



AGENDA
NEWMAN CITY COUNCIL
REGULAR MEETING APRIL 24, 2012
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.**
- 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. ([View Warrant Register](#))
 - c. Approval Of Minutes Of The April 10, 2012 Special Meeting And The April 10, 2012 Regular Meeting. ([View Minutes](#))
 - d. Adopt Resolution No. 2012- , A Resolution Requesting That The Board Of Supervisors Of Stanislaus County Consolidate The City Of Newman Municipal Election To Be Held November 6, 2012 With The Presidential General Election To Be Held On The Same Date. ([View Report](#))
- 9. Public Hearings.**
- 10. Regular Business**
 - a. Adopt Resolution No. 2012- , A Resolution Authorizing The City Manager To Sign An Agreement To Toll The Statute Of Limitations For Claims Regarding Property Tax Administration Fees. ([View Report](#))
 - b. Adopt Resolution No. 2012- , A Resolution Authorizing The Execution And Delivery Of A Loan Agreement, And Authorizing And Directing Certain Actions In Connection With The Refinancing Of 1982 Water Revenue Bonds. ([View Report](#))
 - c. Adopt Resolution No. 2012- , A Resolution Authorizing An Administrative Fine Schedule Related To Property Maintenance/Nuisances And Business License Tax Fees. ([View Report](#))
 - d. Consider Financial Pledge to Save Hatfield State Park. ([View Report](#))

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

April 24 - City Council - 7:00 P.M.

April 25 - Newman Quasquicentennial (125 Years) Planning Sub-Committee Meeting - 6:00 P.M.

April 28 - Love Newman Community Service Day - 9:00 A.M.

May 8 - City Council - 7:00 P.M.

May 9 - Non-Motorized Transportation Plan Committee Meeting - 1:00 P.M.

May 9 - Newman Quasquicentennial (125 Years) Planning Committee Meeting - 6:00 P.M.

May 10 - Newman RDA Successor Agency Oversight Board Regular Meeting - 3:30 P.M.

May 10 - Recreation Commission - 7:00 P.M.

May 13 - Mother's Day.

May 14 - NCLUSD Board Meeting - 6:00 P.M.

May 15 - Two-On-Two Meeting With The School Board - 4:00 P.M.

May 16 - Non-Motorized Transportation Plan Community Meeting - 6:00 P.M.

May 17 - Planning Commission - 7:00 P.M.

May 22 - City Council - 7:00 P.M.

May 23 - Newman Quasquicentennial (125 Years) Planning Sub-Committee Meeting - 6:00 P.M.

May 25 - City Furlough Day - City Offices Closed.

May 28 - Memorial Day Holiday - City Offices Closed.

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

June 13 - Newman Quasquicentennial (125 Years) Planning Committee Meeting - 6:00 P.M.

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

June 16 - NCLUSD Board Meeting - 6:00 P.M.

June 17 - Father's Day.

June 19 - Two-On-Two Meeting With The School Board - 4:00 P.M.

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

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

June 27 - Newman Quasquicentennial (125 Years) Planning Sub-Committee Meeting - 6:00 P.M.

Accounts Payable

Manual Check Register

User: efaria
 Printed: 04/18/2012 - 1:04PM
 Batch: 50018.04.2012



CITY OF NEWMAN
 938 Fresno St. - 2nd Floor
 P.O. Box 787
 Newman, CA 95360
 209-862-3725

		amount	Invoice No
Check: 101412	04/04/2012		
Vendor: MOD01	Modesto Alarm, Inc		
		3,699.40	868-869
		3,699.40	868-869
		3,699.40	868-869
		371.49	870
	Check total:	<u>11,469.69</u>	
Check: 101479	04/11/2012		
Vendor: KIN01	KINGS VIEW		
		226.67	04/11/12
		226.67	04/11/12
		226.66	04/11/12
	Check total:	<u>680.00</u>	
	Total for Accounts Payable Check Run:	<u><u>12,149.69</u></u>	

Accounts Payable

AP Check Register for Council



CITY OF NEWMAN
 938 Fresno St. - 2nd Floor
 P.O. Box 787
 Newman, CA 95360
 209-862-3725

User: efaria

Printed: 04/20/2012 ~ 11:43 AM

Check Nu	Check D	Name	Account	Description	Amount
101491	4/20/2012	AECOM USA, INC	61-55-75	M St sewerline replacement	2,487.20
101491	4/20/2012	AECOM USA, INC	20-32-77	PQRST/Merced/West ave street reconstruction	7,991.60
101491	4/20/2012	AECOM USA, INC	20-33-77	PQRST/Merced/West ave street reconstruction	7,991.59
101492	4/20/2012	AGLINK, INC	17-44-75	15 SUPER SACKS RUBBER BARK	10,152.50
101492	4/20/2012	AGLINK, INC	17-44-75	20 SUPER SACKS RUBBER BARK	13,370.00
101493	4/20/2012	ARROWHEAD MOUNTAIN SPRING	10-07-63	Bottled water delivered/March 2012	27.78
101493	4/20/2012	ARROWHEAD MOUNTAIN SPRING	63-56-63	2 bottles returned/March 2012	-10.00
101493	4/20/2012	ARROWHEAD MOUNTAIN SPRING	10-45-63	5 bottles returned/March 2012	-17.49
101493	4/20/2012	ARROWHEAD MOUNTAIN SPRING	10-21-63	Bottled water delivered/March 2012	9.99
101493	4/20/2012	ARROWHEAD MOUNTAIN SPRING	63-56-63	Bottled water delivered/March 2012	29.94
101493	4/20/2012	ARROWHEAD MOUNTAIN SPRING	60-50-63	Bottled water delivered/March 2012	29.35
101494	4/20/2012	AT&T MOBILITY	10-21-64	Mobile access 3-3-12 to 4-2-12/PD	405.94
101495	4/20/2012	AT&T	10-14-64	Monthly telephone service for 668-3946	78.57
101495	4/20/2012	AT&T	10-21-64	Monthly telephone service for 634-0508	91.36
101496	4/20/2012	BAY PARK HOTEL	10-21-66	Lodging/POST training/Short	377.60
101497	4/20/2012	BLUE SHIELD OF CALIFORNIA	10-00-22	Health Ins premium/May 2012	10,899.00
101498	4/20/2012	BORDEN, II NOEL T.	10-21-66	Per Diem/POST training/Borden	250.00
101499	4/20/2012	BUSINESS CARD	20-06-66	Bid packets for PQRST project	288.31
101499	4/20/2012	BUSINESS CARD	60-50-74	Payment drop box/new city hall	209.75
101499	4/20/2012	BUSINESS CARD	63-56-74	Payment drop box/new city hall	209.75
101499	4/20/2012	BUSINESS CARD	40-07-74	Payment drop box/new city hall	209.75
101499	4/20/2012	BUSINESS CARD	10-01-66	Lodging/2012 Legislative action days/Hutchins	162.91
101499	4/20/2012	BUSINESS CARD	40-07-74	Refrigerator for new city hall	198.70
101499	4/20/2012	BUSINESS CARD	60-50-74	Refrigerator for new city hall	198.69
101499	4/20/2012	BUSINESS CARD	63-56-74	Refrigerator for new city hall	198.69
101499	4/20/2012	BUSINESS CARD	10-01-66	Lodging/Hutchins 3-29-12 to 3-30-12	107.28
101499	4/20/2012	BUSINESS CARD	60-50-66	Lunch for interview panel/	28.53
101499	4/20/2012	BUSINESS CARD	63-56-66	Lunch for interview panel/	28.52
101499	4/20/2012	BUSINESS CARD	10-07-63	Power strips/handrail brackets	123.82
101499	4/20/2012	BUSINESS CARD	10-07-63	Latch shield	7.32
101499	4/20/2012	BUSINESS CARD	63-56-66	Course pak/Water distribution/Rocha	114.55
101499	4/20/2012	BUSINESS CARD	63-56-65	Fuel purchase/ERMA workshop	44.50
101499	4/20/2012	BUSINESS CARD	10-44-66	Lunch/ERMA workshop	19.23
101499	4/20/2012	BUSINESS CARD	40-07-74	4 doors/12 hinges/adhesive/new city hall	131.10
101499	4/20/2012	BUSINESS CARD	60-50-74	4 doors/12 hinges/adhesive/new city hall	131.10
101499	4/20/2012	BUSINESS CARD	63-56-74	4 doors/12 hinges/adhesive/new city hall	131.10
101499	4/20/2012	BUSINESS CARD	63-56-66	Lodging/CRWA conference/Reynolds	89.27
101499	4/20/2012	BUSINESS CARD	60-50-66	Lodging/CRWA conference/Perry	89.27
101499	4/20/2012	BUSINESS CARD	40-07-74	Tile/dust mop/new city hall	28.77
101499	4/20/2012	BUSINESS CARD	60-50-74	Tile/dust mop/new city hall	28.76
101499	4/20/2012	BUSINESS CARD	63-56-74	Tile/dust mop/new city hall	28.76
101499	4/20/2012	BUSINESS CARD	63-56-74	Wastebaskets/step garbage can/storage cabinet/shelf	130.76
101499	4/20/2012	BUSINESS CARD	60-50-74	Wastebaskets/step garbage can/storage cabinet/shelf	130.76
101499	4/20/2012	BUSINESS CARD	40-07-74	Wastebaskets/step garbage can/storage cabinet/shelf	130.77
101499	4/20/2012	BUSINESS CARD	10-22-66	Meals/Fire dept	27.76

Check Nu	Check D	Name	Account	Description	Amount
101500	4/20/2012	Cabral Chrysler Jeep Dodge	17-33-70	4GEM ELXD electric cars with hard doors	66,036.80
101501	4/20/2012	CALIF BUILDING STANDARDS	10-00-22	Jan-Mar 2012 SB1473 fees payable	49.00
101501	4/20/2012	CALIF BUILDING STANDARDS	10-00-53	Jan-Mar 2012 SB1473 fees payable/10% retention	-4.90
101502	4/20/2012	CALIFORNIA CONSULTING, LL	10-02-62	Monthly retainer grant & lobbying services/April 2012	1,011.67
101502	4/20/2012	CALIFORNIA CONSULTING, LL	60-50-62	Monthly retainer grant & lobbying services/April 2012	1,011.67
101502	4/20/2012	CALIFORNIA CONSULTING, LL	63-56-62	Monthly retainer grant & lobbying services/April 2012	1,011.66
101503	4/20/2012	Carvalho Marge	10-00-55	Cancelled use of Pioneer Park/refund rent	45.00
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-66		96.75
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-66		48.37
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-07-63		24.19
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-21-63		24.19
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-07-66		12.09
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-22-63		12.09
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-63		12.10
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-46-63		12.09
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-66		207.42
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-66		103.71
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-07-63		51.86
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-21-63		51.85
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-07-66		25.93
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-22-63		25.93
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-63		25.92
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-46-63		25.93
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-66		135.56
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-66		67.79
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-07-63		33.89
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-21-63		33.89
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-07-66		16.94
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-22-63		16.95
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-44-63		16.94
101504	4/20/2012	CENTRAL SANITARY SUPPLY	10-46-63		16.95
101505	4/20/2012	City Signs	40-07-74	Signage at new city hall	386.36
101505	4/20/2012	City Signs	60-50-74	Signage at new city hall	386.36
101505	4/20/2012	City Signs	63-56-74	Signage at new city hall	386.37
101506	4/20/2012	CITY OF MODESTO/SDEA	10-21-62	SDEA contribution for FY 12	13,918.00
101507	4/20/2012	CROP PRODUCTION SERVICES	60-50-62	Alfalfa seed/WWTP	388.16
101508	4/20/2012	L.N. CURTIS & SONS	10-22-63	1 new fire suit/fire dept	1,700.00
101509	4/20/2012	DELTA WIRELESS, INC	40-07-74	Wireless mesh system/new city hall	4,925.02
101509	4/20/2012	DELTA WIRELESS, INC	60-50-74	Wireless mesh system (New city hall) exp	4,925.02
101509	4/20/2012	DELTA WIRELESS, INC	63-56-74	Wireless mesh system (New city hall) exp	4,925.01
101510	4/20/2012	DEPART. OF CONSERVATION	10-00-26	SMOT fees payable Jan-March 2012	123.60
101510	4/20/2012	DEPART. OF CONSERVATION	10-00-53	SMOT fees payable Jan-March 2012/5% retention	-6.18
101511	4/20/2012	E&M ELECTRIC, INC.	60-50-62	Meg out wires/WWTP	145.00
101511	4/20/2012	E&M ELECTRIC, INC.	60-50-62	New aerator equipment/WWTP	2,930.63
101511	4/20/2012	E&M ELECTRIC, INC.	10-33-63	3/4" flex connector	19.76
101511	4/20/2012	E&M ELECTRIC, INC.	63-56-63	100 gauge wire	5.48
101512	4/20/2012	ECONOMIC TIRE SHOP	60-50-65	1 tire repaired	15.00
101512	4/20/2012	ECONOMIC TIRE SHOP	10-21-65	1 tire repaired	15.00
101513	4/20/2012	ENVIRONMENTAL TECHNIQUES	60-50-63	Bio-dredging /sludge removal/WWTP	26,185.71
101513	4/20/2012	ENVIRONMENTAL TECHNIQUES	60-50-63	ProOxidizer/WWTP	3,540.00
101514	4/20/2012	Floors Plus, Inc	40-07-74	Purchased new tile for city hall	598.25
101514	4/20/2012	Floors Plus, Inc	60-50-74	New tile for new City Hall	598.25
101514	4/20/2012	Floors Plus, Inc	63-56-74	New tile for new City Hall	598.25
101515	4/20/2012	FRANKLIN PET CEMETERY & C	10-21-62	Animal disposal clinics/March 2012	124.40
101516	4/20/2012	Garcia Felipe	10-00-28	Refund Memorial Bldg deposit/Garcia	200.00

Check Nu	Check D	Name	Account	Description	Amount
101517	4/20/2012	George Reed, Inc.	18-32-75	Main street intersections rehab project	450.00
101518	4/20/2012	GEOANALYTICAL LAB, INC.	60-50-62	BOD/TSS/Nitrates/WWTP	545.00
101518	4/20/2012	GEOANALYTICAL LAB, INC.	63-56-62	Weekly bactis/nitrates/water dept	580.00
101519	4/20/2012	Grand Lodge of California	40-07-81	New city hall payment/May 2012	515.04
101519	4/20/2012	Grand Lodge of California	60-50-81	New city hall payment/May 2012	515.03
101519	4/20/2012	Grand Lodge of California	63-56-81	New city hall payment/May 2012	515.03
101519	4/20/2012	Grand Lodge of California	40-07-81	New city hall payment/May 2012	1,123.20
101519	4/20/2012	Grand Lodge of California	60-50-81	New city hall payment/May 2012	1,123.20
101519	4/20/2012	Grand Lodge of California	63-56-81	New city hall payment/May 2012	1,123.20
101520	4/20/2012	HEWLETT-PACKARD FINANCIAL	10-21-62	Hardware lease 4-18-12 to 5-17-12	585.77
101521	4/20/2012	Hilton Garden Inn	10-21-66	Lodging/POST training/Borden	448.00
101522	4/20/2012	HUTCHINS DON	10-01-66	Mileage reimbursement/Don Hutchins	360.80
101523	4/20/2012	IKON OFFICE SOLUTIONS	10-21-62	Copier lease 3-25-12 to 4-24-12/PD	325.36
101524	4/20/2012	INFOSEND, INC	60-50-62	Utility bill and late notice mailing/March 2012	891.93
101524	4/20/2012	INFOSEND, INC	63-56-62	Utility bill and late notice mailing/March 2012	891.93
101525	4/20/2012	IN-SYNCH SYSTEMS	10-21-62	Mobile records management system 5-1-12 to 5-31-12	1,020.00
101526	4/20/2012	IRRIGATION DESIGN & CONST	60-50-63	Hydraulic water stop cement 50lbs	31.94
101526	4/20/2012	IRRIGATION DESIGN & CONST	10-44-63	Slip fix	5.04
101527	4/20/2012	JOE'S LANDSCAPING & CONCR	24-32-77	1/2 yard concrete	138.51
101527	4/20/2012	JOE'S LANDSCAPING & CONCR	69-47-63	2 adjustable bubblers	4.27
101527	4/20/2012	JOE'S LANDSCAPING & CONCR	10-44-63	3 rainbird falcon rotors	100.48
101527	4/20/2012	JOE'S LANDSCAPING & CONCR	10-33-63	Weed fabric/pea gravel/Bradford Pear tree/root barrier	281.34
101527	4/20/2012	JOE'S LANDSCAPING & CONCR	69-47-62	LLD landscape services/March 2012	9,700.00
101527	4/20/2012	JOE'S LANDSCAPING & CONCR	69-47-62	Installed 4 station battery timer on Upper Rd	221.00
101528	4/20/2012	LOCAL GOV. COMMISSION	10-02-66	Local Govt membership renewal 4-12 to 4-13	75.00
101529	4/20/2012	Maier Mike	40-07-74	Reimbursement for large Z-lock bags	7.50
101529	4/20/2012	Maier Mike	60-50-74	Reimbursement for large Z-lock bags	7.50
101529	4/20/2012	Maier Mike	63-56-74	Reimbursement for large Z-lock bags	7.49
101530	4/20/2012	MALLARD EXPRESS AUTO	10-21-65	Front brake pads & rotors replaced/car 502	415.21
101530	4/20/2012	MALLARD EXPRESS AUTO	10-21-65	Oil & filter change/car 506	63.41
101530	4/20/2012	MALLARD EXPRESS AUTO	10-21-65	Replaced window switch/car 502	161.15
101530	4/20/2012	MALLARD EXPRESS AUTO	10-21-65	Oil & filter change/car 301	55.45
101530	4/20/2012	MALLARD EXPRESS AUTO	10-21-65	Replaced idler arm/rear brake pads/car 301	355.73
101530	4/20/2012	MALLARD EXPRESS AUTO	10-21-65	Replaced ABS module/battery/car 502	701.42
101531	4/20/2012	Mansfield Gas Equipment Systems	63-56-62	Service call/diagnose/repairs to CNG fuel station	1,258.63
101532	4/20/2012	MID VALLEY IT, INC	10-21-62	IT CONTRACT/PD	613.74
101532	4/20/2012	MID VALLEY IT, INC	10-14-62	IT CONTRACT/FIN	306.86
101532	4/20/2012	MID VALLEY IT, INC	63-56-62	IT CONTRACT/WATR	306.87
101532	4/20/2012	MID VALLEY IT, INC	60-50-62	IT CONTRACT/SEWR	306.87
101532	4/20/2012	MID VALLEY IT, INC	40-07-74	Cables for new city hall	74.48
101532	4/20/2012	MID VALLEY IT, INC	60-50-74	Cables for new city hall	74.48
101532	4/20/2012	MID VALLEY IT, INC	63-56-74	Cables for new city hall	74.49
101533	4/20/2012	MID VALLEY IT, INC	40-07-74	Work performed on new city hall move	1,166.67
101533	4/20/2012	MID VALLEY IT, INC	60-50-74	Work performed on new city hall move	1,166.67
101533	4/20/2012	MID VALLEY IT, INC	63-56-74	Work performed on new city hall move	1,166.66
101534	4/20/2012	NEWMAN HISTORICAL SOCIETY	10-01-66	Reimbursement for historical photos for new city hall	210.00
101535	4/20/2012	OCE' Imagistics, Inc	10-14-62	Copies made from 3-29-12 to 3-31-12	1.10
101536	4/20/2012	PAPA	10-44-66	Pesticide applicators seminar/Pardo	80.00
101537	4/20/2012	CITY OF PATTERSON	10-03-62	Video reimbursement/March 2012	660.00
101537	4/20/2012	CITY OF PATTERSON	10-22-62	Fire data input July 2011 to Jan 2012	1,750.00
101538	4/20/2012	P G & E	10-33-65	Natural gas usage 3-6-12 to 4-4-12	58.59
101538	4/20/2012	P G & E	10-44-65	Natural gas usage 3-6-12 to 4-4-12	39.06
101538	4/20/2012	P G & E	10-21-65	Natural gas usage 3-6-12 to 4-4-12	19.53
101538	4/20/2012	P G & E	60-50-65	Natural gas usage 3-6-12 to 4-4-12	19.53
101538	4/20/2012	P G & E	63-56-65	Natural gas usage 3-6-12 to 4-4-12	19.52

Check Nu	Check D	Name	Account	Description	Amount
101538	4/20/2012	P G & E	10-07-64	Gas and electric 3-07 to 4/05/12/new city hall	481.96
101539	4/20/2012	PRECISION INSPECTION, INC	10-23-62	Building permit issuance/plan checks/finals/March 2012	2,278.79
101539	4/20/2012	PRECISION INSPECTION, INC	10-23-62	Real estate re-inspection/1638 Sandy Creek Dr	90.00
101540	4/20/2012	Rivera Electric	40-07-74	Ran 240 circuit to water heater in breakroom/new city hall	235.34
101540	4/20/2012	Rivera Electric	60-50-74	Ran 240 circuit to water heater in breakroom/new city hall	235.33
101540	4/20/2012	Rivera Electric	63-56-74	Ran 240 circuit to water heater in breakroom/new city hall	235.33
101541	4/20/2012	SAFE-T-LITE	10-33-63	2 lime vests	31.12
101541	4/20/2012	SAFE-T-LITE	10-33-63	ear plugs/20 traffic cones/gloves/safety glasses	343.84
101541	4/20/2012	SAFE-T-LITE	10-44-63	ear plugs/20 traffic cones/gloves/safety glasses	30.30
101541	4/20/2012	SAFE-T-LITE	60-50-63	ear plugs/20 traffic cones/gloves/safety glasses	30.30
101541	4/20/2012	SAFE-T-LITE	63-56-63	ear plugs/20 traffic cones/gloves/safety glasses	30.31
101541	4/20/2012	SAFE-T-LITE	10-33-63	Safety utility gloves	18.93
101542	4/20/2012	SHELL FLEET PLUS	10-33-65	Fuel purchases/March 2012	151.80
101542	4/20/2012	SHELL FLEET PLUS	10-44-65	Fuel purchases/March 2012	123.73
101542	4/20/2012	SHELL FLEET PLUS	63-56-65	Fuel purchases/March 2012	1,480.01
101542	4/20/2012	SHELL FLEET PLUS	60-50-65	Fuel purchases/March 2012	223.60
101542	4/20/2012	SHELL FLEET PLUS	10-21-65	Fuel purchases/March 2012	4,050.69
101542	4/20/2012	SHELL FLEET PLUS	10-22-65	Fuel purchases/March 2012	473.75
101542	4/20/2012	SHELL FLEET PLUS	69-47-65	Fuel purchases/March 2012	144.04
101542	4/20/2012	SHELL FLEET PLUS	10-07-65	Fuel purchases/March 2012	56.54
101543	4/20/2012	Soundscapes Electric Security & Audio Video	10-07-66	Alarm monitoring Apr - June 2012/city hall	195.00
101544	4/20/2012	Stanislaus County Auditor-Controller	69-47-65	Vehicle maintenance on CNG flatbed truck	176.50
101544	4/20/2012	Stanislaus County Auditor-Controller	60-50-65	Vehicle maintenance on CNG flatbed truck	176.50
101545	4/20/2012	STAPLES ADVANTAGE	10-14-63	10 pak boxes	56.52
101545	4/20/2012	STAPLES ADVANTAGE	60-50-63	10 pak boxes	56.52
101545	4/20/2012	STAPLES ADVANTAGE	63-56-63	10 pak boxes	56.51
101545	4/20/2012	STAPLES ADVANTAGE	10-44-63	10 pak boxes4GB sandisk with labels	46.96
101545	4/20/2012	STAPLES ADVANTAGE	10-33-63	10 pak boxes4GB sandisk with labels	46.96
101545	4/20/2012	STAPLES ADVANTAGE	69-47-63	10 pak boxes4GB sandisk with labels	46.96
101545	4/20/2012	STAPLES ADVANTAGE	63-56-63	10 gal wastebasket	29.91
101545	4/20/2012	STAPLES ADVANTAGE	63-56-63	Wrist coil key holder	2.36
101545	4/20/2012	STAPLES ADVANTAGE	63-56-63	Key box with 54 keys and tags	137.43
101545	4/20/2012	STAPLES ADVANTAGE	10-14-63	Clasp envelopes	12.82
101545	4/20/2012	STAPLES ADVANTAGE	60-50-63	Clasp envelopes	12.82
101545	4/20/2012	STAPLES ADVANTAGE	63-56-63	Clasp envelopes	12.82
101545	4/20/2012	STAPLES ADVANTAGE	10-14-63	Clasp envelopes	37.14
101545	4/20/2012	STAPLES ADVANTAGE	60-50-63	Clasp envelopes	37.14
101545	4/20/2012	STAPLES ADVANTAGE	63-56-63	Clasp envelopes	37.13
101545	4/20/2012	STAPLES ADVANTAGE	10-14-63	EZ touch stapler/fingerprint moistener	8.15
101545	4/20/2012	STAPLES ADVANTAGE	60-50-63	EZ touch stapler/fingerprint moistener	8.15
101545	4/20/2012	STAPLES ADVANTAGE	63-56-63	EZ touch stapler/fingerprint moistener	8.15
101545	4/20/2012	STAPLES ADVANTAGE	10-14-63	Packing boxes	28.26
101545	4/20/2012	STAPLES ADVANTAGE	60-50-63	Packing boxes	28.26
101545	4/20/2012	STAPLES ADVANTAGE	63-56-63	Packing boxes	28.27
101545	4/20/2012	STAPLES ADVANTAGE	10-21-63	HP ink cartridge/dust-off/PD	98.76
101545	4/20/2012	STAPLES ADVANTAGE	10-21-63	clipboard/PD	3.10
101545	4/20/2012	STAPLES ADVANTAGE	10-21-63	clipboard/PD/credit return	-3.10
101546	4/20/2012	STANTEC CONSULTING SERVIC	60-50-62	Pretreatment program assistance/WWTP	5,160.50
101547	4/20/2012	SUN VALLEY PORTABLES	10-44-62	Portable restroom rental & service/March 2012	155.73
101548	4/20/2012	Taser International	10-21-62	Taser XDPM digital power magazine/PD	483.19
101549	4/20/2012	Taylor ER Veterinary Emergency Hospital	10-21-62	Euthanasia under 50 lbs	134.00
101550	4/20/2012	TelePacific Communications	63-56-64	Telephone service 3/30/12 to 4-30-12	156.04
101550	4/20/2012	TelePacific Communications	60-50-64	Telephone service 3/30/12 to 4-30-12	156.03
101550	4/20/2012	TelePacific Communications	10-14-64	Telephone service 3/30/12 to 4-30-12	156.04
101550	4/20/2012	TelePacific Communications	10-45-64	Telephone service 3/30/12 to 4-30-12	156.03

Check Nu	Check D	Name	Account	Description	Amount
101550	4/20/2012	TelePacific Communications	40-07-74	Expedite order charge/telephone system	266.33
101550	4/20/2012	TelePacific Communications	60-50-74	Expedite order charge/telephone system	266.33
101550	4/20/2012	TelePacific Communications	63-56-74	Expedite order charge/telephone system	266.34
101551	4/20/2012	Telecion Communications Group	60-50-710	Shortel Phones & system (citywide)	7,371.06
101551	4/20/2012	Telecion Communications Group	63-56-710	Shortel Phones & system (citywide)	7,371.06
101551	4/20/2012	Telecion Communications Group	71-21-710	Shortel Phones & system (citywide)	7,371.07
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Steno chair/new furniture for new city hall	55.84
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Steno chair/new furniture for new city hall	55.84
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Steno chair/new furniture for new city hall	55.83
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Bulletin board/break room/new furniture for new city hall	82.32
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Bulletin board/break room/new furniture for new city hall	82.31
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Bulletin board/break room/new furniture for new city hall	82.31
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Conference table/8 chairs /corner table/small conf room	796.51
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Conference table/8 chairs /corner table/small conf room	796.51
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Conference table/8 chairs /corner table/small conf room	796.51
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Conference table/8 chairs /corner table/large conf room	796.51
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Conference table/8 chairs /corner table/large conf room	796.51
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Conference table/8 chairs /corner table/large conf room	796.51
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	2 guest chairs/1 task chair/planner's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	2 guest chairs/1 task chair/planner's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	2 guest chairs/1 task chair/planner's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	2 guest chairs/1 task chair/PW director's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	2 guest chairs/1 task chair/PW director's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	2 guest chairs/1 task chair/PW director's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	2 guest chairs/1 task chair/City clerk's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	2 guest chairs/1 task chair/City clerk's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	2 guest chairs/1 task chair/City clerk's office	213.68
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	2 guest chairs/1 task chair/Finance director's office	210.82
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	2 guest chairs/1 task chair/Finance director's office	210.82
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	2 guest chairs/1 task chair/Finance director's office	210.81
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Corner table/credenza/bridge/desk/pedestal & lateral files/clerk	643.04
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Corner table/credenza/bridge/desk/pedestal & lateral files/clerk	643.04
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Corner table/credenza/bridge/desk/pedestal & lateral files/clerk	643.04
101552	4/20/2012	T.H.E. OFFICE CITY	10-14-630	Cash box for petty cash	47.23
101552	4/20/2012	T.H.E. OFFICE CITY	10-14-630	Key cabinet and safe/new city hall	350.92
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-630	Key cabinet and safe/new city hall	350.92
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-630	Key cabinet and safe/new city hall	350.91
101552	4/20/2012	T.H.E. OFFICE CITY	10-14-630	file folders	2.04
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-630	file folders	2.04
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-630	file folders	2.03
101552	4/20/2012	T.H.E. OFFICE CITY	10-14-630	Key cabinet/new city hall	44.00
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-630	Key cabinet/new city hall	44.00
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-630	Key cabinet/new city hall	44.01
101552	4/20/2012	T.H.E. OFFICE CITY	10-14-630	Highlighters	5.37
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-630	Highlighters	5.37
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-630	Highlighters	5.36
101552	4/20/2012	T.H.E. OFFICE CITY	10-14-630	Mechanical pencil	2.67
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-630	Mechanical pencil	2.67
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-630	Mechanical pencil	2.68
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Desk/credenza/brodge/table/files/task chair-PW	880.91
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Desk/credenza/brodge/table/files/task chair-PW	880.91
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Desk/credenza/brodge/table/files/task chair-PW	880.90
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Desk/credenza/brodge/table/files/task chair-PW	464.72
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Desk/credenza/brodge/table/files/task chair-PW	464.72
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Desk/credenza/brodge/table/files/task chair-PW	464.72

Check Nu	Check D	Name	Account	Description	Amount
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Executive safe/new city hall	272.35
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Executive safe/new city hall	272.35
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Executive safe/new city hall	272.37
101552	4/20/2012	T.H.E. OFFICE CITY	40-07-74	Lateral file/credenza/desk/bookcase.files/Planner's office	654.35
101552	4/20/2012	T.H.E. OFFICE CITY	60-50-74	Lateral file/credenza/desk/bookcase.files/Planner's office	654.35
101552	4/20/2012	T.H.E. OFFICE CITY	63-56-74	Lateral file/credenza/desk/bookcase.files/Planner's office	654.35
101553	4/20/2012	ELESHIO TONY	63-56-62	Repaired recoil starter on Briggs engine	50.00
101553	4/20/2012	ELESHIO TONY	10-44-62	Repaired KKC switch & handle control on pole saw	38.87
101553	4/20/2012	ELESHIO TONY	10-33-62	Repaired KKC switch & handle control on pole saw	38.88
101554	4/20/2012	TOSTA BARBARA J.	10-45-67	Young at heart instructor/March 2012	180.00
101555	4/20/2012	POLITO LIDIA	63-00-20	Refund Check	43.75
101556	4/20/2012	FLORES TONY	63-00-20	Refund Check	37.90
101557	4/20/2012	JUAREZ LILIANA	63-00-20	Refund Check	4.07
101558	4/20/2012	MONTOYA VANESSA	63-00-20	Refund Check	48.17
101559	4/20/2012	FRANCO JOSE	63-00-20	Refund Check	105.52
101560	4/20/2012	USA BLUEBOOK	63-56-63	12 water meters	740.41
101560	4/20/2012	USA BLUEBOOK	60-50-63	2 conductivity solenoids	201.12
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-21-66	Employment ad for CSO/PD	21.50
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-21-63	1000 Notice to appear forms/PD	477.82
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-21-66	Notice og publi v hearing/Title 8	90.00
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-21-66	Public notice/Adopt Ord 2012-1	75.00
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-21-62	200 Animal impound forms/PD	126.70
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-21-62	200 Animal owner info forms/PD	195.96
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-21-63	Shipping/delivery UPS/PD	44.23
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	20-06-66	Notice to contractors/ran 3 times/PQRST street reconst	779.00
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	20-06-66	Notice of public hearing/Annual action plan	97.50
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-01-66	Display ad 125th celebration	63.00
101561	4/20/2012	MATTOS NEWSPAPERS, INC.	10-01-66	Display ad 125th celebration	31.50
101562	4/20/2012	WESTSIDE WELDING&RADIATOR	60-50-65	Rod and repaired radiator/Ford tractor	69.00
101563	4/20/2012	YANCEY LUMBER COMPANY	40-07-74	Water heater/entry leverset/new city hall	98.86
101563	4/20/2012	YANCEY LUMBER COMPANY	60-50-74	Water heater/entry leverset/new city hall	98.86
101563	4/20/2012	YANCEY LUMBER COMPANY	63-56-74	Water heater/entry leverset/new city hall	98.86
101563	4/20/2012	YANCEY LUMBER COMPANY	10-21-66	Wall register/PD	10.04
101563	4/20/2012	YANCEY LUMBER COMPANY	63-56-63	Floor paint/Padlock/insulation/trash bags/tape/vac filter	496.38
101563	4/20/2012	YANCEY LUMBER COMPANY	24-32-77	Vinyl concrete patcher/concrete/grout/	34.86
101563	4/20/2012	YANCEY LUMBER COMPANY	10-44-67	Zinc allthread/concrete/galv pipe/paint	298.63
101563	4/20/2012	YANCEY LUMBER COMPANY	10-44-63	Edger blade/paint/oil/misc plumbing supplies	181.43
101563	4/20/2012	YANCEY LUMBER COMPANY	10-46-63	Hole saw/Post Hole handle/hose bib	59.37
101563	4/20/2012	YANCEY LUMBER COMPANY	10-21-63	Scamp scoop/rawhide chips/pledge/returned item	4.81
101563	4/20/2012	YANCEY LUMBER COMPANY	69-47-63	Sand/misc plumbing/tree stakes/floor paint/6V battery	133.55
101563	4/20/2012	YANCEY LUMBER COMPANY	10-07-63	Paint/adaptor/sash brush/paint tray/primer/hole saw	255.59
101563	4/20/2012	YANCEY LUMBER COMPANY	10-33-63	Rust primer/mortar mix/grout	35.80
101563	4/20/2012	YANCEY LUMBER COMPANY	62-60-62	Galv nipple/spray bottle	3.95
101563	4/20/2012	YANCEY LUMBER COMPANY	10-44-66	Silicone/tank gasket	13.24
101563	4/20/2012	YANCEY LUMBER COMPANY	10-21-63	Wire rope clip/key	8.33
101563	4/20/2012	YANCEY LUMBER COMPANY	10-21-63	Dog food/K-9	100.92
101563	4/20/2012	YANCEY LUMBER COMPANY	10-21-65	Tire foam/protectant	15.05
101563	4/20/2012	YANCEY LUMBER COMPANY	10-22-63	Single-sided key	1.44

292,275.52



MINUTES
NEWMAN CITY COUNCIL
SPECIAL MEETING APRIL 10, 2012
CITY HALL CONFERENCE ROOM, 6:30 P.M., 1162 MAIN STREET

1. **Call To Order** - Mayor Katen 6:30 P.M.
2. **Roll Call - PRESENT:** Davis, Hutchins, Candea And Mayor Katen.
ABSENT: Martina (Excused).
3. **Items From The Public** - None.
4. **Adjourn To Closed Session** - 6:31 P.M.
 - a. Conference With Real Property Negotiator - 1162 Main Street - Stanislaus County APN 128-09-030 - G.C. 54956.8.
 - b. Return To Open Session - 6:50 P.M.

No Reportable Action Was Taken.

5. **Adjournment.**

ACTION: On Motion By Katen Seconded By Candea And Unanimously Carried, The Meeting Was Adjourned At 6:51 P.M.



MINUTES
NEWMAN CITY COUNCIL
REGULAR MEETING APRIL 10, 2012
CITY COUNCIL CHAMBERS, 7:00 P.M., 1200 MAIN STREET

1. **Call To Order** - Mayor Katen 7:01 P.M.
2. **Pledge Of Allegiance.**
3. **Invocation** – Council Member Hutchins.
4. **Roll Call - PRESENT:** Davis, Hutchins, Candea And Mayor Katen.
ABSENT: Martina (Excused).
5. **Declaration Of Conflicts Of Interest** – None.
6. **Ceremonial Matters** – None.
7. **Items from the Public - Non-Agenda Items** – None.
8. **Consent Calendar**
 - a. Waive All Readings Of Ordinances And Resolutions Except By Title.
 - b. Approval Of Warrants.
 - c. Approval Of Minutes Of The March 27, 2012 Regular Meeting.
 - d. Adopt Resolution No. 2012-21, Approving The Local Transportation Fund Claim For Fiscal Year 2011/2012 And Authorizing The Finance Director To Execute The Claim On Behalf Of The City Of Newman.

ACTION: On A Motion By Hutchins Seconded By Candea And Unanimously Carried, The Consent Calendar Was Approved.

9. Public Hearings

- a. Adopt Resolution No. 2012-22, A Resolution Declaring The Existence Of A Public Nuisance Under Ordinance No. 95-4.

Mayor Katen Opened The Public Hearing At 7:04 P.M.

There Being No Public Comment, Katen Closed The Public Hearing At 7:05 P.M.

ACTION: On Motion By Candea Seconded By Hutchins And Unanimously Carried, Resolution No. 2012-22, A Resolution Declaring The Existence Of A Public Nuisance Under Ordinance No. 95-4, Was Adopted.

- b. CDBG -Approval of the Stanislaus County Annual Action Plan (Fiscal Year 2012-2013), Consolidated Plan (Fiscal Years 2012-2015) and Close 30-Day Public Comment Period.

Mayor Katen Opened The Public Hearing At 7:06 P.M.

There Being No Public Comment, Katen Closed The Public Hearing At 7:07 P.M.

ACTION: On Motion By Davis Seconded By Candea And Unanimously Carried, Resolution No. 2012-23, A Resolution Approving And Recommending Approval To The Stanislaus County Board Of Supervisors Of The Annual Action Plan For Fiscal Year 2012-2013, Consolidated Plan For Fiscal Years 2012-2015 And Close Required 30-Day Public Comment Period, Was Adopted.

10. Regular Business

- a. Adopt Resolution No. 2012-24, Awarding A Contract For The Phase 3 PQRST/Fresno/Merced/West Avenue Infrastructure And Street Reconstruction Project To Haskell And Haskell Engineering And Construction Services, Inc.

ACTION: On Motion By Hutchins Seconded By Davis And Unanimously Carried, Resolution No. 2012-24, Awarding A Contract For The Phase 3 PQRST/Fresno/Merced/West Avenue Infrastructure And Street Reconstruction Project To Haskell And Haskell Engineering And Construction Services, Inc., Was Adopted.

11. Items From District Five Stanislaus County Supervisor – None.

12. Items From The City Manager And Staff.

City Manager Holland Reminded Everyone That The Next 125th Anniversary Planning Meeting Was Scheduled For April 11th And Invited The Community To Attend. Holland Noted That The First RDA Oversight Board Meeting Would Take Place On Thursday, April 12th At 3:30 P.M. In The Council Chambers. He Reported That He And The Mayor Had Attended A “Save Our Parks Meeting” At Hatfield State Park And Noted That Hatfield Park And Another Local Park Are On The State’s Current Park Closure List. Holland Reported That The The City’s Fire Department Had Recently Been Evaluated And Received An I.S.O. Rating Of 5 But Noted That The City Will Work To Lower Said Rating And Try To Get It Down To A 4 Or Even 3; He Noted That The Lower The Rating The Better And That The City Had Previously Been Rated At 3 But That The Average Statewide Rating Is 5.

Chief Richardson Notified The City Council That The Newly Purchased 2010 Dodge Charger Is Now In Service As Part Of the Police Department’s Patrol Fleet.

13. Items From City Council Members.

Mayor Katen Reported That He Along With City Staff Had Recently Attended The Riddle Surface Mine Project Scoping Meeting. Katen Noted That He Was Concerned About This Project And Pointed Out That The Company And County Staff Were Not Well Prepared To Answer All Of The Questions Posed By The Community And City Staff. He Encouraged Local Citizens To Inform Themselves About All The Negative Impacts This Project Will Have On The Community And Be Sure To Voice Their Opinions To Stanislaus County Supervisor Jim DeMartini. Katen Mentioned That He Had Received Positive Feedback From Community Members Who Had Attended The Meeting Regarding City Staff’s Questions And Overall Preparedness Pertaining To The Riddle Mine Project

14. Adjournment.

ACTION: On Motion By Katen Seconded By Hutchins And Unanimously Carried, The Meeting Was Adjourned At 7:31 P.M.

Honorable Mayor and Members
of the Newman City Council

Agenda Item: **8.d.**
City Council Meeting
of April 24, 2012

**REQUEST THAT THE BOARD OF SUPERVISORS OF STANISLAUS COUNTY CONSOLIDATE
THE NOVEMBER 6, 2012 CITY OF NEWMAN MUNICIPAL ELECTION WITH THE
PRESIDENTIAL GENERAL ELECTION TO BE HELD ON THE SAME DATE**

RECOMMENDATION:

It is recommended that the Newman City Council adopt Resolution No. 2012- , a resolution requesting that the Board of Supervisors of Stanislaus County consolidate the November 6, 2012 City of Newman Municipal Election with the Presidential General Election to be held on the same date.

BACKGROUND:

Per Election Code 10002, the Stanislaus County Board of Supervisors requires that the City of Newman send a request to the County asking them to conduct election services for the City. The City of Newman has routinely consolidated all its municipal elections with coinciding general elections in the past.

The following City of Newman Elective Offices will appear on the November 6, 2012 ballot:

Mayor - 2-year term
Two Council Members - 4-year terms
Treasurer – 4-year term

Following approval by the Board of Supervisors, the resolution requesting consolidation is forwarded to the County Election Department who will conduct the election for the City.

ANALYSIS:

General Municipal Elections are typically consolidated with Statewide General Elections whenever possible. Consolidation provides the most cost effective method of conducting municipal elections and the expertise of the Stanislaus County Registrar of Voters. When consolidated, the City Clerk employs the County to handle all responsibilities for procuring polling places, precinct workers, the publication and mailing of the sample ballot and canvassing the returns of the election. All other functions of the election are the responsibility of the City Clerk as the Elections Official.

FISCAL IMPACT:

The City is billed its pro-rata share for city election costs (the County was unable to provide a cost estimate at this time). The Fiscal Year 2012/2013 Budget will contain \$5,000 for the Municipal Election in account 10-03-6240.

CONCLUSION:

Staff believes consolidation is the best and most cost effective method of conducting municipal elections; therefore staff recommends that the City Council adopt Resolution No. 2012- , a resolution requesting that the Board of Supervisors of Stanislaus County consolidate the City of Newman Municipal Election to be held on November 6, 2012 with the Presidential General Election.

Respectfully submitted,



Mike Maier
Deputy City Clerk

REVIEWED/CONCUR



Michael Holland,
City Manager

RESOLUTION NO. 2012-

A RESOLUTION REQUESTING THAT THE BOARD OF SUPERVISORS OF STANISLAUS COUNTY CONSOLIDATE THE NOVEMBER 6, 2012 CITY OF NEWMAN MUNICIPAL ELECTION WITH THE PRESIDENTIAL GENERAL ELECTION TO BE HELD ON THE SAME DATE

WHEREAS, the City of Newman will hold a municipal election on November 6, 2012.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newman that the Board of Supervisors of Stanislaus County, California, is hereby requested to order the consolidation of the City of Newman municipal election to be held on November 6, 2012, for the purpose of electing a Mayor, two Council Members and a City Treasurer with the Presidential General Election to be held on the same date.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 24th day of April, 2012 by Council Member _____ who moved its adoption, which motion was duly seconded and it was upon roll call vote adopted.

AYES:
NOES:
ABSENT:

APPROVED:

Mayor of the City of Newman

ATTEST:

Deputy City Clerk of the City of Newman

Honorable Mayor and Members
of the Newman City Council

RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN AN AGREEMENT TOLLING THE STATUTE OF LIMITATIONS FOR CLAIMS REGARDING PROPERTY TAX ADMINISTRATION FEES WITH STANISLAUS COUNTY

RECOMMENDATION:

It is recommended that Council Approve Resolution No. 2012 – authorizing the City Manager to sign an agreement tolling the statute of limitations for claims regarding Property Tax Administration Fees (PTAF) with Stanislaus County.

BACKGROUND:

During the Budget Act of 2004, SB1096 was passed, dramatically changing local property tax revenues. In fiscal year 2004/2005 the distribution of certain Sales Taxes and Vehicle License Fees to cities were partially eliminated and replaced by property tax revenue. These two changes became known as the Sales Tax (Triple Flip) and the VLF Swap. With this change the County considered the flipped and swapped funds to be property taxes for PTAF calculations. Since not all jurisdictions receive Triple Flip and VLF Swap fund this resulted in our property tax revenues appearing larger than typical (increasing more than other jurisdictions) and resulted in us paying a larger share of PTAF. In essence we are paying PTAF on Sales Tax and VLF monies.

In 2004/2005 and 2005/2006 the State required additional transfers from Cities to the Educational Revenue Augmentation Fund (ERAF III). The State recognized that this charge along with higher property tax administration costs would severely compromise local agencies budgets. To alleviate this inequity, the State suspended the recovery of property tax administration costs at the higher percentages until the sunset of ERAF III.

In the case of City of Alhambra, et al, v. County of Los Angeles Case # BS 116375, the courts initially agreed with the County's application of law. The Court of Appeals reversed this decision and remanded it back to the lower court. This case is pending with the California Supreme Court. We are awaiting its decision.

ANALYSIS:

In 2005/2006, the last year prior to the current situation, we received \$458,709 in apportioned property tax revenues. Our PTAF was \$6,963 or 0.1373% of the total County PTAF. The following year 2006/2007 our property tax revenues were \$694,410, not including Sale Tax Triple Flip and VLF swap. Our PTAF was \$22,405.72 and 0.4164% of the total County PTAF. Since that time our percentage of the total County PTAF has varied between 0.29% and 0.41%. The county has agreed to sign an agreement tolling the statute of limitation on claims regarding Property Tax Administration Fees pending the judgment of the California Supreme Court. This tolling agreement extends the statute of limitations in our favor.

FISCAL IMPACT:

Fiscal impact is currently undetermined, pending calculations from county records. We anticipate \$75,000 to \$100,000.

CONCLUSION:

Staff recommends the approval of Resolution No. 2012 – authorizing the City Manager to sign an agreement tolling the statute of limitations on claims with Stanislaus County with regard to Property Tax Administration Fees.

ATTACHMENTS:

1. Resolution No. 2012-
2. Agreement to toll the Statute of Limitations

Respectfully submitted:



Lewis Humphries
Finance Director

REVIEWED/CONCUR:



Michael Holland
City Manager

RESOLUTION NO. 2012-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWMAN AUTHORIZING
THE CITY MANAGER TO SIGN AN AGREEMENT TO TOLL THE STATUTE OF
LIMITATIONS FOR CLAIMS REGARDING PROPERTY TAX ADMINISTRATION FEES.**

WHEREAS, the City of Newman (the "City") and the County of Stanislaus (the "County") (collectively, the "Parties") may become involved in litigation regarding the County's calculation of the property tax administration fees (the "PTAF") as related to the Triple Flip (rev. & Tax Code § 97.68) and the Vehicle License Fee swap (Rev. & Tax Code § 97.70) that the County charges the City, pursuant to the Revenue and Taxation Code, beginning in the fiscal year 2006/2007; and

WHEREAS, conflicting legal opinions as to the calculation of the PTAF have been rendered by various state and local agencies and their counsel, and the City and County are aware that other cities and counties in other areas of the State are involved, or may become involved, in litigation concerning the calculation of the PTAF; and

WHEREAS, The California Supreme Court has taken up the case City of Alhambra, et al v. County of Los Angeles, et al. (Case No. S185457) to consider and decide the proper method for calculation of the PTAF; and

WHEREAS, the City believes the current calculations for PTAF are incorrect and are collecting PTAF on Sales Tax and Vehicle License Fee swapped amounts.

WHEREAS, the parties desire to avoid litigation in order to allow for additional time to evaluate the law as it develops on this state-wide issue;

NOW, THEREFORE, BE IT RESOLVED that the City of Newman authorizes the City Manager to sign the agreement to toll the Statute of Limitations with Stanislaus County for claims regarding the allocation of Property Tax Administration Fees.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 24th day of April, 2012 by _____, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES:
NOES:
ABSENT:

APPROVED:

Mayor of the City of Newman

ATTEST:

Deputy City Clerk of the City of Newman

**AGREEMENT BETWEEN
THE COUNTY OF STANISLAUS
AND THE CITY OF NEWMAN
TO TOLL STATUTES OF LIMITATIONS
FOR CLAIMS REGARDING
PROPERTY TAX ADMINISTRATION FEES**

WHEREAS, the City of Newman (the "City") and the County of Stanislaus (the "County") (collectively, the "Parties") may become involved in litigation regarding the County's calculation of the property tax administration fees (the "PTAF") as related to the Triple Flip (Rev. & Tax Code § 97.68) and the Vehicle License Fee swap (Rev. & Tax Code § 97.70) that the County charges the City, pursuant to the Revenue and Taxation Code, beginning in the fiscal year 2006/07; and

WHEREAS, the City filed a claim against the County on or about December 16, 2011, seeking a refund of the amount of PTAF that the City claims the County overcharged the City in the 2006/07, 2007/08, 2009/10, 2010/11 fiscal years and the County has not yet formally denied the claim; and

WHEREAS, conflicting legal opinions as to the calculations of the PTAF have been rendered by various state and local agencies and their counsel, and the City and County are aware that other cities and counties in other areas of the State are involved, or may become involved, in litigation concerning the calculation of the PTAF; and

WHEREAS, the California Supreme Court has taken up the case City of Alhambra, et al v. County of Los Angeles, et al (Case No. S185457) to consider and decide the proper method for calculation of the PTAF;

WHEREAS, the Parties desire to avoid litigation in order to allow for additional time to evaluate the law as it develops on this state-wide issue;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. The Parties agree to toll the applicable statutes of limitations for the City to file a claim, complaint, or petition against the County with respect to the calculation of the PTAF, including, but not limited to, the applicable statutes of limitations for the City to file a complaint or petition seeking a refund or reallocation to the City of the PTAF that the City contends the County overcharged the City for the 2006/07, 2007/08, 2009/10, 2010/11 fiscal years, which the City contends resulted in an under-allocation of property taxes and/or an over-allocation of PTAF to the City. Additionally, the parties agree to toll the same as forth in this paragraph for fiscal year 2011-2012.

2. This tolling agreement does not revive any statute of limitations period or deadline that expired before the effective date of this tolling agreement. This tolling agreement applies solely to those claims that could be alleged as of the effective date of this tolling agreement in either (i) an administrative claim to the County pursuant to the applicable provisions of the Government Claims Act and/or a County ordinance or (ii) a lawsuit. The tolling agreement does not apply to any claims that could not be alleged as of the effective date of this tolling agreement in an administrative claim to the County pursuant to the applicable provisions of the Government Claims Act and/or any County ordinance or in a lawsuit. The parties do not waive any claims or affirmative defenses through this Tolling Agreement.

3. The purposes of this tolling agreement are to avoid litigation and to permit the Parties additional time to evaluate the law as it develops on this state-wide issue.

4. The City and the County agree not to file any claims and not to initiate or participate in litigation against each other related to the PTAF for the 2006/07, 2007/08, 2009/10, 2010/11, and 2011/12 fiscal years while this agreement is in effect.

5. The tolling period for the City and the County extends from the effective date of this tolling agreement until the expiration of forty-five (45) days from the date one Party ("the terminating party") delivers to the other Party via certified mail and facsimile at the addresses and facsimile machine numbers set forth in Section 8 below, written notice that the terminating party desires to terminate this tolling agreement, and is in fact terminating this tolling agreement. Neither party shall provide notice of termination until after a final disposition of the case City of Alhambra, et al. v. County of Los Angeles, et al.

6. This agreement constitutes the entire understanding of the Parties with respect to the tolling of the City's claims as set forth in Section 1 above, and correctly states the rights, duties, and obligations of each Party as of the effective date of this agreement. Any prior understandings, promises, negotiations, or representations between the parties not expressly stated in this document are not binding.

7. Subsequent modifications of this agreement, including but not limited to the extension or amendment of the agreement, shall not be valid or effective unless set forth in writing and signed by the Parties. The Parties anticipate that they are likely to amend this Agreement to include claims brought by the City regarding the calculation of PTAF for the 2006/07, 2007/08, 2009/10, 2010/11, and 2011/12 fiscal years and further fiscal years.

8. Notices under this agreement, including specifically notice under Section 5.a above, shall be given as follows:

- a. To the City: Michael Holland, City Manager
1162 Main Street
Newman, California 95360
Telephone: (209) 862-3725
Facsimile: (209) 862-3799
- b. To the County: John P. Doering, County Counsel
1010 Tenth St., Suite #6400
Modesto, California 95354
Telephone: (209) 525-6376
Facsimile: (209) 525-4473

9. The Parties agree that this agreement shall be effective upon its execution by both Parties. The Parties further agree that the County will deny the City's claim on the date immediately preceding its execution of the Agreement.

10. Each of the undersigned hereby represents and warrants that he or she is authorized to execute this agreement on behalf of the respective parties to this agreement.

11. This tolling agreement may be executed in counterparts, and each fully executed counterpart will be considered an original document.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by and through their respective officers thereunto duly authorized.

CITY OF NEWMAN

By: _____
Michael Holland, City Manager

Date: _____

APPROVED AS TO FORM:

By: _____
Thomas Hallinan, City Attorney

ATTEST:

By: _____
Mike Mier, Deputy City Clerk

COUNTY OF STANISLAUS

By: _____
Monica Nino,
Chief Executive Officer

Date: _____

APPROVED AS TO FORM:

By: _____
John P. Doering, County Counsel

Honorable Mayor and Members
Of the Newman City Council

REFUNDING OF 1982 USDA WATER REVENUE BOND

RECOMMENDATION:

It is recommended that the Newman City Council approve Resolution No. 2012- authorizing the execution and delivery of a loan agreement, and authorizing and directing certain actions in connection with the refinancing of the City's Water Facilities Water Revenue Bond of 1982.

BACKGROUND:

On September 17, 1982 the City of Newman issued Water Revenue Bonds in the par amount of \$1,050,000 (the "bonds"). Proceeds from the bonds were used to finance the construction of major water facilities.

ANALYSIS:

Currently \$508,000 is outstanding on the issue with \$48,700 in interest and principal coming due on August 1, 2012. The interest rate on the outstanding bonds is 5.00%. The bonds are scheduled for refinancing on May 1, 2012. The loan amount will be \$515,350 which includes the outstanding principal amount of \$508,000, estimated interest from Feb 1, 2012 to April 30, 2012 of \$6,350.00, and the Cost of Issuance of \$1,000.00. The interest rate will be 3.375% for the remainder of the loan; maturing on the same maturity date as our current bonds: 8/1/2022. As part of our current bond agreement we are to refinance the unpaid balance of the bonds if we are able to obtain a loan at reasonable rates and terms from responsible cooperative or private sources. This refunding qualifies. This is a straight loan with no fixed assets required as security.

FISCAL IMPACT:

The average annual savings, net of the reserve fund and interest earnings thereon, are estimated to be approximately \$4,569.65. Net present value savings are approximately \$40,564.23. Over the next 11 years the Water fund will have saved \$50,266.11.

CONCLUSION:

The Water Fund can refinance its outstanding Water Revenue Bonds of 1982 and save \$50,266.11.

ATTACHMENTS:

1. Resolution No. 2012-___, authorizing the execution and delivery of a loan agreement, and authorizing and directing certain actions in connection with the refinancing of
2. Loan agreement
3. Excel Spreadsheets (7 pages) showing details of refunding
4. Assignment of loan and acknowledgement of assignment
5. Certificate of City
6. Incumbency and signature certificate
7. Counsel Letter
8. IRS 8038-G Form

Respectfully submitted,



Lewis A. Humphries,
Finance Director

REVIEWED/CONCUR



Michael Holland,
City Manager

RESOLUTION NO. 2012-

**AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT, AND
AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION WITH THE
REFINANCING OF 1982 WATER REVENUE BONDS.**

WHEREAS, the City of Newman (the "City") is a municipal corporation duly organized and existing under and pursuant to the laws of the State of California; and

WHEREAS, the City desires to provide for refinancing in an amount not to exceed \$550,000 for the refinancing of water revenue bonds issued in 1982 to the United States of America, Farmers Home Administration; and

WHEREAS, Brandis Tallman LLC and Municipal Finance Corporation (the "Corporation") has proposed a cost-effective Loan refinancing arrangement at a 3.375% interest rate;

NOW, THEREFORE, it is resolved by the City Council of the City of Newman as follows:

SECTION 1. Loan Agreement. The Mayor, the City Manager or a designee in writing (each, an "Authorized Officer") is hereby authorized to enter into a Loan Agreement (the "Loan") with the Corporation to finance the Project, subject to approval as to form by the City's legal counsel.

SECTION 2. Attestations. The City Clerk or other appropriate officer is hereby authorized and directed to attest the signature of the Authorized Officer or of such other person or persons as may have been designated by the Authorized Officer, and to affix and attest the seal of the City, as may be required or appropriate in connection with the execution and delivery of the Loan.

SECTION 3. Other Actions. The Authorized Officer and other officers of the City are each hereby authorized and directed, jointly and severally, to take any and all actions and to execute and deliver any and all documents, agreements and certificates which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution and the Loan. Such actions are hereby ratified, confirmed and approved.

SECTION 4. Qualified Tax-Exempt Obligations. The Loan is hereby designated as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City, together with all subordinate entities of the City, do not reasonably expect to issue during the calendar year in which the Loan is issued more than \$10,000,000 of obligations which it could designate as "qualified tax-exempt obligations" under Section 265(b) of the Code.

SECTION 6. Effect. This Resolution shall take effect immediately upon its passage.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 24th day of April, 2012 by _____, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES:
NOES:
ABSENT:

APPROVED:

ATTEST:

Mayor of the City of Newman

Deputy City Clerk of the City of Newman

LOAN AGREEMENT #12-010

THIS LOAN AGREEMENT, (this "Loan Agreement"), dated for convenience as of April 1, 2012, is by and between Municipal Finance Corporation, a corporation duly organized and existing under the laws of the State of California (the "Corporation"), and the City of Newman, a municipal corporation duly organized and existing under the Constitution and laws of the State of California (the "City");

WITNESSETH:

WHEREAS, the City presently owns and operates certain facilities and property for the supply of water to residents within the service area of the City (the "Enterprise"), and the City wishes at this time to refinance the City's 1982 water revenue bonds (the "1982 Bonds"); and

WHEREAS, the Corporation has agreed to lend the City an amount which the City has determined will be sufficient to refinance the 1982 Bonds, pursuant hereto;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS

SECTION 1.1. Definitions. All capitalized terms used in this Section 1.1 shall for all purposes of this Loan Agreement have the meanings herein specified or as hereinafter defined.

"Additional Revenues" means, with respect to the issuance of any Parity Obligations, any or all of the following amounts:

(i) An allowance for Net Revenues from any additions or improvements to or extensions of the Enterprise to be made with the proceeds of such Parity Obligations and also for Net Revenues from any such additions, improvements or extensions which have been made from moneys from any source but in any case which, during all or any part of the latest Fiscal Year or such twelve (12) month period, were not in service, all in an amount equal to ninety percent (90%) of the estimated additional average annual Net Revenues to be derived from such additions, improvements and extensions for the first thirty-six (36) month period in which each addition, improvement or extension is respectively to be in operation, all as shown by the certificate or opinion of a qualified independent engineer (which may but need not be the outside firm providing engineering services) retained by the City.

(ii) An allowance for Net Revenues arising from any increase in the charges made for service from the Enterprise which has become effective prior to the incurring of such Parity Obligations but which, during all or any part of the latest Fiscal Year or such twelve (12) month period, was not in effect, in an amount equal to the total amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of such Fiscal Year or twelve (12) month period, all as shown by the certificate or opinion of an independent certified public accountant (which may but need not be the outside firm providing auditing services) retained by the City.

"Assignee" means (a) initially, City National Bank, as assignee of certain rights of the Corporation hereunder, and (b) any other entity to whom the rights of the Corporation shall be assigned hereunder.

"City" means City of Newman, a municipal corporation duly organized and existing under the Constitution and laws of the State of California.

"Closing Date" means the date the Corporation deposits the Loan proceeds with the USDA Rural Development pursuant to Section 3.2.

"Corporation" means Municipal Finance Corporation, a corporation duly organized and existing under the laws of the State of California. Whenever in this Loan Agreement any reference is made to the Corporation and such reference concerns rights which the Corporation has assigned to the Assignee, such reference shall be deemed to refer to the Assignee.

"Enterprise" means the existing facilities and property owned by the City in connection with the water supply services of the City, together with all extensions thereof and improvements thereto hereafter acquired, constructed or installed by the City.

"Event of Default" means any of the events of default as defined in Section 5.1.

"Federal Securities" means any direct general non-callable obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), or obligations the timely payment of principal of and interest on which are directly guaranteed by the United States of America.

"Fiscal Year" means each twelve-month period during the Term of this Loan Agreement commencing on July 1 in any calendar year and ending on June 30 in the next succeeding calendar year, or any other twelve-month period selected by the City as its fiscal year period.

"Gross Revenues" means all gross charges received for, and all other gross income and receipts derived by the City from, the ownership and operation of the Enterprise or otherwise arising from the Enterprise, including but not limited to connection charges and earnings on the investment of any funds held by the City; but excluding (a) the proceeds of any ad valorem property taxes levied for the purpose of paying bonded indebtedness of the City and (b) the proceeds of any special assessments or special taxes levied upon real property within any improvement City served by the City for the purpose of paying special assessment bonds or special tax obligations of the City.

"Loan" means the loan made by the Corporation to the City pursuant to Section 3.1.

"Loan Agreement" means this Loan Agreement, dated as of April 1, 2012, between the Corporation and the City.

"Loan Repayment Date" means February 1 and August 1 in each year, commencing August 1, 2012 and continuing to and including the date on which the Loan Repayments have been paid in full.

"Loan Repayments" means all payments required to be paid by the City on any date pursuant to Section 3.4, including any prepayment thereof pursuant to Section 6.2 or 6.3.

"Maintenance and Operation Costs" means the reasonable and necessary costs and expenses paid by the City for maintaining and operating the Enterprise, including but not limited to the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Enterprise in good repair and working order, and including but not limited to administrative costs of the City attributable to the Enterprise and the financing thereof, but in all cases excluding depreciation, replacement and obsolescence charges or reserves therefor and excluding amortization of intangibles or other bookkeeping entries of a similar nature.

"Maximum Annual Debt Service" means, as of the date of any calculation, the maximum sum obtained for the current or any future Fiscal Year during the Term of this Loan Agreement by totaling the aggregate amount of (i) the Loan Repayments coming due in such Fiscal Year, and (ii) the principal and interest coming due and payable in such Fiscal Year on any Parity Obligations, including the principal amount coming due and payable by operation of mandatory sinking fund redemption. There shall be excluded from such calculation any principal of and interest on the Loan Repayments and any Parity Obligations which have been defeased or discharged, or for the payment of which a security deposit has been posted. With respect to any Parity Obligations which then bear interest at a variable rate, such interest shall be calculated at an assumed rate equal to the average rate of interest per annum for each of the 5 previous whole calendar

years as shown by the J. J. Kenny Index (or at any time in the event and to the extent such index is not maintained for all or any portion of such period, any similar index of variable rate interest for tax-exempt obligations as may be selected by the City in its sole discretion).

"Net Revenues" means, for any period, an amount equal to all of the Gross Revenues received during such period, minus the amount required to pay all Maintenance and Operation Costs becoming payable during such period.

"Parity Obligations" means any bonds, notes or other obligations of the City payable from and secured by a pledge of and lien upon any of the Net Revenues on a parity with the Loan Repayments.

"Revenue Fund" means the fund heretofore established and held by the City for the receipt and deposit of Gross Revenues.

"Tax Code" means the Internal Revenue Code of 1986. Any reference herein to a provision of the Tax Code shall include all applicable temporary and permanent regulations promulgated under the Tax Code.

"Term of this Loan Agreement" or "Term" means the time during which this Loan Agreement is in effect, as provided in Section 3.3.

SECTION 1.2. Exhibits. The following Exhibits are attached to, and by reference made a part of this Loan Agreement:

Exhibit A: The schedule of Loan Repayments to be paid by the City hereunder, showing the date and amount of each such Loan Repayment.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

SECTION 2.1. Representations, Covenants and Warranties of the City. The City represents, covenants and warrants to the Corporation as follows:

(a) Due Organization and Existence. The City is a municipal corporation duly organized and existing under the Constitution and laws of the State of California.

(b) Authorization. The laws of the State of California authorize the City to enter into this Loan Agreement and to enter into the transactions contemplated hereby and thereby, and to carry out its obligations under this Loan Agreement and the Board of Directors of the City has duly authorized the execution and delivery of this Loan Agreement.

(c) No Violations. Neither the execution and delivery of this Loan Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrances whatsoever upon any of the property or assets of the City, other than as set forth herein.

(d) No Prior Indebtedness. The City has not issued or incurred any obligations which are currently outstanding having any priority in payment out of the Gross Revenues or the Net Revenues over the payment of the Loan Repayments as provided herein.

SECTION 2.2. Representations, Covenants and Warranties of the Corporation. The Corporation represents, covenants and warrants to the City as follows:

(a) Due Organization and Existence. The Corporation is a corporation duly organized and existing under the laws of the State of California.

(b) Authorization. The laws of the State of California authorize the Corporation to enter into this Loan Agreement and to enter into the transactions contemplated hereby and thereby, and to carry out its obligations under this Loan Agreement and the Board of Directors of the Corporation has duly authorized the execution and delivery of this Loan Agreement.

(c) No Violations. Neither the execution and delivery of this Loan Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation.

(d) No Assignments. Except as provided herein, the Corporation will not assign this Loan Agreement, its right to receive Loan Repayments from the City, or its duties and obligations hereunder to any other person, firm or corporation so as to impair or violate the representations, covenants and warranties contained in this Section 2.2.

ARTICLE III

TERMS OF LOAN

SECTION 3.1. Obligation to Make Loan; Amount of Loan. The Corporation hereby agrees to lend to the City, and the City hereby agrees to borrow from the Corporation, the amount of \$ _____ under the terms and provisions set forth in this Loan Agreement. The Loan shall be to refinance the 1982 Bonds.

SECTION 3.2. Payoff of 1982 Bonds. By the Closing Date the Corporation shall deposit the sum of \$ _____ with USDA Rural Development, to pay off the 1982 Bonds in full and shall retain the sum of \$1,000.000 as an administrative fee.

SECTION 3.3. Term. The Term of this Loan Agreement shall commence on the Closing Date, and shall end on the date on which the Loan shall be paid in full or provision for such payment shall be made as provided herein.

SECTION 3.4. Loan Repayments.

(a) Obligation to Pay. The City hereby agrees to repay the Loan in the aggregate principal amount of \$ _____ together with interest (calculated at the rate of 3.375% on the basis of a 360-day year of twelve 30-day months) on the unpaid principal balance thereof, payable in semiannual Loan Repayments in the respective amounts and on the respective Loan Repayment Dates specified in Exhibit A.

As a result of the assignment by the Corporation to the Assignee of the right of the Corporation to receive the Loan Repayments, the City shall pay all Loan Repayments when due directly to the Assignee.

(b) Effect of Prepayment. In the event that the City prepays the Loan Repayments in full pursuant to Article VI, the City's obligations under this Loan Agreement shall thereupon cease and terminate, including but not limited to the City's obligation to pay Loan Repayments under this Section 3.4; subject however, to the provisions of Section 6.1 in the case of prepayment by application of a security deposit. In the event that the City prepays the Loan in part but not in whole pursuant to Section 6.3, the principal components of the remaining Loan Repayments shall be reduced on a pro rata basis so as to produce equal Loan Repayments over the remaining Term of this Loan Agreement.

(c) Rate on Overdue Payments. In the event the City should fail to make any of the payments required in this Section 3.4, the payment in default shall continue as an obligation of the City until the amount in default shall have been fully paid, and the City agrees to pay the same with interest thereon, to the extent permitted by law, from the date of

default to the date of payment at the rate of eight percent (8%) per annum.

SECTION 3.5. Nature of City's Obligations.

(a) Special Obligation. The City's obligation to pay the Loan Repayments is a special obligation of the City limited solely to the Net Revenues and all amounts on deposit in the Revenue Fund. Under no circumstances is the City required to advance moneys derived from any source of income other than the Net Revenues and other sources specifically identified herein for the payment of the Loan Repayments, and no other funds or property of the City are liable for the payment of the Loan Repayments. Notwithstanding the foregoing provisions of this Section, however, nothing herein prohibits the City voluntarily from making any payment hereunder from any source of available funds of the City.

(b) Obligations Absolute. The obligations of the City to pay the Loan Repayments from the Net Revenues and to perform and observe the other agreements contained herein are absolute and unconditional and are not subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the City or the Corporation of any obligation to the City or otherwise with respect to the Enterprise, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the City by the Corporation. Until such time as all of the Loan Repayments have been fully paid or prepaid, the City:

(i) will not suspend or discontinue payment of any Loan Repayments,

(ii) will perform and observe all other agreements contained in this Loan Agreement, and

(iii) will not terminate this Loan Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Enterprise, sale of the Enterprise, the taking by eminent domain of title to or temporary use of any component of the Enterprise, commercial frustration of purpose, any change in the tax or other laws of the United States of America or the State of California or any political subdivision of either thereof or any failure of the Corporation to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement.

(c) Protection of Rights. If the Corporation fails to perform any such agreements on its part, the City may institute such action against the Corporation as the City deems necessary to compel performance so long as such action does not abrogate the obligations of

the City contained in the preceding subsection (b). The City may, however, at the City's own cost and expense and in the City's own name or in the name of the Corporation prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect the City's rights hereunder, and in such event the Corporation will cooperate fully with the City and take such action necessary to effect the substitution of the City for the Corporation in such action or proceeding if the City shall so request.

SECTION 3.6. Pledge and Application of Net Revenues and Revenue Fund.

(a) Pledge. All of the Net Revenues and all amounts on deposit in the Revenue Fund are hereby irrevocably pledged to the punctual payment of the Loan Repayments and any Parity Obligations. The Net Revenues and amounts on deposit in the Revenue Fund may not be used for any other purpose so long as any of the Loan Repayments and any Parity Obligations remain unpaid; except that out of the Net Revenues and such other amounts there may be apportioned such sums, for such purposes, as are expressly permitted by this Section 3.6. Such pledge constitutes a first and exclusive lien on the Net Revenues and such other moneys for the payment of the Loan Repayments and any Parity Obligations in accordance with the terms hereof and the terms of the instruments authorizing the issuance of any Parity Obligations.

(b) Deposit of Gross Revenues; Transfers to Make Loan Repayments. The City has heretofore established the Revenue Fund, which the City agrees to continue to hold and maintain for the purposes and uses set forth herein. The City shall deposit all Gross Revenues in the Revenue Fund promptly upon the receipt thereof.

All Net Revenues will be held by the City in the Revenue Fund in trust for the benefit of the Corporation and for the benefit of the owners of any Parity Obligations. The City shall withdraw from such fund or funds and transfer to the Corporation an amount of Net Revenues equal to the aggregate amount of the Loan Repayment when and as the same becomes due and payable. In addition, the City shall withdraw from such fund or funds such amounts of Net Revenues at such times as required to pay the principal of and interest on any Parity Obligations and otherwise comply with the provisions of the instruments authorizing the issuance of any Parity Obligations.

(c) Other Uses Permitted. The City shall manage, conserve and apply the Net Revenues in such a manner that all deposits required to be made under the preceding paragraph will be made at the times and in the amounts so required. Subject to the foregoing sentence, so long as no Event of Default has occurred and is continuing hereunder, the City may at any time and from time to time use and apply Net Revenues for (i) the acquisition and construction of improvements to the Enterprise;

(ii) the prepayment of the Loan and any Parity Obligations, or (iii) any other lawful purpose of the City.

ARTICLE IV

COVENANTS OF THE CITY

SECTION 4.1. Release and Indemnification Covenants. The City shall indemnify the Corporation and its officers, agents, successors and assigns and hold them harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of the following:

(a) the use, maintenance, condition or management of, or from any work or thing done on or about the Enterprise by the City,

(b) any breach or default on the part of the City in the performance of any of its obligations under this Loan Agreement,

(c) any intentional misconduct or negligence of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Enterprise, and

(d) any intentional misconduct or negligence of any lessee of the City with respect to the Enterprise.

No indemnification is made under this Section 4.1 or elsewhere in this Loan Agreement for willful misconduct, gross negligence, or breach of duty under this Loan Agreement by the Corporation, its officers, agents, employees, successors or assigns.

SECTION 4.2. Sale or Eminent Domain of Enterprise. Except as provided herein, the City covenants that the Enterprise will not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise disposed of, as a whole or substantially as a whole if such encumbrance, sale, lease, pledge, charge or other disposition would materially impair the ability of the City to pay the Loan Repayments or the principal of or interest on any Parity Obligations, or would materially adversely affect its ability to comply with the terms of this Loan Agreement or the instruments authorizing the issuance of any Parity Obligations. The City shall not enter into any agreement which impairs the operation of the Enterprise or any part of it necessary to secure adequate Net Revenues to pay the Loan Repayments or any Parity Obligations, or which otherwise would impair the rights of the Corporation with respect to the Net Revenues. If any substantial part of the Enterprise is sold, the payment therefor must either (a) be used for the acquisition or construction of improvements and extensions or replacement facilities or (b) be applied to prepay or redeem the Loan and any Parity Obligations, on a pro rata basis, in the manner provided herein and in the instruments authorizing such Parity Obligations.

Any amounts received as awards as a result of the taking of all or any part of the Enterprise by the lawful exercise of eminent domain, if and to the extent that such right can be exercised against such property of the City, shall either (a) be used for the acquisition or construction of improvements and extension or replacement facilities of the Enterprise, or (b) be applied to prepay or redeem the Loan and any Parity Obligations, on a pro rata basis, in the manner provided herein and in the instruments authorizing such Parity Obligations.

SECTION 4.3. Insurance. The City shall at all times maintain with responsible insurers all such insurance on the Enterprise as is customarily maintained with respect to works and properties of like character against accident to, loss of or damage to the Enterprise. If any useful part of the Enterprise is damaged or destroyed, such part shall be restored to usable condition. All amounts collected from insurance against accident to or destruction of any portion of the Enterprise shall be used to repair or rebuild such damaged or destroyed portion of the Enterprise or if determined not to repair or rebuild such portion and in any event to the extent not so applied, must either (a) be used for the acquisition or construction or improvements and extensions or replacement facilities or (b) be applied on a pro rata basis to prepay or redeem the Loan and the Prior Parity Obligations in the manner provided in this Loan Agreement and in the instruments authorizing such Parity Obligations. The City shall also maintain, with responsible insurers, worker's compensation insurance and insurance against public liability and property damage to the extent reasonably necessary to protect the City, the Corporation and the Assignee. Any insurance required to be maintained hereunder may be maintained under and in accordance with a joint exercise of powers agreement, or may be maintained by the City in the form of self-insurance or in the form of participation by the City in a program of pooled insurance.

SECTION 4.4. Records and Accounts. The City shall keep proper books of records and accounts of the Enterprise, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the Enterprise. Said books shall, upon prior request, be subject to the reasonable inspection of the Corporation.

The City shall cause the books and accounts of the Enterprise to be audited annually by an independent certified public accountant or firm of certified public accountants, not more than two hundred seventy (270) days after the close of each Fiscal Year, and shall furnish a copy of such report to the Corporation or the Assignee. The audit of the accounts of the Enterprise may be included as part of a general City-wide audit.

The City shall cause to be published annually, not more than two hundred seventy (270) days after the close of each Fiscal Year, a summary statement showing the amount of Gross Revenues and the disbursements from Gross Revenues and from other funds of the City in reasonable detail. The City shall furnish a copy of the statement, upon reasonable written request, to the Corporation and the Assignee.

SECTION 4.5. Rates and Charges.

(a) Covenant Regarding Gross Revenues. The City shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Enterprise during each Fiscal Year which (together with existing unencumbered cash and cash-equivalent balances which are lawfully available to the City for payment of any of the following amounts during such Fiscal Year) are at least sufficient, after making allowances for contingencies and error in the estimates, to pay the following amounts in the following order:

(i) All Maintenance and Operation Costs estimated by the City to become due and payable with respect to such Fiscal Year;

(ii) The Loan Repayments and all principal of and interest and premium (if any) on any Parity Obligations as they become due and payable with respect to such Fiscal Year, without preference or priority;

(iii) All payments coming due and payable with respect to such Fiscal Year and required for compliance with this Loan Agreement and the instruments authorizing any Parity Obligations; and

(iv) All payments required to meet any other obligations of the City which are charges, liens, encumbrances upon or payable from the Gross Revenues with respect to such Fiscal Year.

(b) Covenant Regarding Net Revenues. In addition to the covenant set forth in the preceding clause (a) of this Section, the City shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Enterprise during each Fiscal Year which are sufficient to yield Net Revenues which (together with existing unencumbered cash and cash-equivalent fund balances which are lawfully available to the City with respect to such Fiscal Year) are at least equal to 115% of the aggregate amount of Loan Repayments and principal of and interest on any Parity Obligations coming due and payable with respect to such Fiscal Year.

SECTION 4.6. No Priority for Additional Obligations. The City may not issue or incur any bonds or other obligations having any priority in payment of principal or interest out of the Net Revenues over the Loan Repayments.

SECTION 4.7. Issuance of Parity Obligations. Except for obligations incurred to prepay or post a security deposit for the Loan in whole, the City may not issue or incur any Parity Obligations unless:

(a) The City is not then in default under the terms of this Loan Agreement.

(b) The Net Revenues (excluding connection charges), calculated in accordance with sound accounting principles, as shown by the books of the City for the latest Fiscal Year or as shown by the books of the City for any more recent 12 month period selected by the City, in either case verified by a certificate or opinion of an independent certified public accountant (which may be, but not need be, the outside firm providing auditing services) employed by the City, plus (at the option of the City) the Additional Revenues, at least equal 115% of the amount of Maximum Annual Debt Service; *provided, however,* that this subsection (b) does not apply to any issue of Parity Obligations the net proceeds of which are applied to refund the Loan or any Parity Obligations in whole or in part, so long as (i) the final maturity of such Parity Obligations does not exceed the final maturity of the obligations being refunded, and (ii) the aggregate amount of debt service on such Parity Obligations in each Fiscal Year does not exceed the amount of debt service which would otherwise come due and payable in such Fiscal Year on the obligations being refunded.

For purposes of the foregoing calculation of Net Revenues under this subsection (b), the City may add to such Net Revenues any Additional Revenues.

(c) Notwithstanding the above, the City may incur debt payable from Net Revenues (i) to cause a defeasance of this Loan Agreement or (ii) which is payable on a basis which is junior to the payment of the Loan Repayments.

SECTION 4.9. Assignment by the Corporation. The Corporation's rights under this Loan Agreement, including the right to receive and enforce payment of the Loan Repayments to be made by the City under this Loan Agreement, have been assigned to the Assignee pursuant to an Assignment of Loan Agreement. Whenever in this Loan Agreement any reference is made to the Corporation and such reference concerns rights which the Corporation has assigned to the Assignee, such reference shall be deemed to refer to the Assignee.

The Corporation or the Assignee has the right to make additional assignments of its rights and obligations under this Loan Agreement, but the City shall not be required to pay more than a single payee, regardless of the number of Assignees, and no such assignment will be effective as against the City unless and until the Corporation or the Assignee files with the City written notice thereof. The City shall

pay all Loan Repayments hereunder under the written direction of the Corporation or the Assignee named in the most recent assignment or notice of assignment filed with the City. During the Term of this Loan Agreement, the City shall keep a complete and accurate record of all such notices of assignment.

SECTION 4.10. Assignment by the City. Neither the Loan nor this Loan Agreement may be assigned by the City, other than to a public agency which shall succeed to the interests of the City in and to the Enterprise and which (by operation of law, by contract or otherwise) becomes legally bound to all of the terms and provisions hereof.

SECTION 4.11. Amendment of this Loan Agreement. This Loan Agreement may be amended by the City and the Corporation, but only with the prior written consent of the Assignee (which consent may not be unreasonably withheld).

SECTION 4.12. Tax Covenants.

(a) Generally. The City shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Loan Repayments to become includable in gross income for federal income tax purposes.

(b) Private Activity Bond Limitation. The City shall assure that the proceeds of the Loan are not so used as to cause the Loan to satisfy the private business tests of section 141(b) of the Tax Code or the private loan financing test of section 141(c) of the Tax Code.

(c) Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Loan Repayments to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(d) No Arbitrage. The City shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Loan Repayments which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Loan to be "arbitrage bonds" within the meaning of Section 148(a) of the Tax Code.

(e) Small Issuer Exemption from Bank Nondeductibility Restriction. The City hereby designates this Loan Agreement for purposes of paragraph (3) of Section 265(b) of the Tax Code and represents that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Tax Code) from gross income for federal income tax purposes (excluding (i) private activity bonds, as defined in Section 141 of the Tax Code, except qualified 501(c)(3) bonds as defined in Section 145 of

the Tax Code and (ii) current refunding obligations to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation), including this Loan Agreement, has been or will be issued by the City, including all subordinate entities of the City, during the calendar year 2012.

(f) Arbitrage Rebate. The City shall take any and all actions necessary to assure compliance with section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Loan.

(g) Acquisition, Disposition and Valuation of Investments. Except as otherwise provided in the following sentence, the City covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Loan Agreement, or otherwise containing gross proceeds of the Loan (within the meaning of section 148 of the Tax Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Tax Code) at Fair Market Value. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Tax Code shall be valued at their present value (within the meaning of section 148 of the Tax Code).

For purposes of this subsection (g), the term "Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the City and related parties do not own more than a 10% beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

SECTION 5.1. Events of Default Defined. The following shall be Events of Default under this Loan Agreement.

(a) Failure by the City to pay the Corporation any Loan Repayment or to pay other amounts required to be paid hereunder within fifteen (15) days of the time specified herein, and such failure is not cured within ten (10) days after written notice thereof by the Corporation.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder other than as referred to in the preceding clause (a) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Corporation *provided, however, if in the reasonable opinion of the City the failure stated in the notice can be corrected, but not within such thirty (30) day period, the Corporation shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the City within such thirty (30) day period and diligently pursued until the default is corrected.*

(c) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

(d) An event of default as defined under any contracts or agreements relating to any Parity Obligations.

SECTION 5.2 Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Corporation shall have the rights, at its option and without any further demand or notice to:

(a) declare all principal components of the unpaid Loan Repayments, together with accrued interest thereon at the rate of interest per annum represented by the Loan from the immediately preceding Loan Payment Date on which payment was made, to be immediately due and payable, whereupon the same shall immediately become due and payable; and,

(b) take whatever action at law or in equity may appear necessary or desirable to collect the Loan Repayments then due or thereafter to become due during the Term of this Loan Agreement, or enforce performance and observance of any obligation, agreement or covenant of the City under this Loan Agreement.

The provisions of the preceding clause (a) are subject to the condition that if, at any time after the principal components of the unpaid Loan Repayments shall have been so declared due and payable pursuant to the preceding clause (a), and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the City shall deposit with the Corporation a sum sufficient to pay all principal components of the Loan Repayments coming due prior to such declaration and all matured interest components (if any) of the Loan Repayments, with interest on such overdue principal and interest components calculated at the rate set forth in Section 3.4(c) and the reasonable expenses of the Corporation (including any fees and expenses of its attorneys), and any and all other defaults known to the Corporation (other than in the payment of the principal and interest components of the Loan Repayments due and payable solely by reason of such declaration) shall have been made good, then, and in every such case, the Corporation may, by written notice to the City rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

SECTION 5.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this Article V it shall not be necessary to give any notice, other than such notice as may be required in this Article V or by law.

SECTION 5.4. Agreement to Pay Attorneys' Fees and Expenses. In the event either party of this Loan Agreement should default under any of the provisions hereof and the nondefaulting party should employ attorneys (including in-house counsel) or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys (including the allocable cost of in-house counsel) and such other expenses so incurred by the nondefaulting party.

SECTION 5.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Loan Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

SECTION 5.6. Assignee to Exercise Rights Such rights and remedies as are given to the Corporation under this Article V have been assigned by the Corporation to the Assignee and shall be exercised solely by the Assignee.

ARTICLE VI

PREPAYMENT OF LOAN

SECTION 6.1. Security Deposit. Notwithstanding any other provision of this Loan Agreement, the City may on any date secure the payment of Loan Repayments, in whole, by irrevocably depositing with a fiduciary an amount of cash which, together with other available amounts, is either (a) sufficient to pay all such Loan Repayments, including the principal and interest components thereof, when due pursuant to Section 3.4(a), or (b) invested in whole or in part in Federal Securities in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay all such Loan Repayments when due pursuant to Section 3.4(a) or when due on any optional prepayment date pursuant to Section 6.2, as the City shall instruct at the time of said deposit. In the event of a security deposit pursuant to this Section for the payment of all remaining Loan Repayments, all obligations of the City under this Loan Agreement, and the pledge of Net Revenues and all other security provided by this Loan Agreement for said obligations, shall cease and terminate, excepting only the obligation of the City to make, or cause to be made, all of Loan Repayments from such security deposit. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of such Loan Repayments in accordance with the provisions of this Loan Agreement.

SECTION 6.2. Optional Prepayment. The City shall have the option to prepay the unpaid principal balance of the Loan in whole, on any Loan Repayment Date, commencing on any Loan Repayment Date, by paying the Loan Repayment required to be paid on such date plus a prepayment price equal to the principal amount of the Loan Repayments to be prepaid, together with a two percent (2%) prepayment premium thereon. The City shall give the Corporation written notice of its intention to exercise its option not less than thirty (30) days in advance of the date of exercise.

SECTION 6.3. Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain. The City shall prepay the unpaid principal balance of the Loan in whole on any date or in part, on any Loan Repayment Date, from and to the extent the City determines to apply any Net Proceeds of insurance award or condemnation award with respect to the Enterprise for such purpose pursuant to Sections 4.2 or 4.3 at a price

equal to the principal amount to be prepaid plus a prepayment premium equal to the amount which would apply to such prepayment if the City prepaid its obligations under Section 6.2 on such date. The City and the Corporation hereby agree that such proceeds, to the extent remaining after payment of any delinquent Loan Repayments, shall be credited towards the City's obligations under this Section 6.3.

ARTICLE VII

MISCELLANEOUS

SECTION 7.1. Notices. All written notices to be given under this Loan Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopier or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopier or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Corporation, the City or the Assignee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

- If to the City: City of Newman
1162 Main Street
Newman, CA 95360
Attention: City Manager

- If to the Corporation: Municipal Finance Corporation
2945 Townsgate Road, Suite 200
Westlake Village, CA 91361
Attention: President

- If to the Assignee: City National Bank
555 South Flower Street, 8th Floor
Los Angeles, CA 90071
Attention: Credit Management

SECTION 7.2. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Corporation and the City and their respective successors and assigns.

SECTION 7.3. Severability. In the event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 7.4. Net-net-net Contract. This Loan Agreement shall be deemed and construed to be a "net-net-net" contract, and the City

hereby agrees that the Loan Repayments shall be an absolute net return to the Corporation, free and clear of any expenses, charges or set-offs whatsoever.

SECTION 7.5. Further Assurances and Corrective Instruments. The Corporation and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Loan Agreement.

SECTION 7.6. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 7.7. Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State of California.

SECTION 7.8. Captions. The captions or headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Loan Agreement.

IN WITNESS WHEREOF, the Corporation has caused this Loan Agreement to be executed in its corporate name by its duly authorized officer, and the City has caused this Loan Agreement to be executed in its name by its duly authorized officer, as of the date first above written.

CITY OF NEWMAN

By _____
Mayor

MUNICIPAL FINANCE CORPORATION

By _____
President

EXHIBIT A

SCHEDULE OF LOAN REPAYMENTS

SOURCES AND USES OF FUNDS
City of Newman
2012 Refunding of 1982 Water Revenue Bonds

Sources:	
<hr/>	
Bond Proceeds:	
Par Amount	515,350.00
	<hr/>
	515,350.00
	<hr/>
Uses:	
<hr/>	
Refunding Escrow Deposits:	
Cash Deposit	514,350.00
Delivery Date Expenses:	
Cost of Issuance	1,000.00
	<hr/>
	515,350.00
	<hr/>

ESCROW REQUIREMENTS
City of Newman
2012 Refunding of 1982 Water Revenue Bonds

<u>Period Ending</u>	<u>Interest</u>	<u>Principal Redeemed</u>	<u>Total</u>
5/1/2012	6,350.00	508,000.00	514,350.00
	6,350.00	508,000.00	514,350.00

BOND SUMMARY STATISTICS

City of Newman

2012 Refunding of 1982 Water Revenue Bonds

Dated Date	5/1/2012
Delivery Date	5/1/2012
Last Maturity	8/1/2022
Arbitrage Yield	3.375734%
True Interest Cost (TIC)	3.375734%
Net Interest Cost (NIC)	3.375001%
All-In TIC	3.416389%
Average Coupon	3.375001%
Average Life (years)	5.432
Par Amount	515,350.00
Bond Proceeds	515,350.00
Total Interest	94,483.89
Net Interest	94,483.89
Total Debt Service	609,833.89
Maximum Annual Debt Service	60,649.54
Average Annual Debt Service	59,495.99
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
	-
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	515,350.00	100.000	3.375%	5.432
	515,350.00			5.432

	TIC	All-In TIC	Arbitrage Yield
Par Value	515,350.00	515,350.00	515,350.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-1,000.00	
- Other Amounts			
Target Value	515,350.00	514,350.00	515,350.00
Target Date	5/1/2012	5/1/2012	5/1/2012
Yield	3.375734%	3.416389%	3.375734%

PRIOR BOND DEBT SERVICE
City of Newman
2012 Refunding of 1982 Water Revenue Bonds

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
8/1/2012	36,000	5.000%	12,700	48,700	
2/1/2013			11,800	11,800	60,500
8/1/2013	38,000	5.000%	11,800	49,800	
2/1/2014			10,850	10,850	60,650
8/1/2014	39,000	5.000%	10,850	49,850	
2/1/2015			9,875	9,875	59,725
8/1/2015	41,000	5.000%	9,875	50,875	
2/1/2016			8,850	8,850	59,725
8/1/2016	43,000	5.000%	8,850	51,850	
2/1/2017			7,775	7,775	59,625
8/1/2017	46,000	5.000%	7,775	53,775	
2/1/2018			6,625	6,625	60,400
8/1/2018	48,000	5.000%	6,625	54,625	
2/1/2019			5,425	5,425	60,050
8/1/2019	50,000	5.000%	5,425	55,425	
2/1/2020			4,175	4,175	59,600
8/1/2020	53,000	5.000%	4,175	57,175	
2/1/2021			2,850	2,850	60,025
8/1/2021	55,000	5.000%	2,850	57,850	
2/1/2022			1,475	1,475	59,325
8/1/2022	59,000	5.000%	1,475	60,475	
2/1/2023					60,475
	508,000		152,100	660,100	660,100

BOND DEBT SERVICE
City of Newman
2012 Refunding of 1982 Water Revenue Bonds

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
8/1/2012	48,269	3.375%	4,348.27	52,617.27	
2/1/2013			7,881.99	7,881.99	60,499.26
8/1/2013	45,656	3.375%	7,881.99	53,537.99	
2/1/2014			7,111.55	7,111.55	60,649.54
8/1/2014	40,602	3.375%	7,111.55	47,713.55	
2/1/2015			6,426.39	6,426.39	54,139.94
8/1/2015	41,996	3.375%	6,426.39	48,422.39	
2/1/2016			5,717.71	5,717.71	54,140.10
8/1/2016	43,336	3.375%	5,717.71	49,053.71	
2/1/2017			4,986.41	4,986.41	54,040.12
8/1/2017	45,612	3.375%	4,986.41	50,598.41	
2/1/2018			4,216.71	4,216.71	54,815.12
8/1/2018	46,822	3.375%	4,216.71	51,038.71	
2/1/2019			3,426.59	3,426.59	54,465.30
8/1/2019	47,971	3.375%	3,426.59	51,397.59	
2/1/2020			2,617.08	2,617.08	54,014.67
8/1/2020	50,050	3.375%	2,617.08	52,667.08	
2/1/2021			1,772.48	1,772.48	54,439.56
8/1/2021	51,057	3.375%	1,772.48	52,829.48	
2/1/2022			910.90	910.90	53,740.38
8/1/2022	53,979	3.375%	910.90	54,889.90	
2/1/2023					54,889.90
	515,350		94,483.89	609,833.89	609,833.89

SAVINGS
City of Newman
2012 Refunding of 1982 Water Revenue Bonds

Date	Prior Debt Service	Refunding Debt Service	Savings	Fiscal Year Savings	Present Value to 05/01/2012 @ 3.3757336%
8/1/2012	48,700.00	52,617.27	-3,917.27		-3,884.62
2/1/2013	11,800.00	7,881.99	3,918.01	0.74	3,820.87
8/1/2013	49,800.00	53,537.99	-3,737.99		-3,584.80
2/1/2014	10,850.00	7,111.55	3,738.45	0.46	3,525.73
8/1/2014	49,850.00	47,713.55	2,136.45		1,981.44
2/1/2015	9,875.00	6,426.39	3,448.61	5,585.06	3,145.31
8/1/2015	50,875.00	48,422.39	2,452.61		2,199.78
2/1/2016	8,850.00	5,717.71	3,132.29	5,584.90	2,762.76
8/1/2016	51,850.00	49,053.71	2,796.29		2,425.46
2/1/2017	7,775.00	4,986.41	2,788.59	5,584.88	2,378.64
8/1/2017	53,775.00	50,598.41	3,176.59		2,664.62
2/1/2018	6,625.00	4,216.71	2,408.29	5,584.88	1,986.61
8/1/2018	54,625.00	51,038.71	3,586.29		2,909.25
2/1/2019	5,425.00	3,426.59	1,998.41	5,584.70	1,594.23
8/1/2019	55,425.00	51,397.59	4,027.41		3,159.54
2/1/2020	4,175.00	2,617.08	1,557.92	5,585.33	1,201.91
8/1/2020	57,175.00	52,667.08	4,507.92		3,420.07
2/1/2021	2,850.00	1,772.48	1,077.52	5,585.44	803.92
8/1/2021	57,850.00	52,829.48	5,020.52		3,683.58
2/1/2022	1,475.00	910.90	564.10	5,584.62	407.01
8/1/2022	60,475.00	54,889.90	5,585.10		3,962.90
2/1/2023				5,585.10	
	660,100.00	609,833.89	50,266.11	50,266.11	40,564.23

<u>Savings Summary</u>	
PV of savings from cash flow	40,564.23
Net PV Savings	40,564.23

SUMMARY OF REFUNDING RESULTS
City of Newman
2012 Refunding of 1982 Water Revenue Bonds

Dated Date	5/1/2012
Delivery Date	5/1/2012
Arbitrage yield	3.375734%
Escrow yield	
Bond Par Amount	515,350.00
True Interest Cost	3.375734%
Net Interest Cost	3.375001%
Average Coupon	3.375001%
Average Life	5.432
Par amount of refunded bonds	508,000.00
Average coupon of refunded bonds	5.000000%
Average life of refunded bonds	5.738
PV of prior debt to 05/01/2012 @ 3.375734%	555,914.23
Net PV Savings	40,564.23
Percentage savings of refunded bonds	7.985085%
Percentage savings of refunding bonds	7.871200%

ASSIGNMENT OF LOAN AGREEMENT #12-010

FOR VALUE RECEIVED, MUNICIPAL FINANCE CORPORATION (the "Corporation") as assignor without recourse does hereby sell, assign, and transfer to CITY NATIONAL BANK (the "Assignee") as assignee and its successors and assigns (i) all of its right, title and interest in and to the attached Loan Agreement dated April 1, 2012 between the Corporation as Corporation and CITY OF NEWMAN (the "City") as borrower (hereinafter said Loan and any supplements, amendments, additions thereof and any extension or renewals thereof is referred to as the "Loan") and (ii) all moneys, sums and amounts now due or hereinafter to become due under the Loan.

Corporation further represents and warrants that it has made no prior sale or assignment of any interest covered hereby; that the Loan is genuine and in all respects is what it purports to be; that Assignee shall not be liable for and does not assume responsibility for the performance of any of the covenants, agreements, or obligations specified in the Loan to be kept, paid or performed by Corporation with exception of Assignee's obligation to issue notices upon City's default of the Loan. The Corporation further represents that as of the date this assignment is made, the Loan is in full force and effect, has not been amended except as set forth in instrument delivered to Assignee and the City is not in default of any terms thereunder.

Corporation hereby constitutes and irrevocably appoints Assignee the true and lawful attorney of Corporation to demand, receive and endorse payments and to give receipts, releases and satisfactions either in the name of Assignee or in the name of Corporation in the same manner and with the same effect as Corporation could do if this Assignment of Loan had not been made.

This Assignment of Loan shall be construed and governed in accordance with the laws of the State of California. Any provision of this Assignment of Loan found to be prohibited by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Assignment of Loan.

This Assignment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns and is made in accordance with the Municipal Lease Placement Agreement dated as of January 1, 1999, as amended, entered into between Corporation and Assignee. In the case of litigation, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including attorneys' fees which may be the allocable cost of in-house counsel, incurred by the prevailing party in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions, or provisions hereof.

IN WITNESS WHEREOF, the Corporation has caused this Assignment of Loan to be executed by its duly authorized agent on the date specified below.

MUNICIPAL FINANCE CORPORATION

By _____

Title _____

Date _____

ACKNOWLEDGEMENT OF ASSIGNMENT

The undersigned hereby acknowledges the assignment by MUNICIPAL FINANCE CORPORATION over to CITY NATIONAL BANK of that certain Loan Agreement #12-010 dated as of April 1, 2012 (the "Loan"), entered into between MUNICIPAL FINANCE CORPORATION as Corporation and the undersigned as borrower.

With respect to the Loan, the undersigned agrees to pay, commencing with the first scheduled Loan Repayment, all Loan Repayments and moneys due or to become due under said Loan to CITY NATIONAL BANK, City Loan Center, 2100 Park Place, Suite 150, El Segundo, CA 90245, Attn: Loan Servicing #354, and further agrees it shall have no counterclaim or offset against Loan Repayments due thereunder as to said Assignee and expressly further agrees that said Assignee shall not (except for the obligations specifically set forth in the foregoing Assignment of Loan) be liable for any of the obligations or burdens of the Corporation under said Loan.

IN WITNESS WHEREOF, the City has caused this Acknowledgment of Assignment to be executed by its authorized agent on the date specified below.

CITY OF NEWMAN

By _____

Title _____

Date _____

CERTIFICATE OF CITY

The undersigned, duly authorized representative of City of Newman ("City") as borrower under that Loan Agreement #12-010 dated as of April 1, 2012 ("Loan") with Municipal Finance Corporation as lender, hereby certifies as follows:

1. I have been duly authorized to execute and deliver, on behalf of City, the Loan and related documents pursuant to a resolution adopted by City's governing body, an original or certified copy of which is attached hereto.
2. City has complied with all agreements and covenants and satisfied all conditions contemplated by the Loan on its part to be performed or satisfied on or before the date hereof.
3. The representations, warranties and covenants of City contained in the Loan are true and correct in all material respects as of the date hereof, as if made on this date.
4. No litigation is pending or, to the best of my knowledge, threatened (either in state or federal courts) (a) to restrain or enjoin the issuance and delivery of the Loan or the collection of revenues to be used to meet City's obligations under the Loan; (b) in any way contesting or affecting the authority for the execution or delivery of the Loan, or the validity of the Loan; (c) in any way contesting the existence or powers of City, as such existence or powers in any way relate to the issuance of the Loan or City's obligations under the Loan, or (d) could materially adversely affect the financial position of City.
5. The Project being financed pursuant to the Loan is essential to the function of City and is immediately needed by City. Such need is neither temporary nor expected to diminish during the Loan term. The Project is expected to be used by City for a period in excess of the Loan term.
6. City's federal tax identification number is _____.

The meaning of the capitalized terms in this Certificate are the same as those provided in the Loan.

CITY OF NEWMAN

By: _____

Date: _____

INCUMBENCY AND SIGNATURE CERTIFICATE

I do hereby certify that I am the duly appointed and acting Secretary of the Board of the City of Newman, a municipal corporation validly existing under the Constitution and laws of the State of California (the "City"), and that, as of the date hereof, the individual named below is the duly appointed officer of the City holding the office set forth opposite his/her respective name. I further certify that (i) the signature set forth opposite his/her respective name and title is true and authentic and (ii) such officer has the authority on behalf of the City to enter into that certain Loan Agreement #12-010 dated April 1, 2012, by and between the City and Municipal Finance Corporation and all documents related thereto.

Name

Title

Signature

IN WITNESS WHEREOF, I have duly executed this certificate this
_____ day of _____, 2012.

City Clerk

SAMPLE ONLY
(PLEASE PREPARE ON COUNSEL'S LETTERHEAD
AND FORWARD 1 ORIGINAL TO ADDRESSEE)

MUNICIPAL FINANCE CORPORATION
2945 Townsgate Road, Suite 200
Westlake Village, CA 91361

RE: Loan Agreement dated as of April 1, 2012 by and between
MUNICIPAL FINANCE CORPORATION, (the "Corporation") as lender,
and CITY OF NEWMAN (the "City") as borrower.

Ladies and Gentlemen:

I have acted as counsel to City with respect to the Loan Agreement described above (the "Loan") and in this capacity have reviewed a copy of the executed Loan and related documents or exhibits attached thereto. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. City is a political subdivision of the State of California (the "State"), duly organized, existing and operating under the Constitution and Laws of the State.

2. City is authorized and has the power under applicable State law to enter into the Loan, and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The Loan has been duly authorized, approved, executed and delivered by and on behalf of City, and is a legal, valid and binding contract of City enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditor's rights.

4. A resolution authorizing the execution and delivery of the Loan was duly and validly adopted by the governing body of the City on _____ and such resolution has not been amended or repealed and remains in full force and effect.

MUNICIPAL FINANCE CORPORATION

RE: Loan Agreement dated as of April 1, 2012 by and between
MUNICIPAL FINANCE CORPORATION, (the "Corporation") as lender,
and CITY OF NEWMAN (the "City") as borrower.

(Date)

Page 2

5. There is no litigation, action, suit or proceeding pending or, to the best of my knowledge after due inquiry, threatened before any court, administrative agency, arbitrator or governmental body that challenges the authority of City to enter into the Loan or the ability of City to perform its obligations under the Loan and the transactions contemplated thereby.

This opinion may be relied upon by Municipal Finance Corporation, its successors and assigns.

Dated: _____ Very truly yours,

Please type name and title under signature.

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
 ▶ See separate instructions.
 Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name		2 Issuer's employer identification number (EIN)	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only)	
6 City, town, or post office, state, and ZIP code		7 Date of issue	
8 Name of issue		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ▶	18		
19 If obligations are TANs or RANs, check only box 19a		<input type="checkbox"/>	
If obligations are BANs, check only box 19b		<input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box		<input type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21		\$	\$	years	%

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22		
23 Issue price of entire issue (enter amount from line 21, column (b))	23		
24 Proceeds used for bond issuance costs (including underwriters' discount)	24		
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to currently refund prior issues	27		
28 Proceeds used to advance refund prior issues	28		
29 Total (add lines 24 through 28)	29		
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30		

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	▶	_____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	▶	_____ years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	▶	_____
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	▶	_____

Part VI Miscellaneous

- | | | |
|------------|--|--|
| 35 | | |
| 36a | | |
| 37 | | |
- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)
 - 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)
 - b** Enter the final maturity date of the GIC ▶ _____
 - c** Enter the name of the GIC provider ▶ _____
 - 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units
 - 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ and enter the following information:
 - b** Enter the date of the master pool obligation ▶ _____
 - c** Enter the EIN of the issuer of the master pool obligation ▶ _____
 - d** Enter the name of the issuer of the master pool obligation ▶ _____
 - 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶
 - 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶
 - 41a** If the issuer has identified a hedge, check here ▶ and enter the following information:
 - b** Name of hedge provider ▶ _____
 - c** Type of hedge ▶ _____
 - d** Term of hedge ▶ _____
 - 42** If the issuer has superintegrated the hedge, check box ▶
 - 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶
 - 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ▶
 - 45a** If some portion of the proceeds was used to reimburse expenditures, check here ▶ and enter the amount of reimbursement ▶ _____
 - b** Enter the date the official intent was adopted ▶ _____

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	▶ _____	Date	▶ _____	
	Signature of issuer's authorized representative		Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
	Firm's name ▶	Firm's EIN ▶		PTIN
	Firm's address ▶	Phone no.		

Honorable Mayor and Members
of the Newman City Council

**ADOPTION OF A RESOLUTION AUTHORIZING AN ADMINISTRATIVE FINE SCHEDULE
RELATED TO PROPERTY MAINTINANCE/NUISANCES AND BUSINESS LICENSE TAX FEES**

RECOMMENDATION:

Adopt Resolution No. 2012- , a resolution authorizing specific administrative fines related to municipal code sections 8.02.150 (Property Maintenance/Nuisances Violations - Penalties) and 3.01.180 (Business License Tax Fees).

BACKGROUND:

The City of Newman has an existing ordinance that addresses property maintenance and nuisances which now has an administrative fine option authorizing the City to fine the responsibly party. The addition of the administrative fine option was adopted by the City Council on March 13, 2012. Chapter 3.01 addresses general revenue licenses. Section 3.01.180 subsection "C" specifically addresses garage sale permitting, which has become problematic with non-compliance. There currently in no fine schedule in place for chapter 3.01.

ANALYSIS:

The administrative fine option will assist the City with compliance efforts in the area of public health, safety, and the general welfare of surrounding properties. Compliance would be better achieved by use of an administrative fine as opposed to the potential prosecution as a Misdemeanor crime. The attached fine schedule will help to offset some of the costs associated with the abatement process.

FISCAL IMPACT:

Revenue is unable to be determined, as the number of future citations cannot be predicted.

CONCLUSION:

Staff believes that the administrative fine will help to streamline the property abatement process, and revenue licensing, by achieving better compliance during the process. The fine schedule will help to recover some of the costs associated with the abatement and enforcement processes, and will serve as a deterrent to potential offenders.

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

1. Adopt the resolution as written.
2. Adopt the resolution with changes.

ATTACHMENTS:

1. Resolution No. 2012-
2. Fine Schedule

Respectfully submitted,



Randy Richardson
Chief of Police

REVIEWED/CONCUR



Michael Holland,
City Manager

RESOLUTION NO. 2012-

**A RESOLUTION AUTHORIZING AN ADMINISTRATIVE FINE SCHEDULE RELATED TO
PROPERTY MAINTENANCE/NUISANCES AND BUSINESS LICENSE TAX FEES**

WHEREAS, the City has an existing ordinance that addresses property maintenance and nuisances which now has an administrative fine option authorizing the City to fine the responsibly party; and

WHEREAS, Neman Municipal Code Section Section 3.01.180 subsection "C" specifically addresses garage sale permitting, which has become problematic with non-compliance; and

WHEREAS, staff believes that these administrative fines will help to streamline the property abatement process, and revenue licensing, by achieving better compliance during the process; and

WHEREAS, the fine schedule will help to recover some of the costs associated with the abatement and enforcement processes, and will serve as a deterrent to potential offenders.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newman to adopt administrative fines related to Property Maintenance/Nuisances and Business License Tax Fees.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 24th day of April, 2012 by Council Member _____, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES:
NOES:
ABSENT:

APPROVED:

Mayor of the City of Newman

ATTEST:

Deputy City Clerk

ATTACHMENT A

ADMINISTRATIVE FINE SCHEDULE

ADMINISTRATIVE FINES:

SECTION

Fine for violating any provision of Newman Municipal Code, Chapter of 8.02, Property Maintenance And Nuisances

\$50.00	1st Offense
\$100.00	2nd Offense within 1 year
\$250.00	3rd offense within 1 year

SECTION

Fine for violating any provision of Newman Municipal Code, Section of 3.01.180, Business License Tax Fees

\$50.00	1st Offense
\$100.00	2nd Offense within 1 year
\$250.00	3rd offense within 1 year



City of Newman
City Manager's Office
Memorandum

Date: April 18, 2012

To: City Council

From: Michael E. Holland, City Manager *MEN*

Subject: City Council Item No. 10.d. – Financial Pledge to Save Hatfield State Park.

The City of Newman has received a request from the East Merced Resource Conservation District for financial help in saving Hatfield and McConnell State Parks from closure. In May 2011, the State announced its plan to close 70 of the 279 State parks. The State feels this action is necessary to achieve an \$11 million budgetary savings.

The Department of Parks has established a program whereby local groups/non-profits can raise funds to offset the operations and maintenance costs of the parks. In the case of Hatfield/McConnell, the costs exceed revenues by \$65,000. This is the amount that locals would be required to generate to keep said parks from closing. To date, the EMRCD has raised approximately \$15,000. The total amount must be raised immediately as the State has already begun the closing process; which includes layoff notices, re-assignment of staff, etc.

The EMRCD is requesting the City of Newman make a financial pledge to help keep the parks open. Staff believes both the City and its residents will benefit from preventing said closures. The City will potentially benefit from visitors buying supplies for their visit to the park; generating sales and gas tax. However, it would be difficult to quantify an amount or establish a link to said sales. Residents would benefit with access to recreational and camping opportunities.

Staff has had internal discussions and believes the City could potentially pledge between \$2,500 - \$5,000. It is anticipated that the City could find this level of commitment within the current budget. Staff believes any pledge should include a condition that the EMRCD raise an amount that satisfies the State funding level to keep both parks open during FY 2012/13.