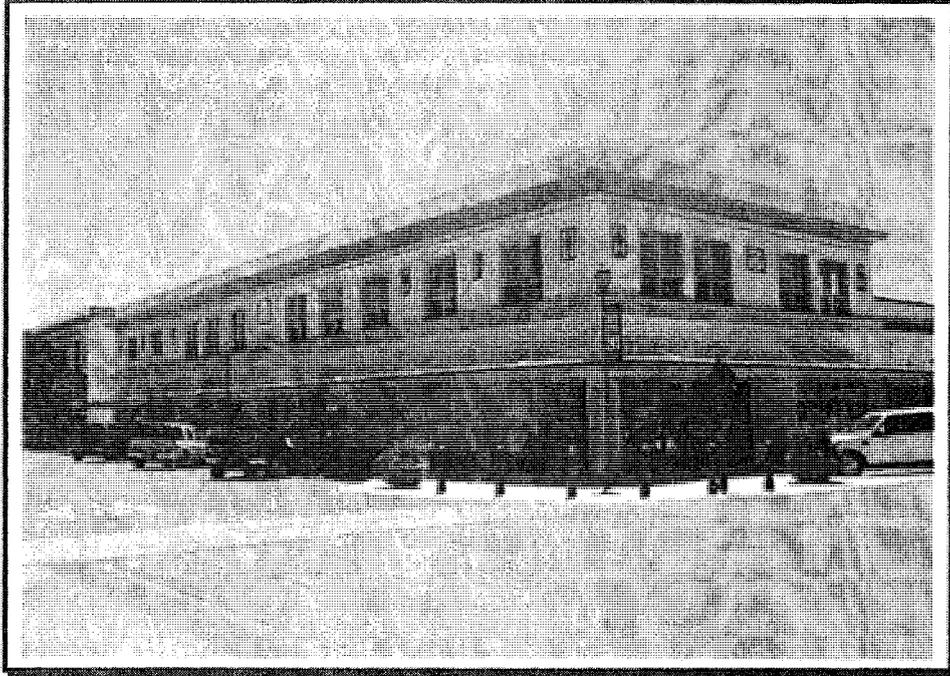
Comparable No. 1 - 1305 Main Street, Newman



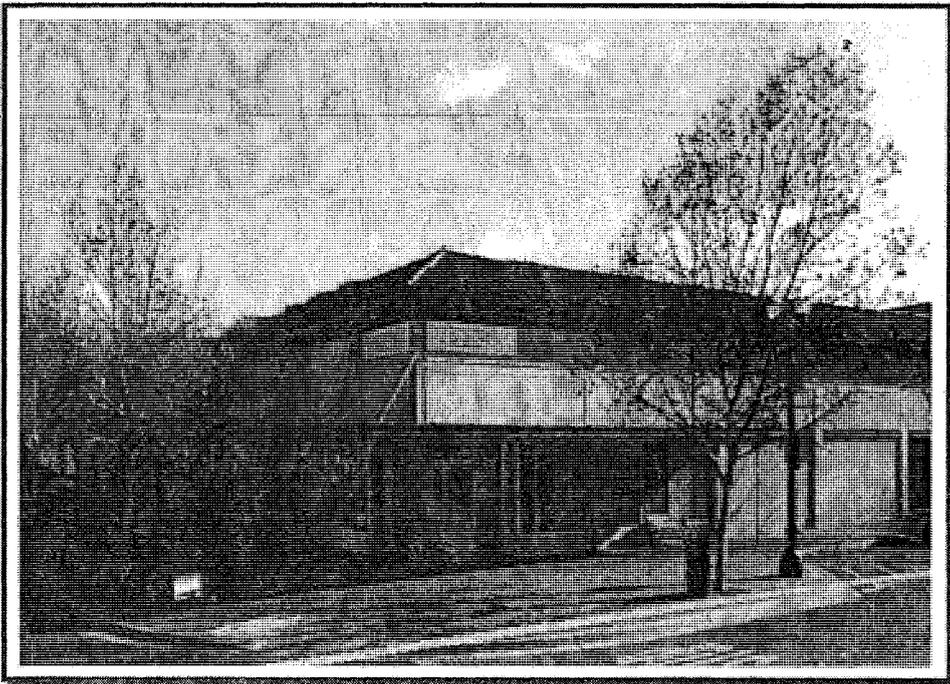
Comparable Nos. 2A, 2B, 2C - 1342 Main Street, Newman



COMPARABLE PHOTOGRAPHS



Comparable No. 3 - 938 Fresno Street, Newman (SUBJECT)



Comparable No. 4 - 300 East Main Street, Turlock



COMPARABLE PHOTOGRAPHS



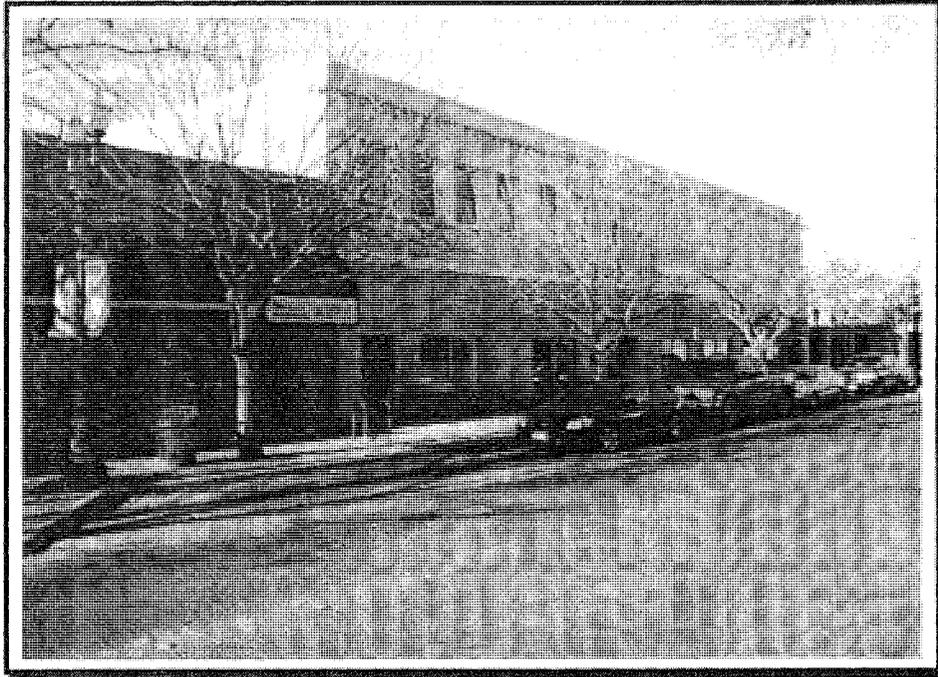
Comparable No. 5 – 200 West Main Street, Turlock



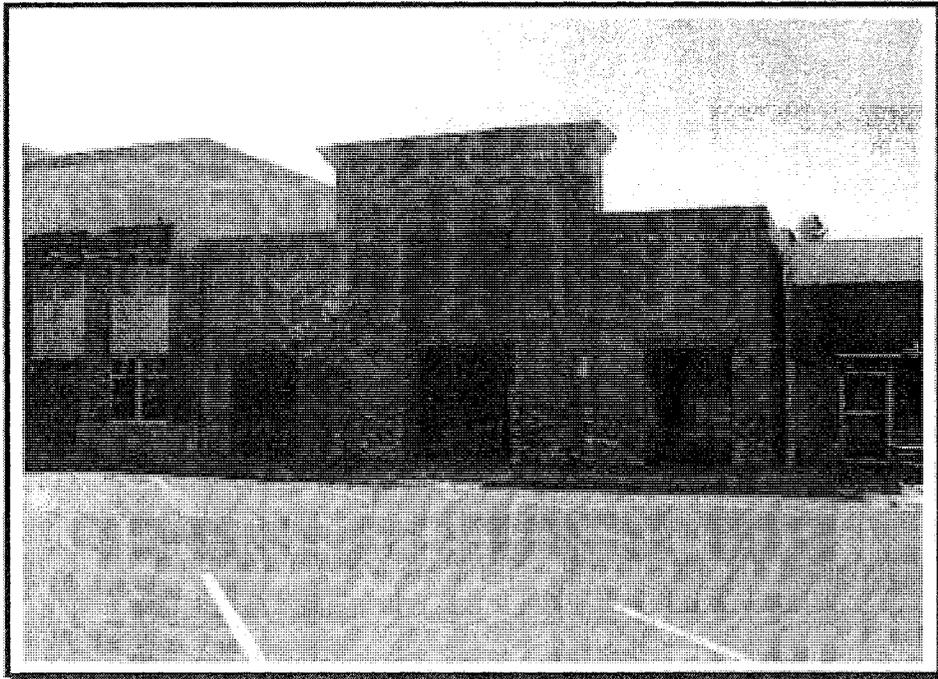
Comparable No. 6 – 118 West Main Street, Turlock



COMPARABLE PHOTOGRAPHS



Comparable No. 7 - 331 East Main Street, Turlock



Comparable No. 8 - 144 S. Broadway, Turlock



**STATEMENT OF QUALIFICATIONS
JAMES A. COGDILL, SRA**



APPRAISAL QUALIFICATIONS

James A. Cogdill, SRA
1317 "I" Street, Suite A
Modesto, California 95354

PROFESSIONAL EDUCATION

College Courses Passed:

Real Estate Principles, Valley College, San Bernardino, CA 1979
Residential Appraisal, Valley College, San Bernardino, CA 1979

Appraisal Institute Courses:

See Attached

EXPERIENCE

Residential and commercial real estate appraiser with the firm of Cogdill & Giomi, Inc. since January, 1984, specializing in subdivision, apartment, and light industrial property valuation. Owner, partner and CEO of Cogdill & Giomi, Inc., since purchasing the business in January 2007.

CERTIFICATION

Licensed and Certified General Real Estate Appraiser by the State of California, #AG003850, dated January 17, 1992. Current certification expires December 30, 2012.

PROFESSIONAL AFFILIATION

Awarded SRA designation by Appraisal Institute in December, 1993.
Currently up to date in Appraisal Institute and State of California Continuing Education Requirements



Education Transcript

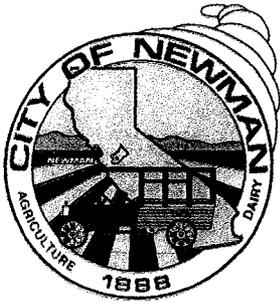
James A. Cogdill, SRA
 Cogdill & Giomi R.E. Appraisers
 1317 1St., Ste. A
 Modesto, CA 95354

Program	Date	Location	Type	Hrs. Attn:	Hrs. Exam
General Appraiser Market Analysis and Highest & Best Use	12/13-16/2010	Park Place Building 19th Floor Seattle, WA	Standard	28.0	2.0
7-Hour National USPAP Update Course	09/30/2010	Carr America Conference Center Pleasanton, CA	Standard	7.0	0.0
The New Residential Market Conditions Form (P.M.)	03/18/2009	Clarion Hotel Modesto, CA	Standard	3.0	0.0
Sierra Branch Chapter Networking Social	03/18/2009	Clarion Hotel Modesto, CA	Standard	0.0	0.0
Online 2008 - 2009 7-Hour National USPAP Equivalent Course	11/15-12/15/2008 Completed 11/24	On-Line Seminar Chicago, IL	Standard	7.0	0.0
Online Business Practices and Ethics	10/15-11/14/2008 Completed 10/22	On-Line Seminar Chicago, IL	Standard	8.0	0.0
Advanced Sales Comparison & Cost Approaches	09/11-17/2008	Hawthorn Suites Kent, WA	Standard	36.0	4.0
Real Estate Finance Statistics and Valuation Modeling	03/11-14/2008	Pleasanton, CA	Standard		0.0
2007 Annual Fall Conference	11/02/2007	San Francisco, CA	Standard	6.0	0.0
2007 Annual Spring Conference w/Residential Market Update	05/12/2007	Doubletree Hotel Modesto, CA	Standard	7.0	0.0
Various Residential Lender & Non-Lender Forms/Formats	03/15/2007	Four Points by Sheraton Pleasanton, CA	Standard	2.0	0.0
Appraising the Tough Ones	02/09/2007	Clarion Hotel Modesto, CA	Standard	7.0	0.0
7-Hour National USPAP Update Course	04/21/2006	Radisson Hotel Stockton, CA	Standard	7.0	0.0
Professional's Guide to the Uniform Residential Appl. Report	06/13/2005	Clarion Hotel Modesto, CA	Standard	7.0	0.0
2005 Spring Conference	05/17/2005	University of Pacific Stockton, CA	Standard	7.0	0.0
Online Internet Search Strategies for R.E. Appraisers	02/15-03/16/2004 Completed 02/16	On-Line Seminar Chicago, IL	Standard	7.0	0.0
Online Appraising From Blueprints and Specifications	02/01-03/02/2004 Completed 02/10	On-Line Seminar Chicago, IL	Standard	7.0	0.0
Online Analyzing Distressed Real Estate	02/01-03/02/2004 Completed 02/14	On-Line Seminar Chicago, IL	Standard	4.0	0.0
Online Residential Property Construction and Inspection	01/11-02/14/2004 Completed 01/17	On-Line Seminar Chicago, IL	Standard	7.0	0.0
Online Analyzing Operating Expenses	01/11-02/14/2004 Completed 01/23	On-Line Seminar Chicago, IL	Standard	7.0	0.0



Program	Date	Location	Type	Hrs. Attn	Hrs. Exam
The Appraiser's Workfile: What, When, Where & Why	01/15/2004	Sheraton Inn - Pleasanton, CA	Standard	2.0	0.0
Report Writing and Valuation Analysis	10/27-11/01/2003	University of Phoenix Fountain Valley, CA	Standard	26.0	14.0
Business Practices and Ethics	10/17/2003	Monarch Hotel Dublin, CA	Standard	7.0	1.0
USPAP Update 2003 - Standards and Ethics for Professionals	10/16/2003	Monarch Hotel Dublin, CA	Standard	7.0	0.0
Standards of Professional Practice, Part B	04/09/1999	Fort Mason Center San Francisco, CA	Standard	7.0	1.0
Standards of Professional Practice, Part A (USPAP)	04/07-08/1999	Fort Mason Center San Francisco, CA	Standard	15.0	1.0
Supporting Sales Comparison Grid Adjustments	02/19/1999	The Beach Resort Monterey, CA	Standard	7.0	0.0
Appraising 140-4 Family Income Prop.	09/19/1998	Modesto Junior College Modesto, CA	Standard	7.0	0.0
Valuation of Detrimental Conditions	02/27/1998	Ramada Inn - Airport North South San Francisco, CA	Standard	7.0	0.0
Commercial Form	06/17/1994	Dunfey Hotel San Mateo, CA	Standard	7.0	0.0
Appraisal Procedures	09/20/1993	Dunfey Hotel San Mateo, CA	Challenge	0.0	3.0
Case Studies in R.E. Valuation	06/09-15/1991	University of San Diego San Diego, CA	Standard	36.0	3.0
Cap Theory & Tech, Part B	09/24/1988	SIERRA NEVADA	Standard	36.0	3.0
Cap Theory & Tech, Part A	08/10-15/1987	NORTHERN CALIFORNIA	Standard	36.0	3.0
Standards of Professional Practice	09/15/1986	NORTHERN CALIFORNIA	Standard	0.0	3.0
R.E. Appraisal Principles	01/26-03/02/1986	NORTHERN CALIFORNIA	Standard	36.0	3.0
Residential Valuation	04/07/1984	NORTHERN CALIFORNIA	Standard	36.0	3.0





City of Newman Building Department

1247 Main Street • Newman, CA 95360 • (209)862-1506

Website: <http://www.cityofnewman.com>

June 21, 2011

TO: Michael Holland, City Manager
City of Newman

SUBJECT: IOOF Building conversion to City Hall located at 936 Fresno Street.

I was asked by City Manager Michael Holland to evaluate the conditions of the recently purchased IOOF building located at Fresno St. and Main St. and address any issues that may be encountered when converting the 2nd floor to the New City Hall and Council Chambers.

Below is a list of items that should be addressed with the tenet improvement (T.I.):

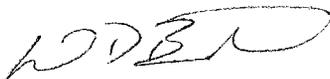
- The existing front staircase does not meet the current code requirement of 7" maximum rise and 11" minimum run per step. The existing steps have an 8" rise and 11" run; since this is an existing condition the stairs are exempt from complying with today's code requirements per section 3404 of the California Building Code. With the presents of the new elevator I would recommend a sign be installed at the entrance of the building informing people where the elevator is located.
- The handrails at the existing staircase should be adjusted to meet the current requirement of providing a smooth and continuous handrail a minimum distance of 1½" from the wall. Although the new handrails are a great improvement from the existing handrails there are areas that need modifying and adjusting to meet the minimum 1½" distance.
- The front door hardware must be replaced with updated accessible door hardware, or provide a push button automatic opener to either open one leaf or both doors at the same time. Opening one side only provides a clear opening of 31" and does not comply with the 32" clear opening needed to meet current code, however there are exceptions in the code with regards to existing openings if the building is recorded as historic. The clear opening can be reduced to as little as 29½".
- The layout and design of the 2nd floor restrooms can lead to unwarranted visuals from the lobby area. This can be remedied by reversing the swing of the doors to allow the door to block any vision of the restroom area from the lobby.
- Michael indicated the addition of some interior walls and partitions to divide and create additional rooms throughout the 2nd floor, please keep in mind that fire sprinkler heads may need to be added or relocated to provide adequate coverage.

- With the addition of the required second egress staircase at the east side of the building, a security plan should be developed do to the first floor east tenet having access to the staircase. One possible solution is to use that first floor tenet space for city use.
- The state of California has developed a program under SB 1608 called Certified Access Specialist program (CASp). We have an opportunity to meet the requirements under this program and have the building given a "CASp Inspected" certification. This would show the public that the City of Newman is providing a fully disabled access facility.

I am a Certified Access Specialist with the state and can provide this certification with just a few modifications as listed above. In addition to those items some minor changes to the first floor restroom signs should be updated, however the majority of the building is fully accessible.

This concludes my evaluation and recommendations for the conversion of the 2nd floor IOOF building to the New City Hall and Council Chambers. There may be additional changes and requirements that occur during the design and construction of the T.I.

Respectfully Submitted,



Mike Brinkman
Building Official

From: Cullen Byrne
Sent: Thursday, June 02, 2011 10:38 PM
To: Michael E. Holland; Mike Maier
Subject: Building Follow Up

Gentlemen,

I wanted to follow up on today's site walk at the IOOF building.

Network Infrastructure = \$25,000

Cabling: Rough estimate is 80 drops at \$130 per line for \$10,400.

Misc. Network Electronics: Telco relay racks, UPS, in building wireless for \$4,600

Connection to Wireless Mesh: Radio, roof mount, cabling for \$10,000

Video Surveillance = \$20,000

I estimate you will need at least 10 cameras to cover the areas of the building where crime or accidents are likely to happen. Cameras and software are approximately \$20,000

Electrical Work = \$25,000

There is going to be a need for substantial electrical work to bring enough capacity for computers or the copier and servers to the second floor. As well as aircon for the computer room.

There will need to be aircon for the computer room and a substantial exhaust system along with drip line. \$5,000

AV = \$25,000

We will need to have Final Cut come in and wire the council chambers. Because of the distance and height of the council chambers cable cost and labor will run high. This will include microphones and cameras. = \$15,000

We will need to get a projector screen and higher lumen projector and blinds for the council chambers = \$10,000

Comcast = \$5,000

Comcast service does not appear to be located in the building. We will have to pay special construction costs to get cable service into the building.

Access Control & Alarm = \$40,000

I count 9 control points for about \$25,000 in access control costs.

Burg and fire alarm = \$15,000. I would recommend having Chief Hall look at what is going to be required for occupancy for the load created by the council chambers. There will need to be strobes and horns.

SCADA = \$5,000

If PW will be abandoning their office at the Water Tower we need to relocate the SCADA machine and related wireless gear.

Generator = \$50,000

There needs to be a discussion if this is going to become a "critical" building in the city and thus needs a generator.

Thanks,

Cullen

Cullen Byrne

Principal Consultant

Mid Valley IT

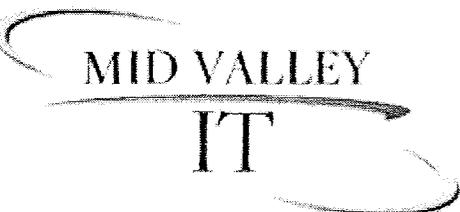
cbyrne@midvalleyit.com

v: 800-931-2043

f: 877-834-1320

join our facebook group

Yahoo Messenger: cullenbyrne



AGENDA
NEWMAN PLANNING COMMISSION
REGULAR MEETING OF JULY 21, 2011
CITY COUNCIL CHAMBERS, 7:00 P.M., 1200 MAIN STREET

JULY 21, 2011 MEETING CANCELLED