



***AMENDED* CITY COUNCIL AGENDA
CITY HALL, 291 N. MAIN STREET
PORTERVILLE, CALIFORNIA
NOVEMBER 6, 2018, 5:30 PM**

Call to Order

Roll Call

ORAL COMMUNICATIONS

This is the opportunity to address the City Council on any matter scheduled for Closed Session. Unless additional time is authorized by the Council, all commentary shall be limited to three minutes.

CITY COUNCIL CLOSED SESSION:

A. Closed Session Pursuant to:

- 1** - Government Code Section 54956.8 – Conference with Real Property Negotiators/Property: APNs: 261-122-004; 261-122-005; 261-122-006; and 261-122-007. Agency Negotiator: John Lollis. Negotiating Parties: City of Porterville and Cornerstone Main Partners LP. Under Negotiation: Terms and Price.
- 2** - Government Code Section 54956.8 – Conference with Real Property Negotiators/Property: Address: APN: 253-192-010. Agency Negotiator: John Lollis. Negotiating Parties: City of Porterville and SM Transit. Under Negotiation: Terms and Price.
- 3** - Government Code Section 54956.95 – Liability Claim: Claimant: Celeste Bernardino by and through her guardian ad litem Argelia Reynosa. Agency claimed against: City of Porterville.
- 4** - Government Code Section 54957.6 – Conference with Labor Negotiator. Agency Negotiator: John Lollis. Employee Organizations: All Unrepresented Management Employees.
- 5** - Government Code Section 54956.9(d)(1) – Conference with Legal Counsel – Existing Litigation: John Duran v. City of Porterville, Tulare County Superior Court Case No. VCU 271986.
- 6** - Government Code Section 54956.9(d) (3) – Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation: Two cases in which facts are not yet known to potential plaintiffs.
- 7** - Government Code Section 54956.9(d)(4) – Conference with Legal Counsel – Anticipated Litigation – Initiation of Litigation: Three cases.

**6:30 P.M. RECONVENE OPEN SESSION AND REPORT ON
REPORTABLE ACTION TAKEN IN CLOSED SESSION**

Pledge of Allegiance Led by Vice Mayor Brian Ward
Invocation

PROCLAMATIONS

America Recycles Week - November 11-17, 2018

PRESENTATIONS

Employee of the Month - Marcial Morales
Certificate of Recognition - Josue Topete
Outstanding Business - Bob Ruffa Electric

AB 1234 REPORTS

This is the time for all AB 1234 reports required pursuant to Government Code § 53232.3.

1. Tulare County Economic Development Corp. (TCEDC) - October 25, 2018
2. Tulare County Task Force on Homelessness - October 17, 2018
3. Eastern Tule Groundwater Sustainability Agency - November 1, 2018

STAFF INFORMATIONAL REPORTS

This is the time for all staff informational items.

1. Golf Course 1st Quarter Report - FY 2018/19
2. OHV Park 1st Quarter Report - FY 2018/19
3. Building Permit Activity 1st Quarter Report - FY 2018/19
4. Street Performance Measure 1st Quarter Report - FY 2018/19
5. Code Enforcement Activity 1st Quarter Report - FY 2018/19
6. City Commission/Committee Attendance 1st Quarter Report - FY 2018/2019
7. Report on Charitable Car Washes - 2018 Calendar Year to Date

ORAL COMMUNICATIONS

This is the opportunity to address the Council on any matter of interest, whether on the agenda or not. Please address all items not scheduled for public hearing at this time. Unless additional time is authorized by the Council, all commentary shall be limited to three minutes.

CONSENT CALENDAR

All Consent Calendar Items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made, in which event the item will be removed from the Consent Calendar. All items removed from the Consent Calendar for further discussion will be heard at the end of Scheduled Matters.

1. **City Council Minutes of October 2, 2018, and October 16, 2018**
Re: Considering approval of the draft minutes of October 2, 2018, and October 16, 2018.
2. **Authorization for Emergency Repairs to Restore Supervisory Control And Data Acquisition Communication.**
Re: Considering approval of the Emergency Repairs to Restore Supervisory Control And Data Acquisition Communications, initiation of a Purchase Order and payment to Primex Company in an amount not to exceed \$47,361.
3. **Authorization to Advertise for Bids - Well No. 37 Project**
Re: Considering approval of staff's Plans and Project Manual for Well No. 37 Project (Drilling Phase), located within the southeast corner of Summit Estates Two Subdivision (Smee Homes, Inc.), and authorizing the advertisement for bids on the project.
4. **Authorization to Advertise for Bids - Lighted Crosswalks Project**
Re: Considering approval of staff's Plans and Project Manual for the project consisting of the installation of three (3) high visibility crosswalk warning light systems; authorizing the appropriation of additional Special Gas Tax Funds in the amount of \$89,500 to fully fund the project; and authorizing the Public Works Director to seek proportional reimbursements from the two school districts that have agreed to participate in the project.
5. **Amendment to Carollo Engineer's Service Agreement for Digester 3 Repair**
Re: Considering approval of Addendum No. 1 to Carollo Engineer Service Agreement at an agreed upon fee of \$16,342 for inspection and assessment of Digesters #1 and #4.
6. **Acceptance of Final Map for Trooper Terrace (Jason Moyes - Smee Homes, Inc.)**
Re: Considering approval of the final subdivision map for Trooper Terrace, 17 single family residential lots, located generally along Westwood Street, north of Henderson Avenue, just east of the Porter Creek neighborhood, acceptance of all offers of dedication, and execution of the Subdivision Agreement.
7. **Quarterly Portfolio Summary**
Re: Considering acceptance of a report reflecting the investment portfolio of the City of Porterville as of September 30, 2018.
8. **Financial Status Reports**
Re: Considering acceptance of the interim financial status reports for the first fiscal quarter ended September 30, 2018.
9. **Establishment of Debt Management Policy**
Re: Consideration of a Resolution establishing a Debt Management Policy that is compliant with State requirements as set forth in California Government Code Section 8855(i).

10. Request for Street Closure - Myers' 24th Annual Christmas Tree Memorial Service - December 4, 2018

Re: Considering approval of the closure of "E" Street, between Putnam and Cleveland, on December 4, 2018, from 5:00 p.m. to 9:00 p.m.

11. Status and Review of Declaration of Local Emergency

Re: Considering approval of the continuance of the Declaration of Local Emergency.

A Council Meeting Recess Will Occur at 8:30 p.m., or as Close to That Time as Possible

PUBLIC HEARINGS

12. Adopt 2018 Short Range Transit Plan

Re: Considering adoption of the 2018 Short Range Transit Plan developed to guide the implementation of transit service improvements over the next 5+ years.

ADMINISTRATIVE HEARINGS

13. Appeal of Zoning Administrator Determination 2018-012 - Green Power Motor Company

Re: Consideration of an appeal of Zoning Administrator Determination 2018-012 to deny a Painted on Sign Application proposed by Green Power Motor Company for the facility shared with Pro Document Solutions at 90 W. Poplar Avenue based on the sign exceeding the permitted amount.

SCHEDULED MATTERS

14. Consideration of Appointment to the Arts Commission

Re: Considering the appointment of an individual to serve on the City's Arts Commission.

Adjourn to a joint meeting of the City Council and Porterville Public Improvement Corporation.

CITY COUNCIL AND PORTERVILLE
PUBLIC IMPROVEMENT CORPORATION JOINT MEETING AGENDA
291 N. MAIN STREET, PORTERVILLE, CA 93257
NOVEMBER 6, 2018

Roll Call: Members/Mayor; Directors/President

WRITTEN COMMUNICATION

ORAL COMMUNICATIONS

JOINT MEETING SCHEDULED MATTERS

15. Consider Resolutions Approving the Form and Authorizing the Execution of Certain Installment Sale Financing Documents in Connection with the Refunding of the Outstanding Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A

Re: Consideration of resolutions approving the form and authorizing the execution of certain required financing documents to refinance the outstanding Porterville Public Financing Authority Sewer Revenue Bonds, Series 2011.

Adjourn to a meeting of the Porterville City Council.

ORAL COMMUNICATIONS

OTHER MATTERS

CLOSED SESSION

Any Closed Session Items not completed prior to 6:30 p.m. will be considered at this time.

ADJOURNMENT - to the meeting of November 20, 2018.

In compliance with the Americans with Disabilities Act and the California Ralph M. Brown Act, if you need special assistance to participate in this meeting, or to be able to access this agenda and documents in the agenda packet, please contact the Office of City Clerk at (559) 782-7464. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting and/or provision of an appropriate alternative format of the agenda and documents in the agenda packet.

Materials related to an item on this Agenda submitted to the City Council after distribution of the Agenda packet are available for public inspection during normal business hours at the Office of City Clerk, 291 North Main Street, Porterville, CA 93257, and on the City's website at www.ci.porterville.ca.us.



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: 1. Golf Course 1st Quarter Report - FY 2018/19

SOURCE: Parks and Leisure Services

COMMENT: At the request of the City Council, staff is providing a report on participation numbers at the Porterville Golf Course for informational purposes. The report reflects the First Quarter FY 2018/19.

RECOMMENDATION: Information only

ATTACHMENTS: 1. Golf Course 1st Quarter FY 18-19

Appropriated/Funded:

Review By:

Department Director:

Donnie Moore, Parks and Leisure Services Director

Final Approver: John Lollis, City Manager

PORTERVILLE GOLF COURSE STATISTICS

	Jul-17	Jul-18	Aug-17	Aug-18	Sep-17	Sep-18
Golfers	1533	1434	1553	1749	1198	1825
Repeat 9/Twilight	340	661	299	772	289	957
Tickets Used	727	561	775	687	595	637
Passes Sold	57	30	53	37	42	42
Carts	684	828	613	949	462	1086
Total	\$14,401.00	\$12,256.00	\$14,302.00	\$14,804.00	\$12,248.00	\$15,987.00

FOOTGOLF

	Jul-17	Jul-18	Aug-17	Aug-18	Sep-17	Sep-18
18-hole adult	0	0	0	0	7	40*
18-hole youth	0	0	0	0	6	0
Cart rental	0	0	0	0	0	0
Ball rental	0	0	0	0	0	0
Party	0	0	0	0	0	0
Total	\$ -	\$ -	\$ -	\$ -	\$ 100.00	\$ 400.00

GRAND TOTAL	\$14,401.00	\$12,256.00	\$14,302.00	\$14,804.00	\$12,348.00	\$16,387.00
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- * **Repeat 9:** Additional 9 rounds after first 9
- * **Twilight:** Afternoon discount rate
- * **Tickets:** Surcharge with monthly play pass \$1.00 9-hole, \$2.00 18-hole
- * **Passes:** Monthly Passes sold

July 2018

General Play

August 2018

General Play

September 2018

- During the month of September the golf course offered a discount for active duty and veteran military members. Fire, Police and Sheriff personnel were also eligible for the discount. The offer brought in 40 participants.

Special Events and Clinics

- On September 17th, the golf course hosted The Corporate Games Footgolf Competition which had 40 participants.

* 7-holes



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: 2. OHV Park 1st Quarter Report - FY 2018/19

SOURCE: Parks and Leisure Services

COMMENT: At the request of the City Council, staff is providing a report on participation numbers at the Porterville OHV Park for informational purposes. The report reflects the First Quarter FY 2018/19.

RECOMMENDATION: Information only

ATTACHMENTS: 1. OHV Park 1st Quarter FY 18-19

Appropriated/Funded:

Review By:

Department Director:

Donnie Moore, Parks and Leisure Services Director

Final Approver: John Lollis, City Manager

PORTERVILLE OHV RIDERSHIP

		Jul-17	Jul-18		Aug-17	Aug-18		Sep-17	Sep-18	
Riders		79	226		176	141		141	173	
Revenue		\$1,634.00	\$4,345.00		\$4,611.00	\$2,704.00		\$2,550.00	\$3,132.00	



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: 3. Building Permit Activity 1st Quarter Report - FY 2018/19

SOURCE: Public Works

COMMENT: The Building Permit Activity Report (BPAR) presented herein to the City Council covers the months of July, August, and September 2018. The two main categories include new residential permits issued and new commercial permits issued.

1st Quarter of FY 2018/2019 compared to 1st Quarter of FY 2017/2018

New residential permits issued during the 1st quarter of the 2018/2019 fiscal year (13) are up 30% from the 1st quarter of the 2017/2018 year (10). New commercial permits issued during the 1st quarter of the 2018/2019 fiscal year (0) are down 100% from the same period of the 2017/2018 fiscal year (1).

RECOMMENDATION: Informational Only

ATTACHMENTS:

1. July 2018 Permit Totals
2. August 2018 Permit Totals
3. September 2018 Permit Totals

Appropriated/Funded:

Review By:

Department Director:

Mike Reed, Acting Public Works Director

Final Approver: John Lollis, City Manager

CITY OF PORTERVILLE - BUILDING DIVISION
REPORT FOR THE PERIODS OF
7/1/2017 - 7/31/2017 AND
7/1/2018 - 7/31/2018

PERMIT	NUMBER OF PERMITS ISSUED				ACTUAL VALUATION OF PERMITS ISSUED				BUILDING FEES TOTALS FOR PERMITS ISSUED			
	JULY 2018	JULY 2017	THIS YEAR TO DATE	LAST YEAR TO DATE	JULY 2018	JULY 2017	THIS YEAR TO DATE	LAST YEAR TO DATE	JULY 2018	JULY 2017	THIS YEAR TO DATE	LAST YEAR TO DATE
NEW RESID	1	4	1	4	60,000	1,369,456	60,000	1,369,456	2,407	12,822	2,407	12,822
NEW COMM	0	1	0	1	0	2,400,000	0	2,400,000	0	10,964	0	10,964
RESID IMPROV	22	16	22	16	161,448	504,178	161,448	504,178	7,260	5,455	7,260	5,455
COMM IMPROV	6	6	6	6	321,213	288,000	321,213	288,000	5,114	6,408	5,114	6,408
OTHER	19	31	19	31	227,314	344,775	227,314	344,775	3,774	5,969	3,774	5,969
ELECT	18	16	18	16	197,198	225,280	197,198	225,280	3,271	3,149	3,271	3,149
PLUMB	41	33	41	33	0	20,600	0	20,600	6,529	5,847	6,529	5,847
TOTALS	107	107	107	107	967,173	5,152,289	967,173	5,152,289	28,355	50,614	28,355	50,614

	NEW DWELLING UNITS TOTALS			
	JULY 2018	JULY 2017	THIS YEAR TO DATE	LAST YEAR TO DATE
SINGLE FAMILY	1	4	1	4
TOTAL	1	4	1	4


 CHIEF BUILDING OFFICIAL

CITY OF PORTERVILLE - BUILDING DIVISION
REPORT FOR THE PERIODS OF
7/1/2017 - 8/31/2017 AND
7/1/2018 - 8/31/2018

PERMIT	NUMBER OF PERMITS ISSUED				ACTUAL VALUATION OF PERMITS ISSUED				BUILDING FEES TOTALS FOR PERMITS ISSUED			
	AUGUST 2018	AUGUST 2017	THIS YEAR TO DATE	LAST YEAR TO DATE	AUGUST 2018	AUGUST 2017	THIS YEAR TO DATE	LAST YEAR TO DATE	AUGUST 2018	AUGUST 2017	THIS YEAR TO DATE	LAST YEAR TO DATE
NEW RESID	7	4	8	8	1,671,214	1,074,778	1,731,214	2,444,234	16,767	11,571	19,174	24,394
NEW COMM	0	0	0	1	0	0	0	2,400,000	0	0	0	10,964
RESID IMPROV	12	13	34	29	146,585	83,709	308,033	587,887	4,856	5,023	12,116	10,478
COMM IMPROV	8	4	14	10	587,000	361,041	908,213	649,041	7,416	2,526	12,529	8,933
OTHER	25	34	44	65	285,440	274,562	512,754	619,337	4,974	6,670	8,748	12,639
ELECT	30	27	48	43	320,539	348,322	517,737	573,602	5,359	4,772	8,630	7,921
PLUMB	75	52	116	85	2,400	5,000	2,400	25,600	11,181	7,571	17,710	13,418
TOTALS	157	134	264	241	3,013,178	2,147,412	3,980,351	7,299,701	50,552	38,133	78,907	88,746

	NEW DWELLING UNITS TOTALS			
	AUGUST 2018	AUGUST 2017	THIS YEAR TO DATE	LAST YEAR TO DATE
SINGLE FAMILY	7	4	8	8
TOTAL	7	4	8	8


 CHIEF BUILDING OFFICIAL

CITY OF PORTERVILLE - BUILDING DIVISION
REPORT FOR THE PERIODS OF
7/1/2017 - 9/30/2017 AND
7/1/2018 - 9/30/2018

PERMIT	NUMBER OF PERMITS ISSUED				ACTUAL VALUATION OF PERMITS ISSUED				BUILDING FEES TOTALS FOR PERMITS ISSUED			
	SEPTEMBER 2018	SEPTEMBER 2017	THIS YEAR TO DATE	LAST YEAR TO DATE	SEPTEMBER 2018	SEPTEMBER 2017	THIS YEAR TO DATE	LAST YEAR TO DATE	SEPTEMBER 2018	SEPTEMBER 2017	THIS YEAR TO DATE	LAST YEAR TO DATE
NEW RESID	5	2	13	10	1,556,750	491,865	3,287,964	2,936,099	11,968	4,847	31,141	29,241
NEW COMM	0	0	0	1	0	0	0	2,400,000	0	0	0	10,964
RESID IMPROV	14	9	48	38	129,194	105,141	437,227	693,028	5,313	3,005	17,429	13,483
COMM IMPROV	3	5	17	15	1,050,736	35,000	1,958,949	684,041	18,263	2,533	30,792	11,467
OTHER	22	28	66	93	218,042	323,870	730,796	943,207	3,955	5,454	12,703	18,093
ELECT	22	15	70	58	479,440	176,769	997,177	750,371	4,470	2,644	13,100	10,565
PLUMB	36	36	152	121	14,500	0	16,900	25,600	4,327	5,444	22,037	18,862
TOTALS	102	95	366	336	3,448,662	1,132,645	7,429,013	8,432,346	48,296	23,928	127,203	112,674

	NEW DWELLING UNITS TOTALS			
	SEPTEMBER 2018	SEPTEMBER 2017	THIS YEAR TO DATE	LAST YEAR TO DATE
SINGLE FAMILY	5	2	13	10
TOTAL	5	2	13	10


 CHIEF BUILDING OFFICIAL



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: 4. Street Performance Measure 1st Quarter Report - FY 2018/19

SOURCE: Public Works

COMMENT: The purpose of this staff report is to provide Council with an update on progress made on street reconstruction/rehabilitation, overlay, micro-surfacing, and pothole repair efforts for the 1st quarter (July, August, September) of FY 2018/2019. For Council's information, the light blue bar represents staff's estimated quantity of "work" for each category for the fiscal year. The black overlaid bar represents the quantity of work accomplished to date.

City street crews have focused on the local road overlay program during this reporting period, as well as routine pothole repairs. The major reconstruction of Henderson Avenue from Indiana Street to Jaye Street is still in bidding phase due to amendments to the design. The first phase of Plano Street Micro-Surfacing Project between Vandalia Avenue and Henderson Avenue has been under construction throughout this reporting period, with 90% of the dig out and repairs completed. Removal and replacement of water mains, structural repairs, curb returns and other related improvements are complete. Micro-Surfacing of Plano Street, second phase, will follow shortly after the completion of the first phase. The Barn Theater parking lot will be repaired and resurfaced as part of both phases of this project as well. The reconstruction of Main Street between Morton Avenue and Olive Avenue is under design. Staff is focusing on designing and constructing the first phase of this project during this fiscal year, which will be the underground infrastructure. The attachment does not reflect the Main Street project. Orange Avenue from Main Street to Plano Street and Henderson Avenue from Newcomb Street to Patsy street are this year's SB1 projects and are under construction, with all of the concrete improvements completed thus far.

Other projects slated for this fiscal year are: 1) Henderson Avenue from Second Street to Plano Street; 2) Henderson Avenue from Balmayne Drive to Patsy Street; and 3) Newcomb Street from Olive Avenue to Morton Avenue, all of which are in the conceptual/preliminary design stage.

RECOMMENDATION: Informational Only.

ATTACHMENTS: 1. Street Performance Measure - 1st Quarter Report

Appropriated/Funded:

Review By:

Department Director:

Mike Reed, Acting Public Works Director

Final Approver: John Lollis, City Manager

1st QUARTER REPORT - July 1, 2018 - September 30, 2018



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: 5. Code Enforcement Activity 1st Quarter Report - FY 2018/19

SOURCE: Fire

COMMENT: This informational report utilizes data from the “myPorterville” application for tracking code enforcement activity between July 1 and September 30, 2018. During this 1st quarter of fiscal year 2018/2019, each department of the City contributed toward recording 991 code enforcement issues. Of these, 824 were corrected and 167 were continued into the 2nd quarter of 2018/2019 for additional corrective action. The Code Enforcement Division issued 90 Administrative Citations. Code Enforcement was responsible for abating 48 vehicles this quarter.

RECOMMENDATION:

ATTACHMENTS: 1. Code Enforcement FY 18-19 Q1

Appropriated/Funded:

Review By:

Department Director:

Final Approver: John Lollis, City Manager

Code Enforcement Report, Quarter 1, FY 18-19

Q4 Code Enforcement Activity	# Requests	# Completed	% Closed
Abandoned Vehicle (Street)	36	36	100.00%
Animals- agricultural animals	2	2	100.00%
Animals- barking dogs	11	11	100.00%
Animals- keeping too many or unauthorized species	3	3	100.00%
Animals- roosters	1	1	100.00%
Anonymous Crime Tip	5	5	100.00%
Building Department/ Permits	10	3	30.00%
Business License Inquiries	2	0	0.00%
Can Replacement / Repair	17	17	100.00%
CEO, Building permit check	5	5	100.00%
CEO, Business License	1	1	100.00%
CEO, Shopping Carts	7	7	100.00%
CEO, Sign Removal	24	24	100.00%
Code Enforcement, General	20	13	65.00%
Community Development, General or MULTIPLE violations	1	0	0.00%
Engineering	16	1	6.25%
Fences and freestanding walls	2	0	0.00%
Fire Hazard	5	4	80.00%
Fire Lane Blocked	1	0	0.00%
Garbage Collection/ Illegal Dumping	11	3	27.27%
Graffiti	1	1	100.00%
Health Hazard	8	4	50.00%
Housing Issue (Structure Related)	1	0	0.00%
Itinerant Vendor, Solicitor, Peddler	6	6	100.00%
Landscaping/trees- private property	5	4	80.00%
Meter Request	112	64	57.14%
Neglected property/trash & debris	22	5	22.73%
Outdoor Storage	6	0	0.00%
Parks	6	6	100.00%
Police/ Traffic Enforcement	39	39	100.00%
Potholes	14	13	92.86%
Report Leak	20	13	65.00%
Sidewalk Condition	3	0	0.00%
Signs- illegal/prohibited	1	0	0.00%
Signs- in public right of way	1	1	100.00%
Stop Light Issue	3	3	100.00%
Street Light Issue	7	4	57.14%
Transit Department	1	1	100.00%
Vehicles- inoperable vehicles	36	22	61.11%

Administrative Citations	Q1	Q2	Q3	Q4	Total
\$100	28				\$2,800
\$200	10				\$2,000
\$500	16				\$8,000
\$1,000	10				\$10,000
\$1,500	26				\$39,000
FY 18-19 Total Assesment					\$61,800

Shopping Carts	Q1	Q2	Q3	Q4	Total
Collected	180				180
Disposed	0				

Private Property Vehicle Abatements	Q1	Q2	Q3	Q4	Total
Voluntary Abatement	43				43
Certified Voluntary Abatement	2				2
Towed	3				3
Total Vehicles Abated	48				48

Weed Abatement	Q1	Q2	Q3	Q4	Total
Properties Noticed	14				14
Completed by Owner	824				824
Assigned to Contractor (private)	3				3
Assigned to Contractor (city owned)	0				0
Completed by Contractor	3				3
Admin Citations	12				12

Code Enforcement Report, Quarter 1, FY 18-19

Vehicles- Parked on lawn	7	5	71.43%
Vehicles- RVs/boats/etc	21	15	71.43%
Water Waste	17	13	76.47%
Water Waste Admin Cite	39	39	100.00%
Water Waste NOV	405	405	100.00%
Weed Abatement	14	10	71.43%
Yard Sale Signage	14	14	100.00%
Yard Sale Signage	2	1	50.00%
Q1 Total	991	824	83.15%



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: 6. City Commission/Committee Attendance 1st Quarter Report - FY 2018/2019

SOURCE: Administrative Services

COMMENT: Staff herein provides for Council's information attendance reports as of the 1st Quarter FY 2018/19 for the following City Commissions and Committees:

- Parks & Leisure Services Commission
- Library & Literacy Commission
- Arts Commission
- Animal Control Commission
- Transactions and Use Tax (Measure H) Oversight Committee
- CDBG Advisory & Housing Opportunity Committee

RECOMMENDATION:

- ATTACHMENTS:
1. P&L Attendance
 2. Library & Literacy Attendance
 3. Arts Commission
 4. Animal Control Commission
 5. TUTOC Attendance
 6. CDBG Citizens' Advisory

Appropriated/Funded:

Review By:

Department Director:

Patrice Hildreth, Administrative Services Dir

Final Approver: John Lollis, City Manager

PARKS & LEISURE SERVICES COMMISSION
ATTENDANCE RECORDS

September 30, 2018

Parks & Leisure Services Commissioner's Record of Attendance

	2018	2018	2018	2018	2018	2018	2019	2019	2019	2019	2019	2019	
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
	5	2	6										
Rocco Calantone	**	**	E										
Richard Rankin	**	**	P										
Rachel Lucero	**	**	A										
Carrol Land	**	**	P										
Phillip Duncan	**	**	P										
Diane Graybehl	**	**	P										
Kieran Daly	**	**	E										

**No meeting held. * Due to lack of quorum, an informal discussion only took place.
P = Present; E = Excused Absence; A = Absent; T = Tardy

Parks & Leisure Services Commissioner's Record of Attendance

	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
		3	7	4	1	6							
Rocco Calantone	**	P	P	P	P	P	P	P	A	P	P	P	
Monte Moore	**	P	P	P	Term Expired 10/17								
Leticia Lupio-Devine	**	P	A	P	Term Expired 10/17								
Rick Vafeades	**	P	P	P	Term Expired 10/17								
Richard Rankin	**	P	P	P	P	P	P	P	P	A	P	A	
Rachel Lucero	**	A	A	P	P	A	A	A	P	P	P	A	
Carrol Land	**	P	P	P	P	P	P	P	P	P	P	P	
Phillip Duncan	Appointed 10/17				P	P	P	P	P	P	P	P	
Diane Graybehl	Appointed 10/17				A	P	P	P	P	P	A	P	
Kieran Daly	Appointed 10/17				P	P	P	P	P	A	A	P	

**No meeting held. * Due to lack of quorum, an informal discussion only took place.
P = Present; E = Excused Absence; A = Absent; T = Tardy

Parks & Leisure Services Commissioner's Record of Attendance

	2016	2016	2016	2016	2016	2016	2017	2017	2017	2017	2017	2017	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
	7	11	1	6	3	8	5	2	2	6	4	1	
Rocco Calantone	**	P	E	P	P	P	P	E	E	P	P	**	FT Exp 10/19
Monte Moore	**	E	P	P	P	P	P	P	P	P	E	**	FT Exp 10/17
Leticia Lupio-Devine	**	P	E	P	P	P	E	P	P	P	P	**	FT Exp 10/17
Rick Vafeades	**	P	P	P	P	E	E	P	P	P	P	**	FT Exp 10/17
Richard Rankin	**	P	P	P	P	P	P	P	P	E	P	**	PUSD Rep.
Carroll Land	**	E	E	P	P	P	P	P	P	P	P	**	FT Exp 10/19
Rachel Lucero	**	P	P	E	P	P	A	P	P	P	P	**	FT Exp 10/19
Shannon Bennett	**	A	Resigned										

**No meeting held. * Due to lack of quorum, an informal discussion only took place.
P = Present; E = Excused Absence; A = Absent; T = Tardy

LIBRARY & LITERACY COMMISSION - Attendance Record

As of: September 30, 2018

P = Present; A = Absent; E = Excused absence; T = Tardy

 = Summer Hiatus

	2018 May 8	2018 June	2018 July	2018 Aug 14	2018 Sept 11	2018 Oct 9	2018 Nov	2018 Dec	2019 Jan	2019 Feb	
Catherine May	P			P	P						
Allan Bailey	P			P	P						
Esther Figueroa	P			P	E						
Tamara Bishop-Mitchell	P			P	P						
Edith La Vonne	P			P	P						
Jennifer Biagio	E			E	E						
Patience Christenson	P			E	E						

	2017 July	2017 Aug 8	2017 Sept 12	2017 Oct 10	2017 Nov 14	2017 Dec 12	2018 Jan 9	2018 Feb 13	2018 Mar 13	2018 Apr 10	
Catherine May		A	P	P	P	P	P	P	P		
Allan Bailey		P	P	P	P	P	P	P	P		
Esther Figueroa		P	P	P	P	P	P	P	P		
Tamara Bishop-Mitchell		P	P	P	P	P	P	P	P		
Edith La Vonne		P	P	P	E	E	P	P	P		
Jennifer Biagio		P	E	E	E	A	P	E	E		
Patience Christenson		A	P	P	P	E	P	P	P		

	2016 Sept 13	2016 Oct 11	2016 Nov 8	2016 Dec 13	2017 Jan 10	2017 Feb 14	2017 Mar 14	2017 April 11	2017 May 9	2017 June	
Catherine May	P	P	P	P	P	P	P	P	P		Re-appt. 10/16
Allan Bailey	P	P	P	P	P	P	P	P	P		Re-appt. 10/15
Esther Figueroa	P	P	P	P	P	P	P	E	P		Re-appt. 10/15
Tamara Bishop-Mitchell	E	E	P	P	P	E	P	P	P		Re-appt. 10/16
Edith La Vonne	T	P	P	E	E	P	P	P	P		Re-appt. 10/15
Jennifer Biagio	P	P	P	P	P	E	E	E	E		Re-appt. 10/16
Patience Christenson	E	P	P	P	P	P	P	P	E		Re-appt. 10/15

	2015 Nov 10	2015 Dec 8	2016 Jan 12	2016 Feb 9	2016 Mar 8	2016 Apr 12	2016 May 10	2016 June	2016 July	2016 Aug 9	
Catherine May	P	P	P	P	P	P	E			P	Re-appt. 10/13
Allan Bailey	P	P	P	P	P	P	P			P	Re-appt. 10/15
Esther Figueroa	P	P	P	P	P	P	P			P	Re-appt. 10/15
Tamara Bishop	P	P	P	P	P	T	P			P	Re-appt. 10/13
Edith La Vonne	E	P	P	P	P	P	P			P	Re-appt. 10/15
Jennifer Biagio	E	E	P	E	P	P	P			E	Appt. 10/13
Patience Christenson	P	P	P	P	E	E	E			P	Re-appt. 10/15

**Arts Commission
Attendance Records**

As of: September 30, 2018

	2018 23-May	2018 27-Jun	2018 11-Jul	2018 25-Jul	2018 22-Aug	2018 26-Sep	2018 24-Oct	2018	
Donna Serna	*	A	P	A	*	*			
Mariza Serrano	*	P	P	P	*	*			
Dalia Gonzalez	*	A	A	A	*	*			(Student member)
Nilsa Cubiascanas	*	P	P	A	*	*			
Kyree Perkins	*	P	A	P	*	*			
Emily Luna	*	P	A	P	*	*			

* No meeting due to lack of quorum.

	2017 27-Sep	2017 25-Oct	2017 15-Nov	2017 13-Dec	2018 17-Jan	2018 28-Feb	2018 28-Mar*	2018 25-Apr	
Donna Serna	P	P	*	P	P	*	A		
Mariza Serrano	P	P	*	P	P	*	P		
Dalia Gonzalez	P	P	*	A	P	*	P		
Nilsa Cubiascanas	P	P	*	P	P	*	P		Apptd 9/2017 thru 7/2019
Kyree Perkins	P	P	*	A	P	*	A		Apptd 9/2017 thru 7/2019
Emily Luna		P	*	A	P	*	A		Apptd 10/2017 thru 7/2019

* No meeting due to lack of quorum.

At the Dec. 13 meeting, discussion only took place as there was not a quorum.

	2017 26-Apr	2017 24-May	2017 28-Jun	2017	2017	2017	2017	2017	
Deana Worthington	*	*	*	Term expired.					
Joan Givan	*	*	*	Term expired.					
Judith Halloway	*	*	*	Term expired.					
Mel Gosage	*	*	*	Term expired.					
Donna Serna	*	*	*	*	*	*	*	*	Reappted 7/18/17
Hector Marquez	*	*	*	Term expired.					
Mariza Serrano	Appted 7/18/17			*	*	*	*	*	Appted to 3-yr term.
Dalia Gonzalez	Appted 7/18/17			*	*	*	*	*	Appted to 1-yr youth term.

* No meeting due to lack of quorum.

	2016 24-Aug	2016 14-Sep	2016 26-Oct	2016 23-Nov	2016 28-Dec	2017 25-Jan	2017 22-Feb	2017 22-Mar	
Deana Worthington	P	P	*	*	*	*	*	P	
Joan Givan	P	P	*	*	*	*	*	P	
Judith Halloway	P	P	*	*	*	*	*	P	
Mel Gosage	A	P	*	*	*	*	*	A	
Donna Serna	P	P	*	*	*	*	*	P	
Hector Marquez	A	A	*	*	*	*	*	A	
Vacant									

* No meeting due to lack of quorum.

**Animal Control Commission
Attendance Records**

As of: September 30, 2018

	2018 9-Apr	2018 14-May	2018 11-Jun	2018 9-Jul	2018 20-Aug	2018 10-Sep	2018 8-Oct	Notes:
Daniel Penaloza	*	*	*	*	P	*		
Florenza Pizanis	*	*	*	*	P	*		
Valerie Simonich	*	*	*	*	P	*		
Jerry Hall	*	*	*	*	P	*		

*Meeting cancelled due to lack of quorum.

	2017 11-Sep	2017 9-Oct	2017 13-Nov	2017 11-Dec	2018 8-Jan	2018 12-Feb	2018 12-Mar	Notes:
Daniel Penaloza	P	P	*	*	P	*	*	
Florenza Pizanis	P	P	*	*	P	*	*	
Maritza Altamirano	P							
Gabriel Castaneda	P	P	*	*	P			

*Meeting cancelled due to lack of quorum.

	2017 13-Feb	2017 13-Mar	2017 10-Apr	2017 8-May	2017 12-Jun	2017 10-Jul	2017 14-Aug	Notes:
Margaret Land	P	P	P	P				<i>Resigned.</i>
Daniel Penaloza	A	P	A	P	*	P	A	
Florenza Pizanis	P	P	P	P	*	P	P	
Maritza Altamirano	P	P	P	P	*	P	P	
Richard Stadtherr	P							<i>Appointment rescinded 2/21</i>
Gabriel Castaneda						P	P	<i>Apptd July 2017.</i>

*Meeting cancelled due to lack of quorum.

	2016 11-Jul	2016 8-Aug	2016 9-Sep	2016 10-Oct	2016 14-Nov	2016 12-Dec	2017 9-Jan	Notes:
Margaret Land	A	P	P	P	P	P	P	
Daniel Penaloza	P	P	P	P	A	P	P	
Florenza Pizanis	P	P	P	P	P	P	P	
Maritza Altamirano	P	P	P	P	P	P	P	
Richard Stadtherr	P	P	P	P	P	P	P	

	2016 7-Mar	2016 4-Apr	2016 18-Apr	2016 12-May	2016 16-May	2016 6-Jun	2016 20-Jun	Notes:
Maureen Hamilton	A	A	*	A	*	*	*	<i>Resigned 05/16.</i>
Margaret Land	P	P	*	P	*	*	*	
Debbie Arthur	P	P	*	P	*	*	*	<i>Resigned 05/16.</i>
Melanie Huerta	P	P	*	P	*	*	*	<i>Resigned 05/16.</i>
Daniel Penaloza		P	*	P	*	*	*	

*Meeting cancelled due to lack of quorum.

**Transactions and Use Tax Oversight Committee
Attendance Records**

As of: September 30, 2018

	2017 28-Feb	2017 23-May	2017 29-Aug	2017 14-Nov	2018 Feb 13*	2018 10-May	2018 28-Aug	
John Simonich	P	A	A	P	P	A	P	
Margaret Stinson	P	P	P	P	A	P	P	
Kathleen "Kat" Harris	P	P	P	P	A	P	P	
Russell "Buck" Fletcher	P	A	P	A	A	P	P	
Titus Moore								<i>Resigned</i>
Richard Stadtherr								<i>Appointment rescinded 2/21</i>
John Angell	P	P	A	P	A	P	P	<i>Appointed 2/7</i>
Mike Boudreaux Sr.	P	P	P	P	P	P	A	<i>Appointed 2/7</i>
Jerry Claborn	P	P	P	P	P	P		<i>Term ended</i>
Virginia Gurrola	P	P	P	P	P	P	P	<i>Appointed 2/21</i>
John Billiou			A	A	A	A	P	<i>Appointed 7/17</i>
Jerry Hall							P	<i>Appointed 7/18</i>
Janice Kovars							P	<i>Appointed 7/18</i>

* No meeting was held due to lack of quorum.

	2015 8-Oct	2015 18-Nov	2016 11-Feb	2016 12-May	2016 30-Jun	2016 25-Aug	2016 22-Nov	
Khris Saleh	A	A	A	**	<i>Term ended</i>			
John Simonich	P	A	P	**	P	P		
Raheel Mann	A	A	A	**	<i>Resigned</i>			
Gail Lemmen	P	P	P	**	<i>Term ended</i>			
Margaret Stinson	P	P	P	**	P	P		
Janet Meister	P	P	A	**	<i>Term ended</i>			
Kathleen "Kat" Harris	P	P	P	**	P	P		
Russell "Buck" Fletcher	P	P	P	**	P	P		
Salvador Estrada, Jr.	P	A	P	**	<i>Term ended</i>			
Titus Moore					P	P		
Richard Stadtherr					P	A		

	2014 7-Aug	2014 22-Oct	2014 12-Nov	2015 14-Jan	2015 11-Feb	2015 6-May	2015 25-Jun	
Khris Saleh	A	P	P	P	P	P	A	
John Simonich	P	P	A	A	P	P	P	
Raheel Mann	P	P	A	A	P	A	A	
Gail Lemmen	P	P	P	P	P	P	P	
Margaret Stinson	P	P	P	P	P	P	P	
Janet Meister	P	A	P	A	P	P	P	
Bill Nebeker	A	A	<i>Resigned effective 10/30/14</i>					
Kathleen "Kat" Harris	P	P	P	P	A	P	P	
Russell "Buck" Fletcher	P	P	P	P	P	P	P	
Salvador Estrada, Jr.	A	P	P	P	P	P	P	

** No meeting held due to lack of quorum.

	2013** 23-May	2013** 30-May	2013 13-Jun	2013 8-Aug	2013 7-Nov	2014 13-Mar	2014 1-May	
Gary Mekeel	-	-	A	A	<i>Resigned effective 8/13/13</i>			
Khris Saleh	-	-	A	P	P	A	P	<i>Apptd 04/2010 thru 05/2012</i>
Charles Webber	-	-	P	<i>Resigned effective 6/30/13</i>				
John Simonich	-	-	A	P	P	P	P	<i>Apptd. 01/2011 thru 05/2014.</i>
Michael MacDonald	-	-	P	P	P	P	P	<i>Apptd 01/2011 thru 05/2014.</i>
Gail Lemmen	-	-	P	P	P	P	A	<i>Apptd 09/2010 thru 05/2012.</i>
John Dennis	-	-	P	P	P	P		<i>Resigned 3/2014.</i>
Margaret Stinson	-	-	P	A	P	P	A	<i>Apptd 05/2012.</i>
Janet Meister	-	-	P	P	P	P	P	<i>Apptd 08/2012.</i>
Bill Nebeker	-	-	A	P	P	P	A	<i>Apptd. 02/12.</i>
Kathleen "Kat" Harris	<i>Appt. 6/30/13</i>			P	P	P	A	
Russell "Buck" Fletcher	<i>Appt. 8/2013</i>				P	P	P	

** No meeting held due to lack of quorum.

**CDBG Citizens' Advisory and Housing Opportunity Committee
Attendance Records**

As of: September 30, 2018

Committee Member	Reg. Mtg 4/27/2015	Reg. Mtg 3/28/2016	Reg. Mtg 3/1/2017	Reg. Mtg 2/28/2018	Reg. Mtg
Pat Contreras	P	A	P	P	
Linda Mendez	P	A	P	P	
Grace Munoz-Rios	P	P	P	P	
Doug Heusdens	P	P	P	P	
Rebecca Vigil	P	P	A	P	
Kelle Jo Lowe	P	P	P	P	
Maria Gonzalez	P	A	P	P	

Committee Member	Year Originally Appointed	Reg. Mtg 3/14/2011	Reg. Mtg 3/12/2012	Reg. Mtg 3/11/2013	Reg. Mtg 3/10/2014
Pat Contreras	1988	P	P	P	P
Linda Olmedo	1997	P	P	P	P
Grace Munoz-Rios	1992	P	P	P	A
Doug Heusdens	2012	N/A	P	P	P
John Dennis	1998	P	P	A	P
Rebecca Vigil	2008	P	P	A	P
Kelle Jo Lowe	2009	P	P	P	P

This Committee typically meets on an annual basis in March.



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: 7. Report on Charitable Car Washes - 2018 Calendar Year to Date

SOURCE: Finance

COMMENT: In accordance with City Council direction, staff is providing a report on charitable car wash permits issued during the year. Article VI, Section 15-130 of the City Code allows up to four car washes by a charitable organization in a calendar year.

For the period of January 1 to September 30, 2018, there were no charitable car wash applications received or permits issued.

RECOMMENDATION: Information only.

ATTACHMENTS:

Appropriated/Funded:

Review By:

Department Director:

Maria Bemis, Finance Director

Final Approver: John Lollis, City Manager



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: City Council Minutes of October 2, 2018, and October 16, 2018

SOURCE: Administrative Services

COMMENT: Staff has prepared the draft Minutes of October 2, 2018, and October 16, 2018 for the Council's review and consideration.

RECOMMENDATION: That the Council approve the draft Minutes of October 2, 2018, and October 16, 2018.

ATTACHMENTS:

1. 2018-10-02 Draft Minutes
2. 2018-10-16 Draft Minutes

Appropriated/Funded:

Review By:

Department Director:

Patrice Hildreth, Administrative Services Dir

Final Approver: Patrice Hildreth, Administrative Services Dir

**CITY COUNCIL MINUTES
CITY HALL, 291 N. MAIN STREET
PORTERVILLE, CALIFORNIA
OCTOBER 2, 2018, 5:30 PM**

Called to Order at 5:34 p.m.

Roll Call: Council Member Monte Reyes, Council Member Martha Flores, Council Member Cameron Hamilton, Vice Mayor Brian Ward, Mayor Milt Stowe

ORAL COMMUNICATIONS

None

CITY COUNCIL CLOSED SESSION:

A. Closed Session Pursuant to:

- 1** - Government Code Section 54956.8 – Conference with Real Property Negotiators/Property: APNs: 261-122-004; 261-122-005; 261-122-006; and 261-122007. Agency Negotiator: John Lollis. Negotiating Parties: City of Porterville and Cornerstone Main Partners LP. Under Negotiation: Terms and Price.
- 2** - Government Code Section 54956.8 -- Conference with Real Property Negotiators/Property: APNs: 252-195-006, 252-195-007, and 252-195-008. Agency Negotiator: John Lollis. Negotiating Parties: City of Porterville and Peters Loyd Funeral Services, Inc. Under Negotiation: Terms and Price.
- 3** - Government Code Section 54957.6 – Conference with Labor Negotiator. Agency Negotiator: John Lollis and Patrice Hildreth. Employee Organizations: Unrepresented Management Employees.
- 4** - Government Code Section 54956.9(d) (3) – Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation: Two cases in which facts are not yet known to potential plaintiff.
- 5** - Government Code Section 54956.9(d)(4) – Conference with Legal Counsel – Anticipated Litigation – Initiation of Litigation: Two cases.

RECONVENED OPEN SESSION AT 6:41 P.M. AND REPORTED ON REPORTABLE ACTION TAKEN IN CLOSED SESSION

City Attorney Lew reported that no reportable action had taken place during Closed Session.

The Pledge of Allegiance was led by Council Member Martha A. Flores.

Invocation -- a moment of silence was observed.

PRESENTATIONS

Employee of the Month - Larry Segovia

AB 1234 REPORTS

This is the time for all AB 1234 reports required pursuant to Government Code § 53232.3.

1. Tulare County Economic Development Corp. (TCEDC) - September 27, 2018
Council Member Reyes reported on acceptance of financial reports, business plan, and support of Measure H.

2. Joint City/School Committee - September 24, 2018

Council Member Flores reported on those in attendance, and discussion pertaining to construction project updates, Safe Routes to School, Active Transportation Plan, LED crosswalk updates, watering schedules, school resource officer program, the proposed community arts festival, homeless navigation center, and the next meeting date of January 7, 2019.

Vice Mayor Ward elaborated on Porterville Unified School District's request to have a modified watering schedule.

3. Council of Cities - September 19, 2018

Council Member Flores reported on those in attendance, approval of minutes, consensus to support Proposition 3, a County Task Force on Homelessness update, and the next meeting date of November 21, 2018.

4. Tulare County Task Force on Homelessness - September 19, 2018

On behalf of City Manager Lollis, Council Member Flores reported on an update on the status of one-time State funding allocated to address homelessness, Task Force potential countywide organizational structures, including the formation of a Joint Power Authority, Task Force Action Plan Recommendations, and the next meeting: Wednesday, October 17th.

In addition, City staff traveled last week to Northern California to visit several examples of homeless services being provided in other communities, which will be helpful in structuring a service model for potentially applying to KTHA for available funding.

5. San Joaquin Valley Air Pollution Control District (SJVAPCD) - September 19-20, 2018

Council Member Reyes reported on review of mission and vision statements, core values, programs, an economic analysis, collaboration with land managers, school engagement, and AB 617.

STAFF INFORMATIONAL REPORTS

None

ORAL COMMUNICATIONS

- Ellen Nichols, Porterville, thanked the Council for their detailed reports.
- Bernard Ochoa stated that he had received a letter regarding apartments being built next to his property.
- Kim Wallace, American Cancer Society Relay for Life, thanked the community for its help with the Relay for Life event and spoke of the event to take place on the 6th.

CONSENT CALENDAR

There were no items pulled from the Consent Calendar for discussion.

COUNCIL ACTION: MOVED by Council Member Cameron Hamilton, SECONDED by Council Member Martha Flores that the City Council approve Items Nos. 1-8. The motion carried unanimously.

1. CITY COUNCIL MINUTES OF JULY 17, 2018

Recommendation: That the Council approve the draft Minutes of July 17, 2018.

Documentation: M.O. 01-100218

Disposition: Approved.

2. AUTHORIZATION TO PURCHASE SPECIALIZED EQUIPMENT -
SUBMERSIBLE MIXERS

Recommendation: That City Council:

1. Award the purchase of one (1) submersible mixer to Flo-Line Technology for a not to exceed amount of \$8,066.82, which includes tax, shipping and 10% contingency;
2. Direct the Finance Director to initiate a Purchase Order for one (1) submersible mixer to Flo-Line Technology for a not to exceed amount of \$8,066.82, which includes tax, shipping and 10% contingency; and
3. Direct the Finance Director to make payment to Flo-Line Technology upon receipt of invoice approved by the Public Works Director.

Documentation: M.O. 02-100218

Disposition: Approved.

3. AUTHORIZATION TO ADVERTISE FOR BIDS - TWO (2) COMPRESSED
NATURAL GAS (CNG) REFUSE VEHICLES

Recommendation: That the City Council:

1. Approve Staff's recommended vehicle specifications; and
2. Authorize Staff to advertise for two (2) CNG refuse vehicles.

Documentation: M.O. 03-100218

Disposition: Approved.

4. SUBLET AIRPORT HANGAR LOT 6

Recommendation: That the City Council authorize the Lessee, Tule River Aero Industries, Inc., to sublet airport hangar Lot 6 at the Porterville Municipal Airport to GreenPower Motor Company, Inc. for a period of one year; and authorize the Mayor to sign the Lessor's Consent to Sublet Airport Hangar Lot No. 6 on behalf of the City.

Documentation: M.O. 04-100218

Disposition: Approved.

5. ANNUAL LIBRARY FOOD FOR FINES CAMPAIGN

Recommendation: That the City Council authorize the Annual Food for Fines Campaign to run October 3 through December 31, 2018.

Documentation: M.O. 05-100218

Disposition: Approved.

6. REQUEST FOR PROCLAMATION - RELAY FOR LIFE DAYS - OCTOBER 6-7, 2018

Recommendation: That the City Council consider approval of the request to proclaim October 6th and 7th as "Relay for Life Days."

Documentation: M.O. 06-100218

Disposition: Approved.

7. REQUEST FOR PROCLAMATION - FRIENDS OF LIBRARIES WEEK - OCTOBER 21-27, 2018

Recommendation: That the City Council consider approval of the request to proclaim October 21 through 27, 2018, as "Friends of Libraries Week."

Documentation: M.O. 07-100218

Disposition: Approved.

8. STATUS AND REVIEW OF DECLARATION OF LOCAL EMERGENCY

Recommendation: That the City Council receive the report of status and review of the Declaration of Local Emergency and determine the need exists to continue said Declaration.

Documentation: M.O. 08-100218

Disposition: Approved.

PUBLIC HEARINGS

9. GENERAL PLAN AMENDMENT AND ZONE CHANGE FOR THE PROPOSED SEQUOIA CIRCLE MULTI-FAMILY RESIDENTIAL PROJECT

Recommendation: That the City Council:

1. Adopt the draft resolution approving a Mitigated Negative Declaration of environmental impact;
2. Adopt the draft resolution approving a General Plan Amendment to change Assessor Parcel Numbers 247-160-037, 047, 048, 049 and 050 from Medium Density Residential to High Density Residential;
3. Approve the draft ordinance approving zone change for Assessor Parcel Numbers 247-160-037, 047, 048, 049 and 050 from CG (General and

- Service Commercial) to RM-3 (High Density Residential), contingent upon adoption of the General Plan Amendment; and
4. Waive further reading of the draft ordinance, approving the Zone Change and order it to print.

Acting City Manager Patrice Hildreth introduced the item, and Community Development Director Jenni Byer presented the staff report.

The Public Hearing was opened at 7:16 p.m.

- Brock Neeley, Porterville resident, spoke in favor of the project.
- Bernardo Ochoa, stated that he owned the neighboring property and inquired about whether the proposed zone change would affect his property.
- Sunny Bahsra stated that he appreciated staff's efforts and made himself available for questions.

The Public Hearing was closed at 7:18 p.m.

A brief discussion followed during which members of the Council inquired about a secondary access point and crosswalks in the area on Henderson Avenue.

COUNCIL ACTION: MOVED by Vice Mayor Brian Ward, SECONDED by Council Member Cameron Hamilton that the City Council adopt the draft resolution approving a Mitigated Negative Declaration of environmental impact; adopt the draft resolution approving a General Plan Amendment to change Assessor Parcel Numbers 247-160-037, 047, 048, 049 and 050 from Medium Density Residential to High Density Residential; approve first reading of the ordinance approving zone change for Assessor Parcel Numbers 247-160-037, 047, 048, 049 and 050 from CG (General and Service Commercial) to RM-3 (High Density Residential), contingent upon adoption of the General Plan Amendment, waive further reading and order it to print. The motion carried unanimously.

Documentation: Resolution No. 71-2018; Resolution No. 72-2018; and Ordinance No. 1844
Disposition: Approved.

ORAL COMMUNICATIONS

None

OTHER MATTERS

- Council Member Flores reported on her attendance at the St Anne's School Auxiliary Fundraiser event and the Filipino Festival; and reminded everyone that October was also Domestic Violence Awareness Month.
- Council Member Hamilton spoke of upcoming Pioneer Days and Rib Cook Off; and lauded Parks and Leisure Services Director Donnie Moore for putting up the chairs and equipment after Music on Main Street events.

- Council Member Reyes reported on an electric bus that was now in service.
- Vice Mayor Ward spoke of his 19 year anniversary; and complimented Parks and Leisure Services Director Moore on median landscape improvements.
- Milt Stowe expressed his excitement about the electric bus as well; spoke of his attendance at the Bells of America ceremony and Sierra View Hospital's Gala; and stated that he hoped to participate in Relay for Life.
- Acting City Manager Patrice Hildreth spoke of the following upcoming events: Coffee with a Cop at Stafford's on Main Street, the Chamber Business Expo, and a public meeting regarding the casino relocation to be held at the Veterans Memorial Building.
- Police Chief Kroutil spoke of the Police Department's participation in the Pink Patch Program, and stated that the proceeds from the sale of patches were to benefit the Roger S. Goode Cancer Treatment Center.

CLOSED SESSION

None

ADJOURNMENT

The Council adjourned at 7:35 p.m. to the meeting of October 16, 2018.

SEAL

Luisa M. Zavala, Deputy City Clerk

Milt Stowe, Mayor

**CITY COUNCIL MINUTES
CITY HALL, 291 N. MAIN STREET
PORTERVILLE, CALIFORNIA
OCTOBER 16, 2018, 5:30 PM**

Call to Order 5:30 p.m.

Roll Call: Council Member Monte Reyes, Council Member Martha A. Flores, Council Member Cameron Hamilton, Vice Mayor Brian Ward (arrived at 5:32 p.m.), Mayor Stowe Milt Stowe

ORAL COMMUNICATIONS

None

CITY COUNCIL CLOSED SESSION:

A. Closed Session Pursuant to:

1 - Government Code Section 54956.8 – Conference with Real Property Negotiators/Property: APNs: 261-122-004; 261-122-005; 261-122-006; and 261-122007. Agency Negotiator: John Lollis. Negotiating Parties: City of Porterville and Cornerstone Main Partners LP. Under Negotiation: Terms and Price.

2 - Government Code Section 54956.8 – Conference with Real Property Negotiators/Property: APN 269-120-010. Agency Negotiator: John Lollis. Negotiating Parties: City of Porterville and Thomas J & Deborah L O'Sullivan Trust. Under Negotiation: Terms and Price.

3 - Government Code Section 54957.6 – Conference with Labor Negotiator. Agency Negotiator: John Lollis. Employee Organizations: All Unrepresented Management Employees.

4 - Government Code Section 54956.9(d) (3) – Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation: One case in which facts are not yet known to potential plaintiff.

5 - Government Code Section 54956.9(d)(4) – Conference with Legal Counsel – Anticipated Litigation – Initiation of Litigation: One case.

6:36 P.M. RECONVENE OPEN SESSION AND REPORT ON REPORTABLE ACTION TAKEN IN CLOSED SESSION

City Attorney Julia Lew reported that no reportable action had taken place in closed session.

The Pledge of Allegiance was led by Council Member Monte Reyes.

Invocation -- one individual participated.

PROCLAMATIONS

Friends of Libraries Week - October 21-27, 2018

PRESENTATIONS

Helen Putnam Award for Excellence - East Porterville Water Supply Project

AB 1234 REPORTS

This is the time for all AB 1234 reports required pursuant to Government Code § 53232.3.

1. Local Agency Formation Commission (LAFCO) - October 10, 2018
Council Member Hamilton reported that no action had taken place, and the City's recognition from CalLAFCO was discussed.
2. Tulare County Water Commission - October 8, 2018
Council Member Flores reported on presentation of informational items, no action items, and scheduling of the next meeting in January of 2019.
3. Tulare County Association of Governments (TCAG) - October 15, 2018
Council Member Flores reported action items, informational items, legislative updates, and scheduling of next meeting on December 10th.

REPORTS

- I. City Commission and Committee Meetings
 1. Parks & Leisure Services Commission - October 4, 2018
Commissioner Land stated that he was pleased to see Mayor Stowe in attendance and doing well. He then reported on Parks & Leisure Services Commission action pertaining to pickleball courts at Zalud Park, clean-up efforts at the Henry Street property and west of Murry Park, adult flag football, Pioneer Days and Rib Cook-Off, paranormal tours at the Zalud House, and the Veterans Day Run.
 2. Library & Literacy Commission - October 9, 2018
Commissioner Bailey reported on discussion pertaining to the 2018 Library Design Showcase, patron comments, and monthly statistics pertaining to patronage, program participation, and volunteer hours. He then extended an invitation to celebrate National Friends of Libraries Week.
 3. Arts Commission - September 26, 2018
 4. Animal Control Commission - October 8, 2018
 5. Youth Commission - October 8, 2018
Commissioners Jake Buckley, Cadet Mauck, Desiree Landa, and Monica Cortez introduced themselves.
 6. Transactions and Use Tax Oversight Committee (TUTOC)
- II. Staff Informational Reports
 1. Water Conservation Phase III Status Update
 2. Fall Community Clean-Up Event
 3. 2017-2018 California Legislative Session Update

ORAL COMMUNICATIONS

- Kathie Hayden spoke regarding the homeless population and her desire to open a day mission to assist them.

- Sid Kalb, Porterville resident, spoke against the use of the east tennis court at Zalud Park as a permanent pickle ball court.
- Brock Neeley, 1524 mail in ballots returned and encouraged everyone to vote.
- An unidentified individual, spoke of a recent Porterville Recorder article; voiced dissatisfaction with the City wanting and/or needing more money to repair roads; and called the Council dysfunctional.

CONSENT CALENDAR

There were no items pulled from the Consent Calendar for discussion. City Manager John Lollis reported that he had abstained from production of the staff report from Item No. 15; and Council Member Reyes stated that he had a conflict pertaining to Item No. 14 related to income and would abstain from the vote on the item.

COUNCIL ACTION: MOVED by Council Member Cameron Hamilton, SECONDED by Council Member Martha Flores that the City Council approve Items Nos. 1-17, noting the abstention of Council Member Reyes from Item No. 14. The motion carried unanimously.

1. CITY COUNCIL MINUTES OF AUGUST 21, 2018 AND SEPTEMBER 18, 2018

Recommendation: That the Council approve the draft Minutes of August 21, 2018, and September 18, 2018.

Documentation: M.O. 01-101618

Disposition: Approved.

2. PURCHASE DATA RECORDERS FOR TRANSIT ELECTRIC BUS FLEET

Recommendation: That the City Council authorize the purchase of ten data loggers and 14-month cellular service agreements for the electric fleet from HEM Data Corporation in the amount not to exceed \$20,000.

Documentation: M.O. 02-101618

Disposition: Approved.

3. PURCHASE BATTERY-ELECTRIC CHARGING STATIONS

Recommendation: That the City Council authorize the purchase and installation of 11 200kW charging stations from Green Power Motor Company at a cost not to exceed \$785,900.

Documentation: M.O.03-101618

Disposition: Approved.

4. PURCHASE REPLACEMENT SERVER AND NAS SERVER FOR TRANSIT DIVISION

Recommendation: That the City Council:

1. Authorize the purchase of a replacement server, for the Transit Division, from Dell in the amount not to exceed \$5,500; and
2. Authorize the purchase of a replacement NAS server, for the Transit Division, from StrictlyTech in the amount not to exceed \$6,500.

Documentation: M.O. 04-101618

Disposition: Approved.

5. REQUEST TO REPLACE MARKED POLICE VEHICLE

Recommendation: That the City Council:

1. Authorize Police Department staff to purchase (1) police vehicle; and
2. Authorize payment upon satisfactory delivery of the vehicle.

Documentation: M.O. 05-101618

Disposition: Approved.

6. AUTHORIZATION TO ADVERTISE FOR BIDS - OLIVE AVENUE CORRIDOR LIGHTED CROSSWALKS PROJECT

Recommendation: That City Council:

1. Approve staff's recommended Plans and Project Manual;
2. Authorize staff to advertise for bids on the project; and
3. Authorize the Finance Director to appropriate \$154,000 from Local Transportation Funds to fully fund this project.

Documentation: M.O. 06-101618

Disposition: Approved.

7. AUTHORIZATION TO ADVERTISE FOR BIDS - RAILS-TO-TRAILS CORRIDOR LIGHTED CROSSWALKS PROJECT

Recommendation: That City Council:

1. Approve staff's recommended plans and project manual;
2. Authorize staff to advertise for bids on the project; and
3. Authorize the Finance Director to appropriate the additional Local Transportation Funds in the amount of \$140,500 to fully fund the project.

Documentation: M.O. 07-101618

Disposition: Approved.

8. AUTHORIZATION FOR WASTEWATER TREATMENT FACILITY LOADER TRANSMISSION REPLACEMENT

Recommendation: That the City Council:

1. Authorize the Wastewater Treatment Facility Loader Transmission replacement by Pape Machinery at an amount not to exceed \$14,400.42;
2. Authorize the Finance Director to issue a purchase order to Pape Machinery; and
3. Authorize payment of said repair upon satisfactory completion.

Documentation: M.O. 08-101618

Disposition: Approved.

9. ACCEPTANCE OF PUBLIC BENEFIT GRANT PROGRAM - ALTERNATIVE FUEL INFRASTRUCTURE PROJECTS FINANCIAL ASSISTANCE FROM THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

Recommendation: That the City Council accept the grant funds from the San Joaquin Valley Air Pollution Control District and authorize the City Manager to execute the Agreement.

Documentation: M.O. 09-101618

Disposition: Approved.

10. JAYE STREET BRIDGE - AUGMENTATION TO VSCE'S CONSULTANT CONTRACT

Recommendation: That City Council authorize the augmentation of VSCE's service agreement contract by \$130,785.54.

Documentation: M.O. 10-101618

Disposition: Approved.

11. PROGRAM SUPPLEMENT TO THE LOCAL AGENCY-STATE MASTER AGREEMENT – OLIVE AVENUE CORRIDOR CROSSWALK WARNING LIGHTS INSTALLATION PROJECT

Recommendation: That the City Council:

1. Approve the program supplement by passing a Resolution authorizing the Mayor to sign the subject program supplement; and
2. Direct the City Clerk to return the signed program supplement to the Department of Transportation.

Documentation: Resolution No. 74-2018; and M.O. 11-101618

Disposition: Approved.

12. UPDATE TO THE MEMORANDUM OF UNDERSTANDING WITH THE TULARE COUNTY ASSOCIATION OF GOVERNMENTS FOR TRANSIT PLANNING AND PROGRAMMING FEDERAL FUNDS

Recommendation: That the City Council authorize the Mayor to sign the Memorandum of Understanding between the Tulare County Association of Governments and City of Porterville regarding the coordination of on-going transit planning and programming federal funds that support the on-going and future deployment of transit services by the City of Porterville.

Documentation: M.O. 12-101618

Disposition: Approved.

13. INTENT TO SCHEDULE A PUBLIC HEARING FOR THE 2018 SHORT RANGE TRANSIT PLAN

Recommendation: That the City Council schedule a Public Hearing for November 6, 2018, to allow for public comments and to consider adoption of the 2018 Short Range Transit Plan.

Documentation: M.O. 13-101618

Disposition: Approved.

14. APPROVAL FOR COMMUNITY CIVIC EVENT - PORTERVILLE ROTARY CLUB AND PORTERVILLE CHAMBER OF COMMERCE - PORTERVILLE CHILDREN'S CHRISTMAS PARADE - NOVEMBER 29, 2018

Recommendation: That the City Council:

1. Approve the Community Civic Event application and agreement submitted by the Porterville Chamber of Commerce and Rotary Club of Porterville, subject to the Restrictions and Requirements contained in the Application and Agreement, Exhibit A and Exhibit B of the Community Civic Event Application;
2. Authorize the temporary suspension of the Fixed Route Transit System from 4:30 p.m. to 7:00 p.m. on November 29, 2018; and
3. Restrict the closure of parking spaces in front of City Hall from 3:00 p.m. to 5:30 p.m., to those at the north end of City Hall along Main Street.

Documentation: M.O. 14-101618

Disposition: Approved.

15. REQUEST FOR PROCLAMATION - DOMESTIC VIOLENCE AWARENESS MONTH - OCTOBER 2018

Recommendation: That the City Council consider approval of the request to proclaim the month of October 2018, as "Domestic Violence Awareness Month."

Documentation: M.O. 15-101618

Disposition: Approved.

16. REQUEST FOR PROCLAMATION - AMERICA RECYCLES WEEK - NOVEMBER 11-17, 2018

Recommendation: That the City Council consider approval of the request to proclaim November 11-17, 2018, as "America Recycles Week."

Documentation: M.O. 16-101618

Disposition: Approved.

17. STATUS AND REVIEW OF DECLARATION OF LOCAL EMERGENCY

Recommendation: That the City Council receive the report of status and review of the Declaration of Local Emergency and determine the need exists to continue said Declaration.

Documentation: M.O. 17-101618

Disposition: Approved.

PUBLIC HEARINGS

18. BUDGET ADJUSTMENT/CITIZENS' OPTION FOR PUBLIC SAFETY (COPS) FUNDING

Recommendation: That the City Council:

1. Conduct the Public Hearing to receive public comment;
2. Authorize use of these funds to offset costs for personnel assigned to the Police Department's Patrol Division, including necessary training, equipment, and overtime costs; and
3. Adopt the draft Resolution approving a budget adjustment increasing the Police Department's Special Safety Grants Citizen's Option for Public Safety (COPS) budget by \$100,000 to support said costs.

City Manager Lollis introduced the item, and Police Captain Dominic Barteau presented the staff report.

COUNCIL ACTION: MOVED by Vice Mayor Brian Ward, SECONDED by Council Member Cameron Hamilton that the City Council use of these funds to offset costs for personnel assigned to the Police Department's Patrol Division, including necessary training, equipment, and overtime costs; and adopt the draft Resolution approving a budget adjustment increasing the Police Department's Special Safety Grants Citizen's Option for Public Safety (COPS) budget by \$100,000 to support said costs. The motion carried unanimously.

Documentation: Resolution No. 75-2018

Disposition: Approved.

SECOND READINGS

19. SECOND READING - ORDINANCE NO. 1849 - ZONE CHANGE PRC 2017-046-Z

Recommendation: That the Council give Second Reading to Ordinance No. 1849, waive further reading, and adopt said Ordinance.

City Manager Lollis introduced the item and presented the staff report.

COUNCIL ACTION: MOVED by Council Member Cameron Hamilton, SECONDED by Vice Mayor Brian Ward that the City Council give Second Reading to Ordinance No. 1849, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE APPROVING ZONE CHANGE (PRC 2017-046-Z) FROM CG (GENERAL AND SERVICE COMMERCIAL) TO RM-3 (HIGH DENSITY RESIDENTIAL), waive further reading, and adopt said Ordinance. The motion carried unanimously.

Documentation: Ordinance No. 1849

Disposition: Approved.

SCHEDULED MATTERS

20. APPOINTMENTS TO THE LIBRARY AND LITERACY COMMISSION

Recommendation: That the City Council consider the appointment of four individuals to three-year terms on the Library and Literacy Commission.

City Manager Lollis introduced the item, and the staff report was waived at the Council's request.

COUNCIL ACTION: MOVED by Vice Mayor Brian Ward, SECONDED by Council Member Martha Flores that the City Council approve the reappointments of Allen Bailey, Patience Christenson, Esther Figueroa, and Edith LaVonne to the three year terms on the Library and Literacy Commission to end in October of 2021. The motion carried unanimously.

Documentation: M.O. 18-101618

Disposition: Approved.

21. RECOMMENDATIONS FROM THE CITY COUNCIL'S CANNABIS AD HOC COMMITTEE

Recommendation: That the City Council provide direction given the recommendations of the Cannabis Ad Hoc Committee and information provided.

City Manager Lollis introduced the item, and Community Development Director Jenni Byers presented the staff report.

Discussion followed regarding the types of activities and uses, taxes vs. fees, and a general vs. special election. Members of the Council expressed an interest in exploring options to accommodate medicinal use of cannabis; and Mayor Stowe stated that he was opposed to any type of cannabis dispensary in town. The Ad Hoc Committee was directed to further explore a medicinal dispensary.

Documentation: None

Disposition: Direction given.

ORAL COMMUNICATIONS

- Tony Mauck thanked Mayor Stowe for his leadership and spoke against any type of cannabis dispensary in town.
- Daniel Penaloza stated that there were probably more people who had opinions and concerns about the cannabis issue; suggested the Council schedule a public hearing; and stated that he had tried to get people to attend the meeting tonight but was unsuccessful.

OTHER MATTERS

- Council Member Flores spoke of her attendance at the Candlelight Vigil and Fil-Amer Association's coronation and anniversary celebration.
- Council Member Hamilton spoke of his attendance at the Business Expo and Candlelight Vigil, and also spoke of the upcoming Veterans Day parade.
- Council Member Reyes spoke of his attendance at the Pioneer Days Rib Cook-Off; and encouraged those interested in participating in the upcoming parades to submit applications.
- Vice Mayor Ward spoke of his attendance at his daughter's school fall festival.
- Mayor Stowe spoke of his attendance at the Relay for Life event; and stated that the attendance was lower than previous years.
- City Manager Lollis provided an update on the drought garden; and spoke of his participation in the Habitat for Humanity Golf Tournament, the draft Environmental Impact Statement hearing for the casino relocation, Coffee with a Cop, Fall Clean-Up, the new Leadership Porterville Class, and fundraiser for Point in Time survey. He also wished everyone a happy boss's day.

CLOSED SESSION

None

ADJOURNMENT

The City Council adjourned at 8:07 p.m. to the meeting of November 6, 2018.

Luisa M. Zavala, Deputy City Clerk

SEAL

Milt Stowe, Mayor



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Authorization for Emergency Repairs to Restore Supervisory Control And Data Acquisition Communication.

SOURCE: Public Works

COMMENT: The City of Porterville, Water Utility Division has recently experienced a series of communication issues with the Supervisory Control And Data Acquisition (SCADA) System, indicating imminent failure.

The SCADA System is a crucial part of the City's Water System Operations, with continuous monitoring, and automated adjustments based on fluctuating system demands. The SCADA System monitors and maintains Water Storage Reservoirs levels, Well Operations, Booster Pumps, Pressure Zones, Sewer Lift Stations, and Storm Drain Pump Stations. The City Water System pressure is monitored on an average system pressure across four pressure zones calling for automated Well and Booster pump operations to maintain pressure set points. City Sewer Lift Stations and Storm Drain Pump Stations are also being monitored by the SCADA System, assuring that they are in continuous working order. In the event that any portion of the Cities operational equipment malfunctions, the SCADA System remotely notifies designated staff for immediate response.

The current issues have been intermittent communication failures for extended periods of time, forcing staff to have to operate the Water System in a Manual Mode, increasing overtime and the necessity of around the clock supervision.

The SCADA system that is currently operated by City staff since 1994 is a Siemens Manufacturing Product, identified as a proprietary piece of equipment. Therefore, staff has sought out SCADA integrators capable of providing support and temporary repairs on the City of Porterville's SCADA System. City staff has identified Primex Company as a qualified integrator capable of meeting the immediate need for repairs and ensuring the City's SCADA system does not fail prior to the configuration of a complete SCADA upgrade.

The City's Water, Sewer, and Storm Drain Systems require the need for continuous SCADA operation. A quote was obtained from Primex Company, who is identified as an approved proprietary repair integrator for Siemens SCADA Systems. Primex Company is immediately available to respond and repair all necessary components of the SCADA system for a not to exceed repair cost of \$47,361 (inclusive of all parts, taxes, labor, and 10% contingency). The total cost for all SCADA repairs will be funded by the Water

Operating Fund.

RECOMMENDATION: That City Council:

1. Authorize the repairs to the SCADA System by Primex Company.
2. Direct the Finance Director to initiate a Purchase Order to Primex Company in an amount not to exceed \$47,361 (inclusive of all parts, taxes and a 10% contingency) for the repair of Supervisory Control And Data Acquisition Communications; and
3. Direct the Finance Director to make payment to Primex Company upon receipt of invoice approved by the Public Works Director.

ATTACHMENTS: 1. SCADA Communications Repair Proposal

Appropriated/Funded:

Review By:

Department Director:

Final Approver: John Lollis, City Manager



To: Porterville, CA - Attn: Kent Bartlett
Re: Porterville, CA – Water System Alarm Notification System
Engineer: Jeff Martin – Carollo Engineers

We are pleased to provide the following proposal for equipment and services for the subject project based your request and project information as listed below. Related project requirements for proposed equipment and services shown in other sections or plans may not be provided or accounted for in this proposal. Proposal is based on the use of PRIMEX standard equipment and designs to meet the project requirements. Review proposal carefully. Equipment and services not listed may not be provided.

Our proposal references the following project information and includes those items as described in the attached Bill of Materials:

- E-Mails
 - 9/21/18 – Initial request with System Layout Drawing
- Other
 - Existing System Documentation received from RE Pedrotti and EVOQUA.

Rev 1 – 10/25/18 – Added migrate existing Wonderware application to customer provided PC using VMWare. See item C.

Rev 2 – 10/29/18 – Added customer furnished PC requirements and option for PRIMEX field services to assist City in troubleshooting and correcting ongoing problems.

Should you have any questions or require additional information concerning this quotation please contact me at (763)-559-0568.

Sincerely,

A handwritten signature in blue ink that reads "Troy A. Hertog".

Troy Hertog

BILL OF MATERIALS

1. Control Panel Modifications

- A. Qty 1 - Equipment and programming for in field installation into existing Microcat and LC3000 master control panels. Existing 9710 and LC3000 master programs shall be updated to allow for communications to iconcontrol cloud based system via customer supplied broadband connection. Equipment to be field installed and programs to be uploaded by PRIMEX programmer per item B of this proposal. The following main items are included:
1. Programming Mods to existing MicroCAT 9710 master to allow for serial communications to new protocol gateway module. – Alarms only will be monitored.
 2. Programming mods to existing LC3000 master to allow for Ethernet based Modbus TCP/IP communications to iconcontrol Security Appliance/Router.
 3. Protocol Gateway to convert MicroCAT protocol to Modbus TCP/IP for connection to iconcontrol Security Appliance/Router.
 4. iconcontrol Security Appliance Configured for connection to customer provided broadband connection. (See notes under clarifications.)
 5. iconcontrol configured/Programmed for alarm notification only with up to 175 alarm points. If additional alarm points are required, please advise factory for price adjustment.
 6. 1 Year iconcontrol Service
- B. Qty 1 - Field services to install new equipment and install software upgrades for the MicroCAT and IntraLink master units. The following main items are included:
1. Travel
 2. Lodging
 3. Meals
 4. On Site Installation and Start Up
 5. iconcontrol Training
- C. Qty 1 – Migrate customer existing Wonderware application operating on Windows XP to new customer furnished PC. The following items are included:
1. Receive customer provided PC and copy of Current Wonderware Application
 2. Setup and load VMware
 3. Migrate Wonderware application to new PC and bench test.
 4. Reship Updated PC

Note: Customer provided PC shall have the following specs or better:

a. Hardware

- (1) Processor i7
- (2) RAM 16 Gig
- (3) Hard Drive 500 Gig
- (4) 1 RS-232 Serial Port
- (5) 3 USB Ports
- (6) 1 Parallel Port if Required for Printer
- (7) Keyboard
- (8) Mouse
- (9) Monitor (Should be able to support same resolution as existing monitor)

b. Windows 10 Pro 64 Bit Operating System

Note: Customer provided PC must be in good working order. If found to be not working or requiring upgrades to be in compliance with above mentioned specs, this work will be done on a time and material basis and added to the purchase price.



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2. Services

- A. Engineering/Drafting
- B. Documentation *Electronic* (Submittal and O&M Manuals) – See clarifications for specific documentation included.
- C. System Testing
- D. Warranty, Factory Standard 1 Year
- E. Freight Allowed To Jobsite (FOB Shipping Point)

Total net price to City of Porterville, CA for the above materials and services, excluding sales tax is \$ 33,666.00 USD

Options

- 1. Recommended - Upgrade iconcontrol alarm notification to include tabular screen showing each alarm status and individual alarm enable/disable switch – Add \$ 1,408.00
- 2. PRIMEX Factory Service technician on site to assist in troubleshooting and correcting customer punch list of malfunctioning telemetry and control equipment. Customer to provide list of items requiring correct and priority to be accomplished. Service tech will accomplish as many items as time permits. Cost are as listed below: (Includes: transportation, lodging, meals and at least 8 hours on customer site(s) per day.)
 - a. 1 Day \$ 4,221.00
 - b. 2 Days \$ 5,470.00
 - c. 3 Days \$ 6,732.00
 - d. 4 Days \$ 7,981.00

Note: The above factory service technician pricing is per trip. The technician will fix as many items as time permits. Prices do not include new or replacement parts. If new parts are required or specialized factory programming is required, parts and programming services will be provided on a time and material basis and added to the purchase price.

Clarifications:

- 1. PRIMEX® requires a purchase order for all submittals for the amount quoted with “HOLD FOR APPROVAL” noted.
- 2. This proposal includes PRIMEX standard documentation package to include the following:
 - a. Schematics
 - b. Basic Bill of Material
 - c. Cut Sheets/Data Sheets
 - d. Description of Operation
- 3. Documentation package is provided electronically
 - a. Hard copies are available as an adder for a cost of \$ 75.00 each.
 - i. Please specify at time of order quantity of hardcopies required.
- 4. PRIMEX quotations are based on factory estimated lead times at the time of quotation and can change without notice. PRIMEX does not accept responsibility for any delays in equipment delivery which are beyond our control. Expedited shipments may be available at additional cost and are at the discretion of the factories.
 - a. Allow 2-3 weeks after receipt of Purchase Order for Engineering submittals to be sent, if required.
 - b. Allow 6 weeks for manufacturing, programming and testing, after a formal release to production.
 - c. Allow 5 business days for Start Up.
 - d. The above time estimates above DO NOT include time for ENGINEERS submittal review or equipment installation.
- 5. The proposed iconcontrol cloud based SCADA system is based on an owner provided broadband connection and requires a static IP address for operation. Owner to obtain static IP address from owner internet service provider. The costs, if any, associated with obtaining a static IP address and or associated monthly fees are not included in this proposal.
- 6. This proposals SCADA is based on PRIMEX iconcontrol cloud based SCADA system. iconcontrol system is a subscription service with an annual fee based on number of units in the system and or the amount of system data that is monitored/controlled. This proposal includes the initial system activation fee and 1 year(s) of service fees. Upon renewal, City/owner will be invoiced directly for continued service.
 - a. The annual iconcontrol service fee for this equipment covered under this proposal is \$ 1,000.00



7. Customer provided PC must be suitable for loading VMWare and have required communications ports for connection to existing Microcat and Intralink master PLCs.

Items specifically not included in this proposal

1. Sales or Use Tax
2. Permits of any kind
3. Performance, Payment or Equipment Bond of any kind
4. Extended or Special Equipment Warranty Coverage is not included unless specifically stated on this proposal.
5. Receiving and Storage of Equipment on the job site
6. Installation or Mounting of Equipment or Instruments and Job Site Labor other than specifically listed in this proposal.
7. Installation Materials, Brackets, Channel Strut, Wire, Clamps, Piping, Junction Boxes, Field Assemblies, etc., unless specifically described in our material list.
8. Mounting of any control panels or hardware
9. Field Terminations
10. Panel to Panel or Panel to Instruments Interconnect Drawings.
11. Wonderware version upgrades

Standard Terms and Conditions

Controlling Provisions: These terms and conditions shall supersede any provisions, terms, and conditions contained on any purchase order or other written form Buyer may use or provide (whether received by Seller prior or subsequent to the date hereof), and the rights of the parties shall be governed exclusively by the provisions, terms and conditions hereof.

Quotations and Acceptance: Acceptance of a quotation, whether by a separate purchase order or by other means, shall constitute an acknowledgement and approval of the quotation as written and acceptance of the Terms and conditions hereof. Written quotations shall expire on the date specified in the quotation or, in the absence of such specification, thirty calendar days from the date issued. Seller may, by written notice, terminate a quotation at any time prior to acceptance. Any purchase order received after expiration of a quotation, which Seller honors, shall be subject to all of the Terms and Conditions hereof.

Submittal Drawings: Submittal of drawings for approval, if required, will be made after receipt of complete information from Buyer. The quantity of the submittal drawing sets will be specified in the contract documents. Additional sets will be supplied at \$300.00 per set. Return to Seller of two (2) final approved drawing sets constitutes notice to Seller to proceed with manufacturing. If Buyer's order is conditioned upon "engineer approval" Seller requires written notification from Buyer in the form of approved submittal data.

Intellectual Property: All software to be developed, devices, designs (including drawings, plans, and specifications), estimates, prices, notes, electronic data and other documents or information prepared or disclosed by Seller shall remain the sole intellectual property of Seller. Following acceptance and final payment, Seller shall grant to the Buyer a non-transferable, non-exclusive license to use such material for the Buyer's internal purposes only.

Force Majeure: Seller shall not be liable for failure to deliver or perform, for any delay in the performance of orders or contracts, or in the delivery of shipment of goods, or for any damage suffered by the Buyer due to such delay or failure, when the delay or failure is, directly or indirectly, caused by or arises from delays of suppliers or carriers or any other cause beyond Seller's control.

Prices and Taxes: All projects prices are "F.O.B. Shipping Point, Freight Allowed to Jobsite" unless expressly stated otherwise. In other words, Seller shall pay for the freight to Buyer's project site; however Buyer shall bear all risk of loss while items are in transit. Non-project or replacement parts are shipped pre-paid and added to any service related invoices. Prices do not include sales, excise, municipal, state, or any other governmental taxes. Buyer shall be responsible for all taxes.

Credit Approval: The credit terms specified on the face hereof are subject to Seller's continuing approval of Buyer's credit. Seller may withdraw the extension of credit and require modified payment terms if, in Seller's sole judgement, Buyer's credit or financial standing is impaired to the point where Seller in good faith deems itself insecure.

Title, Risk of Loss, Inspection of Equipment: Title and risk of loss to the equipment shall pass to Buyer upon delivery of the equipment to the carrier. Buyer shall immediately inspect equipment upon receipt and any damage must be noted on the carrier's bill of lading at time of receipt. Seller is not liable for any shortages or nonconformance unless notified by Buyer within three (3) business days of Buyer's receipt of the equipment.

Changes, Cancellations, Returns: All changes, cancellations, or returns must have Seller's prior written approval and are conditional on compliance with manufacturer's cancellation / return policies and subject to restocking fees and service charges. Authorized return equipment must be packaged and shipped prepaid to manufacturer.

Payment: Buyer shall pay Seller the full purchase price as set forth in Seller's documentation. Unless Seller's Documentation provides otherwise, freight, storage, insurance and all taxes, duties or other governmental charges relating to the Equipment shall be paid by Buyer. If Seller is required to pay any such charges, Buyer shall immediately reimburse Seller. All payments are due within 30 days after receipt of invoice. Buyer shall be charged the lower of 1 1/2 % interest per month or the maximum legal rate on all amounts not received by the due date and shall pay all of Seller's reasonable costs (including attorney's fees) of collecting amounts due but unpaid.

Indemnification and Default: In addition to all other amounts due hereunder, Buyer shall reimburse Seller in full for collection costs or charges, including reasonable attorney fees, which Seller may incur in the collection of past due amounts from Buyer, including interest on overdue accounts. If Buyer is in default under this or any other agreement with Seller, Seller may defer performance hereunder until such default is cured. Seller shall have no obligation to provide



ASHLAND, OH | CLEARWATER, FL | DETROIT LAKES, MN | MILFORD, OH | PLYMOUTH, MN

factory startup assistance and or factory training until all invoices (including retentions) for equipment have been paid in full. Furthermore, Seller shall have no liability to Buyer to the extent Buyer damages, or any damages are suffered by, or claims are made against Buyer as a result of Buyer's negligence, willful misconduct, misrepresentation of any products or equipment, or failure to utilize products or equipment properly.

Security Interest: Seller shall retain a security interest in the equipment until the full purchase price has been paid. Buyer's failure to pay any amounts due shall give Seller the right to possession and removal of the equipment after providing ten (10) days written notice, Seller's taking possession shall be without prejudice to any other remedies Seller may have.

Warranty and Liability: Buyer shall have such warranty rights, and other such warranty rights, only as may be extended by the original manufacturer of the individual products. The terms and conditions of any such warranty rights are set forth in the Manufacturer's Operations / Maintenance Manual which accompanies each product. These Warranties do not cover anything considered an "Act of God", is so extraordinary and devoid of human agency that reasonable care would not avoid the consequences. Damages caused by tornadoes, lightning and subsequent utility power surges or variances, perils of the sea, extraordinary floods, fallen trees and severe ice storms are usually considered "Acts of God" does not otherwise offer any guaranty or warranty for the products or assemblies.

Seller disclaims any and all warranties, express or implied, including the warranties of merchantability and fitness, except as may be set forth in the terms and conditions of sale in this Agreement or in any express written warranty which Seller may have otherwise extended to Buyer. To the extent a limited warranty is extended from Seller it shall begin to run from the date of substantial use of the equipment or substantial completion of the project, whichever occurs sooner in time. All warranties shall be immediately voided if anyone other than a Seller's employee or authorized representative makes any changes, additions, deletions, or adjustments to the products, software and computers provided by Seller.

Seller shall not be liable for any damages, charges for labor, or expense in making repairs or adjustments to the product without prior written approval of Seller. Seller shall not be liable for any damages or charges sustained in the adaption or use of the engineering data or service by Buyer or any third party. Seller shall not be liable for start-up or any other field work performed by personnel other than authorized representatives of Seller unless expressly approved in writing in advance by Seller. Seller shall in no event be liable for any consequential, incidental or liquidated damages or penalties. Seller's liability under this Agreement shall in no event exceed the lesser of (i) the cost of remediating any defect or deficiency in the performance of Seller hereunder, or (ii) the purchase price of the product in respect of which the claim is made.

Operations / Maintenance Manuals: Buyer's installation, maintenance and operation manuals will be furnished in the number of copies specified at the time of quotation in contract documents. If none specified, one will be provided at no added cost, with additional copies at \$300.00 each.

Applicable Law and Forum: All disputes between Buyer and Seller shall be venued in Hennepin County District Court in the State of Minnesota. Buyer agrees to submit to such jurisdiction and agrees that the dispute shall be governed by Minnesota Law.



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Authorization to Advertise for Bids - Well No. 37 Project

SOURCE: Public Works

COMMENT: The Plans and Project Manual have been prepared for Well No. 37 Project (Drilling Phase). The well is located within the southeast corner of Summit Estates Two Subdivision (Smee Homes, Inc.)

The well is located on property that is held in place for the described purpose by a Purchase Option Agreement and is part of the City's on-going municipal water well development program. The Plans and Project Manual are available for review in the Pete McCracken Conference Room.

The City's consultant, Dee Jaspar & Associates, has prepared an Estimate of Probable Cost and the amount is \$807,318. An additional \$121,097 is necessary for construction management, contingency, and surveying services.

Funding is provided by Developer Fees and is available in the 2018/2019 Annual Budget for new municipal water wells.

RECOMMENDATION: That City Council:
1. Approve Staff's recommended Plans and Project Manual; and
2. Authorize staff to advertise for bids on the project.

ATTACHMENTS:
1. Engineer's Estimate
2. Locator Map

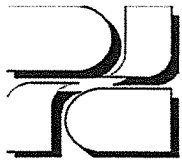
Appropriated/Funded:

Review By:

Department Director:

Mike Reed, Acting Public Works Director

Final Approver: John Lollis, City Manager



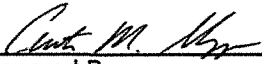
October 16, 2018

City of Porterville
Drilling a Municipal Water Well - City Well No. 37
Project No.: 89-9735-88
Bid No.:

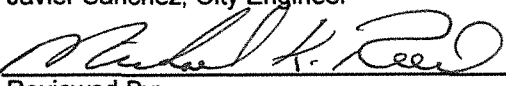
Engineer's Cost Estimate

Item	Item Description	Quantity	Unit	Unit Price	Amount
1	Mobilization, Demobilization, and Clean Up	1	LS	\$ 80,000.00	\$80,000
2	36" Conductor Casing	50	LF	\$ 650.00	\$32,500
3	18" dia. Pilot Hole Construction	800	LF	\$ 100.00	\$80,000
4	Formation Sampling	6	EA	\$ 12,500.00	\$75,000
5	Ream Pilot 34" Hole	230	LF	\$ 100.00	\$23,000
6	Ream Pilot 28" Hole	550	LF	\$ 100.00	\$55,000
7	16" I.D. x 5/16" HSLA Blank Casing	310	LF	\$ 190.00	\$58,900
8	20" O.D. x 5/16" HSLA Blank Casing	165	LF	\$ 220.00	\$36,300
9	16" I.D. x 5/16" HSLA Perforated Casing	480	LF	\$ 250.00	\$120,000
10	20" O.D. x 5/16" HSLA Perforated Casing	110	LF	\$ 320.00	\$35,200
11	16" Window Section	20	LF	\$ 485.00	\$9,700
12	20"x16" Taper Section	5	LF	\$ 1,330.00	\$6,650
13	4" Gravel Feed Tube	90	LF	\$ 25.00	\$2,250
14	3" Sounding Tube	305	LF	\$ 25.00	\$7,625
15	Gravel Envelope (6x16 Colorado Silica Sand)	750	LF	\$ 70.00	\$52,500
16	Cement Seal	80	LF	\$ 70.00	\$5,600
17	Swabbing & Air Lifting	60	HRS	\$ 450.00	\$27,000
18	Pumping & Surging	48	HRS	\$ 350.00	\$16,800
19	Production Testing	24	HRS	\$ 350.00	\$8,400
20	Well Video	1	LS	\$ 1,500.00	\$1,500

Subtotal	\$733,925
10% Contingency	\$73,393
Total	\$807,318

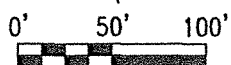
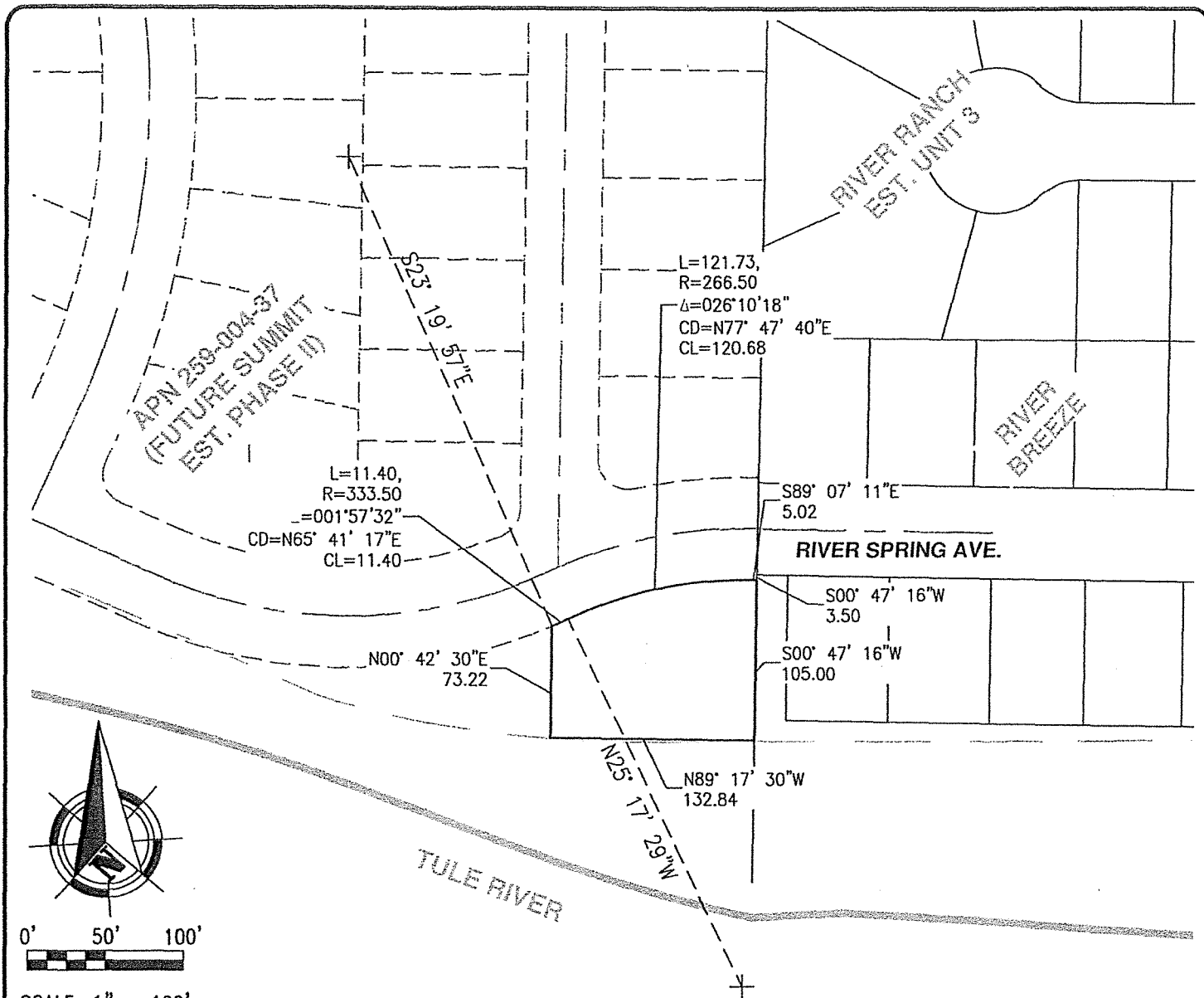

Prepared By: _____ Date: 10-16-18
Curtis M. Skaggs, Dee Jaspar & Associates, Inc.

Reviewed By: _____ Date: _____
Javier Sanchez, City Engineer

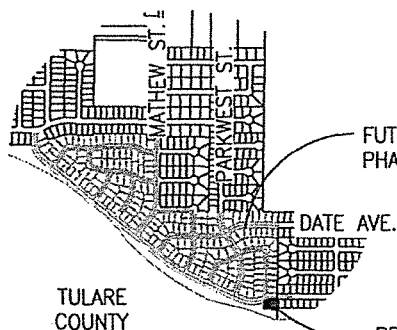

Reviewed By: _____ Date: 10/29/2018
Michael K. Reed, Public Works Director

Reviewed By: _____ Date: _____
John D Lollis, City Manager





SCALE: 1" = 100'



CITY OF PORTERVILLE

ENGINEERING DIVISION

291 NORTH MAIN STREET
PORTERVILLE, CA. 93257
(559) 782-7462

POSSIBLE WELL LOCATION

OWNER	SREE BUILDERS
APN	
AREA	12,625 SQ. FT.
ACRES	0.29 ACRE
SCALE	1" = 40'-0"
DATE	3/10/2017
DRAWN BY	
CHECKED BY	MKR



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Authorization to Advertise for Bids - Lighted Crosswalks Project

SOURCE: Public Works

COMMENT: The plans and project manual have been prepared for the Lighted Crosswalks Project. The project consists of the installation of three (3) high visibility crosswalk warning light systems utilizing ultra-bright LED bi-directional canister lights in pavement, push button actuators, and flashing LED pedestrian crossing signs. Additional signage and pavement markings will be installed at sites of crosswalks along with push-button controls on either side of the street. Two (2) crosswalks are located on Morton Avenue that will service Porterville Unified School District (PUSD), beneficial to Belleview Elementary School and Bartlett Middle School. The other location is on Westwood Street that will service Burton School District (BSD), beneficial to Jim Maples Academy.

The estimate of probable cost for the entire project is \$245,000 with \$24,500 required for the construction contingency (10%). It is anticipated an additional \$20,000 is required for construction management, construction surveying, quality control and inspection (8.2%). The total estimated cost for the construction is \$289,500.

This project is partially funded by Special Gas Tax (SGT) funds in the amount of \$200,000. This leaves a shortfall of \$89,500 that will need to be appropriated from additional SGT funds to fully fund the project.

PUSD and BSD both have agreed to participate in the the cost of the lighted crosswalks that benefit their respective districts. Staff will seek reimbursement of their agreed upon proportional share of the project once the project is accepted by City Council.

RECOMMENDATION: That City Council:

1. Approve staff's recommended plans and project manual;
2. Authorize staff to advertise for bids on the project;
3. Authorize the Finance Director to appropriate the additional Special Gas Tax Funds in the amount of \$89,500 to fully fund the project; and
4. Authorize the Public Works Director to seek proportional reimbursements from the two school districts that have agreed to participate in this project.

ATTACHMENTS:

1. Engineer's Estimate
2. Lighted Crosswalk Locator Maps

Appropriated/Funded: MB

Review By:

Department Director:

Mike Reed, Acting Public Works Director

Final Approver: John Lollis, City Manager

Citywide Lighted Crosswalks, Engineer's Estimate

by: J. Sanchez, 10/31/2018

CITY OF PORTERVILLE

City Proj. #: 89-9113-88

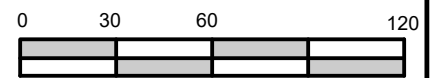
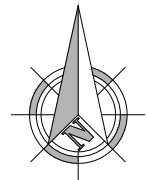
ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE
1	Mobilization and Demobilization	1	LS	\$5,000.00	\$5,000.00
2	Traffic & Pedestrian Control	1	LS	\$5,000.00	\$5,000.00
3	Furnish & Install Solar Lighted Crosswalk System (includes lighted signs, in-road pavement lights, wiring, and pole footings for one street crossing)	3	EA	\$50,000.00	\$150,000.00
4	Construct 20'R Curb Ramp (includes sawcut and removal of existing concrete, installation of detectable warning surface)	6	EA	\$10,000.00	\$60,000.00
5	Pavement Patching	625	SF	\$8.00	\$5,000.00
6	Remove Existing Solar Lighted Signs for School Crossing and Replace with items for Standard Ped Crossing	1	LS	\$20,000.00	\$20,000.00
SUBTOTAL					\$245,000.00
10% CONTINGENCY					\$24,500.00
CONSTRUCTION MANAGEMENT					\$20,000.00
TOTAL					\$289,500.00



Public Works Director

10/31/2018

Date



SCALE: 1"=60'

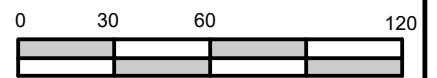
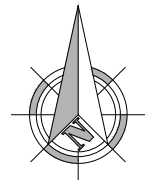
CITY OF PORTERVILLE
ENGINEERING DIVISION

291 NORTH MAIN STREET
PORTERVILLE, CA 93257
(559) 782-7462

LIGHTED CROSSWALK
LOCATED AT THE INTERSECTION OF
WESTWOOD ST AND PUTNAM AVE

DRAWN BY	KRS
CHECKED BY	MKR
SCALE	1" = 60'
DATE	11/1/2018

SHEET
1
OF
4



SCALE: 1"=60'

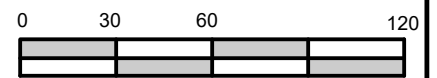
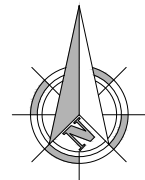
CITY OF PORTERVILLE
ENGINEERING DIVISION

291 NORTH MAIN STREET
PORTERVILLE, CA 93257
(559) 782-7462

LIGHTED CROSSWALK
LOCATED AT THE INTERSECTION OF
W MORTON AVE AND N KESSING ST

DRAWN BY	KRS
CHECKED BY	MKR
SCALE	1" = 60'
DATE	11/1/2018

SHEET
2
OF
4



SCALE: 1"=60'

CITY OF PORTERVILLE
ENGINEERING DIVISION

291 NORTH MAIN STREET
PORTERVILLE, CA 93257
(559) 782-7462

LIGHTED CROSSWALK
LOCATED AT THE INTERSECTION OF W
MORTON AVE AND N EL GRANITO ST

DRAWN BY	KRS
CHECKED BY	MKR
SCALE	1" = 60'
DATE	11/1/2018

SHEET
3
OF
4



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Amendment to Carollo Engineer's Service Agreement for Digester 3 Repair

SOURCE: Public Works

COMMENT: Carollo Engineers is under contract with the City to design and provide plans and specifications for Digesters #2 and #3. Along with the plans and specifications, other various task were to be performed as well as on-call inspection services for the remaining Digesters #1 and #4.

The City of Porterville WWTF digesters will be taken offline one at a time to conduct the assessment. Once the assessment is complete, the digester will be put back into service before the next digester is taken down for cleaning. This process will ensure that the anaerobic bacteria responsible for the stabilization of organic matter have adequate time to acclimate to their environment and ensure compliance with the Code of Federal Regulation 40 Part 503 Regulations.

Staff is seeking an amendment to Carollo Engineers' Service Agreement that will allow the firm to inspect and assess Digesters #1 and #4. Carollo will assess the exterior and interior condition of the digesters and confirm the record drawings accuracy. The assessment findings will include repair strategies for any necessary repairs. This may include an additional amendment to the service contract if the repairs needed are extensive and plans and specifications will be required. Cost for the assessment services are \$16,342, with Carollo Engineers' fee and schedule attached for City Council reference.

Funding for the assessment services will be the Wastewater Treatment Facility Reserve Fund.

RECOMMENDATION: That the City Council:

1. Authorize the Mayor to execute Addendum No. 1 to Carollo Engineer Service Agreement at an agreed upon fee of \$16,342 for the services described herein; and
2. Authorize progress payments up to 100% of the fee amount and authorize a 10% contingency to cover unforeseen costs.

ATTACHMENTS:

1. Digester 1 and 4 Assessment - Scope and Fee
2. Addendum 1 to Carollo Engineers

Appropriated/Funded: MB

Review By:

Department Director:

Mike Reed, Acting Public Works Director

Final Approver: John Lollis, City Manager

CITY OF PORTERVILLE

Scope of Services

DIGESTER REHABILITATION PROJECT

BACKGROUND

As part of the original scope of this task order, the CONSULTANT is providing biddable construction documents to implement rehabilitation projects for Digester No. 2 and 3.

City of Porterville's (City) Digester No. 1 and 4 will be removed from service for cleaning. While the tanks are down, plant staff would like to have Carollo perform site investigation on the condition of the digesters. Following our assessment, we will provide a project memorandum with a summary of findings and will work with the City to address any immediate rehabilitation plans.

The following presents Scope of Work, the Time of Performance, and the Planning and Engineering Services budget for Consultant's services for additional scope.

SCOPE OF WORK

The following specific services will be provided by Carollo Engineers (Consultant).

Task 8.0 – Digester No. 1 and 4 Condition Assessment

Digesters Assessment

The purpose of this task is to assess the exterior and interior condition of the digesters and confirm the record drawings accuracy. Consultant will visit the site to assess each digester's condition and any damage to the existing steel and concrete surfaces. Concrete that can be reached will be assessed nondestructive testing that can be accomplished with hand tools such as hammer sounding and pH testing. All exposed concrete surfaces will be visually assessed. Consultant will recommend alternatives for any required repairs after consulting with plant staff.

Findings and recommendation will be reviewed and discussed during a teleconference with the City following each digester assessment.

Deliverables:

- Field sketches of damage and conceptual alternatives for any critical repairs.

Assumptions:

- Digester No. 1 and 4 will be assessed during separate site visits.
- Digester No. 1 and 4 will be cleaned and the interior is accessible for evaluation.

Consultant's inspection personnel have OSHA approved confined space awareness, fall prevention, and lock-out tag-out procedures training. Consultant will provide their own personal protective equipment such as hardhats, safety boots, eye protection, high-visibility vests, and fall-prevention harnesses.

City will supervise confined space entry and provide access, lighting, ventilation, air quality monitoring equipment, and other required safety equipment.

Condition Assessment Findings Project Memorandum

The purpose of this task is to document the assessment findings and repair strategies for any necessary repairs. Consultant will consult with plant staff while developing repair strategies.

A draft Project Memorandum containing Consultant's findings and recommendations will be provided to the City for review and comments. A final Condition Assessment Findings Project Memorandum will be provided following the City review.

Deliverables:

- Draft and Final Project Memorandum (PDF format)

Assumptions:

- Significant piping modifications are not anticipated.

TIME OF PERFORMANCE

Anticipated schedule for completion of Consultant's Scope of Services is:

Notice to Proceed Issued to Consultant		October 11, 2018
Conduct Digester No. 1 On-site Assessment	One week after NTP	October 18, 2018
Digester No. 1 Condition Assessment Findings Review Meeting	One week after Digester No. 1 Assessment	October 28, 2018
Conduct Digester No. 4 On-site Assessment	When available	Tentative date November 14, 2018
Digester No. 4 Condition Assessment Findings Review Meeting	One week after Digester No. 4 Assessment	November 21, 2018
Submit Draft Condition Assessment Project Memorandum	Two weeks after Digester 4 Condition Assessment Findings Review Meeting	December 5, 2018
Receive City comments	One week after Draft memo	December 12, 2018
Submit Final Condition Assessment Project Memorandum	One week after City comments	December 19, 2018

PAYMENT TO CONSULTANT

Payment to Consultant for services shall be on a time and materials basis as detailed in Exhibit A, Labor and Budget Estimate.

The not to exceed fee is \$16,342.

**EXHIBIT A
LABOR AND BUDGET ESTIMATE**

**CITY OF PORTERVILLE
DIGESTER REHABILITATION PROJECT-ADDITIONAL SCOPE FOR DIGESTER NO. 1 AND 4**

Task	Task Description	Penny Carlo	Mike Dadik	Preet Chaggar			CAD Drafter	Word Processor	Total	Labor	Other Direct Costs (ODC)					Total
		PIC	PM/SE	Structural	Mechanical	Electrical					PECE		Mileage		ODC	
		\$272	\$272	\$252	\$252	\$265	\$183	\$115	Hours	Cost	\$11.70	Lodging	Trips	Amount	Total	Cost
8.0	Digester No. 1 and 4 Condition Assessment	0	8	10	0	0	0	0	18	\$4,696	\$211	\$750	1	\$273	\$1,234	\$5,930
8.1	Digester No. 1 on-site assessment	0	8	10	0	0	0	0	18	\$4,696	\$211	\$750	1	\$273	\$1,234	\$5,930
8.2	Digester No. 4 on-site assessment															
8.3	Draft Project Memo	1	1	6	0	0	0	2	10	\$2,286	\$117		0	\$0	\$117	\$2,403
8.4	Project Meetings and Teleconferences	1	2	3	0	0	0	0	6	\$1,572	\$70		0	\$0	\$70	\$1,642
8.5	Final Project Memo	0	1	2	0	0	0	1	4	\$891	\$47		0	\$0	\$47	\$938
Task 8.0 Totals		2	20	31	0	0	0	3	56	\$14,141	\$655	\$1,500	2	\$546	\$2,701	\$16,842

ADDENDUM NO. 1

**DESIGN SERVICES FOR THE REPAIR AND REHABILITATION OF THE CITY OF
PORTERVILLE WWTF DIGESTERS**

**CITY OF PORTERVILLE
AND
CAROLLO ENGINEERS**

Addendum No. 1 to P.O. No. 17-13629 is issued by the City and accepted by CONSULTANT pursuant to the mutual promises, covenants and conditions contained in the Service Agreement between the above named parties dated June 15, 2018, in connection with the development of plans and specifications for the repair and rehabilitation of Digesters #2 and #3

PURPOSE:

The purpose of this addendum is to amend the contract to provide services to the City to perform an assessment of the City of Porterville WWTF Digester #1 and #4 per the attached scope of services. The CONSULTANT will provide the CITY with a memorandum of condition assessment findings, to address the additional services described in the scope of services.

PAYMENT:

CITY shall pay CONSULTANT the not-to-exceed amount of \$16,342 for the completion of the specified professional services. Payment will be made monthly on presentation of documented invoices and shall include CONSULTANT'S direct labor costs, indirect labor costs (overhead), direct expenses and CONSULTANT'S fee, not to exceed the sum set forth herein above.

IN WITNESS WHEREOF, duly authorized representatives of the CITY and the CONSULTANT have executed Addendum No. 1 to P.O. No. 17-13629 for the Design Services for the Repair and Rehabilitation of the City of Porterville WWTF Digesters evidencing its issuance by CITY and accepted by CONSULTANT.

CONSULTANT'S NAME

CITY OF PORTERVILLE

By: Carollo Engineers

Mike Reed, Public Works Director

Date

Date



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Acceptance of Final Map for Trooper Terrace (Jason Moyes - Smee Homes, Inc.)

SOURCE: Public Works

COMMENT: The subdivider, Smee Homes, Inc., has submitted the final map of the subject project for Council approval. The subdivider is requesting approval prior to the acceptance of the required improvements.

The subdivider has submitted the required guarantee to the City to complete and/or accept all necessary public improvements on the project. A subdivision agreement between the subdivider and the City has been signed by the subdivider, and all fees have been paid.

The final map is in conformance with the approved tentative map and City Council Resolution No. 27-2017. The improvement plans, specifications, dedications and the final map have been approved by the Public Works Director and City Engineer and all other requirements have been met.

RECOMMENDATION: That City Council:

1. Approve the final subdivision map for Trooper Terrace;
2. Accept all offers of dedication shown on the final map or by separate deed document;
3. Authorize the Mayor to execute the Subdivision Agreement;
- and
4. Authorize the City Clerk to file said map with the County Recorder.

ATTACHMENTS:

1. Trooper Terrace Final Map
2. Agreement & Securities

Appropriated/Funded:

Review By:

Department Director:

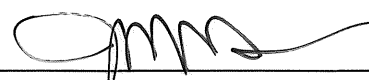
Mike Reed, Acting Public Works Director

Final Approver: Patrice Hildreth, Administrative Services Dir

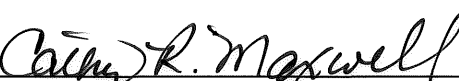
OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE OWNERS OF OR HAVE SOME RIGHT, TITLE OR INTEREST IN AND TO THE REAL PROPERTY INCLUDED WITHIN THE BOUNDARIES OF THE SUBDIVISION SHOWN ON THIS MAP, AND THAT WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS A CLEAR TITLE TO SAID REAL PROPERTY, AND WE CONSENT TO THE MAKING OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE BORDER LINES HEREON AND HEREBY DEDICATE TO PUBLIC USE ALL OF THE STREETS, AVENUES, EASEMENTS, AND ACCESS LIMITATION STRIPS ALL AS SHOWN ON SAID MAP WITHIN SAID SUBDIVISIONS.

SMEE HOMES, INC.


JASON MOYES, PRESIDENT

STEWART TITLE OF CALIFORNIA, INC. AS TRUSTEE UNDER DEEDS OF TRUST
RECORDED JUNE 27, 2017 AS INSTRUMENT NO. 2017-0036909, O.R.;
RECORDED JUNE 27, 2017 AS INSTRUMENT NO. 2017-0036910, O.R.;
RECORDED JULY 20, 2017 AS INSTRUMENT NO. 2017-0041162, O.R.


STEWART TITLE OF CALIFORNIA, INC.

NOTARY ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA }
COUNTY OF TULARE }

ON OCTOBER 9, 2018 BEFORE ME, Judy R. Lotfin,
NOTARY PUBLIC,

PERSONALLY APPEARED Carly R. Maxwell, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL

SIGNATURE Judy R. Lotfin
PRINT NAME Judy R. Lotfin

MY COMMISSION EXPIRES 2-2-21

MY COMMISSION NO. 2178465

PRINCIPAL PLACE OF BUSINESS TULARE COUNTY

NOTARY ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA }
COUNTY OF Tulare }

ON 10/11/18 BEFORE ME, Alicia Martin,
NOTARY PUBLIC,

PERSONALLY APPEARED Jason Moyes, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL

SIGNATURE Alicia Martin
PRINT NAME Alicia Martin

MY COMMISSION EXPIRES 6-14-19

MY COMMISSION NO. 2113122

PRINCIPAL PLACE OF BUSINESS Tulare COUNTY

TROOPER TERRACE

BEING A DIVISION OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA.

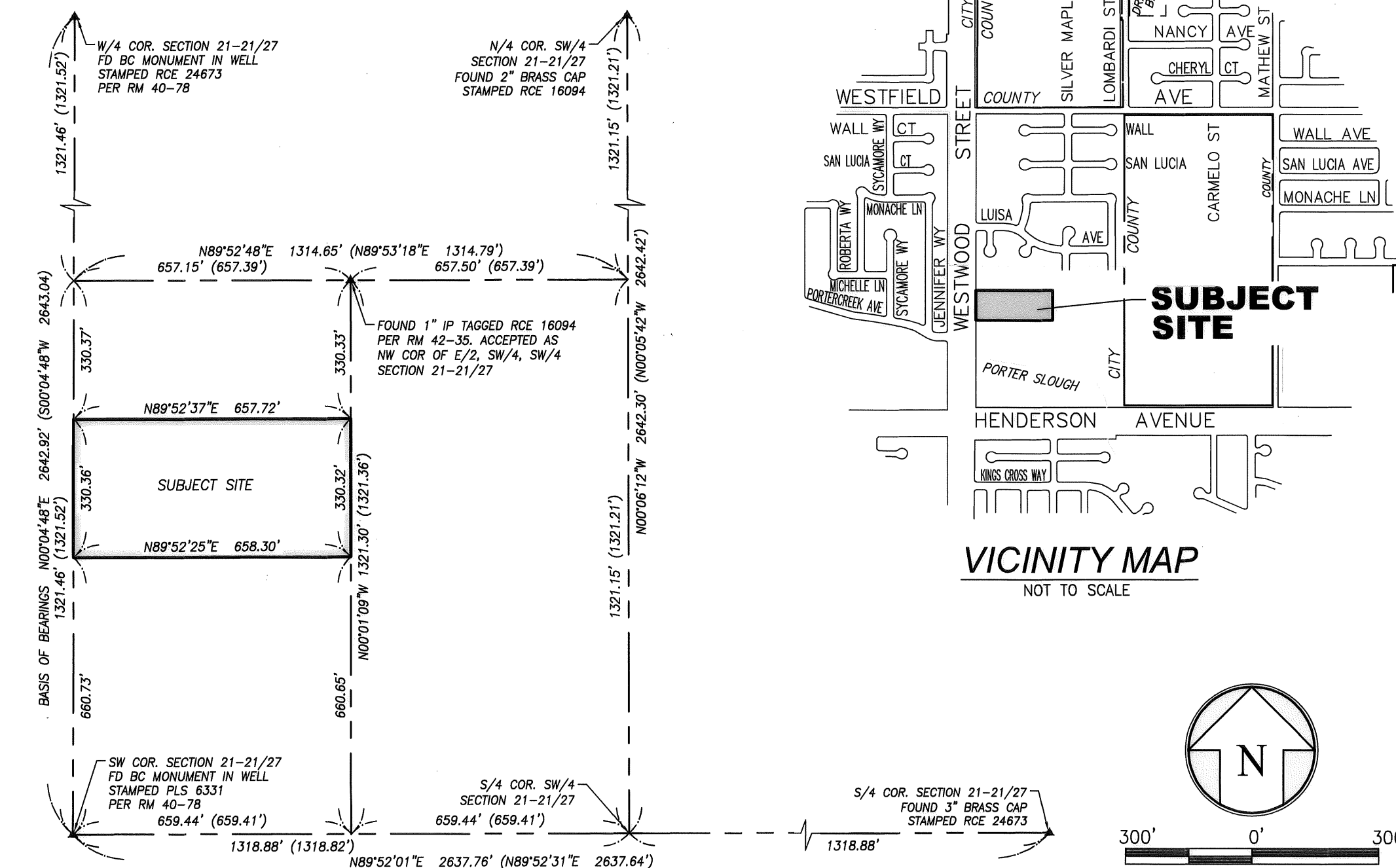
JULY 2018

FOR: **SMEE HOMES, INC.**
444 NORTH PROSPECT STREET, STE. A
PORTERVILLE, CA 93257

BY: **JAMES WINTON AND ASSOCIATES**
A QK COMPANY
150 WEST MORTON AVENUE TEL: (559) 781-2700
PORTERVILLE, CA 93257 WWW.QKINC.COM

LEGEND

- ▲ MONUMENT FOUND AND ACCEPTED AS DESCRIBED, UNLESS NOTED OTHERWISE.
- SET 3/4" IRON PIPE TAGGED PLS 8189
- SET BRASS CAP MONUMENT STAMPED PLS 8189, FLUSH PER CITY STANDARD M-2C
- () RECORD DATA PER WILLIAMS RANCH PHASE 4, RECORDED IN BOOK 42 OF MAPS, AT PAGE 35, T.C.R. OR CALCULATED THEREFROM
- (R) RADIAL
- LINE INDICATES SUBDIVISION BOUNDARY



KEY MAP

FLOOD NOTE

THE SUBJECT SITE IS WITHIN FLOOD ZONE X AS SHOWN ON FEMA FIRM PANEL 06107C1630E, EFFECTIVE 6/16/2009

LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT

THE SUBDIVISION IS SUBJECT TO A LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT WHICH WILL BE FORMED WITHIN 45 DAYS OF THE RECORDING OF THIS MAP.

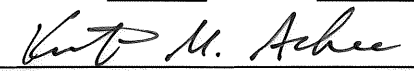
BASIS OF BEARINGS

THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 27 EAST, PER WILLIAMS RANCH PHASE 4, RECORDED IN BOOK 42 OF MAPS, AT PG. 35, T.C.R. TAKEN AS: S00°04'48"W

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF SMEE HOMES, ON APRIL, 2018. I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY. ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED AND ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED. THE MONUMENTS WILL BE SET WITHIN ONE YEAR OF RECORDATION OF THIS MAP.

DATED THIS 11th DAY OF October, 2018


KRISTIE M. ACHEE P.L.S. 8189

CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT, AND THAT THE SUBDIVISION SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND THAT ALL PROVISIONS OF DIVISION 2 OF TITLE 7 OF THE GOVERNMENT CODE OF THE STATE OF CALIFORNIA, AND ANY LOCAL ORDINANCES APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP, HAVE BEEN COMPLIED WITH.

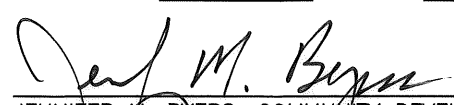
DATED THIS 25th DAY OF September, 2018


MICHAEL K. REED, PUBLIC WORKS DIRECTOR
PLS 7514

ZONING ADMINISTRATOR'S STATEMENT

I HEREBY STATE THAT THIS MAP CONFORMS TO THE APPROVED TENTATIVE MAP NO. 5484

DATED THIS 15th DAY OF October, 2018.


JENNIFER M. BYERS, COMMUNITY DEVELOPMENT DIRECTOR

CITY COUNCIL'S STATEMENT

THIS IS TO STATE THAT AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE HELD ON THE DAY OF , 20 , AN ORDER WAS DULY AND REGULARLY MADE AND ENTERED INTO APPROVING THIS SUBDIVISION MAP AND, ON BEHALF OF THE PUBLIC, ACCEPTING, SUBJECT TO IMPROVEMENT, THE PUBLIC STREETS, AND EASEMENTS; ALL SHOWN AND INDICATED WITHIN THE BOUNDARIES OF THE SUBDIVISION AS SHOWN UPON THIS MAP.

WITNESS MY HAND AND OFFICIAL SEAL OF THE CITY OF PORTERVILLE, THIS DAY OF , 2018.

BY:
CITY CLERK

CITY CLERK'S STATEMENT

I, JOHN D. LOLLIS, CITY CLERK OF THE CITY OF PORTERVILLE, STATE OF CALIFORNIA, HEREBY STATE TO THE COUNTY RECORDER, AND TO WHOMEVER IT MAY CONCERN, THAT ALL THE PROVISIONS OF DIVISION 2, TITLE 7 OF THE GOVERNMENT CODE OF THE STATE OF CALIFORNIA AND ANY OF THE LOCAL ORDINANCES PERTAINING TO DEPOSITS REQUIRED AT THE TIME OF APPROVAL OF THIS MAP BY THE CITY COUNCIL OF THE CITY OF PORTERVILLE HAVE BEEN COMPLIED WITH.

DATED THIS DAY OF , 2018

BY:
CITY CLERK

BOARD OF SUPERVISOR'S STATEMENT

I, MICHAEL C. SPATA, COUNTY ADMINISTRATIVE OFFICER/CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF TULARE, STATE OF CALIFORNIA, DO HEREBY STATE THE SAID BOARD OF SUPERVISORS HAS APPROVED THE PROVISIONS MADE FOR THE PAYMENT OF TAXES AS PROVIDED IN DIVISION 2 OF TITLE 7 OF THE GOVERNMENT CODE OF THE STATE OF CALIFORNIA.

DATED THIS DAY OF , 2018.

MICHAEL C. SPATA
COUNTY ADMINISTRATIVE OFFICER/CLERK OF THE BOARD OF SUPERVISORS

BY:
DEPUTY

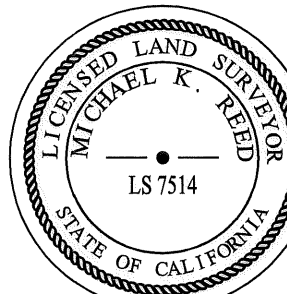
SOIL ENGINEER'S STATEMENT

I HEREBY CERTIFY THAT A SOILS INVESTIGATION REPORT WAS SUBMITTED BY ME ON MARCH 19, 2018, IN ACCORDANCE WITH THE PROVISIONS OF ORDINANCE 900 OF THE MUNICIPAL CODE OF THE CITY OF PORTERVILLE AND THAT SAID REPORT IS ON FILE IN THE CITY BUILDING INSPECTOR'S OFFICE.

DATED THIS 12th DAY OF OCTOBER, 2018.


SANTIAGO ESPINOZA JR., R.C.E. #83299

TSM 5484

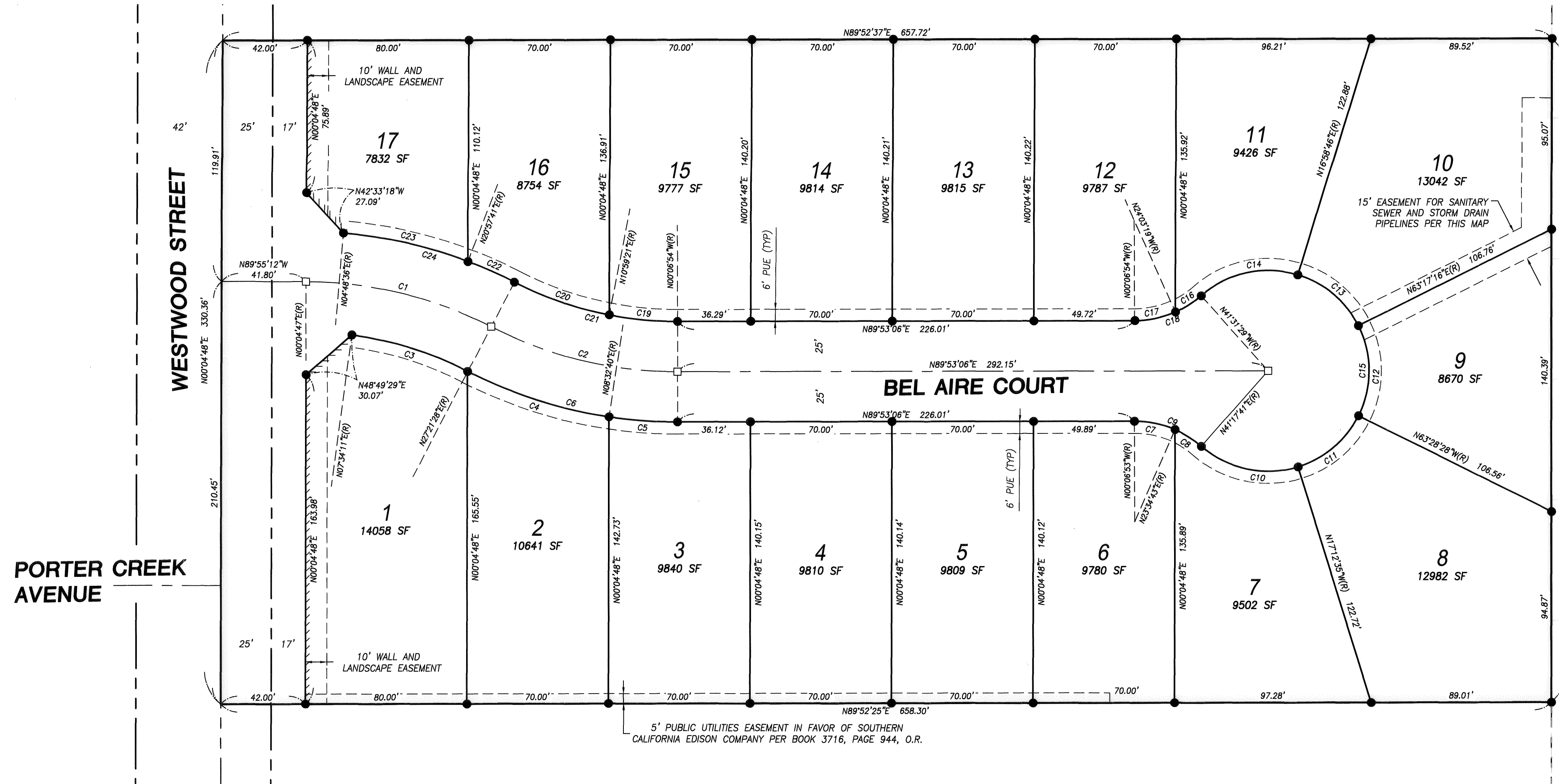


SHEET 1 OF 2

TROOPER TERRACE

BEING A DIVISION OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA.

JULY 2018

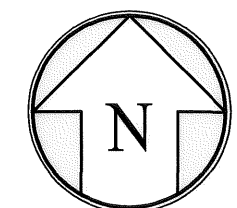


LEGEND

- ▲ MONUMENT FOUND AND ACCEPTED AS DESCRIBED, UNLESS NOTED OTHERWISE.
- SET 3/4" IRON PIPE TAGGED PLS 8189
- SET BRASS CAP MONUMENT STAMPED PLS 8189, FLUSH PER CITY STANDARD M-2C
- () RECORD DATA PER WILLIAMS RANCH PHASE 4, RECORDED IN BOOK 42 OF MAPS, AT PAGE 35, T.C.R. OR CALCULATED THEREFROM
- (R) RADIAL
- LINE INDICATES SUBDIVISION BOUNDARY
- ===== 1' ACCESS LIMITATION STRIP

CURVE TABLE				
CURVE #	DELTA	RADIUS	LENGTH	TANGENT
C1	27°16'40"	200.00'	95.22'	48.53'
C2	27°28'22"	200.00'	95.90'	48.89'
C3	19°47'17"	175.00'	60.44'	30.52'
C4	18°48'47"	225.00'	73.88'	37.27'
C5	8°39'34"	225.00'	34.01'	17.04'
C6	27°28'22"	225.00'	107.89'	55.00'
C7	23°41'36"	50.00'	20.68'	10.49'
C8	17°42'59"	50.00'	15.46'	7.79'
C9	41°24'35"	50.00'	36.14'	18.90'
C10	58°30'15"	50.00'	51.05'	28.00'
C11	46°15'53"	50.00'	40.37'	21.36'
C12	53°14'16"	50.00'	46.46'	25.06'

CURVE TABLE				
CURVE #	DELTA	RADIUS	LENGTH	TANGENT
C13	46°18'30"	50.00'	40.41'	21.38'
C14	58°30'15"	50.00'	51.05'	28.00'
C15	262°49'09"	50.00'	229.35'	56.69'
C16	17°28'10"	50.00'	15.24'	7.68'
C17	23°56'25"	50.00'	20.89'	10.60'
C18	41°24'35"	50.00'	36.14'	18.90'
C19	11°06'16"	175.00'	33.92'	17.01'
C20	16°22'07"	175.00'	49.99'	25.17'
C21	27°28'22"	175.00'	83.91'	42.78'
C22	6°23'47"	225.00'	25.12'	12.57'
C23	16°09'05"	225.00'	63.43'	31.92'
C24	22°32'52"	225.00'	88.55'	44.85'



40' 0' 40'

SCALE: 1" = 40'

SHEET 2 OF 2

SUBDIVISION AGREEMENT

THIS AGREEMENT is made this ____ day of _____, 2018, by and between the City of Porterville, a Municipal Corporation, hereinafter designated and called the "City", and Smee Homes Inc., 444 N. Prospect Street Suite A, Porterville, Ca 93257, hereinafter designated and called the "Subdivider".

RECITALS

1. The Subdivider has presented to the City a certain final map of a proposed subdivision of land located within the corporate limits of the City, and known and described as Trooper Terrace Subdivision, a copy of which map is attached to and made part of this agreement, and said Subdivider has requested the City to accept the dedications delineated and shown on said map for the use and purposes specified thereon, and to otherwise approve said map in order that the same may be recorded, as required by law.
2. The City requires, as a condition precedent to the acceptance and approval of said map, the dedication of such streets, highways and public places and easements as are delineated and shown on said map, and they shall be improved by the construction and the installation of the improvements hereinafter specified.
3. Section 21-51 of the Municipal Code of the City of Porterville requires the Subdivider to enter into this agreement with the City whereby Subdivider agrees to do, perform and complete the work and matters herein after in the agreement mentioned and set forth in detail, within the time hereinafter mentioned, in consideration of the acceptance of the offers of dedication by the City of Porterville.

AGREEMENT

In consideration of the acceptance of the offers of dedication of the streets, highways, public ways, easements and facilities as shown and delineated on said map, and the approval of said map for filing and recording as provided and required by law, it is mutually agreed and understood by and between the Subdivider and the City, and the Subdivider and the City do hereby mutually agree as follows:

4. The Subdivider shall complete the work and improvements hereinafter specified on or before May 04, 2019, to the satisfaction of the City Engineer. Additional inspection and administration costs past this date must be paid by the Subdivider prior to City Council acceptance of improvements. The Subdivider hereby designates and agrees to compensate the "Supervising Civil Engineer(s)" shown in Exhibit A attached for the purpose of satisfying Sections No. 7-132 and 7-133 of the City Code as defined in Exhibit A attached. Subdivider agrees to notify said Civil Engineer of his duties by giving him a copy of this agreement prior to the start of grading. All grading involving a preliminary soil report shall be performed under the supervision of said Civil Engineer. It shall be the responsibility of said Civil Engineer to supervise and coordinate all site supervision and testing during grading operations. The preliminary soil report, and its recommendation, which has been first approved by the City Engineer, shall be used as a basis for the grading operations. If, in the course of fulfilling this responsibility as the supervising Civil Engineer, he finds that the work is not being done in conformance with the preliminary report and grading plans approved by the City Engineer or in accordance with accepted practices, he shall immediately notify the person in charge of the grading work and the City Engineer, in writing, of the non-conformity and of the corrective measures to be taken. In the event the supervising Civil Engineer is relieved of or otherwise terminates his duties prior to completion of the work shown on the grading

plans, he shall report the fact, in writing, to the City Engineer within forty-eight (48) hours from the time such termination begins together with a report on the status of the work at his last inspection.

In the event the supervising Civil Engineer terminates his duties prior to completion of the work shown on the grading plans, the Subdivider agrees to do one of the following.

- (a) To obtain written approval of a replacement supervising Civil Engineer (licensed to practice in California) from the City Engineer prior to termination of the supervising Civil Engineer, or
- (b) Terminate grading operations until arrangements can be made for a new supervising Civil Engineer, acceptable to the City Engineer, to perform the prescribed duties.

5. The work and improvements, more specifically shown on the attached plans and made a part hereof, shall be done in accordance with the construction standards contained in the Standard Specifications for Public Works Construction, current Edition (Standard Specifications), the Manual of Traffic Controls for Public Works Construction and the City of Porterville Standard Plans and Specifications, as adopted by the City Council, at the sole cost and expense of the Subdivider including all costs of engineering, inspection and testing as specified in Item 12.

6. The work and improvements are as follows:

All items of work and all improvements required as shown on the improvement plans dated May 04, 2018, as required by City Council Resolution No. 27-2017 and as directed by the City Engineer in accordance with the City of Porterville Standard Plans and Specifications.

7. Subdivider has paid to the City of Porterville, in accordance with Article II, Chapter 19A,

of the Porterville Municipal Code, the required fee to defray the costs of constructing planned local drainage facilities for the removal of surface and storm waters from the Subdivision.

8. It is agreed that the City shall inspect all work. All of the work and improvements and materials shall be done, performed and installed in strict accordance with the approved construction plans for said work on file in the Office of the City Engineer of the City and the Standard Plans and Specifications of the City, which said plans and specifications and standards are hereby referred to and adopted and made a part of this agreement. In case there are not any standard specifications of the City for any of said work, it is agreed that the same shall be done and performed in accordance with the Standards and Specifications of the State of California, Business of Transportation Agency Department of transportation. All of said work and improvements and materials shall be done, performed and installed under the supervision of and to the satisfaction of the City Engineer of the City.

Subdivider agrees to submit the names of all his proposed contractors and subcontractors for City approval, two weeks prior to initial start of construction. Subdivider agrees to arrange a preconstruction conference with the City, involving representatives of all contractors who are to work on the subdivision, one week prior to the initial start of construction. Subdivider agrees to provide the City with 24-hour notice prior to starting work requiring inspection if there has been no construction work in the subdivision for the two prior working days. Twenty-four (24) hours prior to the performance of any overtime work, Subdivider shall obtain written permission to perform said work. Said written approval shall be kept on the job site at all times during performance of overtime work. Subdivider agrees to pay the City's cost (including overhead) for overtime inspection work (i.e. work performed more than eight (8) hours

per day or forty (40) hours per week or for work performed on weekends and holidays).

9. Prior to the approval by the Council of the City of said final map, the Subdivider shall furnish to the City a bond for:

(a) Performance security in the sum of Three Hundred and Fifty-Five Thousand, Seven Hundred and Ninety-Two and 00/100

Dollars (\$355,792.00), which is equal to one hundred percent of the total estimated cost of the work required. All to be conditioned upon the faithful performance of this agreement and a bond for:

(b) Payment security in the sum of One Hundred and Seventy-Seven Thousand, Eight Hundred and Ninety-Six and 00/100

Dollars (\$ 177,896.00), which is equal to fifty percent of the total estimate cost of the work required to secure payment to all contractors and subcontractors performing work on said improvements and all persons furnishing labor, materials or equipment to them for said improvement. Bonds shall be by one or more duly authorized corporate sureties subject to the approval of the City.

(c) On acceptance of the required work, warranty security shall be furnished to or retained by the City in the amount of five percent of the improvement security for performance, for guarantee and warranty of the work for a period of one year following acceptance against any defective work or labor done or defective materials furnished. In accordance with Section 21-24 of the Porterville Municipal Code, said warranty security shall be in the form of cash or a certificate of deposit or a maintenance bond.

(d) As a part of the obligation of the Subdivider and in addition to any and all furnishing for faithful performance of this agreement, the Subdivider agrees that the City shall be entitled to costs and reasonable expenses and fees, including

reasonable attorney's fees which may be incurred in effectively enforcing the obligation secured.

10. The City shall not be liable to the Subdivider or to any other person, firm or corporation whatsoever, for any injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the subdivision of said land covered by this agreement, or any part thereof.

The Subdivider hereby releases and agrees to indemnify and save the City harmless from and against any and all injuries to and deaths of persons, and all claims, demands, costs, loss, damage and liability, howsoever same may be caused, resulting directly or indirectly from the performance of any or all work to be done in and upon the street rights of way in said subdivision and upon the premises adjacent thereto pursuant to this agreement, and also from all injuries to and deaths of persons, and all claims, demands, costs, loss, damage and liability, howsoever same may be caused, either directly or indirectly made or suffered by the Subdivider, the Subdivider's agents, employees and subcontractors, while engaged in the performance of said work.

The Subdivider agrees that the use for any purpose and by any person of any and all of the streets and improvements herein before specified, shall be at the sole and exclusive risk of the Subdivider at all times prior to final acceptance by the City of the completed street and other improvements thereon and therein.

No occupancy permit shall be issued until an approved "all weather" street frontage and access is constructed. The issuance of any occupancy permits by the City for dwellings located within said subdivision shall not be construed in any manner to constitute an acceptance and approval of any or all of the streets and improvements in said subdivision.

11. The Subdivider and his subcontractors shall pay for any materials, provisions and other

supplies used in, upon, for, or about the performance of the work contracted to be done, and for any work or labor thereon of any kind, and for amounts due under the Unemployment Insurance Act of the State of California, with respect to such work or labor, as required by Section 4200 of the Government Code.

12. Initial compaction and soil tests for street, sewer, water and other work within the public right of way shall be ordered by and paid for by the Subdivider. Sewer and utility trench tests shall be taken in varying locations and depths as required by the engineer. Compaction tests failing to meet the City's requirements shall be reordered by the Subdivider.
13. The Subdivider shall comply with Street, Plumbing, Building, Electrical, Zoning Codes and any other codes of the City.
14. It shall be the responsibility of the Subdivider to coordinate all work done by his contractors and subcontractors, such as scheduling the sequence of operations and the determination of liability if one operation delays another. In no case shall representatives of the City of Porterville be placed in the position of making decisions that are the responsibility of the Subdivider. It shall further be the responsibility of the Subdivider to give the City Engineer written notice not less than two (2) working days in advance of the actual date on which work is to be started. Failure on the part of the Subdivider to notify the City Engineer may cause delay for which the Subdivider shall be solely responsible.
15. Whenever the Subdivider varies the period during which work is carried on each day, he shall give due notice to the City representative so that proper inspection may be provided. Any work done in the absence of the City's Inspector will be subject to rejection. The inspection of the work shall not relieve the Subdivider of any of his obligations to fulfill the agreement as prescribed. Defective work shall be made good, and unsuitable materials may be rejected, notwithstanding the fact that such defective work and

unsuitable materials have been previously overlooked by the City Engineer or Inspector and accepted.

Any damage to the sewer system, concrete work or street paving that occurs after installation shall be made good to the satisfaction of the City Engineer by the Subdivider before release of bond, or final acceptance of completed work.

16. Adequate dust control shall be maintained by the Subdivider on all streets within and without the subdivision on which work is required to be done under this agreement, from the time work is first commenced in the subdivision until the paving of the streets is completed. "Adequate dust control", as used herein, shall mean the sprinkling of the streets with water, or the laying of a dust coat of oil thereon with sufficient frequency to prevent the scattering of dust, by wind or the activity of vehicles and equipment, onto any street area or private property adjacent to the subdivision. Whenever, in the opinion of the City Engineer, adequate dust control is not being maintained on any street or streets by this paragraph, the City Engineer shall give notice to the Subdivider to comply with the provisions of this paragraph forthwith. Such notice may be personally served upon the Subdivider, or, at the election of the City Engineer, such notice may be mailed to the Subdivider at his address on file with the City Engineer. If, within 24 hours after such personal service of such notice or within 48 hours after the mailing thereof as herein provided, the Subdivider shall not have commenced to maintain adequate dust control or shall, at any time, thereafter fail to maintain adequate dust control, the City Engineer may, without further notice of any kind, cause any such street or streets to be sprinkled or oiled, as he may deem advisable to eliminate the scattering of dust, by equipment and of the City or by contract as the City Engineer shall determine, and the Subdivider agrees to pay to City, forthwith upon receipt of billing therefore, the entire cost to the City of such sprinkling or oiling. When the surfacing on any existing street is disturbed, this surfacing

shall be replaced with temporary or permanent surfacing within 14 calendar days and the roadway shall be maintained in a safe and passable condition at all times between the commencement and final completion, and adequate dust control shall be maintained during these operations.

17. The Subdivider shall install all improvements in accordance with Article VIII of Chapter 21 of the Municipal Code of the City of Porterville and the construction plans.
18. Concrete curbs and gutters, the sanitary sewer system and house connections together with water mains, gas mains, electrical systems and their respective service connections shall be completed in the streets and alleys before starting the street and alley surfacing.
19. Time is of the essence of this agreement, and the same shall bind and inure to the benefit of the parties hereto, their successors and assigns.

The parties have executed this agreement on the day and year first above written.

CITY OF PORTERVILLE, A Municipal Corporation

Milt Stowe, Mayor*

ATTEST:

John D. Lollis, City Clerk*


Jason Moyes, Smee Homes, Inc.*

* Notarization Required

Rev. 1-94 / 6-01

CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Tulare

ss.

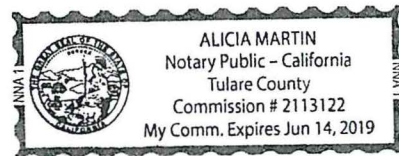
On 10/11, 2018, before me, Alicia Martin, a notary public, personally appeared Jason Moyes, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

SEAL

Alicia Martin
Signature of Notary Public



CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Tulare

SS.

On _____, 20____, before me, _____, a notary public,
personally appeared _____, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),
or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

SEAL

Signature of Notary Public

CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Tulare ss.

On _____, 20__, before me, _____, a notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

SEAL

Signature of Notary Public

Exhibit A

RESPONSIBILITY FOR FINAL SOIL REPORT AND
DUST CONTROL PURSUANT TO SECTION 7-133
OF PORTERVILLE CITY CODE

Name of Subdivision: Trooper Terrace

I, Jeffrey Conant, as indicated by my signature below, in accordance with Ordinance 900, do agree to fulfill the Supervising Civil Engineer's responsibility for the following (place "X" in appropriate box):

- ☐ Grading (e.g. inspection, soils testing, etc.) being done in conformance with the approved Preliminary Soil Report or an approved addendum to the Preliminary Soils Report;
- ☐ Dust control during grading operations being done in accordance with Section 7-8.1 or Standard Specifications For Public Works Construction;
- ☒ Lot drainage (e.g. survey elevations, record drawing, etc.) being in accordance with approved plans;
- ☒ Drainage facilities being in accordance with approved plans.

Supervising Civil Engineer

[Signature]
Date 10/23/18

R.C.E. No. 41964

I, _____, as indicated by my signature below, in accordance with Ordinance 900, do agree to fulfill the Supervising Civil Engineer's responsibility for the following (place "X" in appropriate box):

- ☐ Grading (e.g. inspection, soils testing, etc.) being done in conformance with the approved Preliminary Soil Report or an approved addendum to the Preliminary Soil Report;
- ☐ Dust control during grading operations being done in accordance with Section 7-8.1 of Standard Specifications for Public works Construction;
- ☐ Lot drainage (e.g. survey elevations, record drawing, etc.) being in accordance with approved plans;
- ☐ Drainage facilities being in accordance with approved plans.

Supervising Civil Engineer

Date _____

R.C.E. No.

Exhibit A

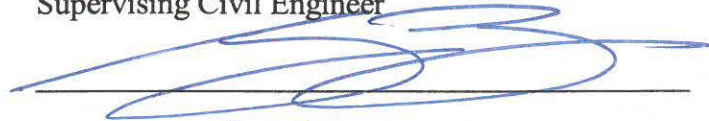
RESPONSIBILITY FOR FINAL SOIL REPORT AND
DUST CONTROL PURSUANT TO SECTION 7-133
OF PORTERVILLE CITY CODE

Name of Subdivision: Trooper Terrace

I, Santiago Espinoza Jr., as indicated by my signature below, in accordance with Ordinance 900, do agree to fulfill the Supervising Civil Engineer's responsibility for the following (place "X" in appropriate box):

- ☒ Grading (e.g. inspection, soils testing, etc.) being done in conformance with the approved Preliminary Soil Report or an approved addendum to the Preliminary Soils Report;
- ☐ ~~Dust control during grading operations being done in accordance with Section 7-8.1 or Standard Specifications For Public Works Construction;~~
- ☐ ~~Lot drainage (e.g. survey elevations, record drawing, etc.) being in accordance with approved plans;~~
- ☐ ~~Drainage facilities being in accordance with approved plans.~~

Supervising Civil Engineer



R.C.E. No. 83299

Date 10/24/18

I, _____, as indicated by my signature below, in accordance with Ordinance 900, do agree to fulfill the Supervising Civil Engineer's responsibility for the following (place "X" in appropriate box):

- ☐ Grading (e.g. inspection, soils testing, etc.) being done in conformance with the approved Preliminary Soil Report or an approved addendum to the Preliminary Soil Report;
- ☐ Dust control during grading operations being done in accordance with Section 7-8.1 of Standard Specifications for Public works Construction;
- ☐ Lot drainage (e.g. survey elevations, record drawing, etc.) being in accordance with approved plans;
- ☐ Drainage facilities being in accordance with approved plans.

Supervising Civil Engineer

R.C.E. No.

Date _____

**SUBDIVISION IMPROVEMENTS
PERFORMANCE BOND**

BOND NO. 706148S
\$ 4,270.00 premium is for
a term of One (1) year(s)

KNOW ALL MEN BY THESE PRESENTS:

That we, Smee Homes, Inc, as Principal,
and Developers Surety and Indemnity Company, a corporation organized and doing business
under and by virtue of the laws of the State of California and duly licensed
to conduct a general surety business in the State of California as Surety, are held and firmly bound unto the City of Porterville
as Obligee, in the penal sum of
Three Hundred Fifty Five Thousand Seven Hundred Ninety Two and 00/100
(\$ 355,792.00) Dollars, for which payment, well and truly to be made, we bind ourselves, our heirs, successors, executors
and administrators, jointly and severally firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

Whereas the Obligee and Principal have entered into an agreement whereby Principal agrees to install and complete certain
designated subdivision improvements, which agreement, identified as Trooper Terrace,
is hereby referred to and made a part hereof; and

Whereas, said Principal is required under the terms of said agreement to furnish a bond for the faithful performance of said
agreement.

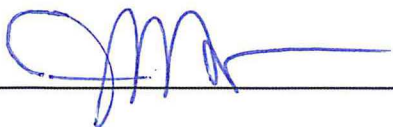
Now therefore, the condition of this obligation is such that if the above bounden Principal, his or its heirs, executors,
administrators, successors or assigns, shall in all things stand to and abide by, well and truly keep and perform the covenants,
conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be
kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning,
and shall indemnify and save harmless Obligee, its officers, agents and employees, as therein stipulated, then this obligation shall
become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the penal sum specified therefor, there shall be included costs
and reasonable expenses and fees, including reasonable attorney's fees, incurred by Obligee in successfully enforcing such
obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement
or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations on
this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement
or to the work or to the specifications.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named on, _____
September 27th, 2018.

PRINCIPAL: Smee Homes, Inc



SURETY: Developers Surety and Indemnity Company


Natalie Guillozet
Attorney-in-Fact

**POWER OF ATTORNEY FOR
DEVELOPERS SURETY AND INDEMNITY COMPANY
INDEMNITY COMPANY OF CALIFORNIA
PO Box 19725, IRVINE, CA 92623 (949) 263-3300**

KNOW ALL BY THESE PRESENTS that except as expressly limited, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, do each hereby make, constitute and appoint:

Daniel Peck, Nichole Fisher, Natalie Guillozet, Karen Simmons, Darren Johnson, jointly or severally

as their true and lawful Attorney(s)-in-Fact, to make, execute, deliver and acknowledge, for and on behalf of said corporations, as sureties, bonds, undertakings and contracts of suretyship giving and granting unto said Attorney(s)-in-Fact full power and authority to do and to perform every act necessary, requisite or proper to be done in connection therewith as each of said corporations could do, but reserving to each of said corporations full power of substitution and revocation, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This Power of Attorney is granted and is signed by facsimile under and by authority of the following resolutions adopted by the respective Boards of Directors of DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, effective as of January 1st, 2008.

RESOLVED, that a combination of any two of the Chairman of the Board, the President, Executive Vice-President, Senior Vice-President or any Vice President of the corporations be, and that each of them hereby is, authorized to execute this Power of Attorney, qualifying the attorney(s) named in the Power of Attorney to execute, on behalf of the corporations, bonds, undertakings and contracts of suretyship; and that the Secretary or any Assistant Secretary of either of the corporations be, and each of them hereby is, authorized to attest the execution of any such Power of Attorney;

RESOLVED, FURTHER, that the signatures of such officers may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures shall be valid and binding upon the corporations when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached.

IN WITNESS WHEREOF, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA have severally caused these presents to be signed by their respective officers and attested by their respective Secretary or Assistant Secretary this 6th day of February, 2017.

By: *Daniel Young*
Daniel Young, Senior Vice-President
By: *Mark Lansdon*
Mark Lansdon, Vice-President



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

On February 6, 2017 before me, Lucille Raymond, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Daniel Young and Mark Lansdon
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Lucille Raymond*
Lucille Raymond, Notary Public



Place Notary Seal Above

CERTIFICATE

The undersigned, as Secretary or Assistant Secretary of DEVELOPERS SURETY AND INDEMNITY COMPANY or INDEMNITY COMPANY OF CALIFORNIA, does hereby certify that the foregoing Power of Attorney remains in full force and has not been revoked and, furthermore, that the provisions of the resolutions of the respective Boards of Directors of said corporations set forth in the Power of Attorney are in force as of the date of this Certificate.

This Certificate is executed in the City of Irvine, California, this 27th day of September 2018

By: *Cassie J. Berrisford*
Cassie J. Berrisford, Assistant Secretary



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

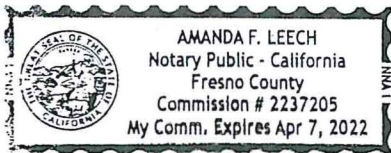
State of California

County of Fresno

On 09.27.18 before me, Amanda F. Leech, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Natalie Guillozet
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Performance Bond

Document Date: 09.27.18 Number of Pages: 2

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Natalie Guillozet

- ☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact
☐ Trustee ☐ Guardian of Conservator
☐ Other: _____
Signer is Representing: _____

Signer's Name: _____

- ☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian of Conservator
☐ Other: _____
Signer is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California)SS
COUNTY OF Tulare)

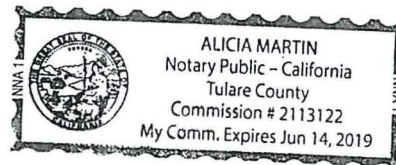
On 10/03/18 before me, Alicia Martin, Notary Public, personally appeared Jason Moxes

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



This area for official notarial seal.

OPTIONAL SECTION - NOT PART OF NOTARY ACKNOWLEDGEMENT CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the documents.

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER(S) TITLE(S)
☐ PARTNER(S) ☐ LIMITED ☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER

SIGNER IS REPRESENTING:

Name of Person or Entity

Name of Person or Entity

OPTIONAL SECTION - NOT PART OF NOTARY ACKNOWLEDGEMENT

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW

TITLE OR TYPE OF DOCUMENT: _____

NUMBER OF PAGES _____ DATE OF DOCUMENT _____

SIGNER(S) OTHER THAN NAMED ABOVE _____



AmTrust Surety
An AmTrust Financial Company

AmTrust Surety
17771 Cowan, Suite 100 • Irvine, California 92614 • (949) 263-3300
www.AmTrustSurety.com

SUBDIVISION IMPROVEMENTS LABOR AND MATERIAL BOND

BOND NO. 706148S
PREMIUM INCLUDED IN
PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, Smee Homes, Inc, as Principal,
and Developers Surety and Indemnity Company, a corporation organized and doing business
under and by virtue of the laws of the State of California and duly licensed
to conduct a general surety business in the State of California as Surety, are held and firmly bound unto the City of Porterville
as Obligor, in the penal sum of One Hundred Seventy Seven Eight Hundred Ninety Six and 00/100 (\$ 177,896.00) DOLLARS,
for which payment, well and truly to be made, we find ourselves, our heirs, executors and successors, jointly and severally firmly by these
presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

Whereas, the above-named Principal, has entered into an agreement which is made a part of this bond, with the City of Porterville,
State of California, as Obligor, for the designated public
improvements in the subdivision identified as Trooper Terrace,
as required by the Government Code of California.

Whereas, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and
sufficient payment bond with the City of Porterville to secure the claims
to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code of the State of California.

Now, therefore, said principal and the undersigned, as surety, are held firmly bound unto the City of Porterville
and all contractors, subcontractors, laborers, materialmen and other persons
employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code of the State of California for material fur-
nished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor; that said
surety will pay the same in an amount not exceeding the penal sum hereinabove set forth, and also in case suit is brought upon this bond, will
pay, in addition to the penal sum thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City of Porterville
in successfully enforcing such obligation, to be awarded and fixed by the court,
and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies; and corporations
entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give right of action to
them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain
in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the
specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such
change, extension, alteration or addition.

In witness whereof, this instrument has been duly executed by the principal and surety above named, on September 27th, 2018

PRINCIPAL: Smee Homes, Inc

SURETY: Developers Surety and Indemnity Company

Natalie Guillozet

Attorney-in-Fact

**POWER OF ATTORNEY FOR
DEVELOPERS SURETY AND INDEMNITY COMPANY
INDEMNITY COMPANY OF CALIFORNIA
PO Box 19725, IRVINE, CA 92623 (949) 263-3300**

KNOW ALL BY THESE PRESENTS that except as expressly limited, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, do each hereby make, constitute and appoint:

Daniel Peck, Nichole Fisher, Natalie Guillozet, Karen Simmons, Darren Johnson, jointly or severally

as their true and lawful Attorney(s)-in-Fact, to make, execute, deliver and acknowledge, for and on behalf of said corporations, as sureties, bonds, undertakings and contracts of suretyship giving and granting unto said Attorney(s)-in-Fact full power and authority to do and to perform every act necessary, requisite or proper to be done in connection therewith as each of said corporations could do, but reserving to each of said corporations full power of substitution and revocation, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This Power of Attorney is granted and is signed by facsimile under and by authority of the following resolutions adopted by the respective Boards of Directors of DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, effective as of January 1st, 2008.

RESOLVED, that a combination of any two of the Chairman of the Board, the President, Executive Vice-President, Senior Vice-President or any Vice President of the corporations be, and that each of them hereby is, authorized to execute this Power of Attorney, qualifying the attorney(s) named in the Power of Attorney to execute, on behalf of the corporations, bonds, undertakings and contracts of suretyship; and that the Secretary or any Assistant Secretary of either of the corporations be, and each of them hereby is, authorized to attest the execution of any such Power of Attorney;

RESOLVED, FURTHER, that the signatures of such officers may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures shall be valid and binding upon the corporations when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached.

IN WITNESS WHEREOF, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA have severally caused these presents to be signed by their respective officers and attested by their respective Secretary or Assistant Secretary this 6th day of February, 2017.

By: *Daniel Young*
Daniel Young, Senior Vice-President
By: *Mark Lansdon*
Mark Lansdon, Vice-President



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

On February 6, 2017 before me, Lucille Raymond, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Daniel Young and Mark Lansdon
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Lucille Raymond*
Lucille Raymond, Notary Public



Place Notary Seal Above

CERTIFICATE

The undersigned, as Secretary or Assistant Secretary of DEVELOPERS SURETY AND INDEMNITY COMPANY or INDEMNITY COMPANY OF CALIFORNIA, does hereby certify that the foregoing Power of Attorney remains in full force and has not been revoked and, furthermore, that the provisions of the resolutions of the respective Boards of Directors of said corporations set forth in the Power of Attorney are in force as of the date of this Certificate.

This Certificate is executed in the City of Irvine, California, this 21st day of SEPTEMBER, 2018

By: *Cassie J. Berrisford*
Cassie J. Berrisford, Assistant Secretary

ATS-1002 (02/17)



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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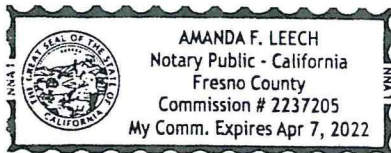
State of California

County of Fresno

On 09.27.18 before me, Amanda F. Leech, Notary Public

personally appeared Natalie Guillozet
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]

Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Labor and Material Bond

Document Date: 09.27.18 Number of Pages: 2

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Natalie Guillozet

- ☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact
☐ Trustee ☐ Guardian of Conservator
☐ Other: _____
 Signer is Representing: _____

Signer's Name: _____

- ☐ Corporate Officer – Title(s): _____
☐ Partner – ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian of Conservator
☐ Other: _____
 Signer is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California)SS
COUNTY OF Tulare)

On 10/03/18 before me, Alicia Martin, Notary Public, personally appeared Jason Moxes

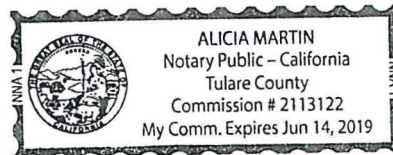
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Alicia Martin



This area for official notarial seal.

OPTIONAL SECTION - NOT PART OF NOTARY ACKNOWLEDGEMENT CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the documents.

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER(S) TITLE(S)
☐ PARTNER(S) ☐ LIMITED ☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER

SIGNER IS REPRESENTING:

Name of Person or Entity

Name of Person or Entity

OPTIONAL SECTION - NOT PART OF NOTARY ACKNOWLEDGEMENT

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW

TITLE OR TYPE OF DOCUMENT: _____

NUMBER OF PAGES _____ DATE OF DOCUMENT _____

SIGNER(S) OTHER THAN NAMED ABOVE _____



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Quarterly Portfolio Summary

SOURCE: Finance

COMMENT: This report reflects the investment portfolio of the City of Porterville as of September 30, 2018, and is in compliance with California Government Code Section 27000, etc., Section 53600, etc., and the City of Porterville's Statement of Investment Policy. Investments are selected based on the statutory objectives of safety, liquidity and yield.

Items identified in the summary include the portfolio composition, weighted average rate of earnings, weighted average days to maturity, and the percentage of liquid holdings.

RECOMMENDATION: That the City Council accept the quarterly Investment Portfolio Summary Report.

ATTACHMENTS: 1. Quarterly Portfolio Summary

Appropriated/Funded:

Review By:
Department Director:

Final Approver: John Lollis, City Manager

CITY OF PORTERVILLE
PORTFOLIO SUMMARY AS OF SEPTEMBER 30, 2018

INVESTMENT OR CUSIP NUMBER	INSTITUTION	PURCHASE PRICE	MARKET VALUE	COUPON INTEREST RATE	PURCHASE DATE	MATURITY DATE	DAYS TO MATURITY
1006	LOCAL AGENCY INVESTMENT FUND \$	9,143,962	\$ 9,143,962	2.160%	DAILY	DAILY	1
1007	CSJVRMA INVESTMENT FUND	6,772,761	6,777,919	2.040%	DAILY	DAILY	30
866	TULARE COUNTY INVESTMENT POOL	9,039,386	8,885,746	1.880%	DAILY	DAILY	30
	TULARE COUNTY JUNIOR LIVESTOCK SHOW AND COMMUNITY FAIR	979,577	979,577	4.000%	1/15/2015	7/15/2037	6,863
912833KT6	US TREASURY	985,510	997,480	1.781%	1/18/2018	11/15/2018	46
3133EGKA2	FEDERAL FARM CREDIT BANK	1,000,000	962,850	1.500%	6/29/2016	7/6/2021	1,010
3130A9VY4	FEDERAL HOME LOAN BANKS	1,000,000	962,400	1.650%	11/23/2016	11/23/2021	1,150
3130AARH3	FEDERAL HOME LOAN BANKS	1,000,000	973,190	2.250%	2/28/2017	2/28/2022	1,247
3130ABCS3	FEDERAL HOME LOAN BANKS	1,000,000	962,730	2.100%	5/18/2017	5/18/2022	1,326
3134GBYP1	FEDERAL HOME LOAN MTG CORP	1,000,000	1,000,190	2.250%	7/26/2017	7/26/2022	1,395
3130ACF66	FEDERAL HOME LOAN BANKS	1,000,000	962,990	2.150%	9/26/2017	9/26/2022	1,457
3134GBM74	FEDERAL HOME LOAN MTG CORP	1,000,000	963,870	2.150%	9/29/2017	9/29/2022	1,460
3134GB6A5	FEDERAL HOME LOAN MTG CORP	1,000,000	972,210	2.400%	12/28/2017	12/28/2022	1,550
3134GSEQ4	FEDERAL HOME LOAN MTG CORP	1,000,000	986,910	3.000%	3/15/2018	3/15/2023	1,627
3134GSKY0	FEDERAL HOME LOAN MTG CORP	999,000	996,390	3.200%	5/15/2018	5/15/2023	1,688
24422ESW0	JOHN DEERE CAP CORP	1,000,000	985,570	2.050%	3/10/2015	3/10/2020	527
38148TMC0	GOLDMAN SACHS GROUP INC	1,000,000	981,220	2.000%	4/29/2016	4/29/2021	942
46625HJQ2	JP MORGAN CHASE & CO NOTE	997,500	982,050	2.550%	12/28/2016	3/1/2021	883
06744CFN6	BARCLAYS BANK PLC MTN	1,000,000	958,548	2.250%	8/25/2017	8/25/2022	1,425
89236TEC5	TOYOTA MOTOR CRD CORP	1,000,000	953,670	2.150%	9/8/2017	9/8/2022	1,439
037833DE7	APPLE INC NOTE	993,000	965,210	2.400%	1/16/2018	1/13/2023	1,566
084670BR8	BERKSHIRE HATHAWAY	981,970	976,650	2.750%	4/23/2018	3/15/2023	1,627
36160NS83	CERTIFICATE OF DEPOSIT	245,000	244,561	2.000%	5/23/2014	5/23/2019	235
48126AFX8	CERTIFICATE OF DEPOSIT	200,000	190,740	1.700%	9/30/2016	9/30/2021	1,096
02587CAF7	CERTIFICATE OF DEPOSIT	246,383	246,281	1.950%	7/17/2014	7/17/2019	290
74267GUQ8	CERTIFICATE OF DEPOSIT	247,000	246,247	2.000%	7/22/2014	7/22/2019	295
29266NB30	CERTIFICATE OF DEPOSIT	247,000	246,101	2.050%	8/28/2014	8/28/2019	332
254672NN4	CERTIFICATE OF DEPOSIT	247,000	244,031	2.000%	5/13/2015	5/13/2020	591
20033AKP0	CERTIFICATE OF DEPOSIT	249,000	245,676	1.900%	5/26/2015	5/26/2020	604
140420RT9	CERTIFICATE OF DEPOSIT	247,380	244,625	1.850%	6/3/2015	6/3/2020	612
46147UQL7	CERTIFICATE OF DEPOSIT	248,378	245,258	1.900%	6/17/2015	6/17/2020	626
981571BN1	CERTIFICATE OF DEPOSIT	200,000	197,274	2.300%	6/25/2015	6/25/2020	634
29976DYV6	CERTIFICATE OF DEPOSIT	246,382	243,374	1.950%	6/30/2015	6/30/2020	639
14042E4P2	CERTIFICATE OF DEPOSIT	246,000	243,309	2.300%	7/15/2015	7/15/2020	654
31938QN26	CERTIFICATE OF DEPOSIT	247,000	243,628	2.050%	7/17/2015	7/17/2020	656
58403BY67	CERTIFICATE OF DEPOSIT	247,000	244,236	2.250%	7/27/2015	7/27/2020	666
05580ACW2	CERTIFICATE OF DEPOSIT	247,000	243,959	2.200%	9/22/2015	9/18/2020	719
02587DL30	CERTIFICATE OF DEPOSIT	246,000	241,257	2.300%	12/23/2015	12/23/2020	815
9497486Z5	CERTIFICATE OF DEPOSIT	249,000	238,188	1.600%	8/3/2016	8/3/2021	1,038
06062QXG4	CERTIFICATE OF DEPOSIT	247,000	237,755	1.850%	11/23/2016	11/23/2021	1,150
58733ADT3	CERTIFICATE OF DEPOSIT	240,000	232,222	2.100%	1/27/2017	1/27/2022	1,215
38148PGX9	CERTIFICATE OF DEPOSIT	245,000	238,329	2.300%	3/8/2017	3/8/2022	1,255
857894SK6	CERTIFICATE OF DEPOSIT	249,000	240,668	2.050%	1/13/2017	1/13/2022	1,201
71270QQJ8	CERTIFICATE OF DEPOSIT	246,000	237,754	2.050%	1/18/2017	1/18/2022	1,206
8562845Z3	CERTIFICATE OF DEPOSIT	246,000	240,000	2.350%	1/26/2017	1/26/2022	1,214
33767A2G5	CERTIFICATE OF DEPOSIT	249,000	240,183	2.100%	4/19/2017	4/19/2022	1,297
55266CVB9	CERTIFICATE OF DEPOSIT	248,502	238,836	1.950%	4/28/2017	4/28/2022	1,306
67054NAK9	CERTIFICATE OF DEPOSIT	249,000	241,348	2.300%	6/21/2017	6/21/2022	1,360
9819962K6	CERTIFICATE OF DEPOSIT	200,000	195,054	2.400%	4/19/2017	4/19/2022	1,297
795450D36	CERTIFICATE OF DEPOSIT	240,000	232,589	2.350%	8/23/2017	8/23/2022	1,423
06740KKD8	CERTIFICATE OF DEPOSIT	247,000	238,392	2.200%	7/12/2017	7/12/2022	1,381
33715LAP5	CERTIFICATE OF DEPOSIT	248,378	240,056	2.250%	9/28/2017	9/28/2022	1,459
62384RAB2	CERTIFICATE OF DEPOSIT	249,000	240,397	2.300%	10/12/2017	10/12/2022	1,473
01748DAY2	CERTIFICATE OF DEPOSIT	248,402	239,249	2.200%	11/3/2017	11/3/2022	1,495
61747MF63	CERTIFICATE OF DEPOSIT	246,000	240,153	2.650%	1/11/2018	1/11/2023	1,564
22239MAR9	CERTIFICATE OF DEPOSIT	249,000	242,399	2.600%	2/2/2018	2/2/2023	1,586
366526AR2	CERTIFICATE OF DEPOSIT	248,378	242,797	2.650%	2/16/2018	2/16/2023	1,600
819866AE4	CERTIFICATE OF DEPOSIT	249,000	244,199	2.800%	3/5/2018	3/6/2023	1,618
319141KL0	CERTIFICATE OF DEPOSIT	245,000	243,390	3.150%	6/6/2018	6/6/2023	1,710
74934YAH4	CERTIFICATE OF DEPOSIT	245,000	243,322	3.150%	6/20/2018	6/20/2023	1,724

INVESTMENT OR CUSIP NUMBER	INSTITUTION	PURCHASE PRICE	MARKET VALUE	COUPON INTEREST RATE	PURCHASE DATE	MATURITY DATE	DAYS TO MATURITY
17312QJ26	CERTIFICATE OF DEPOSIT	245,410	242,081	2.900%	4/11/2018	4/11/2023	1,654
25665QAX3	CERTIFICATE OF DEPOSIT	246,000	242,069	2.900%	4/13/2018	4/13/2023	1,656
91435LAG2	CERTIFICATE OF DEPOSIT	249,000	246,400	3.050%	5/14/2018	5/15/2023	1,688
080515CQ0	CERTIFICATE OF DEPOSIT	246,000	243,437	3.050%	5/16/2018	5/16/2023	1,689
90348JCW8	CERTIFICATE OF DEPOSIT	249,000	248,412	3.250%	6/13/2018	6/13/2023	1,717
74160NGF1	CERTIFICATE OF DEPOSIT	248,415	247,830	3.200%	6/22/2018	6/22/2023	1,726
45581EAX9	CERTIFICATE OF DEPOSIT	249,000	248,885	3.300%	6/30/2018	6/30/2023	1,734
201282HW3	CERTIFICATE OF DEPOSIT	249,000	248,268	3.250%	7/25/2018	7/25/2023	1,759
31911QFK6	CERTIFICATE OF DEPOSIT	248,427	247,596	3.200%	8/10/2018	8/10/2023	1,775
499724AD4	CERTIFICATE OF DEPOSIT	249,000	248,061	3.250%	8/30/2018	8/30/2023	1,795
64017AAH7	CERTIFICATE OF DEPOSIT	245,000	244,544	3.300%	9/19/2018	9/19/2023	1,815
1204	CERTIFICATE OF DEPOSIT	249,000	249,000	2.700%	4/24/2018	4/24/2023	1,667
1224	CERTIFICATE OF DEPOSIT	250,000	250,000	1.950%	10/14/2013	10/14/2018	14
1228	CERTIFICATE OF DEPOSIT	250,000	250,000	1.850%	10/30/2013	10/30/2018	30
1248	CERTIFICATE OF DEPOSIT	250,000	250,000	2.480%	5/25/2018	5/8/2020	586
1254	CERTIFICATE OF DEPOSIT	250,000	250,000	2.100%	9/8/2014	9/8/2019	343
1281	CERTIFICATE OF DEPOSIT	250,000	250,000	2.800%	5/14/2018	5/14/2023	1,687
1282	CERTIFICATE OF DEPOSIT	250,000	250,000	3.000%	6/21/2018	6/21/2023	1,725
1283	CERTIFICATE OF DEPOSIT	250,000	250,000	2.458%	5/10/2018	5/10/2020	588
1285	CERTIFICATE OF DEPOSIT	250,000	250,000	2.650%	4/29/2018	4/29/2023	1,672
1286	CERTIFICATE OF DEPOSIT	250,000	250,000	3.100%	6/25/2018	6/25/2023	1,729
1290	CERTIFICATE OF DEPOSIT	250,000	250,000	2.030%	10/11/2013	10/11/2018	11
1291	CERTIFICATE OF DEPOSIT	250,000	250,000	2.250%	2/7/2014	2/7/2019	130
1292	CERTIFICATE OF DEPOSIT	250,000	250,000	2.000%	7/31/2014	7/31/2019	304
1293	CERTIFICATE OF DEPOSIT	250,000	250,000	1.940%	7/18/2014	7/18/2019	291
1294	CERTIFICATE OF DEPOSIT	250,000	250,000	2.030%	4/3/2015	4/3/2020	551
1295	CERTIFICATE OF DEPOSIT	250,000	250,000	2.084%	4/20/2015	4/20/2020	568
1296	CERTIFICATE OF DEPOSIT	250,000	250,000	2.000%	5/8/2015	5/8/2020	586
1297	CERTIFICATE OF DEPOSIT	250,000	250,000	2.000%	5/14/2015	5/14/2020	592
1298	CERTIFICATE OF DEPOSIT	250,000	250,000	2.150%	11/4/2015	11/4/2020	766
1299	CERTIFICATE OF DEPOSIT	250,000	250,000	2.030%	4/30/2015	3/30/2020	547
1300	CERTIFICATE OF DEPOSIT	250,000	250,000	2.100%	12/8/2015	12/8/2020	800
1301	CERTIFICATE OF DEPOSIT	250,000	250,000	2.080%	2/4/2016	2/4/2021	858
1302	CERTIFICATE OF DEPOSIT	250,000	250,000	2.150%	1/11/2016	1/11/2021	834
1303	CERTIFICATE OF DEPOSIT	250,000	250,000	2.150%	4/19/2016	4/19/2021	932
1304	CERTIFICATE OF DEPOSIT	250,000	250,000	2.000%	5/19/2016	5/19/2021	962
1305	CERTIFICATE OF DEPOSIT	250,000	250,000	2.000%	6/3/2016	6/3/2021	977
1306	CERTIFICATE OF DEPOSIT	249,000	249,000	1.935%	10/28/2016	10/28/2021	1,124
1307	CERTIFICATE OF DEPOSIT	249,000	249,000	1.900%	12/20/2016	12/20/2021	1,177
1308	CERTIFICATE OF DEPOSIT	249,000	256,140	2.000%	1/20/2017	1/20/2022	1,208
1309	CERTIFICATE OF DEPOSIT	249,000	249,000	2.150%	2/14/2017	2/14/2022	1,233
1310	CERTIFICATE OF DEPOSIT	249,000	249,000	2.100%	5/1/2017	5/2/2022	1,310
1311	CERTIFICATE OF DEPOSIT	250,000	250,000	2.110%	6/23/2017	6/23/2022	1,362
1312	CERTIFICATE OF DEPOSIT	249,000	249,000	2.500%	7/26/2017	7/26/2022	1,395
1313	CERTIFICATE OF DEPOSIT	249,000	249,000	2.230%	7/11/2017	7/11/2022	1,380
1314	CERTIFICATE OF DEPOSIT	249,000	249,000	2.500%	7/21/2017	7/21/2022	1,390
1315	CERTIFICATE OF DEPOSIT	249,000	249,000	2.350%	9/22/2017	9/22/2022	1,453
1316	CERTIFICATE OF DEPOSIT	249,000	249,000	2.600%	10/6/2017	10/6/2022	1,467
1317	CERTIFICATE OF DEPOSIT	249,000	249,000	2.428%	11/16/2017	11/16/2022	1,508
1318	CERTIFICATE OF DEPOSIT	249,000	249,000	2.500%	3/22/2018	3/22/2023	1,634
1319	CERTIFICATE OF DEPOSIT	250,000	250,000	3.000%	8/3/2018	8/3/2021	1,038
1320	CERTIFICATE OF DEPOSIT	249,000	249,000	3.250%	9/12/2018	9/12/2023	1,808
TOTALS		<u>\$ 66,093,101</u>	<u>\$ 65,319,892</u>				

WEIGHTED AVERAGE RATE OF EARNINGS					% OF LIQUID PORTFOLIO HOLDINGS	WEIGHTED AVERAGE DAYS TO MATURITY
ONE YEAR HISTORY				CURRENT		
9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018		
1.705%	1.723%	1.939%	2.110%	2.230%	37.759%	817

Comments:

Portfolio holdings as of September 30, 2018, are in compliance with the current Investment Policy. With 37.759% of the portfolio being held in liquid instruments, the cash needs of the City will be met. The next portfolio report will be calculated for the fourth calendar quarter ending December 31, 2018, and will be presented during the February 5, 2019 Council meeting.



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Financial Status Reports

SOURCE: Finance

COMMENT: The City Charter requires financial status reports to be provided to City Council on a monthly basis. Council Minute Order No. 10-011607 approved the recommended change in submittal of the interim financial status reports and established the requirements and parameters in the presentation of the reports.

In accordance with Council Minute Order No. 10-011607, the financial status reports for the quarter ending September 30, 2018, are submitted.

RECOMMENDATION: That the City Council accept the Financial Status Reports as presented.

ATTACHMENTS: 1. Financial Status Reports

Appropriated/Funded:

Review By:

Department Director:

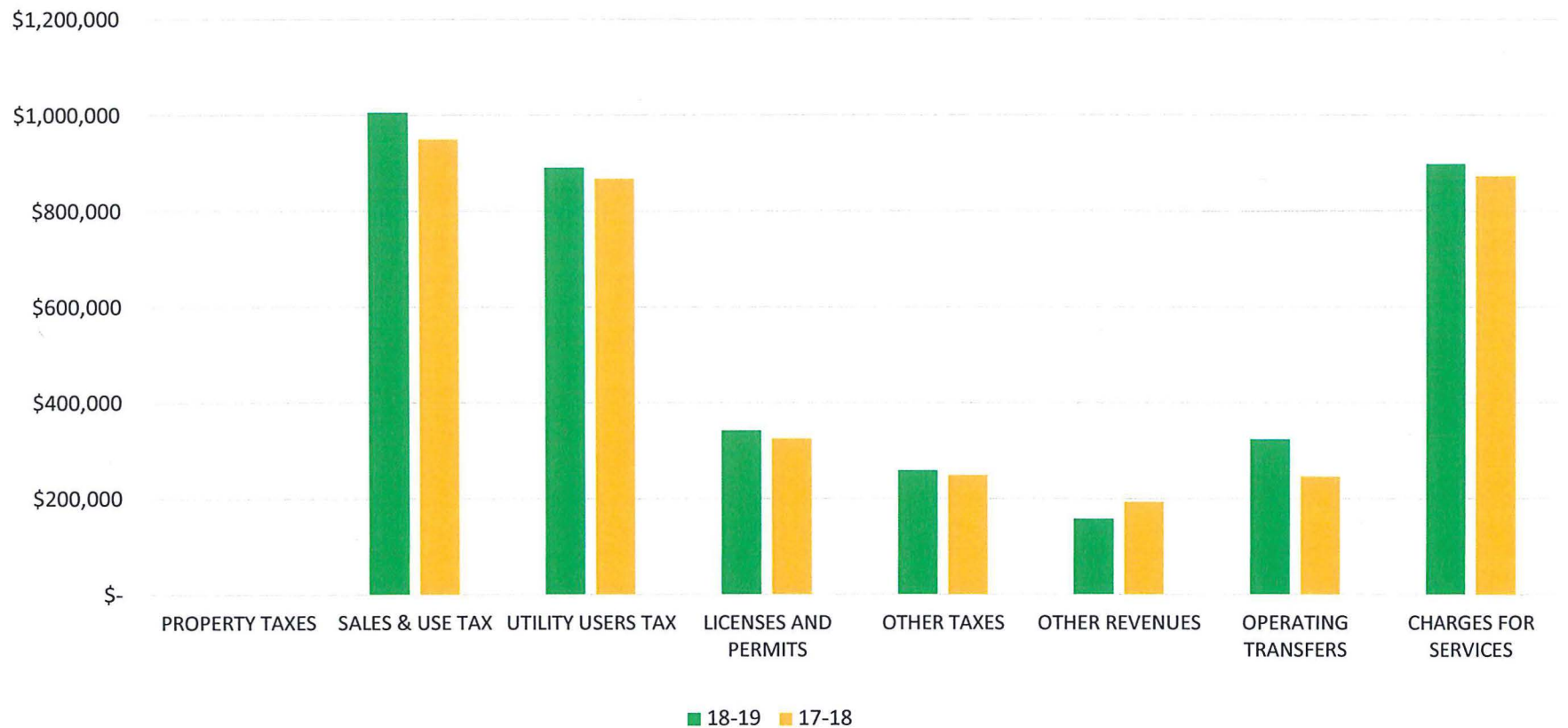
Final Approver: John Lollis, City Manager

CITY OF PORTERVILLE

REVENUE STATUS REPORT - GENERAL FUND
FOR THE QUARTERS ENDED
SEPTEMBER 30, 2018 AND SEPTEMBER 30, 2017

REVENUE SOURCE	2018-2019 ESTIMATED REVENUE	2018-2019 YEAR-TO-DATE REVENUE	% OF ESTIMATE	2017-2018 ESTIMATED REVENUE	2017-2018 YEAR-TO-DATE REVENUE	% OF ESTIMATE
PROPERTY TAXES	\$ 6,889,846	\$		\$ 6,500,000	\$	
OTHER TAXES:						
SALES AND USE TAX	5,998,601	960,179	16.01%	5,909,737	928,263	15.71%
UTILITY USERS TAX	4,125,000	891,291	21.61%	4,000,000	869,362	21.73%
TRANSIENT OCCUPANCY TAX	620,000			500,000	109	0.02%
PROPERTY TRANSFER TAX	85,000	9,788	11.52%	65,000		
FRANCHISE TAX	1,611,134	250,291	15.54%	1,561,134	250,291	16.03%
SALES TAX - PUBLIC SAFETY	220,000	46,581	21.17%	200,000	22,656	11.33%
LICENSES AND PERMITS:						
BUSINESS LICENSES	481,800	213,328	44.28%	464,800	211,520	45.51%
CONSTRUCTION PERMITS	440,000	129,500	29.43%	475,000	114,774	24.16%
REVENUE FROM AGENCIES-TAXES:						
VEHICLE LICENSE FEES	32,000			25,000		
OTHER TAXES	25,000			25,000		
REVENUE FROM AGENCIES-GRANTS	172,741	22,903	13.26%	187,535	31,217	16.65%
USE OF MONEY AND PROPERTY	405,800	117,386	28.93%	470,000	174,558	37.14%
FINES AND FORFEITURES	34,000	1,849	5.44%	36,000	2,348	6.52%
CHARGES FOR SERVICES:						
PLANNING AND ENGINEERING	129,000	26,036	20.18%	107,000	46,610	43.56%
POLICE	519,000	44,037	8.48%	334,000	34,594	10.36%
FIRE	45,000	39,325	87.39%	45,000	36,390	80.87%
LIBRARY	40,000	10,348	25.87%	40,000	9,022	22.56%
RECREATIONAL	2,738,739	121,955	4.45%	2,374,100	116,548	4.91%
INTERDEPARTMENTAL	2,400,000	644,295	26.85%	2,200,000	628,665	28.58%
OTHER	41,272	13,313	32.26%	9,954	2,309	23.19%
OTHER REVENUES	80,200	16,998	21.19%	87,200	(13,556)	-15.55%
SUBTOTALS	\$ 27,134,133	\$ 3,559,404	13.12%	\$ 25,616,460	\$ 3,465,678	13.53%
OPERATING TRANSFERS	1,230,625	218,405	17.75%	1,205,696	200,564	16.63%
DEBT SERVICE TRANSFERS	199,250	53,133	26.67%	199,455	46,142	23.13%
TOTALS	\$ 28,564,008	\$ 3,830,942	13.41%	\$ 27,021,611	\$ 3,712,384	13.74%

City of Porterville
General Fund Revenues
Quarters Ended September 30, 2018 and September 30, 2017

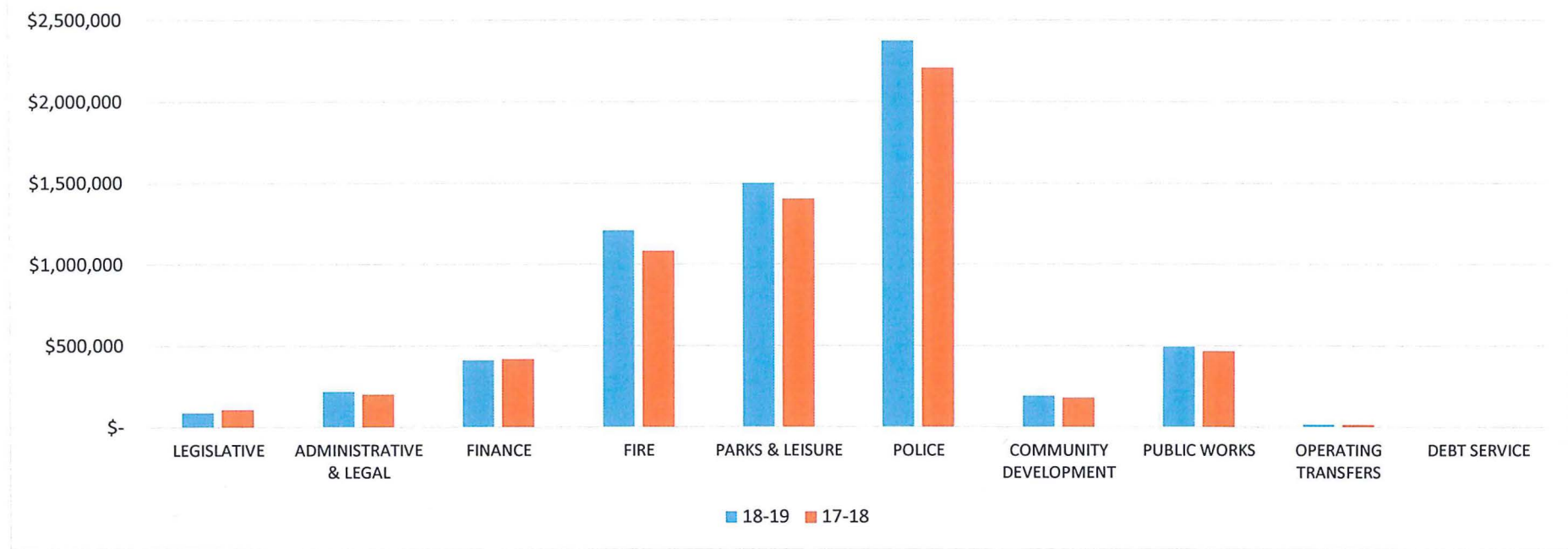


CITY OF PORTERVILLE

EXPENDITURE STATUS REPORT - GENERAL FUND
FOR THE QUARTERS ENDED
SEPTEMBER 30, 2018 AND SEPTEMBER 30, 2017

	2018-2019 AMENDED APPROP	2018-2019 YEAR-TO-DATE EXPEND	% OF APPROP	2017-2018 AMENDED APPROP	2017-2018 YEAR-TO-DATE EXPEND	% OF APPROP
LEGISLATIVE:						
CITY COUNCIL	\$ 252,917	\$ 26,937	10.7%	\$ 262,917	\$ 3,779	1.4%
COMMUNITY PROMOTION	236,653	63,632	26.9%	223,583	107,673	48.2%
EMERGENCY OPERATIONS						
ADMINISTRATIVE & LEGAL:						
CITY MANAGER	318,526	68,891	21.6%	308,902	74,438	24.1%
CITY CLERK	190,463	45,064	23.7%	189,358	37,032	19.6%
HUMAN RESOURCES	308,614	76,789	24.9%	264,520	71,802	27.1%
CITY ATTORNEY	225,000	29,115	12.9%	225,000	19,597	8.7%
FINANCE:						
FINANCE & ACCOUNTING	902,024	208,498	23.1%	903,042	220,483	24.4%
INFORMATION SERVICES	472,829	131,703	27.9%	442,125	125,546	28.4%
ADMINISTRATIVE SERVICES	348,497	72,513	20.8%	364,286	73,639	20.2%
POLICE PROTECTION	10,498,068	2,375,583	22.6%	10,069,130	2,207,281	21.9%
FIRE PROTECTION	4,408,354	1,208,886	27.4%	4,081,607	1,083,267	26.5%
COMMUNITY DEVELOPMENT:						
PLANNING & ZONING	643,169	131,101	20.4%	599,243	125,735	21.0%
ECONOMIC DEVELOPMENT	385,874	62,196	16.1%	368,288	55,081	15.0%
PUBLIC WORKS:						
ENGINEERING & BUILDING	1,161,034	253,921	21.9%	1,155,870	242,294	21.0%
STREET MAINTENANCE	482,842	85,848	17.8%	457,032	77,520	17.0%
SIGNALS, SIGNING & STRIPING	384,414	45,859	11.9%	368,776	45,313	12.3%
STREET LIGHTING	507,517	86,990	17.1%	507,421	84,462	16.6%
STORM DRAINS	83,818	12,545	15.0%	106,707	8,731	8.2%
PARKING LOTS	47,381	8,376	17.7%	47,285	8,780	18.6%
PARKS & LEISURE:						
PARK MAINTENANCE & OPERATION	1,990,891	517,956	26.0%	1,906,589	465,864	24.4%
STREET TREES & PARKWAYS	232,964	45,089	19.4%	214,028	53,337	24.9%
COMMUNITY CENTERS	224,086	66,386	29.6%	229,255	60,526	26.4%
LEISURE SERVICES	282,955	77,174	27.3%	276,091	68,163	24.7%
LEISURE SERVICES - SPECIAL PROG	2,524,117	524,979	20.8%	2,130,920	492,937	23.1%
SWIMMING POOL	169,023	83,427	49.4%	153,238	79,111	51.6%
LIBRARY OPERATIONS	778,935	179,881	23.1%	764,416	181,722	23.8%
SPECIAL PROJECTS	24,645	4,475	18.2%	24,519	4,387	17.9%
 SUB TOTALS	 28,085,610	 \$ 6,493,813	 23.1%	 26,644,148	 \$ 6,078,497	 22.8%
 OPERATING TRANSFERS	 79,000	 17,250	 21.8%	 79,000	 17,250	 21.8%
DEBT SERVICE	1,723,011			1,727,854		
	<u>\$ 29,887,621</u>	<u>\$ 6,511,063</u>	21.8%	<u>\$ 28,451,002</u>	<u>\$ 6,095,747</u>	21.4%

City of Porterville
General Fund Expenditures
Quarters Ended September 30, 2018 and September 30, 2017

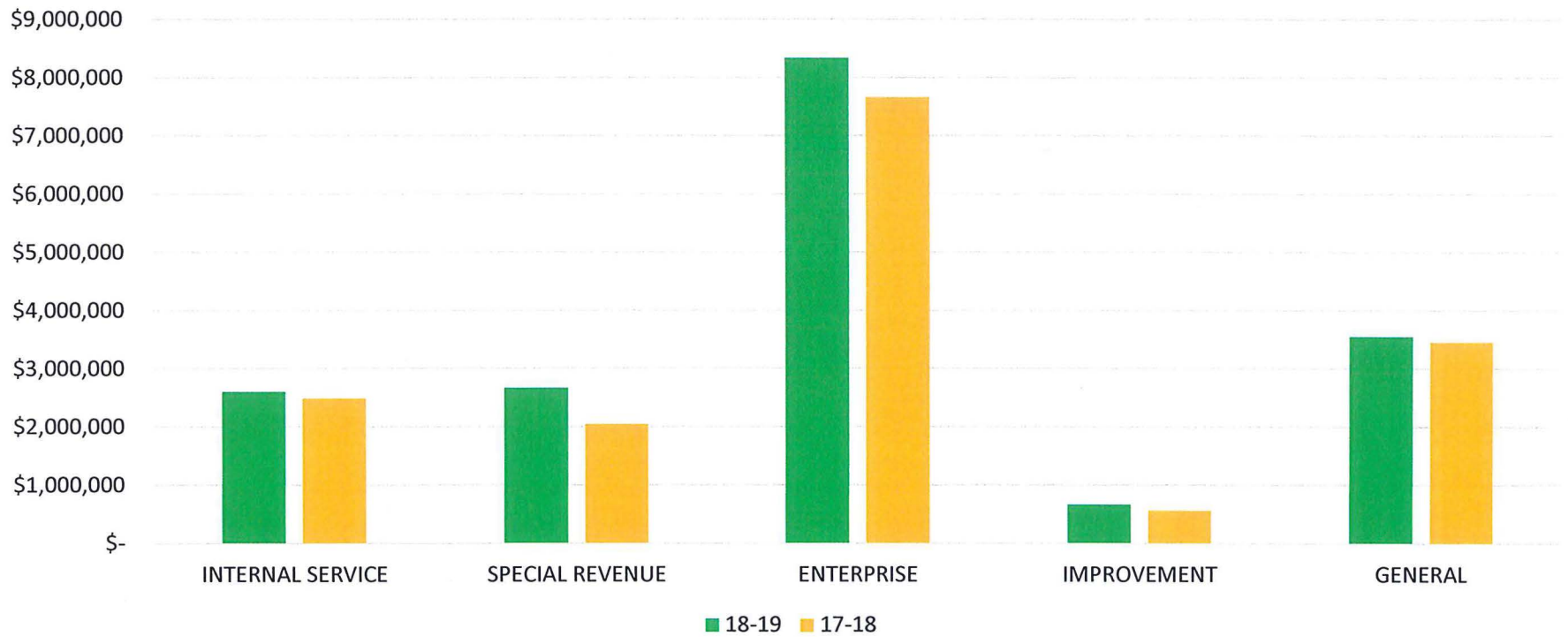


CITY OF PORTERVILLE

REVENUE STATUS REPORT - ALL OTHER FUNDS
FOR THE QUARTERS ENDED
SEPTEMBER 30, 2018 AND SEPTEMBER 30, 2017

REVENUE SOURCE	2018-2019 ESTIMATED REVENUE	2018-2019 YEAR-TO-DATE REVENUE	% OF ESTIMATE	2017-2018 ESTIMATED REVENUE	2017-2018 YEAR-TO-DATE REVENUE	% OF ESTIMATE
MEASURE H SALES TAX	\$ 3,719,011	\$ 616,900	16.6%	\$ 3,574,391	\$ 607,023	17.0%
SPECIAL GAS TAX	3,925,439	930,960	23.7%	2,658,716	822,824	30.9%
LOCAL TRANSPORTATION FUNDS (LTF)	11,239,674	1,019,555	9.1%	4,232,000	558,501	13.2%
TRAFFIC SAFETY FUND	150,400	14,599	9.7%	150,400	10,826	7.2%
ZALUD ESTATE	7,700	1,252	16.3%	7,600	1,501	19.7%
COMMUNITY DEVELOPMENT BLOCK GRANT	775,500	12,495	1.6%	747,540	7,697	1.0%
TRANSIT	15,452,340	814,649	5.3%	18,505,246	189,689	1.0%
SPECIAL SAFETY GRANTS	291,800	801	0.3%	328,700	11,644	3.5%
SEWER OPERATING	7,148,447	1,719,511	24.1%	7,118,596	1,762,527	24.8%
REFUSE REMOVAL	5,980,000	1,478,341	24.7%	5,913,000	1,458,270	24.7%
AIRPORT OPERATIONS	1,788,900	584,948	32.7%	1,661,882	868,580	52.3%
GOLF COURSE	171,500	43,581	25.4%	198,000	40,562	20.5%
WATER OPERATING	11,903,750	3,695,255	31.0%	11,200,000	3,350,169	29.9%
RISK MANAGEMENT	6,635,519	1,666,647	25.1%	6,571,520	1,659,621	25.3%
EQUIPMENT MAINTENANCE	3,315,000	942,267	28.4%	3,235,000	841,377	26.0%
LANDSCAPE MAINTENANCE DISTRICT	85,000			115,500		
WATER REPLACEMENT	21,420,524	188,209	0.9%	14,389,100	149,074	1.0%
SOLID WASTE RESERVE	2,319,462	255,585	11.0%	2,260,188	246,096	10.9%
SEWER REVOLVING	317,058	95,078	30.0%	308,426	73,079	23.7%
TRANSPORTATION DEVELOPMENT	210,000	28,543	13.6%	210,000	17,169	8.2%
PARK DEVELOPMENT	50,050	14,807	29.6%	50,055	8,272	16.5%
TREATMENT PLANT RESERVE	501,248	136,643	27.3%	565,364	106,539	18.8%
STORM DRAIN DEVELOPMENT	120,000	31,354	26.1%	118,000	6,557	5.6%
BUILDING CONSTRUCTION	5,000	2,298	46.0%	5,000	1,791	35.8%
TOTALS	\$ 97,533,322	\$ 14,294,279	14.7%	\$ 84,124,224	\$ 12,799,387	15.2%

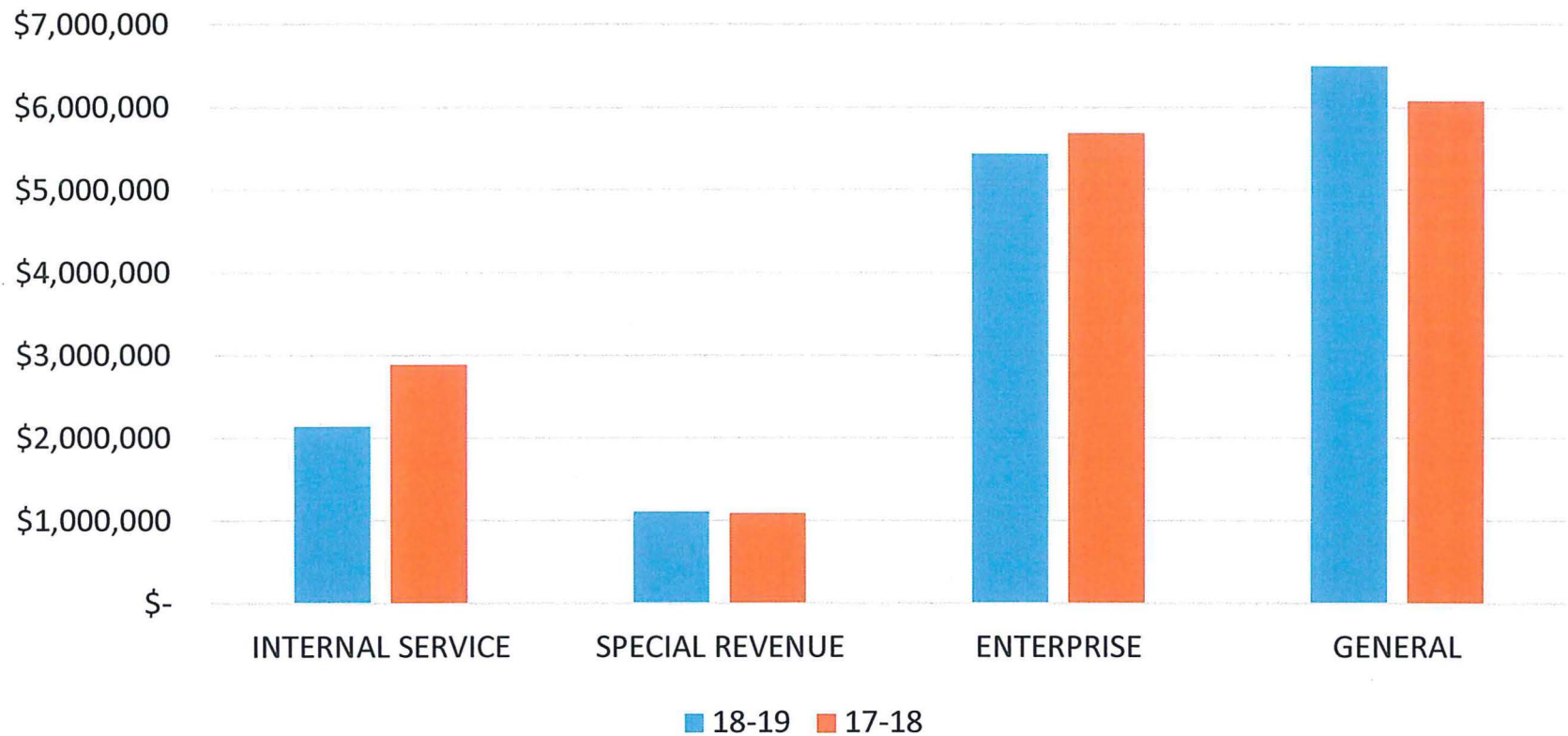
City of Porterville
Revenue by Fund Type
Quarters Ended September 30, 2018 and September 30, 2017



CITY OF PORTERVILLE
EXPENDITURE STATUS REPORT - ALL OTHER FUNDS
FOR THE QUARTERS ENDED
SEPTEMBER 30, 2018 AND SEPTEMBER 30, 2017

	2018-2019 AMENDED APPROP	2018-2019 YEAR-TO-DATE EXPEND	% OF APPROP	2017-2018 AMENDED APPROP	2017-2018 YEAR-TO-DATE EXPEND	% OF ACTUAL
MEASURE H SALES TAX	\$ 3,869,533	\$ 975,955	25.2%	\$ 3,684,193	\$ 934,583	25.4%
ZALUD ESTATE	22,505	4,182	18.6%	22,305	4,684	21.0%
COMMUNITY DEVELOPMENT BLOCK GRANT	734,480	41,566	5.7%	735,972	38,196	5.2%
TRANSIT	4,011,228	784,790	19.6%	4,076,426	926,081	22.7%
SPECIAL SAFETY GRANTS	266,079	63,737	24.0%	427,926	94,161	22.0%
SEWER OPERATING	6,411,634	1,200,059	18.7%	6,436,780	1,268,303	19.7%
REFUSE REMOVAL	6,391,645	1,271,319	19.9%	6,317,200	1,354,879	21.4%
AIRPORT	1,551,236	467,930	30.2%	1,467,186	646,402	44.1%
GOLF COURSE	417,196	113,940	27.3%	395,502	98,474	24.9%
WATER OPERATING	7,304,698	1,599,068	21.9%	7,180,425	1,388,440	19.3%
RISK MANAGEMENT	6,503,564	1,384,128	21.3%	6,351,146	2,160,965	34.0%
EQUIPMENT MAINTENANCE	3,311,647	756,238	22.8%	3,289,286	727,022	22.1%
LANDSCAPE MAINTENANCE DISTRICT	174,970	27,320	15.6%	164,336	27,367	16.7%
TOTALS	\$ <u>40,970,415</u>	\$ <u>8,690,233</u>	21.2%	\$ <u>40,548,683</u>	\$ <u>9,669,557</u>	23.8%

City of Porterville
Expenditures by Fund Type
Quarters Ended September 30, 2018 and September 30, 2017



CITY OF PORTERVILLE
INTERIM PERFORMANCE REPORT - MEASURE H
For the Quarters Ended September 30, 2018 and September 30, 2017

	<u>FY 2018-19</u>	<u>FY 2017-18</u>
REVENUES		
Sales Tax - Measure H	\$ 614,378	604,352
Interest	2,129	1,460
Police Services	393	1,211
Contributions	-	-
TOTAL REVENUES	<u>616,900</u>	<u>607,023</u>
EXPENDITURES		
Police Department	381,934	373,602
Fire Department	467,563	438,533
Public Safety Station	9,456	8,202
Library & Literacy	117,001	114,247
TOTAL EXPENDITURES	<u>975,955</u>	<u>934,583</u>
REVENUE OVER/(UNDER) EXPENDITURES	\$ <u>(359,054)</u>	\$ <u>(327,560)</u>

CITY OF PORTERVILLE
INTERIM PERFORMANCE REPORT - ENTERPRISE FUNDS
For the Quarters Ended September 30, 2018 and September 30, 2017

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENSES</u>	<u>9/30/2018 NET OPERATING PROFIT (LOSS)</u>	<u>9/30/2017 NET OPERATING PROFIT (LOSS)</u>
Zalud Estate	\$ 1,252	\$ (4,182)	\$ (2,930)	\$ (3,183)
Transit	814,649	(784,790)	\$ 29,859	(736,392)
Sewer Operating	1,719,511	(1,200,059)	519,452	494,224
Solid Waste	1,478,341	(1,271,319)	207,022	103,391
Airport	584,948	(467,930)	117,018	222,178
Golf	43,581	(113,940)	(70,359)	(57,912)
Water Operating	3,695,255	(1,599,068)	2,096,187	1,961,729



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Establishment of Debt Management Policy

SOURCE: City Manager's Office

COMMENT: The City's municipal advisor, Wulff Hansen & Co., and its bond counsel, Quint & Thimmig LLP, has advised the City to adopt a Debt Management Policy that is compliant with State Requirements. California Government Code Section 8855(i) requires any issuer of public debt to provide a report of the proposed issuance to the California Debt and Investment Advisory commission (CDIAC) no later than thirty (30) days prior to the sale of any debt issue. Issuers must certify on the report of proposed debt issuance that they have adopted local debt policies concerning the use of debt and that the proposed debt issuance is consistent with those policies. The issuer's local debt policies must include (1) through (5) as outlined below.

1. The purposes for which the debt proceeds may be used.
2. The types of debt that may be issued.
3. The relationship of the debt to, and integration with, the issuers capital improvement program or budget, if applicable.
4. Policy goals related to the issuer's planning goals and objectives.
5. The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

In addition to the requirement set forth by California Government Code Section 8855(i), it is prudent financial management for the City to adopt a Debt Management Policy that sets parameters for issuing debt, managing the City's debt portfolio and provides guidance to decision makers. Adoption of a Debt Management Policy will help ensure that City debt is issued and managed prudently to maintain a sound fiscal position and that its credit ratings are protected. The Debt Management Policy proposed in the Draft Resolution has been written to include all elements required by CDIAC, as well as best management practices expected by the pertinent credit markets and municipal bond industry. This policy will assist the City in pursuing and maintaining quality credit ratings in addition to providing guidance to decision makers.

Approval of the Debt Management Policy by the City Council will allow the City to be in compliance with the requirements of California Government Code section 8855 (i) prior to issuing the refunding sewer bonds to achieve debt service savings.

There is no direct fiscal impact resulting from adopting the Resolution to establish a debt management policy.

RECOMMENDATION: That the City Council adopt the Draft Resolution establishing a

Item No. 9.

Debt Management Policy.

ATTACHMENTS: 1. Draft Resolution and Debt Management Policy

Appropriated/Funded:

Review By:

Department Director:

Final Approver: John Lollis, City Manager

RESOLUTION NO. ____ - 2018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
APPROVING A DEBT MANAGEMENT POLICY

WHEREAS, pursuant to the provisions of section 8855(i) of the California Government Code, prior to the issuance or incurrence of any debt, the City is required to adopt local debt policies concerning the use of debt and that any proposed debt issuance is consistent with those local debt policies; and

WHEREAS, a debt management policy has been developed for the City and the City Council desires to adopt such policy in connection with any proposed debt of the City;

NOW, THEREFORE, BE IT RESOLVED:

1. That the City Council of the City of Porterville does hereby approve the debt management policy, in the form attached hereto as Exhibit A (the "Debt Policy"). The Debt Policy has been developed to provide guidance in the issuance and management of debt by the City or its related entities and is intended to comply with section 8855(i) of the California Government Code effective on January 1, 2017. The main objectives are to establish conditions for the use of debt, to ensure that debt capacity and affordability are adequately considered, to minimize the City's interest and issuance costs, to maintain the highest possible credit rating, to provide complete financial disclosure and reporting, and to maintain financial flexibility for the City. And
2. That the City Council of the City of Porterville authorize and direct the City Manager, the City Clerk, and other appropriate officials of the City take any actions and execute and deliver any and all documents as are necessary to accomplish the provisions and directives of this Resolution.

PASSED, APPROVED AND ADOPTED this 6th day of November, 2018.

Milt Stowe, Mayor

ATTEST:
John D. Lollis, City Clerk

By: _____
Patrice Hildreth, Chief Deputy City Clerk

EXHIBIT A
CITY OF PORTERVILLE
DEBT MANAGEMENT POLICY

This Debt Management Policy (the “Debt Policy”) of the City of Porterville (the “City”) was approved by the City Council on November 6, 2018. The Debt Policy may be amended by City Council as it deems appropriate from time to time in the prudent management of the debt of the City.

This Debt Policy will also apply to any debt issued by any entity for which the City Council act as its governing body.

The Debt Policy has been developed to provide guidance in the issuance and management of debt by the City of Porterville or its related entities and is intended to comply with Government Code Section 8855(i), effective on January 1, 2017. The main objectives are to establish conditions for the use of debt; to ensure that debt capacity and affordability are considered; to minimize the City’s interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the City.

Debt, properly issued and managed, is a critical element in any financial management program. It assists in the City’s effort to allocate limited resources to provide the highest quality of service to the public. The City understands that poor debt management can have ripple effects that hurt other areas of the City. On the other hand, a properly managed debt program promotes economic growth and enhances the vitality of the City of Porterville for its residents and businesses.

1. Findings

This Debt Policy shall govern all debt undertaken by the City. The City hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the City’s sound financial position.
- Ensure the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the City’s credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the City.
- Ensure that the City’s debt is consistent with the City’s planning goals and objectives and capital improvement program or budget, as applicable.
- Encourage those that benefit from a facility/improvement to pay the cost of that facility/improvement without the need for the expenditure of limited general fund resources.

2. Policies

A. Purposes for Which Debt May Be Issued

The City will consider the use of debt financing primarily for capital improvement projects (CIP) when the project's useful life will equal or exceed the term of the financing and when resources or revenues are identified sufficient to fund the debt service requirements. An exception to this CIP driven focus is the issuance of short-term instruments such as tax and revenue anticipation notes, which are to be used for prudent cash management purposes and conduit financing, as described below. Bonded debt should not be issued for projects with minimal public benefit or support, or to finance normal operating expenses.

If a department has any project which is expected to use debt financing, the department director is responsible for expeditiously providing the City Manager with reasonable cost estimates, including specific revenue accounts that will provide payment for the debt service. This will allow an analysis of the project's potential impact on the City's debt capacity and limitations. The department director shall also provide an estimate of any incremental operating and/or additional maintenance costs associated with the project and identify sources of revenue, if any, to pay for such incremental costs.

(i) Long-Term Debt. Long-term debt may be issued to finance or refinance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and/or operated by the City.

(a) Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the City and its taxpayers and ratepayers.
- When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

(b) Long-term debt financings will not be considered appropriate for current operating expenses and routine maintenance expenses.

(c) The City may use long-term debt financings subject to the following conditions:

- The financing has been approved by the City Council.
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%, unless specific conditions exist that would mitigate the extension of time to repay the debt and it would not cause the City to violate any covenants to maintain the tax-exempt status of such debt, if applicable.
- The City estimates that sufficient income or revenues will be available to service the debt through its maturity.

- The City determines that the issuance of the debt will comply with the applicable requirements of State and Federal law.
- The City considers the improvement/facility to be of vital, time-sensitive need to the community and there are no plausible alternative financing sources.

(d) Periodic reviews of outstanding long-term debt will be undertaken to identify refunding opportunities. Refunding will be considered (within Federal tax law constraints, if applicable) if and when there is a net economic benefit of the refunding. Refundings which are non-economic may be undertaken to achieve City objectives relating to changes in covenants, call provisions, operational flexibility, tax status of the issuer, or the debt service profile.

In general, refundings which produce a net present value savings of at least three (3) percent of the refunded debt will be considered economically viable. Refundings which produce a net present value savings of less than three (3) percent or negative savings will be considered on a case-by-case basis and are subject to City Council approval.

(ii) Short-term debt. Short-term borrowing may be issued to generate funding for cash flow needs in the form of Tax and Revenue Anticipation Notes (TRAN).

Short-term borrowing, such as commercial paper, and lines of credit, will be considered as an interim source of funding in anticipation of long-term borrowing. Short-term debt may be issued for any purpose for which long-term debt may be issued, including capitalized interest and other financing-related costs. Prior to issuance of the short-term debt, a reliable revenue source shall be identified to secure repayment of the debt. The final maturity of the debt issued to finance the project shall be consistent with the economic or useful life of the project and, unless the City Council determines that extraordinary circumstances exist, must not exceed seven (7) years.

Short-term debt may also be used to finance short-lived capital projects; for example, the City may undertake lease-purchase financing for equipment.

(iii) Financings on Behalf of Other Entities. The City may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of the City. In such cases, the City shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein. In no event will the City incur any liability or assume responsibility for payment of debt service on such debt.

B. Types of Debt

In order to maximize the financial options available to benefit the public, it is the policy of the City of Porterville to allow for the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:

- General Obligation (GO) Bonds: General Obligation Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. Examples of projects include libraries, parks, and public safety facilities. All GO Bonds shall be authorized by the requisite number of voters in order to pass.

- Revenue Bonds: Revenue Bonds are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue. An example of projects that would be financed by a Revenue Bond would be improvements to a utility, which would be paid back with money raised from service charges. Generally, no voter approval is required to issue this type of obligation but in some cases, the City must comply with Proposition 218 regarding rate adjustments.
- Special Tax-Backed Revenue Bonds: Special Tax-Backed Revenue Bonds are limited liability obligations that are payable from a voter-approved special tax, such as a sales tax, a parcel tax or a utility users' tax. Projects that can be financed with such special tax-backed revenue bonds include libraries, parks, public safety facilities and other facilities that are specified in the special tax measure. The maturity on such special tax-backed revenue bond should not extend past the term of the voter-approved special tax.
- Lease-Backed Debt/Certificates of Participation (COP): Issuance of Lease-Backed debt is a commonly used form of debt that allows a City to finance projects where the debt service is secured via a lease or installment agreement and where the payments are budgeted in the annual budget appropriation by the City from the general fund. Lease-Backed debt does not constitute indebtedness under the State or the City's constitutional debt limit and does not require voter approval.
- Special Assessment/Special District Debt: The City will consider requests from developers for the use of debt financing secured by property-based assessments or special taxes in order to provide for necessary infrastructure for new development only under strict guidelines adopted by City Council, which may include minimum value-to-lien ratios and maximum tax burdens. Examples of this type of debt are Assessment Districts (AD) and Community Facilities Districts (CFD), more commonly known as Mello-Roos Districts. In order to protect bondholders as well as the City's credit rating, the City will also comply with all State guidelines regarding the issuance of special district or special assessment debt, as well as any policy adopted by the City as required under Government Code Section 53312.7.
- Tax Allocation Bonds: Tax Allocation Bonds are special obligations that are secured by the allocation of tax increment revenues that are generated by increased property taxes in the designated redevelopment area. Tax Allocation Bonds are not debt of the City. Due to changes in the law affecting California Redevelopment Agencies with the passage of ABX1 26 (as amended, the Dissolution Act) as codified in the California Health and Safety Code, the Porterville Redevelopment Agency (RDA) was dissolved as of February 1, 2012, and its operations substantially eliminated but for the continuation of certain enforceable RDA obligations to be administered by the Porterville Redevelopment Successor Agency (Successor Agency). The Successor Agency may issue Tax Allocation Bonds to refinance outstanding obligations of the former RDA, subject to limitations included in the Dissolution Act.
- Multi-Family Mortgage Revenue Bonds: The City is authorized to issue mortgage revenue bonds to finance the development, acquisition and rehabilitation of multi-family rental projects. The interest on the bonds can be exempt from Federal and State taxation. As a result, bonds provide below market financing for qualified rental projects. In addition, the bonds issued can qualify projects for allocations of Federal low-income housing tax credits,

which can provide a significant portion of the funding necessary to develop affordable housing.

- HUD Section 108 Loan Guarantee Program: The U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee Program allows cities to use their annual Community Development Block Grant (CDBG) entitlement grants to obtain federally guaranteed funds large enough to stimulate or pay for major community development and economic development projects. The program does not require a pledge of the City's General Fund, only of future CDBG entitlements. By pledging future CDBG entitlement grants as security, the City can borrow at favorable interest rates because of HUD's guarantee of repayment to investors.

The City may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

To maintain a predictable debt service burden, the City will give preference in the future to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is variable rate debt. The City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of securities. When making the determination to issue bonds in a variable rate mode in the future, consideration will be given in regard to the useful life of the project or facility being financed or the term of the project requiring the funding, market conditions, credit risk and third-party risk analysis, and the overall debt portfolio structure when issuing variable rate debt for any purpose. The City's goal is, over time, to reduce the maximum amount of variable rate debt payable from the General Fund to no more than 20 percent of the total debt payable from the General Fund.

The City will not employ derivatives, such as interest rate swaps, in its debt program. A derivative product is a financial instrument which derives its own value from the value of another instrument, usually an underlying asset such as a stock, bond, or an underlying reference such as an interest rate. Derivatives are commonly used as hedging devices in managing interest rate risk and thereby reducing borrowing costs. However, these products bear certain risks not associated with standard debt instruments.

C. Relationship of Debt to Capital Improvement Program and Budget

The City intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the City's capital budget and the capital improvement plan.

The City shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The City shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear, unless a specific revenue source has been identified for this purpose, such as Gas Tax.

The City shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the City's public purposes.

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

D. Policy Goals Related to Planning Goals and Objectives

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

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

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

Except as described in Section 2.A., when refinancing debt, it shall be the policy goal of the City to realize, whenever possible, and subject to any overriding non-financial policy considerations minimum net present value debt service savings equal to or greater than 3% of the refunded principal amount.

E. Internal Control Procedures

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

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

- Any continuing disclosure undertakings under SEC Rule 15c2-12,
- Any Federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- The City's investment policies as they relate to the investment of bond proceeds.

Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the City will submit written requisitions for such proceeds. The City will submit a requisition only after obtaining the signature of the City Manager.

F. Relationship to Other Policies

Special Tax Bonds issued on behalf of a community facilities district will also comply with any policy adopted by the City as required under Government Code Section 53312.7.

I. Methods of Sale and Pricing of Debt

There are three principal methods for the initial sale of Debt: (i) competitive, (ii) negotiated and (iii) private placement. The City shall utilize that method of sale that (a) is reasonably expected to produce the most advantageous interest cost with respect to the Debt and (b) provides the Issuer with the flexibility necessary or is most desirable in connection with the structuring, timing or terms of such Debt. The City shall utilize such method that is likely to provide the most advantageous borrowing costs and execution on behalf of the City.

Debt may be sold at such prices, including at par, a premium or a discount, as the Issuer, in consultation with its municipal advisor, may determine is likely to produce the most advantageous interest cost under then prevailing market conditions, subject to compliance with applicable State law and Federal securities laws.

II. Professional Services

The City may retain professional services providers as necessary or desirable in connection with (i) the structuring, issuance and sale of its Debt; (ii) monitoring of and advice regarding its outstanding Debt; (iii) the negotiation, execution and monitoring of related agreements, including without limitation Bond Insurance, Credit Facilities, Derivatives and investment agreements; and (iv) other similar or related matters. Professional service providers may include municipal advisors, bond counsel, disclosure counsel, Issuer consultants, bond trustees and Federal arbitrage rebate services providers, and may include, as appropriate, underwriters, feasibility consultants, remarketing agents, auction agents, broker-dealers, escrow agents, verification agents and other similar parties.

The Issuer shall require that its Municipal Advisors, bond and disclosure counsel and other City consultants be free of any conflicts of interest, or that any necessary or appropriate waivers or consents are obtained.

A) Municipal Advisors

The Issuer may utilize one or more municipal advisors to provide ongoing advisory services with respect to the City's outstanding and proposed Debt and related agreements. Municipal advisors must be registered with the MSRB and SEC and be in good standing, with any conflicts of interest disclosed.

B) Bond Counsel, Disclosure Counsel and Other Legal Counsel

- 1) **Bond Counsel.** The City may utilize one or more bond counsel firms to provide ongoing legal advisory services with respect to the City's outstanding and proposed Debt and related agreements, including without limitation Credit Facilities, Derivatives, investment agreements and other similar matters. All Debt issued by the City shall require a written opinion from its bond counsel, as appropriate, regarding (i) the validity and binding effect of the Debt, and (ii) the exemption of interest from Federal and State income taxes.

- 2) **Disclosure Counsel.** The City may utilize a disclosure counsel firm to provide ongoing legal advisory services with respect to initial and continuing disclosure in connection with the City's outstanding and proposed Debt. Such firm may be one of the Issuer's bond counsel firms. The issuance of Debt by the City shall require a written opinion from the City's disclosure counsel, as appropriate, regarding (i) the exemption of the Debt from registration requirements under Federal securities laws, and (ii) their absence of knowledge, after due review, regarding any material misstatement in or omission from the official statement or other public offering document with respect to the Debt.
- 3) **Other Legal Counsel.** The City may encourage or require, as appropriate, the retention and use of legal counsel by other parties involved in the issuance of Debt and the execution of related agreements who are approved by the Issuer.

C) Other Consultants

The City may utilize one or more outside consultants to provide ongoing advisory services with respect to its outstanding and proposed Debt, rates, charges, strategic business and financial decisions and such other matters as the City requires.

D) Underwriters

The City may engage an underwriter or a team of underwriters, including a senior managing underwriter, in connection with the negotiated sale of its Debt. The City also may engage one or more underwriters, as necessary or appropriate, to serve as remarketing agents, broker-dealers or in other similar capacities with respect to variable rate, commercial paper and other similar types of Debt issued by the Issuer.

III. Periodic Review

The City Manager shall review this Debt Policy on a periodic basis and recommend any changes to the City Council for consideration.



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Request for Street Closure - Myers' 24th Annual Christmas Tree Memorial Service - December 4, 2018

SOURCE: Administrative Services

COMMENT: Myers Funeral Service and Crematory holds an annual Christmas Tree Memorial Service at its location on "E" Street, with this year's service scheduled to take place on Tuesday, December 4, 2018. In conjunction with this event, and for the safety of those in attendance, Mr. Ernesto Alonzo, Funeral Director of Myers Funeral Service and Crematory, has requested the closure of "E" Street, between Putnam and Cleveland Avenues, from 5:00 p.m. to 9:00 p.m. The ceremony is scheduled to be held in front of Myers Chapel on "E" Street at 7:00 p.m.

In addition to the street closure, Mr. Alonzo submitted an assemblies permit for the estimated 1,000 people that is expected to attend this annual event. The Police Department has approved the Assemblies Permit, which is attached for Council's reference, along with a copy of the required Certificate of Liability.

RECOMMENDATION: That the City Council approve the closure of "E" Street, between Putnam and Cleveland, on December 4, 2018, from 5:00 p.m. to 9:00 p.m., subject to the specified conditions.

ATTACHMENTS:

1. Request dated 10-21-18
2. Assembly Permit
3. Insurance Certificate

Appropriated/Funded:

Review By:

Department Director:

Patrice Hildreth, Administrative Services Dir

Final Approver: John Lollis, City Manager

Myers Funeral Service & Crematory

248 NORTH "E" STREET
PORTERVILLE, CALIFORNIA 93257

(559) 784-5454



October 21, 2018

To: Porterville City Council

We respectfully request that "E" Street be blocked off at Putnam and Cleveland Avenues the evening of Tuesday, December 4, 2018 from approximately 5:00 to 9:00 PM, for the protection and safety of those who will be attending the Twenty-Fourth Annual Myers Christmas Memorial Tree Lighting. The response from the community has been well received, and we expect approximately 1,000 people from the local community and outlying areas in attendance.

The original purpose in beginning this tradition was to give back to the community in the way of service. It allows families to place ornaments on the trees prior to the service, commemorating their loved ones.

A memorial service is planned for the evening of December 4, 2018, at 7:00 PM, at Myers Funeral Service, when the community will be invited to attend and celebrate the season by remembering loved ones. At the conclusion of the service, the trees will be lit and remain lit through Christmas.

Find enclosed an "Assemblies Permit" signed by Chief Eric Kroutil of the Porterville Police Department, along with a Certificate of Liability Insurance.

Thank you for your consideration of this request.

Sincerely,

Ernesto Alonzo
Funeral Director

cc: EA/jl
Enclosures

ORDINANCE NUMBER 927
Section 18-7.2

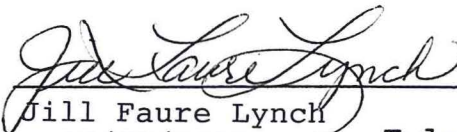
Application for ASSEMBLIES or MEETINGS on public streets, sidewalks or parks, within the City of Porterville.

This application MUST BE FILED WITHIN FOUR (4) DAYS PRIOR to the date of the assembly or meeting.

- A. Myers Funeral Service & Crematory (559) 784-5454
(Name/Address) (Telephone)
- B. 248 North "E" Street, Porterville, CA 93257
(Name & Address of Organization) (Telephone)
Ernesto Alonzo, Funeral Director (559) 784-5454
(Authorized Head of Organization) (Telephone)
- C. Name of Event Chairman Ernesto Alonzo and Jill Lynch
- D. Purpose of event: 24th Annual Memorial Service and lighting of the
Memorial Trees.
- E. Date & Time of Event Tuesday, December 4, 2018 from 7:00 PM - 9:00 PM
- F. Number of persons Approximately 500
- G. Location of the assembly area of event Front lawn at 248 North "E" Street,
Porterville, CA 93257 (Myers Funeral Service & Crematory)
- H. Security Guards required? ☐ yes ☐ no If so, how many? _____
- I. Plans for the assembly & dispersement of the event. Indicate times
thereof 5:00 PM to 9:00 PM
- J. Other information _____

I HEREBY AGREE TO ABIDE BY ALL PROVISIONS SET FORTH IN CITY ORDINANCE 927, SECTION 18-7.2 AND ALL OTHER APPLICABLE ORDINANCES OF THE CITY OF PORTERVILLE.

Legal signature of applicant


Jill Faure Lynch
Date 10/21/2018

Telephone (559) 784-5454

Application Approved X Denied ☐

1208 JB LT.
Chief of Police



MYERS-2

OP ID: KI

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/23/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER NSE Insurance Agencies, Inc. United Valley Insurance Svcs 160 South D St., P.O. Box 704 Exeter, CA 93221 Patty L. Spott		559-592-9411		CONTACT NAME: Patty L. Spott	
				PHONE (A/C, No, Ext): 559-592-9411	
				FAX (A/C, No): 559-592-5059	
				E-MAIL ADDRESS: pspott@nseinsurance.com	
				INSURER(S) AFFORDING COVERAGE	
				INSURER A: West American	
				INSURER B: American Fire and Casualty Co.	
				INSURER C: Technology Insurance Co., Inc.	
				INSURER D:	
				INSURER E:	
				INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ Funeral Directors GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:			BKW57832789	04/01/2018	04/01/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY			BAA57832789	04/01/2018	04/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	☒ UMBRELLA LIAB ☒ EXCESS LIAB DED ☒ RETENTION \$ 10000			USA57832789	04/01/2018	04/01/2019	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
C	☒ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	TWC3733787	09/30/2018	09/30/2019	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CITYP-1

City of Porterville
291 N Main
Porterville, CA 93257

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Status and Review of Declaration of Local Emergency

SOURCE: City Manager's Office

COMMENT: Governor Brown issued Executive Order B-29-15 on Wednesday, April 1, 2015, which established drought-related mandates and restrictions in addition to those already stipulated in previous Executive Orders B-26-14 and B-28-14. Of significance, the Governor directed the State Water Resources Control Board to impose restrictions to achieve a statewide 25% reduction in potable urban water usage through February 28, 2016, in comparison to the amount used in 2013, and with consideration given to per capita usage as a basis. The Governor further directed the Board to impose additional restrictions on commercial, industrial, and institutional properties with significant landscaping (cemeteries, golf courses, parks, schools, etc.), to also achieve a 25% reduction in potable water usage. Also of significance, the Board was directed to prohibit irrigation with potable water outside of newly constructed homes and buildings that is not delivered by drip or micro-spray systems.

On November 13, 2015, Governor Brown issued Executive Order B-36-15, which extends emergency conservation regulations through October 2016, if drought conditions persist through January 2016. On February 2, 2016, the State Water Resources Control Board adopted extended emergency water conservation regulations, to be in effect March 1 through October 31, 2016. The City of Porterville benefited somewhat from the extended regulations as the City's water conservation rate has been reduced from 32% to 26%, due to new water connections that have been made and population served (4%), as well as a new climate adjustment factor that was considered (2%).

On May 9, 2016, Governor Brown issued Executive Order B-37-16 ("Making Water Conservation a California Way of Life"), which directs the State Water Resources Control Board to establish new regulations making permanent the emergency conservation regulations. On May 18, 2016, the State Water Resources Control Board adopted a statewide water conservation approach that replaces the percentage reduction-based water conservation standard with a localized "stress test" approach that mandates urban water suppliers act immediately to ensure at least a three-year supply of water to their customers under continued drought conditions.

On April 7, 2017, Governor Brown issued Executive Order B-40-17, which ended the drought state of emergency in most of California, with the exception of Fresno, Kings, Tulare and Tuolumne counties where emergency water supply

and reliability projects are continuing toward addressing diminishing groundwater supplies. The Order maintains monthly reporting requirements and prohibitions on wasteful practices. It is anticipated that the Governor will end the drought state of emergency in the four remaining counties in the near future.

On May 31, 2018, Governor Brown signed both AB 1668 (Friedman) and SB 606 (Hertzberg), which set permanent overall targets for indoor and outdoor water consumption. The legislation sets an initial limit for indoor water use of 55 gallons per-person per-day in 2022, reducing to 52.5 gallons per-person per-day in 2025, and finally to 50 gallons per-person per-day in 2030. The amount of residential outdoor use is yet-to-be determined, but will allow for varying regional climates. In addition, a standard for water loss due to leak rates in water system pipes will be established. As an urban water provider, the City of Porterville will need to submit its plan for compliance for approval by the State Water Resources Control Board.

At its last meeting on October 16, 2018, the City Council took action in the continued affirmation of the adoption of a Resolution of Declaration of Local Emergency due to local residences within the city having been identified as having wells that are now dry as a result of the drought. Twenty-six (26) residences within the city have been determined to have dry wells, for which City staff submitted a Mutual Aid Request to Tulare County OES to initiate the household tank program for identified properties within the city where wells are dry and challenged for permanent connection. City, County, State and non-profit partner representatives have continued to discuss solutions toward addressing these challenged residences given the State is expected to end its drought emergency funding. The State had committed funding through June 30, 2018 for non-profit agencies to continue drought-related activities, which Self-Help Enterprises has continued the household tank program locally. Although a new appropriation of State funding has not yet been made, there are sufficient residual funds from the original appropriation to fund the continuance of the program through September 30, 2018. Assemblyman Joaquin Arambula (Fresno) had requested of the Assembly Budget Committee the appropriation of \$3.5 million in the State's 2018-2019 fiscal year budget to continue to support the approximate 300 residences in the Central Valley that still have dry wells and receive temporary water deliveries, however, that appropriation request has not been granted. Should continued funding not be appropriated by the State, representatives for the State Water Resources Control Board have indicated that they will attempt to secure continued funding through Cleanup and Abatement Account (CAA) emergency funds. City staff remains concerned about the lack of continued support for the affected City residences while the extension of water mains and permanent connections will likely not be completed for approximately one year. The authorization to advertise for bids for the water connection project was approved by the Council at its July 17th meeting, and DWR is currently reviewing the bids for compliance prior to authorizing Council to award the construction contract.

Representatives for the City, County, State (CalOES, DDW, DWR, and SWB) and non-profit partners have continued to meet in support of the long-term

permanent water connection project for the entire East Porterville area and the estimated 1,800 expected future connections. DWR identified 423 residential units in the East Porterville area (381 of which are in the City's Urban Development Boundary), that were served by the County's Household Tank Program and desired by the State to be connected to the City's water distribution system as soon as possible. DWR has completed a significant City waterline extension project to permanently connect those 423 residential units to the City's water system (considered Phase I of the project). To provide source water for the DWR extension project, CalOES desired to expeditiously connect the new well on Olive Avenue to the City's water system instead of being first equipped as a filling station. Given the new well has an estimated water production value of 800 gallons per minute, as well as a SWB assumed 1.5 gallons per minute per residence, the new well could effectively serve up to 500 single-family residential units. The City indicated its significant interest that the E. Vandalia Avenue area and its 80 residential units be included in the water connection project, to which the State was agreeable.

Given CalOES has paid for the development of the new well, and its connection to the City's water system, the City will be required under "Drought Redundancy and Resiliency Provisions" to make available to the State up to three million gallons of water per month without charge for emergency purposes.

To proceed with the connection of the new well to the City's water system and the 500 East Porterville and E. Vandalia Avenue residential units, the City Council approved modifications to the Draft Agreement between the City and County at its meeting on April 5, 2016, which the County Board of Supervisors subsequently approved at their meeting on May 10, 2016.

A Memorandum of Understanding between the State, County, and City on the East Porterville permanent water connection project was approved by the Council during a Special Meeting on Tuesday, June 21, 2016, and approved by the Board of Supervisors on Tuesday, June 28, 2016. With the approval of the MOU, the State began the permanent connection of approximately 40 homes that are located along existing City water mains. Subsequently, the State officially requested that the City approve the connection of an additional 30 residences as part of the first immediate connections, for up to a total of 70, which the Council approved at its meeting on August 2, 2016.

In regards to the new well's development and connection to the City's water distribution system, the Board of Supervisors awarded the contract for equipping and connecting the new well at their meeting of Tuesday, August 16, 2016, and construction activities commenced the week of October 10, 2016. County staff had previously indicated that the well would be in service and connected to the City's system no later than December 2016, however, the well was operational and connected to the City's water distribution as of Friday, February 17, 2017. Given the delay in the well's completion and connection, DWR requested that the City Council consider allowing the connection of residences as they become prepared for connection, to which the Council was

receptive, and a Draft MOU Amendment was approved by the Council at its meeting on December 6, 2016, and subsequently approved by the Board of Supervisors at its meeting on December 20, 2016. City staff is currently working with County staff toward the transfer of the well's ownership from the County to the City.

As of Friday, March 31, 2017, the date the State established as the final day for property owners to complete the registration process to participate in the State-funded connection program opportunity, of the 1,017 eligible developed residential properties identified by the State for connection, 722 completed the required Extra-Territorial Services Agreement, leaving 295 developed residential properties non-responsive to this unique connection program, 23 of which were reported as having either dry or diminishing capacity wells. On February 6, 2018, the final residential connection was made of the approximate eligible 800 residences in East Porterville to the City's water system.

County OES and the State Division of Drinking Water (DDW) have reported to the City that the Central Mutual Water Company, located south of the city and south of Gibbons Avenue, has had its well run dry and desires an immediate emergency connection to the City's water system to serve the 41 connections currently without water. DDW is wishing to support a financial application to upgrade the small water system to City standards (new water lines, meters, etc.), and to sponsor an Urban Development Boundary (UDB) Amendment application to Tulare County Local Agency Formation Commission (LAFCO), given this area is currently outside the City's UDB but within the City's Urban Area Boundary (UAB). Given several private wells have run dry in this area, DDW is also attempting to sponsor their connection to the City's water system. For source water capacity for the connections, DWR will include these new connections within the East Porterville water connection capacity development projects. At its Special meeting on August 30th, the City Council directed staff to proceed with the immediate emergency connection of the Central water system, with the permanent connection of the system contingent upon an Agreement with DDW to the sponsorship conditions they have offered.

State Division of Drinking Water (DDW) has also reported to the City that the Del Oro East Plano water system, located on Paul Street (southeast of the intersection of Plano Street and Worth Avenue), is experiencing problems with its existing well and have implemented severe water restrictions. The East Plano water system serves 14 residences and approximately 45 people. DDW is wishing to provide financial support to upgrade the small water system to City standards (new water lines, meters, etc.), and for source water capacity for the connections, DDW would need to either pay appropriate fees and/or develop a capacity development project. The Council is aware that the Del Oro Grandview Gardens water system (north of W. North Grand Avenue) is also experiencing significant issues, and DDW may seek their future consolidation with the City's water system as well.

City staff continues to coordinate with Self-Help Enterprises and State representatives toward the extension of water mains to serve all residential

properties within City limits and the city's periphery that are currently participating in the County's Household Tank Program. The two main areas of focus are N. Cobb Street (northwest of State Route 65 and Pioneer Avenue), and S. Cloverleaf Street (southeast of State Route 65 and Olive Avenue). The State has maintained its commitment to grant-fund the necessary infrastructure and connection fees, providing an official funding letter to the City on January 18, 2018, which commits up to \$2.81 million in funding until December 31, 2019.

RECOMMENDATION: That the City Council receive the report of status and review of the Declaration of Local Emergency and determine the need exists to continue said Declaration.

ATTACHMENTS:

1. Resolution 49-2015 - Declaration of Local Emergency
2. City-County Well Agreement
3. Memorandum of Understanding
4. Memorandum of Understanding Draft Amendment
5. SWRCB Letter Dated November 29, 2017
6. DWR Letter Dated January 18, 2018
7. Governor Brown Executive Order

Appropriated/Funded:

Review By:

Department Director:

Final Approver: John Lollis, City Manager

RESOLUTION NO. 49-2015

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF PORTERVILLE DECLARING A DROUGHT EMERGENCY
WITHIN THE CITY OF PORTERVILLE

WHEREAS: in response to the ongoing severe drought, the State Water Resources Control Board approved an emergency regulation to ensure water agencies, their customers, and state residents increase water conservation in urban settings or face possible fines or other enforcement; and

WHEREAS: as we enter the fourth year of severe drought, long-term forecasts indicate no relief of the current drought conditions, and suggest a warmer-than-average summer, resulting in increased domestic demand for water; and

WHEREAS: public and private potable water supplies continue to be threatened due to decreasing supplies of groundwater caused by the precipitation deficit and an extended state of groundwater overdraft; and

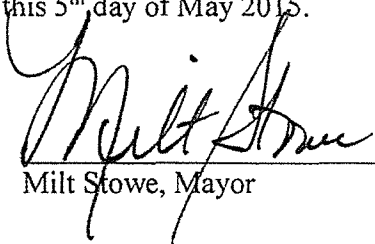
WHEREAS: the long-term ramifications of the current drought will have a significant impact on the city of Porterville and potentially pose a danger to the health and welfare of its residents; and

NOW, THEREFORE, BE IT RESOLVED: that the City Council of the City of Porterville does hereby proclaim that, due to drought conditions, a Local Emergency now exists in the city of Porterville and shall remain in effect for the duration of the emergency; and

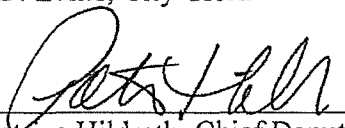
BE IT FURTHER RESOLVED: that the City Council of the City of Porterville requests the Governor and California Department of Water Resources make available California Disaster Assistance Act funding for the State of Local Emergency proclaimed on May 5, 2015, and seek all available forms of Federal assistance, to include a Presidential Declaration of Emergency and Individual Assistance and Public Assistance programs as applicable; and

BE IT FURTHER RESOLVED: that a copy of this resolution be forwarded to the State Director of the Office of Emergency Services.

PASSED, APPROVED, AND ADOPTED this 5th day of May 2015.


Milt Stowe, Mayor

ATTEST:
John D. Lollis, City Clerk


By: Patrice Hildreth, Chief Deputy City Clerk

TULARE COUNTY – CITY OF PORTERVILLE WELL AGREEMENT

THIS AGREEMENT is entered into this day of, May 10, 2016, between the COUNTY OF TULARE, referred to as COUNTY, and the CITY OF PORTERVILLE, referred to as CITY, with reference to the following:

- A. WHEREAS, East Porterville/Doyle Colony area properties within the COUNTY's jurisdiction and within the CITY's Urban Development Boundary are experiencing serious water shortages due to the historical drought conditions. Attached hereto as Exhibit 'A' is a map defining the East Porterville/Doyle Colony and Vandalia areas; and
- B. WHEREAS, CITY and COUNTY have been and are collaborating to jointly develop a new municipal water well; and
- C. WHEREAS, COUNTY shall secure complete funding for a new well to be solely owned, operated and maintained by the CITY for the purpose of providing long-term capacity to enable permanent water connections to properties that comply with CITY'S Annexation and Extension of Municipal Services policy, with certain exceptions for specific properties in excess of the maximum lot size. These procedures are defined by two Resolutions, 74-2014 and 19-2016, which are attached hereto as Exhibit 'B'; and
- D. WHEREAS, the COUNTY owns a parcel at the southeast corner of the Tule River and Olive Avenue (APN 240-120-017), represented in Exhibit 'C', and has drilled a municipal supply well, and will equip said well utilizing CITY standards, after which the COUNTY shall convey the land to CITY at a cost of \$1; and
- E. WHEREAS, CITY operates an existing municipal water system, with limited infrastructure already established in the East Porterville/Doyle Colony and Vandalia areas, and has experience and qualifications necessary to provide such services; and
- F. WHEREAS, CITY and COUNTY mutually agree that a regional, collaborative solution to leverage and expand CITY'S municipal water system into the East Porterville/Doyle Colony and Vandalia areas is the most feasible means to address the area's water needs; and
- G. WHEREAS, CITY is willing to enter into this Agreement with COUNTY upon terms and conditions set forth herein; and
- H. WHEREAS, CITY and COUNTY mutually understand that due to the limited resources of the CITY's municipal water system, all future connections must comply with the CITY's Annexation and Extension of Municipal Services policies, with certain exceptions for specific properties in excess of the maximum lot size, attached hereto and made a part thereof as Exhibit 'B'.

ACCORDINGLY, IT IS AGREED:

- 1. **TERM:** This agreement shall become effective as of the date the agreement is fully executed by both agencies.
- 2. **SERVICES TO BE PERFORMED & PAYMENT FOR SERVICES – EQUIPPING MUNICIPAL WELL FACILITY:** Refer to attached Exhibit 'D'.

TULARE COUNTY AGREEMENT NO. 27596

3. **SERVICE TO BE PERFORMED IN PERPETUITY:** The services described below shall be performed in perpetuity upon completion of all tasks enumerated in Exhibit 'D' and upon COUNTY securing the funds for equipping the well to CITY standards and requirements:
- A. CITY shall provide to STATE and/or COUNTY, upon STATE and COUNTY's request, a maximum of three million (3,000,000) gallons of water per month upon integration of the well provided under this Agreement, for the purposes of meeting emergency water needs in COUNTY's jurisdiction. CITY shall not charge COUNTY or STATE for said water.
 - B. CITY shall utilize water produced by the well provided under this Agreement as source capacity for new service connections and agreements in East Porterville/Doyle Colony and Vandalia areas. CITY agrees to provide source water for up to four hundred twenty-three (423) new connections in the East Porterville/Doyle Colony area subject to the CITY'S Annexation and Extension of Municipal Services policies, with certain exceptions for specific properties in excess of the maximum lot size, and up to 80 new connections in the Vandalia area. The 423 new connections noted above are inclusive of those properties immediately adjacent to an existing water main, estimated at 40 parcels, which can be connected to the City's water system immediately upon execution of this agreement and the Memorandum(a) of Understanding between CITY, COUNTY, and STATE. Upon connection to CITY services, the listed properties will be exempt from payment of CITY water impact fees, but will be subject to standard fees, such as, but not limited to, water service and meter installation, unless otherwise financed by STATE or other funding sources, and associated monthly fees. This section shall not be construed to limit additional connections beyond the above referenced 503 properties provided for herein, where CITY provides consumption documentation that determines additional source capacity is available as a result of the connection of this well to CITY's system.
 - C. CITY expressly agrees to own, operate, maintain, repair and otherwise care for the well provided under this Agreement, in order to maintain it in proper working order and to the highest standard, for the duration of the well's useful life.
 - D. COUNTY shall grant the parcel on which the well is located to the CITY by Grant Deed at a cost of \$1 upon formal acceptance of the project. A 50-foot control zone around the well site is a requirement of the State Water Resources Control Board, Drinking Water Program, therefore establishing the minimum parcel size to be conveyed to the CITY. Existing COUNTY infrastructure may encroach through or conflict with the subject parcel and if so, ownership, maintenance, repair and replacement of these facilities shall transition to the City's responsibility by separate maintenance agreement upon acceptance of the project.
 - E. CITY shall not be entitled to compensation by COUNTY, or any State or Federal agency providing funding for the activities enumerated in Exhibit 'D', for any ongoing costs related to owning, operating, maintaining, repairing, or replacing this well. CITY and COUNTY expressly agree that CITY's ongoing compensation for such ongoing costs shall be the use of the well for CITY's use within its water system, unrestricted except as noted in "A"

above. No part of this paragraph shall be construed to limit or restrict in any way CITY's ability to seek any grant funding or collect rates and fees from users of CITY's water system.

- F. All recipients of water are subject to CITY water policies, such as, but not limited to, water conservation and watering schedules. Connections made as noted in "B" above may be subject to further water conservation thresholds as required by the STATE.

4. This Agreement represents the entire agreement between CITY and COUNTY as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of both parties.

5. Except as may be otherwise required by law, any notice to be given shall be written and shall be either personally delivered, sent by facsimile transmission or sent by first class mail, postage prepaid and addressed as follows:

COUNTY: County Administrative Officer/Clerk of the Board
of Supervisors of the County of Tulare
Administrative Building
2800 W. Burrel Avenue
Visalia, CA 93291

(Fax No.: (559) 733-6318 / Phone No. (559) 636-5005)

CITY: City Manager
291 N. Main St.
Porterville, CA 93257

(Fax No.: (559) 715-4013/ Phone No. (559) 782-7466)

Notice delivered personally or sent by facsimile transmission is deemed to be received upon receipt. Notice sent by first class mail shall be deemed received on the fourth day after the date of mailing. Either party may change the above address by giving written notice pursuant to this paragraph.

6. This Agreement reflects the contributions of both parties and accordingly the provisions of Civil Code section 1654 shall not apply to address and interpret any uncertainty.
7. Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
8. This Agreement shall be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. This Agreement is entered into and shall be performed in Tulare County, California. CITY waives the removal provisions of California Code of Civil Procedure Section 394.
9. The failure of either party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party or either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.
10. The Recitals and the Exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.

11. This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court of other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases the remainder of the Agreement shall continue in full force and effect.
12. Each party agrees to execute any additional documents and to perform any further acts which may be reasonably required to affect the purposes of this Agreement.
13. CITY expressly agrees that it will not discriminate in employment or in the provision of services on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.
14. Insurance
15. Permit
16. Dispute Resolution: If a dispute arises out of or relating to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by non-binding mediation before resorting to litigation or some other dispute resolution procedure, unless the parties mutually agree otherwise. The mediator shall be mutually selected by the parties, but in case of disagreement, the mediator shall be selected by lot from among two nominations provided by each party. All costs and fees required by the mediator shall be split equally by the parties, otherwise each party shall bear its own costs of mediation. If mediation fails to resolve the dispute within 30 days, either party may pursue litigation to resolve the dispute.
17. Indemnification: CITY shall hold harmless, defend and indemnify COUNTY, its agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, including COUNTY property, arising from, or in connection with, the performance by CITY or its agents, officers and employees under this Agreement. This indemnification specifically includes any claims that may be made against COUNTY by any taxing authority asserting that an employer-employee relationship exists by reason of this Agreement, and any claims made against COUNTY alleging civil rights violations by CITY under Government Code sections 12920 et seq. (California Fair Employment and Housing Act), and any fines or penalties imposed on COUNTY for CITY's failure to provide form DE-542, when applicable. This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement.

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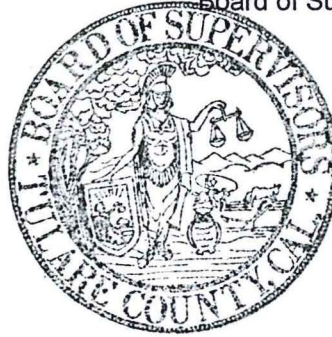
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THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

COUNTY OF TULARE

BY Mike Ennis
Mike Ennis Chairman,
Board of Supervisors



ATTEST: Michael C. Spata,
County Administrative Officer/Clerk of the Board
of Supervisors of the County of Tulare

By Danisa A. Ybana
Deputy Clerk

Approved as to Form
County Counsel

By M. Guille for LMT
Deputy 20151902

CITY OF PORTERVILLE

BY Milt Stowe
Milt Stowe, Mayor

ATTEST:
City Clerk of the City of Porterville

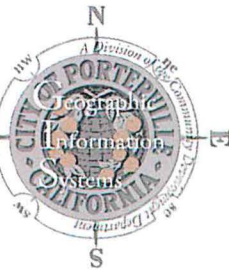
BY J. L. Lolis
John Lolis, City Manager

Approved as to Form

BY [Signature]
City Attorney

EXHIBIT 'A'

East Porterville Project Boundary



Legend

-  East Porterville Project Boundary
 Parcels Within Project Boundary Area (1,776)
 City Limits
 UDB

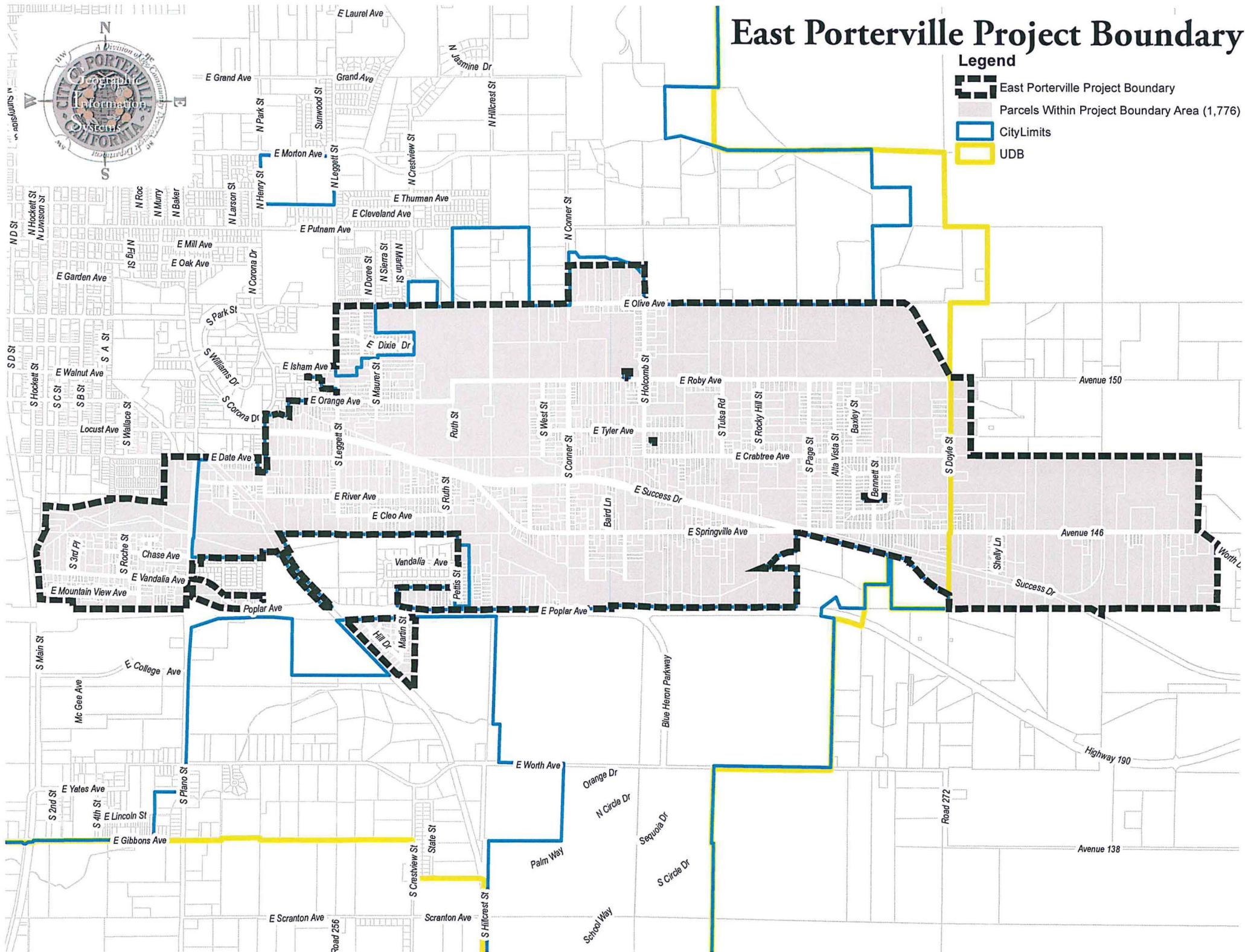


EXHIBIT 'B'

RESOLUTION NO. 74 -2014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE DEFINING OBJECTIVES AND POLICIES FOR ANNEXATIONS AND MUNICIPAL SERVICES

WHEREAS: The City of Porterville established a policy concerning annexation and provision of municipal services in 1986, noting that “the City, in order to grow for reasons of economies of scale and quality of services must expand its boundaries within reason, generally encourages the owners of properties contiguous to the city of Porterville to annex to said City of Porterville”; and

WHEREAS: Since 1990, the population of the city of Porterville has increased 53% according to the California Department of Finance, and the land area of the city proper has increased by 38% according to City annexation records; and

WHEREAS: The City of Porterville accepts its responsibility to provide municipal services to those residents, businesses, and other land uses within the limits of the city. The City of Porterville has taken the position that the costs of all physical improvements within the city have been paid by property owners, and other taxes derived in the city, and, therefore, these same people should not be required to bear the expense of additional physical improvements needed to serve newly annexed areas.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Porterville does hereby define the following objectives related to annexations and municipal services:

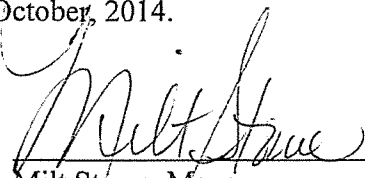
1. To promote orderly development while discouraging urban sprawl, preserving open space and prime agricultural lands, and efficiently extending government services.
2. To honor the City’s fundamental responsibility to provide efficient and sustainable public services to the inhabitants of the city, and where appropriate, to provide those services beyond the limits of the city within the Urban Development Boundary, and only in extreme cases to those properties beyond the Urban Development Boundary within the Urban Area Boundary.
3. To provide for land development and growth in a manner consistent with the General Plan, particularly as it relates to land use and circulation.
4. To consider an application upon its own merits, and identify what benefits would accrue to the City as an agency and service provider, to the residents of the city of Porterville, and to the applicant.
5. To identify the problems involved in any proposal considered for annexation or request for extra-territorial services and resolve them in the manner most beneficial to the properties within the city of Porterville.
6. To develop factual information to permit informed discussion between City representatives and property owners/residents of unincorporated territories.

BE IT FURTHER RESOLVED, that the City Council of the City of Porterville does hereby establish the following policies for consideration of annexations and municipal services:

1. It shall be the policy of the City of Porterville to consider annexation proposals only within the Urban Development Boundary, which is defined as the City of Porterville Annexation Boundary, as adopted by Tulare County Local Area Formation Commission (LAFCo).

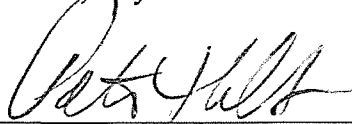
2. It shall be the policy of the City of Porterville to consider extra-territorial service requests primarily within the Urban Development Boundary, which is defined as the City of Porterville Annexation Boundary, as adopted by Tulare County LAFCo.
3. It shall be the policy of the City of Porterville, only where necessary in order to respond to an existing or impending threat to public health or safety of affected residents, to consider extra-territorial service requests within the Urban Area Boundary, as adopted by City Council and identified on the City of Porterville Zoning Map.
4. It shall be the policy of the City of Porterville to consider annexation proposals and extra-territorial service requests in a manner consistent with the policies and regulations adopted by the Tulare County LAFCo and the State of California, as applicable.
5. It shall be the policy of the City of Porterville to discourage single-family one (1) lot annexation proposals that may have an adverse fiscal impact on the City of Porterville.
6. It shall be the policy of the City Council that territory shall not be annexed to the city of Porterville, which as a result of such annexation, unincorporated territory is completely surrounded, or substantially surrounded by the city of Porterville.
7. It shall be the policy of the City of Porterville that annexation proposals shall be in conformance with the Cortese-Knox-Hertzberg Act of 2000, as amended.
8. It shall be the policy of the City Council to consider each petition/consent for annexation upon its relationship to what economic benefits will accrue to the City of Porterville, and to the area residents/property owners.
9. It shall be the policy of the City Council that the costs of all physical improvements will be borne by the property owners/resident or developer.
10. It shall be the policy of the City of Porterville to maintain the viability of agricultural productivity; i.e. protecting and conserving as much agricultural land as possible in the area surrounding the Porterville community.
11. It shall be the policy of the City of Porterville that the applicant for annexation present proposals to the Project Review Committee and explain the particulars of the area under consideration for possible annexation, including a plan for services.
12. It shall be the policy of the City of Porterville to consider any requests for annexation or extra-territorial services in a manner consistent with the procedures adopted by resolution of the City Council.

PASSED, APPROVED AND ADOPTED this 21st day of October, 2014.


Milt Stowe, Mayor

ATTEST:

John D. Lollis, City Clerk

By: 
Patrice Hildreth, Chief Deputy City Clerk

STATE OF CALIFORNIA)
CITY OF PORTERVILLE) SS
COUNTY OF TULARE)

I, JOHN D. LOLLIS, the duly appointed City Clerk of the City of Porterville do hereby certify and declare that the foregoing is a full, true and correct copy of the resolution passed and adopted by the Council of the City of Porterville at regular meeting of the Porterville City Council duly called and held on the 21st day of October, 2014.

THAT said resolution was duly passed, approved, and adopted by the following vote:

Council:	REYES	WARD	STOWE	HAMILTON	GURROLA
AYES:	X		X	X	X
NOES:		X			
ABSTAIN:					
ABSENT:					

JOHN D. LOLLIS, City Clerk


By: Luisa M. Zavala, Deputy City Clerk

RESOLUTION 19-2016

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
ESTABLISHING PROCEDURES FOR ANNEXATIONS AND EXTENSION OF
MUNICIPAL SERVICES

WHEREAS: On October 21, 2014, the City Council of the City of Porterville adopted two resolutions that defined objectives and policies, and established procedures for annexations and municipal services, respectively; and

WHEREAS: The on-going, severe drought of the past few years has created a situation where hundreds of parcels in the East Porterville area are experiencing dry wells, or wells of substandard water quality. State and regional agencies have come together with the City to identify and develop a long-term solution to this crisis, which will involve a significant infrastructure project to allow extension of municipal water services to the area. Not all parcels within the subject area meet the mandatory findings for extra-territorial service agreements as identified in the City's current procedures.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Porterville does hereby amend existing procedures to submit application for municipal services, and to have said application(s) processed as outlined in Exhibit "A", attached. The exemption identified for the East Porterville Feasibility Study Project Area will apply to the area represented in Exhibit "B".

PASSED, APPROVED AND ADOPTED this 19th day of April, 2016.



Milt Stowe, Mayor

ATTEST:

John D. Lollis, City Clerk

BY 

Luisa Zavala, Deputy City Clerk

All properties requesting annexation or extraterritorial services are subject to the procedures established below unless otherwise stated. Compliance with City of Porterville procedures does not guarantee approval by LAFCo of annexations or extra-territorial service agreements. Upon request for an annexation or extraterritorial services request, staff will evaluate whether the applicant's property is within the City's Urban Development Boundary or Urban Area Boundary and explain the process.

ANNEXATION APPLICATION PROCEDURE

1. A complete annexation application packet includes: fees, an Irrevocable Agreement to Annex, information as needed to define a deed restriction specific to land use and zoning, Application for Annexation, and other materials as required with those applications respectively.
2. On receipt of an application as outlined above, all materials will be considered by the Project Review Committee, who will coordinate in a pre-consultation process with LAFCO staff and the County Public Works Department for review and recommendation.
3. During review by the Project Review Committee of the necessary application and data, staff will prepare a report and findings on all aspects of the proposed action(s).
4. An environmental document will be prepared pursuant to the California Environmental Quality Act (CEQA), reviewing the potential environmental effect of the proposed activities. The Zoning Administrator will make an initial determination of the level of environmental review required.
5. After proper noticing, a public hearing will be held for the City Council to hear comments related to the project at a regularly scheduled meeting. The Council will authorize staff to initiate the application with LAFCo. Documents will be filed in accordance with the Cortese-Knox-Hertzberg Act of 2000, as amended, and submitted to the Local Agency Formation Commission for its review, recommendation and action.
6. On consummation by the City Council, the City Clerk shall submit the necessary materials to the State Board of Equalization with the appropriate acreage fees, which are paid by the Applicant.
7. In the event the annexation fails, either by dissenting votes of the City Council or at hearing at LAFCo, the City Council may approve an extraterritorial service agreement within the Urban Development Boundary, subject to conditions identified in the deed restriction.

ANNEXATION EXEMPTION PROCEDURE

Where a certain property meets all of the following criteria, they may proceed with an Extraterritorial Service Agreement for water or storm-water drainage without first attempting annexation, subject to the conditions of Extraterritorial Service Agreements as defined below.

1. Previously developed single family residences on parcels 24,999 square feet or smaller, OR a school developed by a State funded school district.
2. The parcel requesting services must be immediately adjacent to a municipal main providing the requested service, or the property owner shall provide for the extension of the main line to City standards at their expense.

EXTRATERRITORIAL SERVICES APPLICATION PROCEDURE

Extraterritorial Service connections may be made subject to the following conditions. Note specific parameters and the required findings for connections in the Urban Development Boundary and the Urban Area Boundary.

1. Application: A complete extraterritorial services application packet includes: fees, an Irrevocable Agreement to Annex, information as needed to define a deed restriction specific to land use and zoning, and other materials as required with those applications respectively.
2. General Plan Consistency:
 - a. Proposed Uses and Improvements: Service connections are to be withheld from proposed uses and improvements that would not be consistent with the adopted Land Use Element of the Porterville Area General Plan and the City of Porterville General Plan.
 - b. Existing Uses and Improvements: Service connections to existing uses and improvements which are not consistent with the adopted Land Use Element of the Porterville Area General Plan and the City of Porterville General Plan shall be considered at the discretion of the City Council, and may be subject to other restrictions.
3. Agreements and covenants:
 - a. A deed restriction specific to land use and zoning must be approved by the property owner and the City Council, and recorded with the County of Tulare upon the property, at the applicant's cost.
 - b. An irrevocable agreement to annex must be signed by the property owner and recorded with the County of Tulare upon the property, at the applicant's cost.
4. Time limitations: The City Manager or his designee, or the City Council may condition the approval of applications for service connections by establishing a time frame within which connections must be made to avoid re-application.
5. Improvement Plans: Applications for service connections, which necessitate the extension of one or more municipal facilities to property in order to make such connections, shall be conditioned by the City Manager or his designee, or the City Council to require that Construction Drawings of the intended public improvements be submitted to the City Engineer for plan check and approval. Costs incurred for the preparation of improvement plans, and certain off-site construction and/or installation costs related to extending facilities, shall be the responsibility of the applicant.
6. Fees: Prior to the issuance of a Connection Permit, payment must be made to the City of Porterville of all fees pertinent to the respective service connection, or connections, approved by the City Manager or his designee, or the City Council.

Within the Urban Development Boundary:

For connection of water or storm-water facilities, the requesting party must fully fund the extension of infrastructure if it does not already exist in order to connect. The City of Porterville Wastewater Facility is a regional facility and as such, an extraterritorial service request cannot be denied; however, the requesting party must fund a fair share of the extension of infrastructure if it does not already exist in order to connect. Contract services for police, fire, or building inspection services shall be approved by resolution of the City Council.

For connection of water or storm-water facilities, the following findings must be made in order for the Council approve an extraterritorial service connection:

- That the subject property is a previously developed single family residence on a parcel 24,999 square feet or smaller, OR a school developed by a State funded school district.
- That failure to connect to municipal services would result in a threat to public health or safety of affected residents.
- That connection of the subject property would not result in a negative impact to the City of Porterville water and/or storm-water system.
- That the subject property is not within an island as defined by Tulare LAFCo.
- That an attempt to annex the subject site is not realistic given current city limit boundaries. Specifically, the parcel is too far removed from the city limit, and/or the number and valuation of adjacent parcels would result in a failed annexation effort.

Within the Urban Area Boundary:

For connection of water or storm-water facilities, the requesting party must fully fund the extension of infrastructure if it does not already exist in order to connect. The City of Porterville Wastewater Facility is a regional facility and as such, an extraterritorial service request cannot be denied; however, the requesting party must fund a fair share of the extension of infrastructure if it does not already exist in order to connect. Contract services for police, fire, or building inspection services shall be approved by resolution of the City Council.

For connection of water or storm-water facilities, the following findings must be made in order for the Council approve an extraterritorial service connection:

- That the subject property is a previously developed single family residence on a parcel 24,999 square feet or smaller, OR a school developed by a State funded school district.
- That failure to connect to municipal services would result in a threat to public health or safety of affected residents.
- That connection of the subject property would not result in a negative impact to the City of Porterville water and/or storm-water system.

EXEMPTIONS AND EXCEPTIONS

1. PVPUD: Connections to Porterville Regional Sewage Treatment Facilities serving uses and improvements to property within the boundaries and jurisdiction of the Porter Vista Public Utility District (PVPUD) are exempted from application to the City of Porterville. Interested parties should contact the PVPUD for information on connection requirements and fees pertaining

to sewer services. This exemption does not apply to requests for connection to Municipal Water and/or Master Storm Drain Facilities.

2. PRIOR APPROVALS: Porterville City Council approval of requests for connection to Regional Sewage Treatment, Municipal Water and/or Master Storm Drain Facilities as authorized prior to the adoption and effective date of the respective policies set forth herein shall remain valid and in force according to the terms and conditions initially specified at the time of approval, and re-application will not be required.

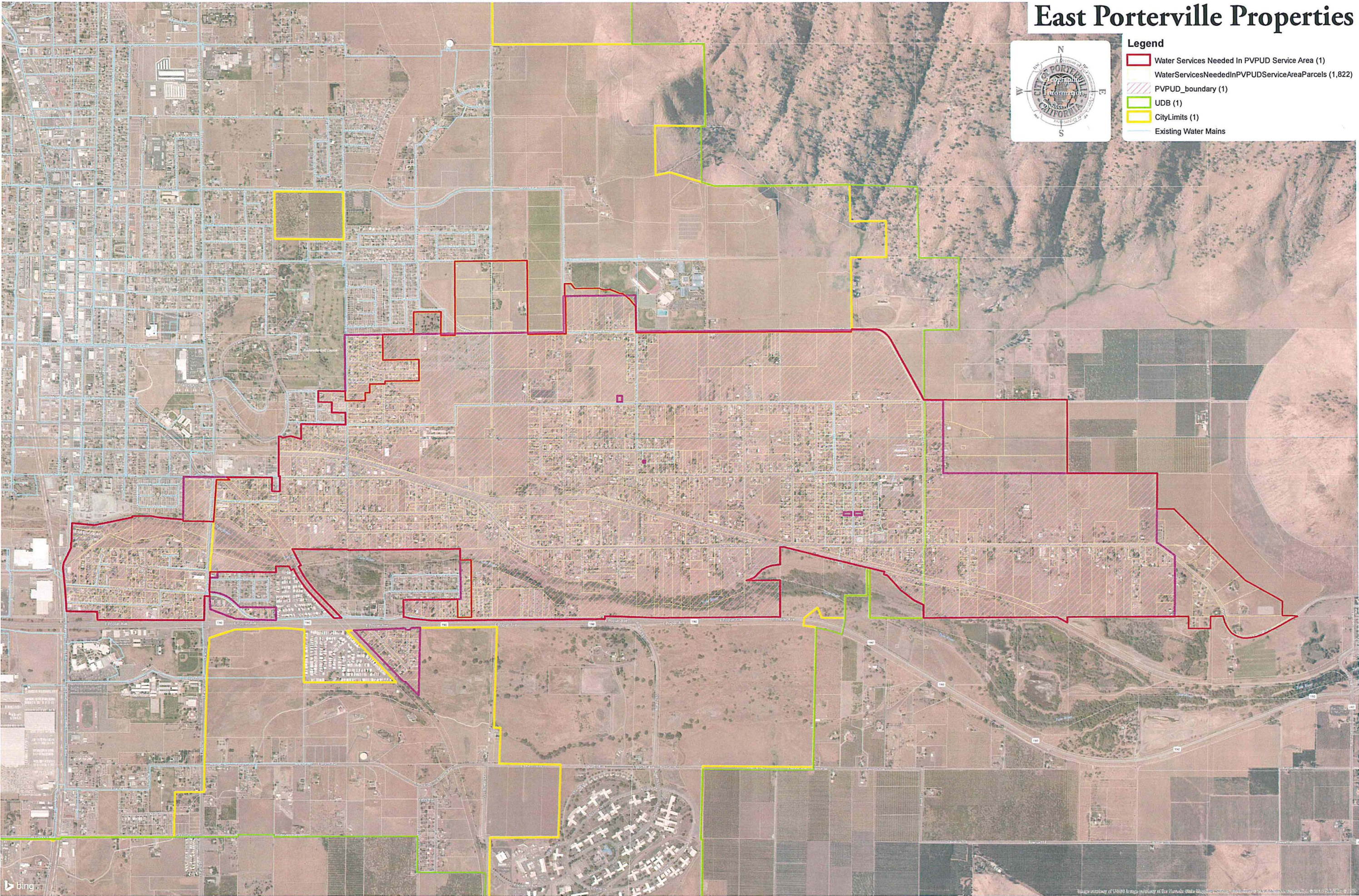
3. PROPERTIES WITHIN THE EAST PORTERVILLE FEASIBILITY STUDY PROJECT AREA: The California State Water Resources Control Board, in coordination with the Department of Water Resources Drought Task Force, is charged with preparing a feasibility study to define a long-term solution to the water related issues in East Porterville. Properties within that boundary would be permitted to apply for connection, whether in association with DWR, SWRCB, or at a later date, on their own. Such connections would be subject to the mandatory findings as outlined in this procedure, with the following exceptions:

- Rather than require that the subject property be a developed single-family residence on a parcel 24,999 square feet or smaller, neither the land use nor the parcel size would be restricted neither the land use nor the parcel size would be restricted for legal and legal non-conforming structures and land uses existing as of April 29, 2016.
- Further, properties within certain islands in the EPFS Project Area would not be required to annex prior to connection. This exception does not limit the City of Porterville's authority to pursue annexation in the future, but rather waives the requirement that annexation must be approved prior to connection.

East Porterville Properties



- Legend**
- Water Services Needed In PVPUD Service Area (1)
 - WaterServicesNeededInPVPUDServiceAreaParcels (1,822)
 - PVPUD_boundary (1)
 - UDB (1)
 - CityLimits (1)
 - Existing Water Mains



STATE OF CALIFORNIA)
CITY OF PORTERVILLE) SS
COUNTY OF TULARE)

I, JOHN D. LOLLIS, the duly appointed City Clerk of the City of Porterville do hereby certify and declare that the foregoing is a full, true and correct copy of the resolution passed and adopted by the Council of the City of Porterville at regular meeting of the Porterville City Council duly called and held on the 19th day of April, 2016.

THAT said resolution was duly passed, approved, and adopted by the following vote:

Council:	REYES	WARD	STOWE	HAMILTON	GURROLA
AYES:	X	X	X	X	
NOES:					
ABSTAIN:					
ABSENT:					X

JOHN D. LOLLIS, City Clerk

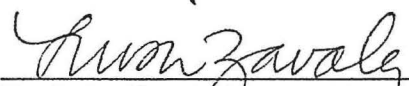

By: Luisa Zavala, Deputy City Clerk

EXHIBIT 'C'



EXHIBIT 'D'

Scope of Work

Task	Description	Cost
1.2	Prepare Well Drilling Plans, Specifications, and Estimates	\$468.00
3.2	Prepare Well Equipping Plans, Specifications, and Estimates	\$1,526.00
5	Ph. 1 Preconstruction Meeting	\$1,357.43
Total:		\$3,351.43

Consulting Engineering work will be reimbursed directly to Dee Jaspar & Associates under Tulare County Agreement No. 1276, including the following

Tasks:

Task 4.1	Project Evaluations and Field Surveying	\$58,326.00
Task 4.2	Prepare Well Equipping Plans, Specifications, and Estimates	\$30,000.00
Task 4.3	Prepare and Assist with SCE Application & Telephone Service	\$5,000.00
Task 4.4	SCE Costs	\$15,000.00
Total:		\$108,326.00

Discussion Draft

Subject to Additional Review and Modification by the Parties

Porterville MOU
Draft 2
June 15, 2016
PortervilleEmergencyMOU061516



Memorandum of Understanding (MOU)

Regarding the Provisions of Emergency Water Supplies to East Porterville

by the California Department of Water Resources (DWR), California Office of Emergency

Service (OES), the State Water Resources Control Board (SWRCB),

the County of Tulare (County), and City of Porterville (Porterville),

which are collectively known as the “Parties”

Recitals

Whereas, some residents living in an unincorporated area of Tulare County, commonly known as “East Porterville,” have experienced loss of adequate water supply to their homes and properties as a result of severe drought conditions, which has caused significant hardship for the residents;

Whereas, Governor Edmund G. Brown Junior has directed all State agencies to assist these residents who are in need of water supplies with emergency and long-term assistance;

Whereas, Governor Edmund G. Brown Junior signed Assembly Bill 685 in 2012, adding Water Code section 106.3, which recognizes that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes, and which requires all relevant state agencies to consider this right when revising, adopting, or establishing pertinent policies, regulations, and grant criteria;

Whereas, the Parties have provided emergency water supplies to some residents of East Porterville that are without an adequate household water supply;

Whereas, the Parties to this MOU seek an emergency and long-term solution to the lack of adequate household water supply by developing and providing continuous water supplies to these residents;

Whereas, East Porterville is located east and adjacent to Porterville, which has an existing municipal water system that serves residents within the incorporated area of Porterville;

Whereas, some of the residents of East Porterville without an adequate household water supply could be connected to Porterville's municipal water system provided certain arrangements and projects are carried out by the Parties;

Whereas, Vandalia is a neighborhood located within Porterville, and some Vandalia residents lack adequate household water supply and these households could be connected to Porterville's municipal water system;

Whereas, the Parties have met and have discussed alternative plans and projects that would provide an emergency water supply from Porterville to some residents of East Porterville and Vandalia in an expeditious manner;

Whereas, to advance these projects, DWR has provided funding, as reflected in the agreement between DWR and Tulare attached as Exhibit 1, for a municipal well designated as "Well C1" located in Tulare County that ultimately could be used to supply water to these residents of East Porterville;

Whereas, the SWRCB has also provided funding for Well C1, as reflected in the agreement between the SWRCB and the County attached as Exhibit 2;

Whereas, the County and Porterville intend to execute an agreement, a draft of which is attached as Exhibit 3, that will connect Well C1 to Porterville's municipal water system and that will provide for an adequate household water supply for some residents of East Porterville; and

Whereas, the Parties have reached an understanding on how best to implement the project alternative that will provide an adequate household water supply to some residents of East Porterville and Vandalia, and alleviate the hardships in an expeditious, cost-effective manner.

Understanding

A. Description of Emergency Project and Long-Term Plan

1. The purpose of this MOU is to set forth in writing the intentions of the Parties of how best to move forward with plans to complete an emergency water supply project (Project) to some residents in the East Porterville and Vandalia areas, which are represented in Exhibit 4. (Map showing East Porterville and Porterville). The goal of the Project is to provide an adequate household water supply to some of the residents and properties in these areas that do not have one presently, and to end the need of the Parties to provide temporary water supplies to those residents through tanks and bottles.

2. The Parties intend to develop the Project in two phases. Phase 1 will make municipal water connections to the properties in East Porterville that have dry wells and are adjacent to Porterville's existing municipal water distribution system. It is estimated that this phase will serve 40 properties with dry wells that are currently receiving temporary household water supplies.

3. The Parties intend that Phase 2 of the Project will provide municipal water supply to approximately 500 properties in East Porterville and in Vandalia that have dry wells or otherwise lack an adequate source of water and have not been connected by Phase 1. In order to complete Phase 2, the residents of these properties will likewise need to connect to Porterville's municipal water system.

4. As soon as possible, Porterville and DWR will undertake Phase 1 of the Project and connect the properties in East Porterville that are adjacent to Porterville's existing municipal water distribution system. These connections will be accomplished as described in Water Installation Diagram attached as Exhibit 5 and based on the cost estimate, which is attached as Exhibit 6. In order to make these connections, a property owner desiring to receive public water supply will need to execute the Extraterritorial Service Agreement, a sample of which is attached as Exhibit 7, and the SWRCB's Water Connection Agreement, a sample of which is attached as Exhibit 8. Necessary signatures and agreements with property owners will be sought through SWRCB's outreach carried out with the assistance of all Parties to this MOU.

5. The Parties intend that Well C1 will be used to provide the emergency water supply in Phase 2 to about 500 properties without adequate household water supplies. The Parties presently understand that there are about 423 properties in East Porterville and approximately 80 properties in Vandalia where connections may be needed to provide emergency water supplies.

6. The Parties have created a Technical Workgroup consisting of engineers and planners, which work cooperatively on the technical issues described in this MOU. Based on recommendations of the Technical Workgroup, the Parties intend to provide the emergency water supply contemplated by this MOU.

7. The Parties intend to develop a Long-Term Water System Plan (Long-Term Plan) for the East Porterville area, which will serve other residents in the area besides those served by the Project. The Parties intend that the Project will be designed consistent with the Long-Term Plan to ensure that all water facilities constructed as part of the Project will be incorporated into the facilities ultimately developed through the Long-Term Plan. The first work product produced by the Technical Workgroup will be a Feasibility Study for the Long-Term Plan. The outline of the Feasibility Study is attached as Exhibit 9.

8. The Parties intend to use best efforts to complete both phases of the Project by December 31, 2016. The completion date of the Long-Term Plan is dependent on the completion of the Feasibility Study carried out by Technical Workgroup and on Porterville and/or the County applying for and securing sufficient funding from the SWRCB or from other sources. The Parties desire to complete the Long-Term Plan as expeditiously as possible.

B. Project Contributions of the Parties

9. Working in cooperation with the other Parties and the Technical Workgroup, DWR will prepare all environmental compliance for the Project, and design and construct the Project, both Phases 1 and 2. DWR will provide funding for Phases 1 and 2 of the Project through Emergency Drought Funding. DWR intends to serve as California Environmental Quality Act (CEQA) lead agency for the Long-Term Plan and will prepare any necessary CEQA documentation and any other necessary environmental review documents, unless the Feasibility Study recommends another lead agency.

10. SWRCB will provide the community outreach to assist in obtaining necessary property owner acceptance before proceeding with Project. SWRCB will also work with Porterville and/or County to secure funding of the Long-Term Plan. SWRCB will provide certain reviews and approvals for the permitting of the Project and the Long-Term Plan.

11. OES will coordinate all of the State's efforts under the Governor's Drought Task Force in the Project area and will be provided at no cost by Porterville up to 3,000,000 gallons of emergency water per month as needed as a result of this MOU and the agreement that Porterville and the County are in the process of considering for execution, a draft of which is attached as Exhibit 3, with regard to the Well C1.

12. Porterville will provide the needed water service to the residents of East Porterville without an adequate household water supply after they are connected to Porterville's municipal water system as described in the Project. The water service will be accomplished per the Extraterritorial Service Agreement, which requires that property owners served pay the monthly water bill. DWR is funding the residents' connection to the Project, and as a result, some of the normal connection fees will be waived provided that connection is made during Phase 1 or Phase 2. Porterville will install the water meters for each connection, which will be paid for by DWR.

13. The County intends to execute an agreement with Porterville that is consistent with this MOU and Exhibit 3, which will allow Well C1 to serve as a water supply for the Project. The County will inspect the work of the Project and the property connections at no cost to the residents.

14. The Parties to the MOU will cause the removal of all temporary water tanks from the properties upon completion of the Project and the appurtenances necessary for the receipt of municipal water service. The work for removing the water tanks will be carried out by the County under an agreement between the County and OES.

C. General Provisions

15. The Parties intend to use their best efforts to carry out this MOU. This MOU is not a binding agreement, and is not intended to create contractual rights and remedies among the Parties. However, the Parties have entered into and intend to enter into certain binding agreements in the future necessary to develop and complete the Project and the Long-Term Plan.

16. This MOU will become effective upon the signature of the all Parties. The MOU will terminate on December 31, 2016, unless extended by all of the Parties in writing.

[Signatures on following page]

This MOU has been executed by:

California Department of Water Resources

State Water Resources Control Board

California Office of Emergency Services

County of Tulare

City of Porterville

List of Exhibits

1. DWR and Tulare County Executed Well C1 Agreement
2. SWRCB and County Executed Well C1 Agreement (Water Board Grant #D-15-11-902)
3. County and Porterville Draft Well Agreement
4. Map of East Porterville
5. Household Water Service Installation Diagram
6. Household Water Service Cost Estimate
7. Sample Extraterritorial Service Agreement
8. Sample SWRCB Water Connection Agreement
9. Draft Emergency Project Feasibility Study



Amendment No. 1

To the East Porterville Water Supply Project

Memorandum of Understanding (MOU)

Regarding the Provisions of Emergency Water Supplies to East Porterville
by the California Department of Water Resources (DWR), California Office of
Emergency Service (OES), the State Water Resources Control Board (SWRCB),
the County of Tulare (County), and City of Porterville (Porterville),
which are collectively known as the "Parties"

This Amendment No.1 to the MOU is made this 7th day of November, 2016. As described below, this Amendment No.1 recognizes the MOU is still in effect, modifies certain sections of this MOU, and adds new sections to the MOU.

Recitals

Whereas, some residents living in an unincorporated area of Tulare County, commonly known as "East Porterville," have experienced loss of adequate water supply to their homes and properties as a result of severe drought conditions, which has caused significant hardship for the residents;

Whereas, Governor Edmund G. Brown Junior has directed all State agencies to assist these residents who are in need of water supplies with emergency and long-term assistance;

Whereas, the Parties to this MOU seek an emergency and long-term solution to the lack of adequate household water supply by developing and providing continuous water supplies to these residents;

Whereas, to advance these projects, DWR and the SWRCB have provided funding, as reflected in Exhibits 1 and 2, for a municipal well designated as "Well C1" located in Tulare County that ultimately could be used to supply water to these residents of East Porterville;

Whereas, the Parties have reached an understanding on how best to implement the project alternative that will provide an adequate household water supply to some residents of East Porterville and Vandalia, and alleviate the hardships in an expeditious, cost-effective manner:

Whereas, the purpose of this amendment is to clarify some sections of the MOU and to add several new sections.

NOW THEREFORE, IT IS MUTUALLY AGREED that the following changes are hereby made to the MOU:

1. Section A (2) is amended to read as follows:

The Parties intend to develop the Project in two phases. Phase 1 will make municipal water connections to the properties in East Porterville and Vandalia that have dry wells and/or water tanks. It is estimated that this phase will serve approximately 300 properties.

2. Section A (3) is amended to read as follows:

The Parties intend that Phase 2 of the Project will provide municipal water supply to approximately 800 properties in East Porterville by connecting them to the City of Porterville's water system. The total number of homes eligible for this Project is approximately 1,100.

3. Section A (5) is amended to read as follows:

The Parties intend that Well C1 will be used to provide the initial water supply. The Parties acknowledge the delay in Well C1 completion. To mitigate the effects of this on the residents of East Porterville, the City of Porterville will allow connections of homes as they become prepared for connection. These early connections will be beyond the initial 70 connections (previously 40 connections) agreed to, given the availability of capacity during the winter months. However, these additional connections to the City's water system will cease on March 1, 2017, if Well C1's connection to the City's water system is not completed by then.

4. Sections A (7) b-f shall be added and made part of this MOU:

7 (a). The Parties intend to develop a Long-Term Water System Plan (Long-Term Plan) for the East Porterville area, which will serve other residents in the area besides those served by the Project. The Parties intend that the Project will be designed consistent with the Long-Term Plan to ensure that all water facilities constructed as part of the Project will be incorporated into the facilities ultimately developed through the Long-Term Plan. The first work product produced by the Technical Workgroup will be a Feasibility Study for the Long-Term Plan. The outline of the Feasibility Study is attached as Exhibit 9.

(b). The East Porterville Water Supply Project Hydraulic Analysis Report ("Hydraulic Analysis Report," which is attached as Exhibit 10) determined that the water supply capacity required to serve all eligible residents of East Porterville is 1,435 gallons per minute (gpm). This capacity shall be based on the sustainable yield of the wells which is defined as 75 percent of the initial design capacity. Since Well C1 has a sustainable yield of 600 gpm, the Parties agree that the State will fund the construction and equipping of additional wells to provide the 835 gpm shortfall.

(c). Based on the Hydraulic Analysis, a 700,000 gallon water storage tank is required to serve the residents of East Porterville. However, based on Porterville's master plan recommendations, a 1.2 million-gallon storage tank is required for the City's buildout. The Parties therefore intend to construct a 1.2 million-gallon storage tank with cost sharing between the State and the City. The State will fund the cost of a 700,000 gallon tank required for the Project and the City of Porterville will fund the cost of the additional 500,000 gallons of storage required for the City's future use as contained in its master plan. The cost-sharing shall be proportional to the tank capacity being funded.

(d). The Parties intend to upgrade the existing Henderson-Plano Booster Pump Station and the Granite Hills Intertie which would facilitate water supply to the East Pressure Zone which serves East Porterville. The State will fund the construction of one booster pump rated at 2,100

gpm along with a variable frequency drive and the Granite Hills Intertie. The City will fund the replacement of its two existing pumps along with associated variable frequency drives as part of Phase 2 of the Project. These two pumps are more than 30-years old and their replacement will enable the City's water system to operate more efficiently and in a cost-saving manner.

(e). The Parties further agree that a booster pump station of capacity 1,670 gpm is required to convey water from the West Pressure Zone, where the new wells will be located, to the Central Pressure Zone for onward conveyance to East Porterville. The State will fund the construction of this booster pump station.

(f). Given that Well C1 has an estimated sustainable yield of 600 gpm, as well as a unit demand of 0.833 gpm per home connection based on the Hydraulic Analysis , Well C1 could effectively serve up to 720 households . The Parties agree that home connections for Phase 2 of the Project can begin as soon as Well C1 is connected to the City's water system, and the Henderson-Plano Booster Pump Station upgrade and the Granite Hills Intertie are completed. These home connections shall cease when the capacity of Well C1 is exceeded. Thereafter, additional home connections will be made after the construction of additional wells or if City staff determines that the water system can support additional home connections.

5. Section (C) 16 is amended to read as follows:

16. This MOU will become effective upon the signature of the all Parties. The MOU will terminate on June 30, 2018, unless extended by all Parties in writing.

6. The list of the Exhibits at the end of MOU is amended to read as follows:

1. DWR and Tulare County Executed Well C1 Agreement
2. SWRCB and County Executed Well C1 Agreement (Water Board Grant #D-15-11-902)
3. County and Porterville Draft Well Agreement
4. Map of East Porterville
5. Household Water Service Installation Diagram
6. Household Water Service Cost Estimate
7. Sample Extraterritorial Service Agreement
8. Sample SWRCB Water Connection Agreement
9. Draft Feasibility Study for the Long-Term Plan
10. East Porterville Water Supply Project Hydraulic Analysis Report

This MOU has been executed by:

California Department of Water Resources

State Water Resources Control Board

California Office of Emergency Services

City of Porterville

County of Tulare



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

NOV 29 2017

The Honorable Milt Stowe
Mayor of City of Porterville
291 North Main Street
Porterville, CA 93257

RECEIVED

DEC 04

CITY OF PORTERVILLE
CITY MANAGER

Dear Mayor Stowe:

The Department of Water Resources and the State Water Resources Control Board are requesting an increase to the number of household connections from 720 to 800 to the City of Porterville (City) water system, prior to the completion of the East Porterville Emergency Water Supply Project – Phase 2 (Project). The construction of all facilities is estimated to be completed by June 2019.

According to Section A(7)(f) of Amendment No. 1 to the Project's Memorandum of Understanding (MOU), the estimated sustainable yield of Well C1 is 600 gallons per minute (gpm) and therefore will serve up to 720 households. Our current projections show that approximately 800 households will need to be connected by the end of 2017.

Our current plans are to drill two additional wells which would add more than 835 gpm of sustainable yield to the City's water supply, pending land acquisition by the City. Further, our calculations indicate that Well C1 is currently capable of producing 800 gpm in the interim, which can support a total of 960 households in the short term. It is our hope that the City will complete acquisition of the properties needed to drill the two additional wells in a timely manner to ensure that the City's water supply does not become stressed.

We look forward to hearing favorably from you and thank you for your continued support in providing safe drinking water to the residents of East Porterville.

Sincerely,



James Maughan, Assistant Deputy Director
Division of Financial Assistance

cc: See next page

DEPARTMENT OF WATER RESOURCES

SOUTH CENTRAL REGION OFFICE
3374 EAST SHIELDS AVENUE, ROOM 3
FRESNO, CA 93726-6913



January 18, 2018

Mr. Michael K. Reed
Public Works Director
City of Porterville
291 North Main Street
Porterville, California 93257

RECEIVED

JAN 22 2018

City of Porterville
Public Works Dept

Approval of Funding from Local Assistance Funds to the City of Porterville for the
County Areas Water Supply Project

Dear Mr. Reed:

Your request for funds to accomplish the city of Porterville's scope of work to connect drought-impacted households in seven Tulare County areas bounded by the city has been approved. The approved funding is not to exceed the amount of \$2,812,946.00. The term of the funding is from January 18, 2018, to December 31, 2019.

The purpose of this funding is for the city of Porterville to effectuate the connection of the drought-impacted homes in seven county areas to the city's water distribution system. The project comprises water main extensions, home connections, and well destructions. These homes have been identified as having private residential wells, and the homeowners have voluntarily elected to join the project. As part of their election to participate in the project, the homeowners have consented to having their groundwater wells destroyed.

A grant agreement is being developed and will be sent to you for approval. You are allowed to start incurring costs from January 18, 2018. No reimbursement will be issued until the contract agreement is executed.

If you have any questions or need additional information regarding the agreement, please contact Steve Doe by email at Steve.Doe@water.ca.gov or by phone at (559) 230-3348.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Faulkenberry".

Kevin Faulkenberry, Chief
South Central Region Office

Executive Department

State of California

EXECUTIVE ORDER B-40-17

WHEREAS California has endured a severe multi-year drought that has threatened the water supplies of communities and residents, devastated agricultural production in many areas, and harmed fish, animals and their environmental habitats; and

WHEREAS Californians responded to the drought by conserving water at unprecedented levels, reducing water use in communities by more than 22% between June 2015 and January 2017; and

WHEREAS the State Water Resources Control Board, the Department of Water Resources, the Department of Fish and Wildlife, the Office of Emergency Services, and many other state agencies worked cooperatively to manage and mitigate the effects of the drought on our communities, businesses, and the environment; and

WHEREAS the State provided 66,344,584 gallons of water to fill water tanks for communities suffering through drought-related water shortages, outages, or contamination, and provided emergency assistance to drill wells and connect communities to more robust water systems; and

WHEREAS the State took a number of important actions to preserve and protect fish and wildlife resources, including stream and species population monitoring, fish rescues and relocations, infrastructure improvements at trout and salmon hatcheries, and infrastructure to provide critical habitat for waterfowl and terrestrial animals; and

WHEREAS the State established a Statewide Water Efficiency and Enhancement Program for agricultural operations that provides financial assistance for the implementation of irrigation systems that save water; and

WHEREAS water content in California's mountain snowpack is 164 percent of the season average; and

WHEREAS Lake Oroville, the State Water Project's principal reservoir, is 101 percent of average, Lake Shasta, the federal Central Valley Project's largest reservoir, is at 110 percent of average, and the great majority of California's other major reservoirs are above normal storage levels; and

WHEREAS despite winter precipitation, the effects of the drought persist in areas of the Central Valley, including groundwater depletion and subsidence; and

WHEREAS our changing climate requires California to continue to adopt and adhere to permanent changes to use water more wisely and to prepare for more frequent and persistent periods of limited water supply; and

WHEREAS increasing long-term water conservation among Californians, improving water use efficiency within the State's communities and agricultural production, and strengthening local and regional drought planning are critical to California's resilience to drought and climate change.

NOW, THEREFORE, I, EDMUND G. BROWN JR., Governor of the State of California, in accordance with the authority vested in me by the Constitution and statutes of the State of California, do hereby **TERMINATE THE JANUARY 17, 2014 DROUGHT STATE OF EMERGENCY** for all counties in California except the Counties of Fresno, Kings, Tulare, and Tuolumne.

I FURTHER ORDER THAT:

1. The orders and provisions contained in my April 25, 2014 Emergency Proclamation, as well as Executive Orders B-26-14, B-28-14, B-29-15, and B-36-15 are rescinded.
2. The orders and provisions contained in Executive Order B-37-16, **Making Water Conservation a California Way of Life**, remain in full force and effect except as modified by this Executive Order.
3. As required by the State Emergency Plan and Government Code section 8607(f), the Office of Emergency Services, in coordination with other state agencies, shall produce an after-action report detailing the State's response to the drought and any lessons learned in carrying out that response.

MAINTAINING CONSERVATION AS A WAY OF LIFE

4. The State Water Resources Control Board (Water Board) shall continue development of permanent prohibitions on wasteful water use and requirements for reporting water use by urban water agencies, and to provide a bridge to those permanent requirements, shall maintain the existing emergency regulations until they expire as provided by the Water Code. Permanent restrictions shall prohibit wasteful practices such as:
 - Hosing off sidewalks, driveways and other hardscapes;
 - Washing automobiles with hoses not equipped with a shut-off nozzle;
 - Using non-recirculated water in a fountain or other decorative water feature;
 - Watering lawns in a manner that causes runoff, or within 48 hours after measurable precipitation; and
 - Irrigating ornamental turf on public street medians.
5. The Water Board shall rescind those portions of its existing emergency regulations that require a water supply stress test or mandatory conservation standard for urban water agencies.

6. The Department of Water Resources (Department) shall continue work with the Water Board to develop standards that urban water suppliers will use to set new urban water use efficiency targets as directed by Executive Order B-37-16. Upon enactment of legislation, the Water Board shall adopt urban water use efficiency standards that include indoor use, outdoor use, and leaks as well as performance measures for commercial, industrial, and institutional water use. The Department shall provide technical assistance and urban landscape area data to urban water suppliers for determining efficient outdoor use.
7. The Water Board and the Department shall continue to direct actions to minimize water system leaks that waste large amounts of water. The Water Board, after funding projects to address health and safety, shall use loans from the Drinking Water State Revolving Fund to prioritize local projects that reduce leaks and other water system losses.
8. The Water Board and the Department shall continue to take actions to direct urban and agricultural water suppliers to accelerate their data collection, improve water system management, and prioritize capital projects to reduce water waste. The California Public Utilities Commission is requested to work with investor-owned water utilities to accelerate work to minimize leaks.
9. The Water Board is further directed to work with state agencies and water suppliers to identify mechanisms that would encourage and facilitate the adoption of rate structures and other pricing mechanisms that promote water conservation.
10. All state agencies shall continue response activities that may be needed to manage the lingering drought impacts to people and wildlife. State agencies shall increase efforts at building drought resiliency for the future, including evaluating lessons learned from this current drought, completing efforts to modernize our infrastructure for drought and water supply reliability, and shall take actions to improve monitoring of native fish and wildlife populations using innovative science and technology.

CONTINUED DROUGHT RESPONSE IN FRESNO, KINGS, TULARE, AND TUOLUMNE COUNTIES

11. The Water Board will continue to prioritize new and amended safe drinking water permits that enhance water supply and reliability for community water systems facing water shortages or that expand service connections to include existing residences facing water shortages.
12. The Department and the Water Board will accelerate funding for local water supply enhancement projects and will continue to explore if any existing unspent funds can be repurposed to enable near-term water conservation projects.
13. The Water Board will continue to work with local agencies to identify communities that may run out of drinking water, and will provide technical and financial assistance to help these communities address drinking water

shortages. It will also identify emergency interconnections that exist among the State's public water systems that can help these threatened communities. The Department, the Water Board, the Office of Emergency Services, and the Office of Planning and Research will work with local agencies in implementing solutions to those water shortages.

14. For actions taken in the Counties of Fresno, Kings, Tulare, and Tuolumne pursuant to directives 11–13, the provisions of the Government Code and the Public Contract Code applicable to state contracts, including, but not limited to, advertising and competitive bidding requirements, as well as Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division, are hereby suspended. These suspensions apply to any actions taken by state agencies, and for actions taken by local agencies where the state agency with primary responsibility for implementing the directive concurs that local action is required, as well as for any necessary permits or approvals required to complete these actions.
15. California Disaster Assistance Act Funding is authorized until June 30, 2017 to provide emergency water to individuals and households who are currently enrolled in the emergency water tank program.
16. State departments shall commence all drought remediation projects in Fresno, Kings, Tulare, and Tuolumne Counties within one year of the date of this Executive Order.

This Executive Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

I FURTHER DIRECT that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 7th day of April 2017.


EDMUND G. BROWN JR.
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State





CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Adopt 2018 Short Range Transit Plan

SOURCE: Public Works

COMMENT: This is the time and place for the Short Range Transit Plan Public Hearing. The Short Range Transit Plan (SRTP) is an action plan developed to guide the implementation of transit service improvements over the next 5+ years. A SRTP of the City's transit routes is important to improve the efficiency of service within the City, address future land use development and transportation investments, and enhance connectivity to regional bus services. Overall, the analysis has culminated in recommendations for transit route revisions that would address future population growth and transit demand, transit-dependent needs, connectivity, and anticipated financial revenue and transit investment opportunities.

The service plan maximizes the performance of existing services while responding to additional community mobility needs. The focus of the recommendations is to concentrate service on strong routes to provide a foundation for increasing ridership and generating more fare revenue, while also preserving in areas with lower ridership potential.

Most importantly, the plan responds to key issues identified by Porterville Transit customers and others to create a system that will be more attractive to new riders in the years to come. The study process has included a great deal of outreach and facilitation with the public and key regional stakeholders. The service plan reflects input received from a variety of activities, including two public workshops, multiple interviews with several agencies, and on-board and community surveys.

The following is a summary of recommendations for service improvements over the next five years:

Planned Improvements

1. Service Plan

Significant route network restructuring intended to make Porterville Transit simpler to understand and easier to use, with fewer routes covering generally longer alignments that offer more one-seat ride opportunities between origins and destinations across the service area.

1. 5 routes serve downtown & crosstown trips;
2. More one-seat trips;

3. Straight lines and 2-way service on same streets; and
4. More productive use of resources.

2. Service Span

The proposed service plan recommends two significant changes resulting in a one-hour longer weekday service span of 5:30 am to 11:00 pm.

1. Earlier Weekday Service – Expand weekday morning service from the present 6:00 am one-half earlier to 5:30 am.
2. Weeknight Flex Service – Rather than rolling back low-productivity weeknight service generally after 8:30 pm, conversion of existing fixed route coverage to city-wide flex route service. Initially, four buses assigned to service area quadrants would operate on flexible routes and schedules built around a 40-minute cycle pulsing at the transit center. Weeknight Flex Service hours are 8:30 pm to 11:00 pm.

3. Schedule Composition

The service plan recommends expansion of current 40-minute schedule cycles to 80 minutes initially, and eventually to 90 minutes to achieve key operational objectives including maintaining operating safety, protecting schedule integrity, improving on-time performance, accommodating operator breaks mandated by Wage Order 9 without dropping service frequency to 50 minutes several times per day.

Looking beyond the five-year planning horizon, a 120-minute schedule cycle may become optimal as the geographic footprint of the service area expands. A prototypical schedule cycle would be up to 105 minutes of round-trip running time and at least 15 minutes of scheduled recovery time.

4. Resource Requirements

Two scenarios are presented to frame the discussion for funding Porterville Transit annually through FY 2022. Both assume the restructured route network and service span as proposed.

1. Scenario A – 40-minute system frequency offers an inflation-adjusted no-growth option intended to maintain current level of service. 9 peak buses and approximately 48,700 annual revenue hours.
2. Scenario B – 30-minute system frequency offers an assertive growth option focused on upgrading system-wide service frequency to 30 minutes. 14 peak buses and approximately 73,800 annual revenue hours. (50% increase in operating resources).

5. Fare Policy

The proposed financial plan assumes fare adjustments at the beginning of FY 2020 and FY 2022 to maintain fixed route system cost recovery above 20%

1. FY 2020 local cash fare would increase from \$1.50 to \$1.75; Day Pass from \$3.00 to \$3.50; 31-Day Pass from \$40 to \$50.
2. FY 2022 local cash fare would increase from \$1.75 to \$2.00; Day Pass from \$3.50 to \$4.00; 31-Day Pass from \$50 to \$60.

6. Service Improvement Demonstrations

Complementing the scalability of the recommended route network, future

service improvements may be demonstrated;

1. Microtransit – Microtransit is on-demand, shared-ride transportation service facilitated by using a mobile app to e-hail a ride or reserve a seat in a group of service.
2. Sports Complex – Service to the Sports Complex is proposed to operate on Saturday from 7:00 am to 1:00 pm. Further service planning is suggested to finalize the service plan.

Prior to implementing any of the proposed recommendations, staff will conduct a performance and financial analysis to support justification of each recommendation prior to seeking authorization from City Council.

RECOMMENDATION: That the City Council:

1. Conduct a Public Hearing to receive public comment; and
2. Adopt the draft 2018 Short Range Transit Plan.

ATTACHMENTS: 1. Draft 2018 Short Range Transit Plan

Appropriated/Funded:

Review By:

Department Director:

Mike Reed, Acting Public Works Director

Final Approver: John Lollis, City Manager



SHORT RANGE TRANSIT PLAN (SRTP)

DRAFT *FINAL REPORT*

MARCH 2018



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Appendix A: Public Meeting Presentation Material

Appendix B: Detailed Route Analysis

EXECUTIVE SUMMARY

The Short Range Transit Plan (SRTP) is an action plan developed to guide the implementation of transit service improvements over the next 5+ years. A SRTP of the City's transit routes is important to improve the efficiency of service within the City, address future land use development and transportation investments, and enhance connectivity to regional bus services. Overall, the analysis has culminated in recommendations for transit route revisions that would address future population growth and transit demand, transit-dependent needs, connectivity, and anticipated financial revenue and transit investment opportunities.

The service plan maximizes the performance of existing services while responding to additional community mobility needs. The focus of the recommendations is to concentrate service on strong routes to provide a foundation for increasing ridership and generating more fare revenue, while also preserving in areas with lower ridership potential.

Most importantly, the plan responds to key issues identified by Porterville Transit customers and others to create a system that will be more attractive to new riders in the years to come. The study process has included a great deal of outreach and facilitation with the public and key regional stakeholders. The service plan reflects input received from a variety of activities, including two public workshops, multiple interviews with several agencies, and on-board and community surveys.

The SRTP final report is presented in ten chapters. Chapters 1 and 2 describe the SRTP context and process; and provide a market analysis based on key community demographic and land use characteristics. Chapter 3 documents the survey research (and outreach) process conducted for the study. Public workshop/outreach presentation material is presented in Appendix A. It is important to note that the consensus among those who participated in the September 28, 2017 public workshop was supportive of the proposed changes, and favorable comments were received regarding the recommended approach.

Chapter 4 presents a primer on transit performance measurement. Performance metrics for fixed-route, Dial-a-COLT and Green Line services are presented.

Key performance indicators for Porterville Transit fixed route services are summarized in Exhibit ES-1. These metrics provide the basis for service evaluation and most directly influence proposed changes to the level of service operated on individual routes at various times of the service day. Porterville Transit monitors key performance indicators on an ongoing basis.

Exhibit ES-1: Porterville Transit Fixed Route Key Performance Indicators

Key Performance Indicator	Measure	Standard
Cost Efficiency	Cost per revenue hour	Base year + CPI
Service Effectiveness	Passengers per revenue hour	15 per hour New service (< 2 yrs.) – 10 per hour
Cost Effectiveness	Net cost per passenger Farebox recovery (% of total operating cost)	\$x.xx per passenger 20%

Key performance indicators for Porterville Transit Dial-a-COLT services are summarized in Exhibit ES-2.

Exhibit ES-2: Dial-a-COLT Key Performance Indicators

Key Performance Indicator	Measure	Standard
Cost Efficiency	Cost per revenue hour Cost per revenue mile	Base year + CPI
Service Effectiveness	Passengers per revenue hour	3.0 >
Cost Effectiveness	Net cost per passenger Farebox recovery (% of total operating cost)	\$x.xx per passenger 10%

Preferred outcome metrics for the Green Line call center are summarized in Exhibit ES-3.

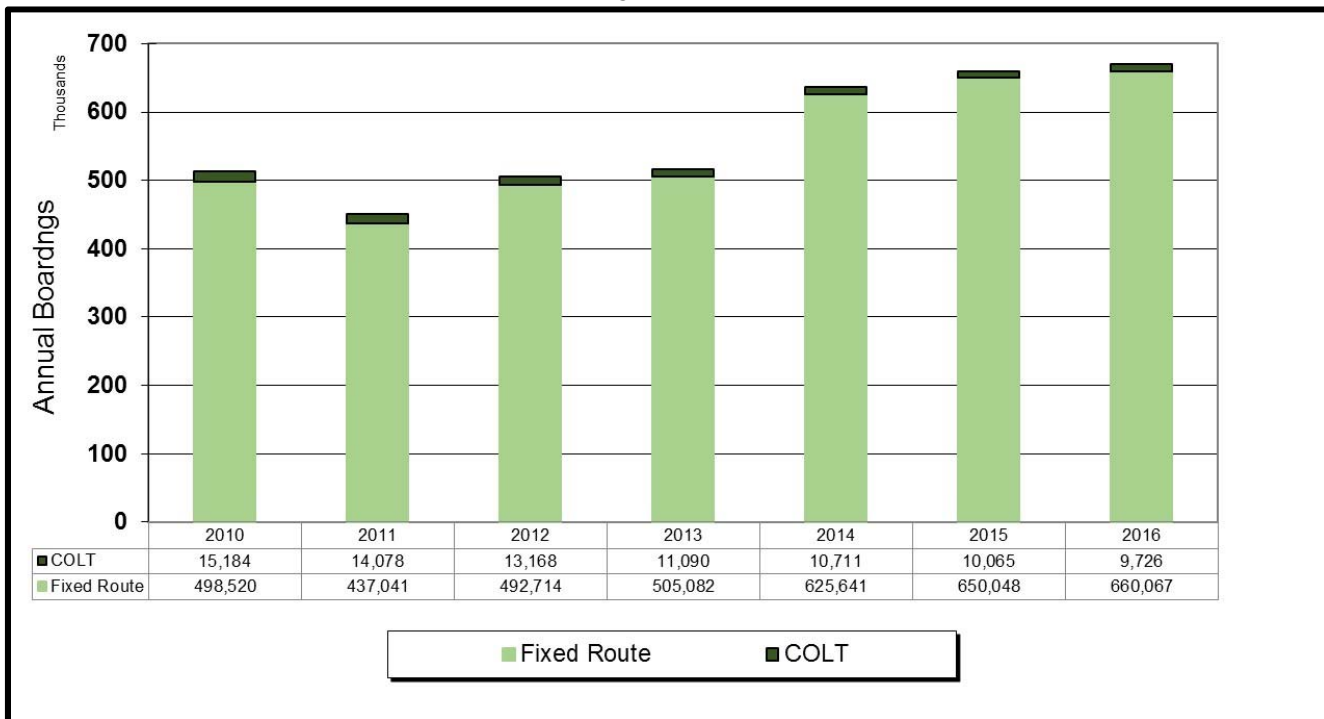
Exhibit ES-3: Green Line Preferred Outcomes

Preferred Outcome	Measure	Target
	Percentage of calls answered w/in 5 seconds	65%
	Hold time	<30 seconds.
	Abandoned calls	10%
	Call service time	<90 seconds

Evaluation of Existing Fixed-Route Transit Services: Chapter 5 provides a comprehensive evaluation of existing fixed-route transit services including operational performance and opportunities for enhancements.

Recent trends in transit system ridership are displayed in Exhibit ES-4. Combined total customer boardings on fixed route and Dial-a-COLT buses increased by 5.1% annually since FY 2010; from about 514,000 customer boardings in FY 2010 to nearly 670,000 boardings in FY 2016. Fixed route ridership increased from 97% to 98.5% of total system boardings during this period, reflecting a 32% gain in fixed route boardings and a 36% decline in Dial-a-COLT ridership.

Exhibit ES-4: Porterville Transit Ridership by Service Mode, FY 2010 – 2016



System Financial Profile: Recent trends in transit system operating expenses and fare revenues are observed in Exhibit ES-5. Combined total operating expenses for fixed route and Dial-a-COLT services increased by 18.4% annually since FY 2010; from about under \$1.7 million in FY 2010 to over 3.5 million in FY 2016. Fare revenues generally kept pace with expenses, averaging 17.1% annually based on ridership growth and fare increases in 2010 and 2013. The average fare increased by 9.2% annually between FY 2010 and FY 2016; from \$0.63 to \$0.98 per customer boarding. The net operating cost per vehicle service hour, an indicator of cost efficiency, increased an average of 2.9% annually during the last six fiscal years since FY 2010; from \$47.11 in FY 2010 to \$55.20 in FY 2016. The net operating cost per customer boarding, an indicator of cost effectiveness, increased an average of 10.4% annually since FY 2010; from \$2.63 to \$4.26.

Exhibit ES-5: System Financial Results, FY 2010-2016

FY	Total Operating Cost	Fare Revenue	Net Operating Cost	Farebox Recovery	Average Fare	Annual Boardings	Net Cost per Boarding	Revenue Vehicle Hours	Net Cost per Hour
2010	\$1,671,484	\$322,746	\$1,348,738	19.3%	\$0.63	513,722	\$2.63	28,632	\$47.11
2011	\$1,772,827	\$443,908	\$1,328,919	25.0%	\$0.98	451,119	\$2.95	28,467	\$46.68
2012	\$1,776,262	\$476,659	\$1,299,603	26.8%	\$0.94	505,882	\$2.57	28,196	\$46.09
2013	\$2,232,869	\$545,974	\$1,686,895	24.5%	\$1.06	516,172	\$3.27	32,284	\$52.25
2014	\$2,523,006	\$608,309	\$1,914,697	24.1%	\$0.96	636,352	\$3.01	44,782	\$42.76
2015	\$2,602,379	\$550,503	\$2,051,876	21.2%	\$0.83	660,113	\$3.11	44,574	\$46.03
2016	\$3,505,627	\$653,096	\$2,852,531	18.6%	\$0.98	669,793	\$4.26	51,680	\$55.20
Change - 6 yrs	109.7%	102.4%	111.5%	-3.5%	55.2%	30.4%	62.2%	80.5%	17.2%
Change - average	18.3%	17.1%	18.6%	-0.6%	9.2%	5.1%	10.4%	13.4%	2.9%

Fixed Route Service Overview: The fixed route system is comprised of nine routes arranged in a hub-and-spoke pattern centering on the Downtown Transit Center (DTC) on West Oak Avenue between N Hockett and N D Streets. Routes 1-8 are designed as one-way loops that begin and end at the DTC. Route 9 is a linear route running between the DTC and the Tule River Reservation.

Service Frequency: Porterville Transit schedule frequencies by service day and route are compiled in Exhibit ES-6. Routes 1 - 6 operate on 40-minute headways on weekdays and weekends. Service frequencies were reduced from every 30 minutes in February 2010, due to growing schedule reliability concerns caused by increased ridership and auto traffic on Porterville streets. Routes 7 and 80 operate 80-90-minute headways. Route 9 operates hourly headways.

Exhibit ES-6: Porterville Transit Route Frequencies – FY 2017

Route	Weekday (minutes)	Saturday (minutes)	Sunday (minutes)
1	40	40	40
2	40	40	40
3	40	40	40
4	40	40	40
5	40	40	40
6	40	40	40
7	80-90	80-90	80-90
8	80-90	80-90	80-90
9	60	60	60

Ridership Profile: Recent trends in ridership and productivity are observed in Exhibit ES-7. System ridership increased by nearly one-third during the six-year period since FY 2010; from

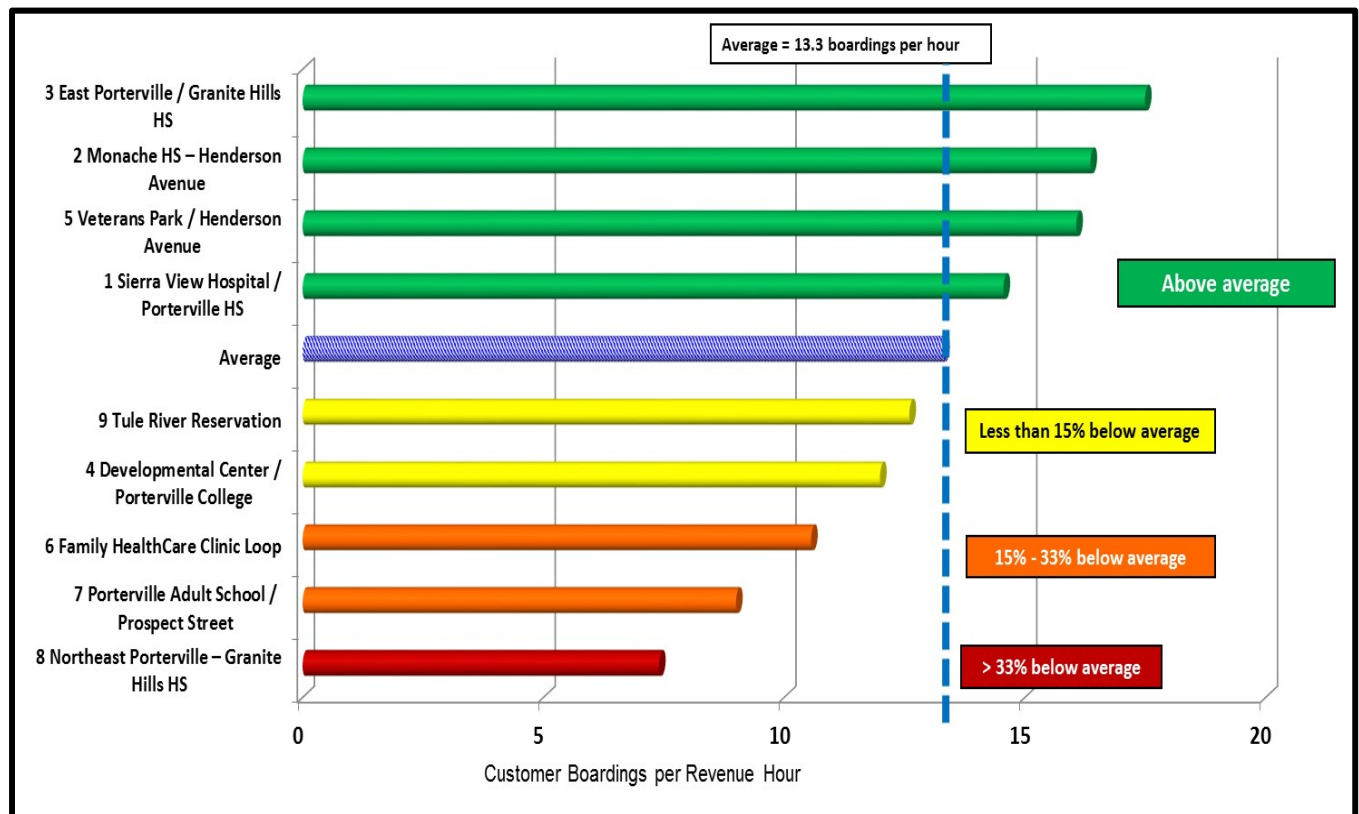
less than 500,000 to over 660,000. Eighty-two percent of the increase is attributable to Route 9, which was initiated in December 2012 and has grown by nearly 75% per year over the last three fiscal years. Routes 1, 2, 5, 7 and 8 also contributed to the system increase. Routes 3, 4 and 6 all experienced nominal ridership losses between FY 2010 and FY 2016.

Exhibit ES-7: Fixed Route System Ridership by Route, FY 2010-16

Fiscal Year	Customer Boardings											Total	Service
	Annual Total	Route Totals										Revenue	Productivity
		1	2	3	4	5	6	7	8	9	Trolley	Hours	Boardings per Hour
2010	498,520	77,321	84,510	102,414	70,937	76,055	63,272	13,798	9,853	-	360	24,337	20.5
2011	437,041	63,434	73,414	83,669	58,579	66,939	60,521	17,835	12,433	-	217	24,430	17.9
2012	492,714	69,500	79,942	89,525	65,108	77,033	70,297	25,387	15,749	-	173	24,582	20.0
2013	505,082	65,500	76,806	84,114	63,820	73,905	60,595	22,313	17,183	40,846	-	28,628	17.6
2014	625,641	77,393	90,702	94,705	68,792	87,094	64,958	24,917	15,694	101,165	221	42,218	14.8
2015	650,048	77,734	90,158	92,093	72,056	89,024	66,447	24,962	15,425	122,012	137	42,158	15.4
2016	660,067	81,007	90,959	97,572	66,664	89,130	58,645	24,267	19,362	132,384	77	49,374	13.4
Change - 6 years	32.4%	4.8%	7.6%	-4.7%	-6.0%	17.2%	-7.3%	75.9%	96.5%	224.1%	-78.6%	102.9%	-34.7%
Average change	5.4%	0.8%	1.3%	-0.8%	-1.0%	2.9%	-1.2%	12.6%	16.1%	74.7%	-13.1%	17.1%	-5.8%

Route Productivity: FY 2016 productivity outcomes by route are displayed relative to system average productivity performance in Exhibit ES-8. Route 3 was most productive with 17.5 customer boardings per revenue hour, or 32% above the system average of 13.3 boardings per hour. Routes 1, 2 and 5 also performed above the system average with productivity ranging from 14.6 to 16.5 boardings per revenue hour. Routes 7 and 8, which currently operate at one-half of the frequency of Routes 1-6, were the least productive in the system by a significant margin. Route 8 productivity performance was 44% below average, and Route 8 was 32% below average. Routes 4, 6 and 9 were moderately below average with productivity ranging from 10.6 to 12.6 boardings per revenue hour in FY 2016.

Exhibit ES-8: Fixed Route Productivity Relative to System Average, FY 2016

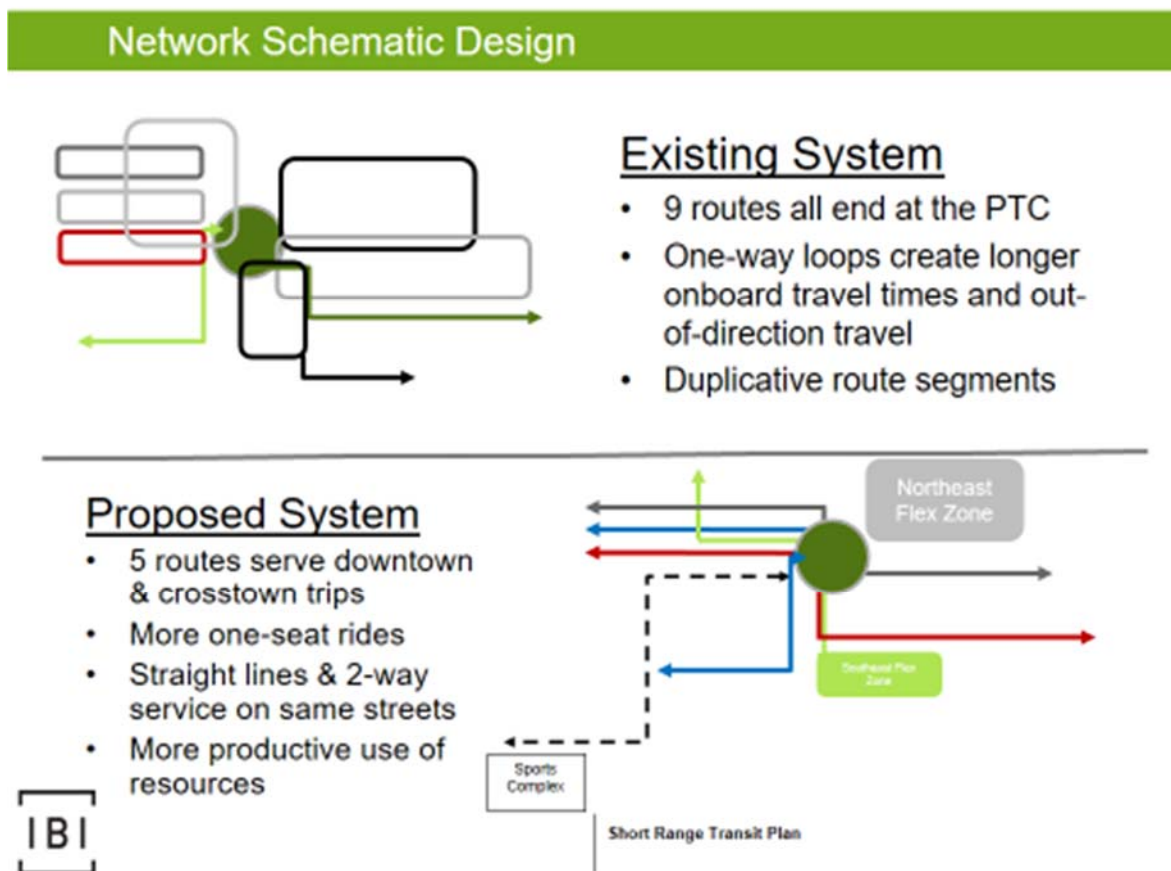


Dial-a-COLT Ridership Profile: Dial-a-COLT provided 9,726 rides in FY 2016, with daily ridership averaging 33 boardings per weekday, 12 boardings per Saturday, and 15 boardings per Sunday. Program ridership has been declining for a decade as the fixed route system has expanded to seven days per week with longer service hours. Total ridership declined by nearly 36% since FY 2010, from 15,184 boardings to under 10,000 last year. Total revenue service hours provided dropped by 46% during the same period, resulting in a 20% improvement in service productivity. Average ridership per revenue hour increased from 3.5 boardings per hour in FY 2010 to 4.2 boardings per hour in FY 2016.

Dial-a-COLT Financial Profile: Total operating expenses increased by 1.7% annually since FY 2010; from under \$495,000 in FY 2010 to over \$545,000 in FY 2016. Fare revenues increased by 6.7% annually during the same period based on fare increases in 2010 and 2013. The average fare increased by 19.8% annually between FY 2010 and FY 2016; from \$1.51 to \$3.30 per customer boarding. The net operating cost per vehicle service hour, an indicator of cost efficiency, increased an average of 17.1% annually during the last six fiscal years since FY 2010; from \$109.83 in FY 2010 to \$222.63 in FY 2016. The net operating cost per customer boarding, an

indicator of cost effectiveness, increased an average of 11.7% annually since FY 2010; from \$31.03 to \$52.78.

Planned Improvements – Service Plan: Chapter 7 provides the proposed plan to restructure the Porterville Transit (PT) system. The essence of the proposed network redesigned is illustrated as follows:



The five-year service plan proposes significant network restructuring intended to make Porterville Transit simpler to understand and easier to use, with fewer routes covering generally longer alignments that offer more one-seat ride opportunities between origins and destinations across the service area. The current emphasis on Downtown Porterville is retained, but at the same time, new direct crosstown travel opportunities become available to transit customers. The proposed system is designed to reduce onboard travel times, replace transfers with one-seat rides where possible, and improve customers' travel experience.

Key design objectives include:

1. Simply the system
2. Reduce transit travel times

3. Reduce customer wait times
4. Minimize route duplication
5. Replace marginal fixed route service with flex route service
6. Coordinate with the Tule River Tribe

Service Span: Service span refers to the days and hours during which service is available to customers. In recent years, Porterville Transit has systematically expanded fixed route system hours to present levels. The proposed service plan recommends two significant changes resulting in a one-hour longer weekday service span of 5:30 am to 11:00 pm.

1. Earlier Weekday Service; and
2. Weeknight Flex Service

Schedule Composition: The service plan recommends expansion of current 40-minute schedule cycles to 80 minutes initially, and eventually to 90 minutes to achieve key operational objectives including maintaining operating safety, protecting schedule integrity, improving on-time performance, and accommodating operator breaks mandated by Wage Order 9 without dropping service frequency to 50 minutes several times per day. The longer cycles allow the selective interlining of service through Downtown to form four longer routes offering both crosstown and downtown-oriented connections. Two buses each are assigned to proposed Routes 1 - 4, and one bus is assigned to Route 5.

Adequate recovery time is essential to protect schedule integrity amidst recurring operating conditions such as wheelchair ramp-assisted boardings and alightings, customers with bicycles, traffic delays due to vehicular accidents and congestion, accommodate operator needs; and, to avoid a “domino effect” of lateness compounding over consecutive trips resulting in missed trips.

Ideally the schedule cycle should include recovery dwell time equivalent to 15% of round trip running time. This equates to up to 70 minutes of round trip running time and 10 minutes of scheduled recovery time per 80-minute cycle. As service frequencies improve from 40 to 30 minutes in the latter years of the five-year plan, schedule cycles will increase to 90 minutes containing up to 79 minutes of round trip running time and at least 11 minutes of scheduled recovery time.

Looking beyond the five-year planning horizon, a 120-minute schedule cycle may become optimal as the geographic footprint of the service area expands. A prototypical schedule cycle would be up to 105 minutes of round-trip running time and at least 15 minutes of scheduled recovery time.

Detailed route changes are presented in Chapter 7.5.

Resource Requirements: Two scenarios are presented to frame the discussion for funding Porterville Transit annually through FY 2022. Both assume the restructured route network and service span as proposed. The main difference between the two is service frequency.

- Scenario A - 40-minute System Frequency offers an inflation-adjusted no-growth option intended to maintain current level of fixed route service (LOS) at nine (9) peak buses and approximately 48,700 annual revenue vehicle hours. Key LOS characteristics are

summarized in Exhibit ES-9. First year revenue hours are 1.4% lower than actual FY 2016 hours. A three percent (3%) inflation rate is assumed annually beginning in FY 2018.

- Scenario B – 30-minute System Frequency offers an assertive growth option focused on upgrading system-wide service frequency to 30 minutes. Attaining this objective would require five additional peak buses (total 14) and approximately 25,000 additional revenue service hours (total 73,800) annually. These targets reflect a more than 50% increase in operating resources for the transit system. Key first-year LOS characteristics are summarized in Exhibit ES-10.

These scenarios are intended to book-end the discussion of transit system funding, and the City is not limited to either one or the other. Service frequency improvements are scalable by upgrading LOS on one or more routes at a time. To illustrate, the cost of upgrading Routes 1 – 4 is one peak vehicle and approximately 4,500 revenue service hours per route, or 9.1% more than Scenario A LOS. The cost of upgrading Route 5 is slightly greater than Routes 1 – 4. The incremental cost of expanding city-wide flex route service after 8:30 pm will depend on the level of demand for the service at the time, but could range from no incremental cost to one or more additional buses when needed.

Exhibit ES-9: Scenario A – Key LOS Characteristics

Scenario A
Year 1 LOS Characteristics

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WEEKDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		Peak	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		5:30 AM	8:30 PM	40	40	40	--	80	2	2	2	0	30	7,590	22	5,566
2 Morton / Jaye		5:30 AM	8:30 PM	40	40	40	--	80	2	2	2	0	30	7,590	22	5,566
3 East Porterville / Henderson		5:30 AM	8:30 PM	40	40	40	--	80	2	2	2	0	30	7,590	22	5,566
4 Main / Prospect		5:30 AM	8:30 PM	40	40	40	--	80	2	2	2	0	30	7,590	22	5,566
5 Northeast Flex		5:30 AM	8:30 PM	40	40	40	--	40	1	1	1	0	15	3,795	22	5,566
6 City Wide Evening Flex		8:30 PM	11:00 PM	--	--	--	40	40	0	0	0	4	10	2,530	14	3,542
Subtotal, Weekday									9	9	9	4	145	36,685	124	31,372

SATURDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		AM	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		8:00 AM	8:30 PM	40	40	40	--	80	2	2	2	0	25	1,300	18	936
2 Morton / Jaye		8:00 AM	8:30 PM	40	40	40	--	80	2	2	2	0	25	1,300	18	936
3 East Porterville / Henderson		8:00 AM	8:30 PM	40	40	40	--	80	2	2	2	0	25	1,300	18	936
4 Main / Prospect		8:00 AM	8:30 PM	40	40	40	--	80	2	2	2	0	25	1,300	18	936
5 Northeast Flex		8:00 AM	8:30 PM	40	40	40	--	40	1	1	1	0	13	650	18	936
6 City Wide Evening Flex		8:30 PM	11:00 PM	--	--	--	40	40	0	0	0	4	10	520	16	832
Sports Complex Special		7:00 AM	1:00 PM						1	1	--	--	6	312	6	312
Subtotal, Weekday									10	10	9	4	129	6,682	112	5,824

SUNDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		Peak	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		8:00 AM	6:30 PM	40	40	40	--	80	2	2	2	0	21	1,176	15	840
2 Morton / Jaye		8:00 AM	6:30 PM	40	40	40	--	80	2	2	2	0	21	1,176	15	840
3 East Porterville / Henderson		8:00 AM	6:30 PM	40	40	40	--	80	2	2	2	0	21	1,176	15	840
4 Main / Prospect		8:00 AM	6:30 PM	40	40	40	--	80	2	2	2	0	21	1,176	15	840
5 Northeast Flex		8:00 AM	6:30 PM	40	40	40	--	40	1	1	1	0	11	588	15	840
6 City Wide Evening Flex		--	--	--	--	--	--	40	0	0	0	0	0	0	0	0
Subtotal, Weekday									9	9	9	0	95	5,292	75	4,200
Total													48,659		41,396	

Exhibit ES-10: Scenario B – Key LOS Characteristics

Scenario B
Year 1 LOS Characteristics

WEEKDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		Peak	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		5:30 AM	8:30 PM	30	30	30	--	90	3	3	3	0	45	11,385	28	7,084
2 Morton / Jaye		5:30 AM	8:30 PM	30	30	30	--	90	3	3	3	0	45	11,385	28	7,084
3 East Porterville / Henderson		5:30 AM	8:30 PM	30	30	30	--	90	3	3	3	0	45	11,385	28	7,084
4 Main / Prospect		5:30 AM	8:30 PM	30	30	30	--	90	3	3	3	0	45	11,385	28	7,084
5 Northeast Flex		5:30 AM	8:30 PM	30	30	30	--	60	2	2	2	0	30	7,590	28	7,084
6 City Wide Evening Flex		8:30 PM	11:00 PM	--	--	--	30	30	0	0	0	4	10	2,530	20	5,060
Subtotal, Weekday									14	14	14	4	220	55,660	160	40,480

SATURDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		AM	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		8:00 AM	8:30 PM	30	30	30	--	90	3	3	3	0	38	1,950	25	1300
2 Morton / Jaye		8:00 AM	8:30 PM	30	30	30	--	90	3	3	3	0	38	1,950	25	1300
3 East Porterville / Henderson		8:00 AM	8:30 PM	30	30	30	--	90	3	3	3	0	38	1,950	25	1300
4 Main / Prospect		8:00 AM	8:30 PM	30	30	30	--	90	3	3	3	0	38	1,950	25	1300
5 Northeast Flex		8:00 AM	8:30 PM	30	30	30	--	60	2	2	2	0	25	1,300	25	1300
6 City Wide Evening Flex		8:30 PM	11:00 PM	--	--	--	30	30	0	0	0	4	10	520	20	1040
Sports Complex Special		7:00 AM	1:00 PM						1	1	--	--	6	312	6	312
Subtotal, Saturday									15	15	14	4	191	9,932	151	7,852

SUNDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		Peak	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		8:00 AM	6:30 PM	30	30	30	--	90	3	3	3	0	32	1,764	21	1176
2 Morton / Jaye		8:00 AM	6:30 PM	30	30	30	--	90	3	3	3	0	32	1,764	21	1176
3 East Porterville / Henderson		8:00 AM	6:30 PM	30	30	30	--	90	3	3	3	0	32	1,764	21	1176
4 Main / Prospect		8:00 AM	6:30 PM	30	30	30	--	90	3	3	3	0	32	1,764	21	1176
5 Northeast Flex		8:00 AM	6:30 PM	30	30	30	--	60	2	2	2	0	21	1,176	21	1176
6 City Wide Evening Flex		--	--	--	--	--	30	30	0	0	0	0	0	0	0	0
Subtotal, Sunday									14	14	14	0	147	8,232	105	5,880
Total													73,824		54,212	

Funding: Chapter 8 discusses funding. The Porterville Transit system relies on a variety of funding sources to operate and sustain its public transit services to the community. Those sources of revenue are derived from fare revenues generated by the various service modes as well as local, state and federal grant subsidy programs. The revenues discussed in Chapter 8 reflect source data from the past seven years (FY 2010-FY 2016). Combined funding sources is presented in Exhibit ES-11.

Actual and projected transit system operating revenues and expenses through FY 2020 are compiled in Exhibit ES-12.

Fare Policy: When planning for fare adjustments in the next five years, the City's transit fare policy should reflect the cyclical nature of farebox recovery with planned fare increases having moderate impact (e.g., 15%) occurring at regular intervals (e.g., every fourth year). The transit revenue cycle is predictable to the extent that farebox recovery improves during the first and second years following a general fare increase, and declines in subsequent years as annual operating costs rise with inflation while the average fare remains flat. The proposed financial plan assumes fare adjustments at the beginning of FY 2020 (August 2019) and FY 2022 (August 2021) to maintain fixed route system cost recovery above 20%.

The proposed FY 2020 fare structure recommends that the local cash fare would increase by 17% from \$1.50 to \$1.75. The Day Pass price would increase from \$3.00 to \$3.50 to re-establish a 2x multiple of the one-way cash fare. The 31-Day Pass would increase from \$40 to \$50 based on a 29x multiple of the one-way cash fare. It is assumed that no fares would be decreased to achieve the desired price multipliers.

The proposed FY 2022 fare structure recommends that the local cash fare would increase by 14% from \$1.75 to \$2.00. The Day Pass price would increase from \$3.50 to \$4.00 to maintain a 2x multiple of the one-way cash fare. The 31-Day Pass would increase from \$50 to \$60 to establish a 30x multiple of the one-way cash fare.

An evaluation of the regional T-Pass should be undertaken prior to a FY2022 fare increase.

The Americans with Disabilities Act (ADA) regulations require paratransit (PT's Dial-A-COLT) fares to be comparable to the fare for a trip between the same points on the regular fixed route transit system. "Comparable" is defined in DOT ADA regulations at 49 C.F.R. Section 37.131(c) as not more than twice the fare that would be charged to an individual paying full fare for a trip of similar length, at a similar time of day, on the entity's fixed route system, exclusive of discounts.

Fleet – Procurement/Replacement Plan: The Porterville Transit fleet plan is presented in Chapter 9. Of note, is the inclusion of the electrification of the entire fleet of fixed-route transit buses by 2025. This is a full fifteen-years in advance of the California Air Resources Board's (CARB) goal to achieve full zero emission fleets by 2040.

Exhibit ES-11: Combined Transit Funding Sources – FY 2010–2016

Transit Funding Source	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Local Transportation Funds	\$318,247	\$598,684	\$328,759	\$0	\$882,820	\$373,591	\$1,424,228
Measure R (Non-Operating)	\$277,777	\$185,000	\$105,000	\$435,723	\$105,000	\$120,250	\$285,527
Farebox Revenues	\$322,746	\$338,908	\$361,016	\$440,974	\$576,760	\$531,394	\$534,697
Measure R Farebox Supplement	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	\$120,250	\$0
Advertising Space Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$86,274
SJVAPCD - Enhanced Transportation Strategies	\$0	\$0	\$0	\$0	\$0	\$0	\$459,270
Total Local Funding Received	\$1,023,770	\$1,227,592	\$899,775	\$981,697	\$1,669,580	\$1,145,485	\$2,789,996
State Transit Assistance Funds	\$443,091	\$322,222	\$654,815	\$280,541	\$623,029	\$864,965	\$57,848
Proposition 1B - PTMISEA	\$241,943	\$0	\$486,017	\$830,723	\$0	\$568,578	\$0
Cal OES (CTSGP-CTAF)	\$0	\$0	\$0	\$0	\$169,263	\$0	\$0
CARB Zero-Emission Bus Program	\$0	\$0	\$0	\$0	\$0	\$0	\$401,370
Total State Funding Received	\$685,034	\$322,222	\$1,140,832	\$1,111,264	\$792,292	\$1,433,543	\$459,218
Urbanized Area Formula Program (Section 5307)	\$666,958	\$1,640,202	\$1,893,780	\$1,967,591	\$1,749,829	\$1,171,963	\$3,575,460
Rural Area Formula Program (Section 5311)	\$0	\$0	\$0	\$0	\$0	\$400,000	\$213,338
Job Access & Reverse Commute Formula Program (Section 5316)	\$0	\$0	\$0	\$0	\$183,167	\$519,614	\$0
ARRA Urbanized Area Program Funds (5307)	\$94,660	\$7,000	\$0	\$0	\$0	\$0	\$0
FTA New Freedom Program (5317)	\$0	\$0	\$319,946	\$0	\$40,719	\$17,344	\$0
Total Federal Funding Received	\$761,618	\$1,647,202	\$2,213,726	\$1,967,591	\$1,973,715	\$2,108,921	\$3,788,798
TOTAL FUNDING FROM ALL SOURCES	\$2,470,422	\$3,197,016	\$4,254,333	\$4,060,552	\$4,435,587	\$4,687,949	\$7,038,012

Exhibit ES-12. Porterville Transit Revenues and Expenditures – FY2015 to FY2020

	2015	2016	2017	2018	2019	2020
Revenues						
Fares	\$ 690,000.00	\$ 755,000.00	\$ 777,000.00	\$ 815,413.48	\$ 855,726.06	\$ 898,031.62
Local Contracts						
LTF/STA	\$ 595,431.00	\$ 518,000.00	\$ 772,600.00	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00
New STA Funding starting in 2018				\$ 360,897.54	\$ 360,897.54	\$ 360,897.54
Measure R	\$ 131,000.00	\$ 131,000.00	\$ 131,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00
Other Local Funds						
Tribal Funds						
Other state funds						
Cap and Trade (LCTOP)						
Federal Funds (FTA 5307, 5311, 5339)	\$ 2,455,569.00	\$ 1,208,000.00	\$ 2,320,400.00	\$ 1,994,686.00	\$ 1,995,000.00	\$ 1,995,000.00
Federal Funds (FHWA - CMAQ and other)						
Total Revenues	\$ 3,872,000.00	\$ 2,612,000.00	\$ 4,001,000.00	\$ 3,905,997.03	\$ 3,946,623.60	\$ 3,988,929.16
Expenditures						
O&M (fixed route and demand response)	\$ 2,301,000.00	\$ 2,452,000.00	\$ 2,526,000.00	\$ 2,669,902.34	\$ 2,822,002.57	\$ 2,982,767.73
Capital Expense Rolling Stock	\$ 359,000.00		\$ 665,000.00	\$ 150,000.00	\$ 450,000.00	\$ 350,000.00
Capital Expense Passenger Facilities and Amenities	\$ 70,000.00	\$ 80,000.00	\$ 730,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
Capital Expense Operating Facilities	\$ 1,062,000.00					
Capital Expense Corridor Development						
Capital Expense Information Technology	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00
Total Expenses	\$ 3,862,000.00	\$ 2,602,000.00	\$ 3,991,000.00	\$ 2,989,902.34	\$ 3,442,002.57	\$ 3,502,767.73
Balance- Revenues minus expenses	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 916,094.69	\$ 504,621.03	\$ 486,161.43

1.0 INTRODUCTION

The Short Range Transit Plan (SRTP) is an action plan developed to guide the implementation of transit service improvements over the next 5+ years. A SRTP of the City's transit routes is important to improve the efficiency of service within the City, and address future land use development and transportation investments. Overall, the analysis has culminated in recommendations for transit route revisions that would address future population growth and transit demand, transit-dependent needs, connectivity, and anticipated financial revenue and transit investment opportunities.

Key elements of the SRTP study approach included:

- Problem identification – an evaluation of the performance of existing Porterville Transit services;
- Identification of the City's unmet mobility needs;
- Identification of key local and regional origins and destinations;
- Identification of the critical markets in the study area;
- Address the type and level of transit service justified for the study area as well as future service requirements; and
- Consideration of all community input and addressed as appropriate.

The SRTP study process has included a great deal of outreach and facilitation with the public and key stakeholders. The alternative service scenarios described herein, reflect input received from a variety of activities, including a public workshop, multiple interviews with various agencies, and an on-board survey (497 responses) as well as a community survey that received 18 responses.

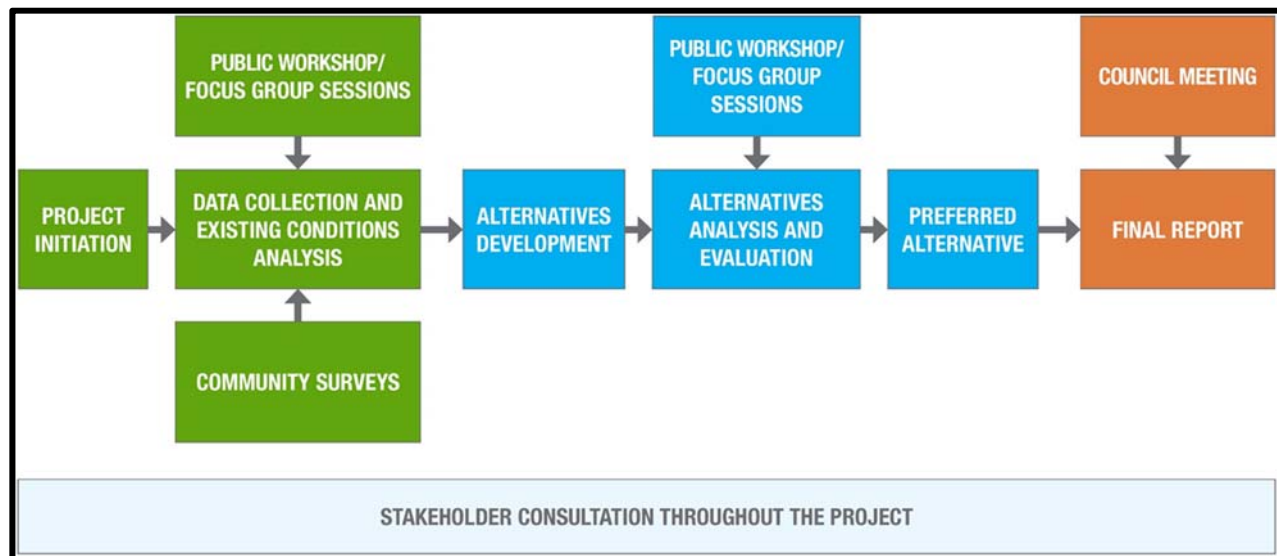
Further, these service scenarios were presented at a public workshop held on September 28 26, 2017. A copy of the presentation material is included as Appendix A.

SRTP outcomes provide the foundation (recommended service restructuring) for an Action Plan (Plan) to guide the implementation of transit service improvements over the next 5+ year period. The Plan will enhance the efficiency and effectiveness of Porterville Transit's existing transit services while responding to the changing demands for transit throughout the service area. As the population grows and demographics shift, it is important to reshape transit service to respond to new and changing transit demands. It is also important for transit service improvements to be implemented in a fiscally responsible (and financially sustainable) manner. The Plan maximizes the performance of existing services while responding to additional community mobility needs. The focus of the recommendations is to enhance service on strong routes to increase system ridership and generate more fare revenue, in addition to maintaining appropriate transit service in lower potential ridership areas. More importantly, the recommendations respond to key issues identified by passengers and the community to create a system that is more attractive to riders.

1.1 Study Process

The SRTP study began in November 2016, with a comprehensive data collection effort including historical operating and financial data, ancillary reports and a robust stakeholder and community outreach, and survey research effort. Key elements of the work plan are illustrated in Exhibit 1-1. The findings from the data collection and public outreach efforts provided the key inputs for an analysis of market and performance trends. This analysis was the basis of the Existing Service Evaluation report which identified key findings and strategies to improve PT's transit network. These findings and strategies were used to develop the service recommendations in the draft *Service Plan Working Paper* (April 2017).

Exhibit 1-1: SRTP Work Plan



1.2 Plan Organization

The SRTP is presented in six chapters, which are described below.

CHAPTER 2 – MARKET ANALYSIS: provides an overview of the City of Porterville study area including key community and demographic characteristics.

CHAPTER 3 – SURVEY RESEARCH: provides a summary of survey research efforts.

CHAPTER 4 – PERFORMANCE MEASUREMENT: provides a primer on transit performance measurement and fixed route and Dial-a-Ride performance metrics.

CHAPTER 5 – REVIEW OF EXISTING PORTERVILLE TRANSIT FIXED ROUTE SERVICES: provides a comprehensive evaluation of existing fixed-route and Dial-a-COLT services including operational performance and opportunities for enhancements.

CHAPTER 6 – REVIEW OF EXISTING DIAL-A-COLT SERVICES: provides an evaluation of existing Dial-a-COLT services including operational performance and existing policies and procedures.

CHAPTER 7 – PLANNED IMPROVEMENTS – SERVICE PLAN: presents a recommended system concept, service design guidelines, performance metrics, recommended network, and system resource requirements.

CHAPTER 8 – FUNDING: presents an overview of funding sources derived from fare revenues generated by the various service modes as well as local, state and federal grant subsidy programs. The revenues discussed in this chapter reflect source data from the past seven years (FY 2010-FY 2016). Included is an exhibit providing a summary and total of revenues received over the seven-year period.

CHAPTER 9 – FLEET – EXISTING AND REPLACEMENT PLAN: presents an inventory of the existing fleet roster, and presents a planned vehicle replacement schedule.

CHAPTER 10 – FINANCIAL PLAN: presents five-year operating expenses and fare revenue projections, fare policy considerations and recommended fare structure and rates, and a five-year financial and capital plan.

APPENDICES:

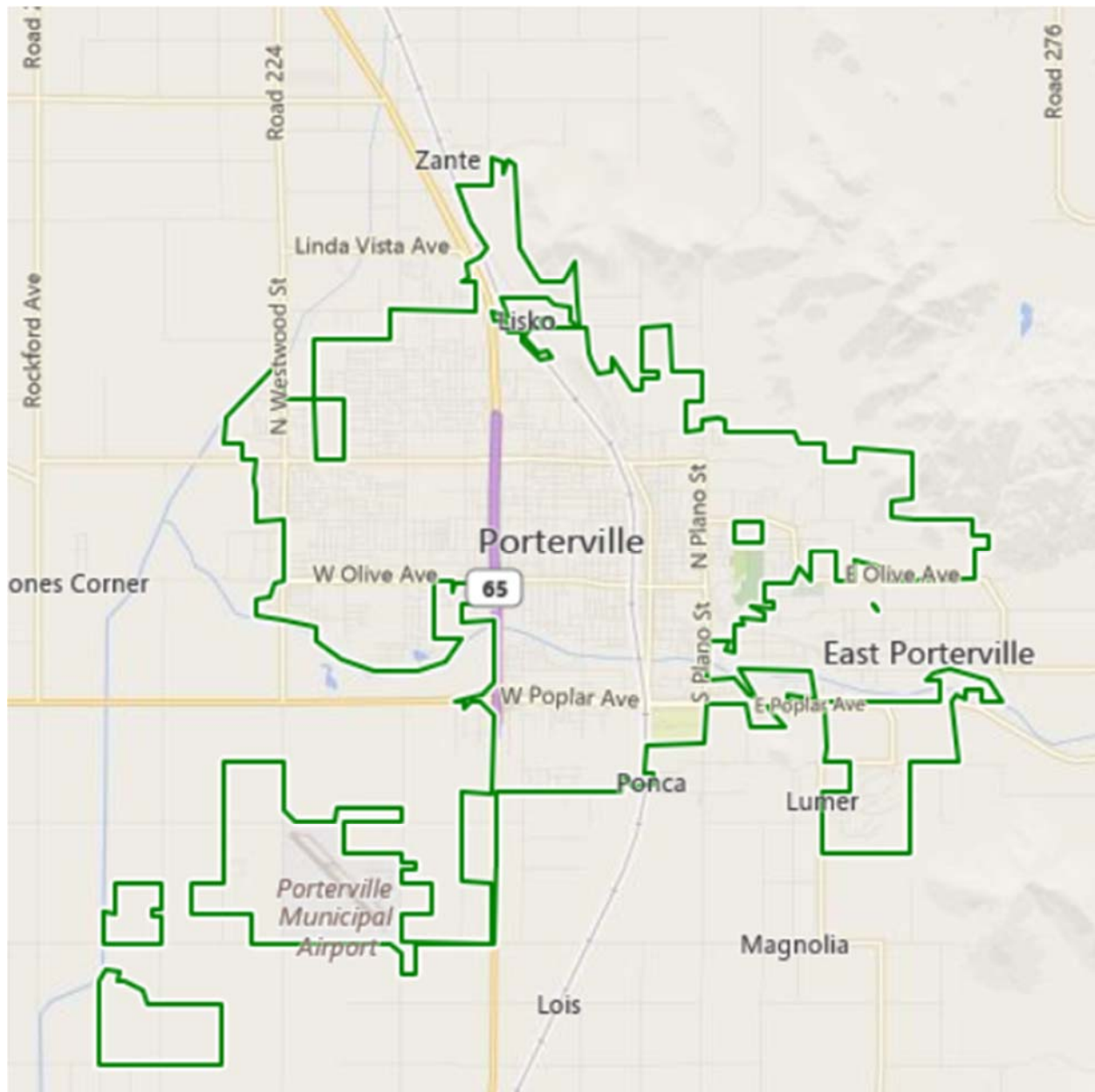
- A. Public Meeting Presentation Material
- B. Detailed Route Analysis

2.0 MARKET ANALYSIS

Porterville is a city in the San Joaquin Valley, in Tulare County. It is part of the Visalia-Porterville metropolitan statistical area. Since its incorporation in 1902, the city's population has grown as it annexed nearby unincorporated areas. The city's July 2014 population was estimated at 55,466.

Exhibit 2-1 shows the primary study area, the City of Porterville within the green boundary. PT also serves the Tule River Indian Reservation located south-east of the City.

Exhibit 2-1: Porterville Study Area



Based upon population estimates available from the U.S. Census Bureau, the City of Porterville had a 2016 population of 58,978. Based on current data, Porterville experienced a growth rate of 3% from 2010 to 2016. Exhibit 2-2 presents historical and projected population trends, 2000 to 2040,

Year	Population	Growth Rate
2000 - 2040		
1990	29,563	50%
2000	39,615	34%
2010	54,165	37%
2020	63,505	17%
2030	74,455	17%
2040	87,293	17%

Minority Concentrations: Exhibit 2-3 shows minority concentrations within Porterville. Minority concentration is defined as census tracts whose proportion of any one racial/ethnic group is 20 percent or greater than the overall City average. Of the 14 census tracts that lie wholly or partially in the City, the only census tract that is an area of concentration is #41.01, a Hispanic concentrated area that constitutes 12 percent of the City's total population.

Age Characteristics: The age characteristics of the City provide insight regarding current and projected transit demands, as different age groups have diverse transit needs and preferences. Exhibit 2-4 demonstrates several important factors, both in the distribution of age groups and growth among age groups within the City. Most significantly, while the population that is 65 and older represents the proportionately smallest age group, it is also growing at a similar rate to the other age groups, with a 36 percent growth rate. This increase mirrors nationwide trends, as the increased longevity of baby boomers has led to the 50-and-over population becoming the fastest-growing age group, with projections that one in five Americans will be aged 65 and older by 2030.

Exhibit 2-3: Minority Concentration in Porterville

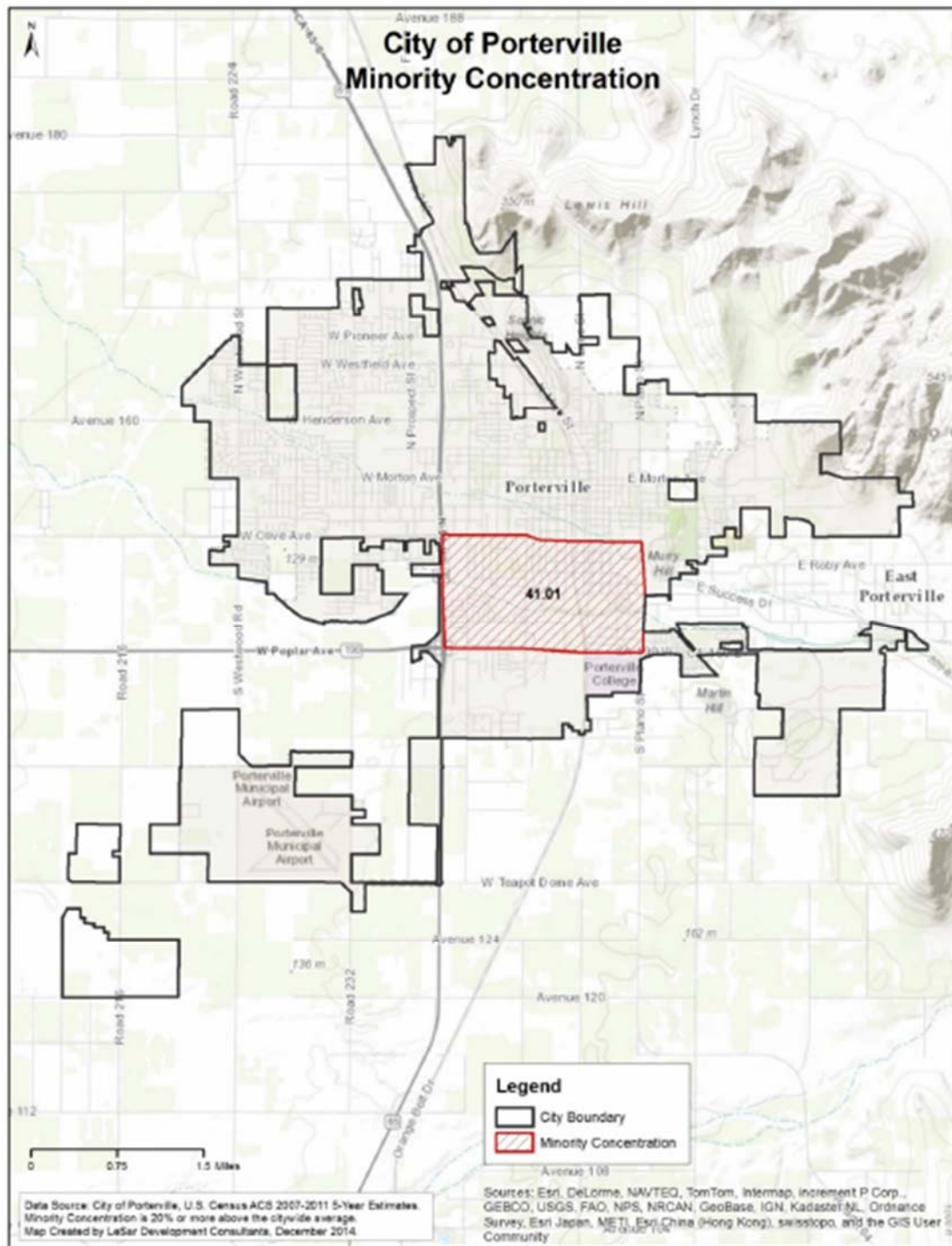


Exhibit 2-4: Age Distribution, 2000 - 2010

Age	2000	% of Total	2010	% of Total	Growth Rate
Under 20 Years	14,960	38%	20,018	37%	34%
20-34 Years	8,423	21%	11,727	22%	39%
35-64 Years	12,494	32%	17,327	32%	39%
65 and Over	3,738	9%	5,093	9%	36%

Source: 2000 Census; 2010 Census

Income Distribution: Exhibit 2-5 illustrates the distribution of household income in the City. While the total number of households at the lower end of the income spectrum increased the least at only 3 percent, this group still makes up the majority at 42 percent of households. In comparison, those earning over \$150,000 nearly quadrupled at 287 percent; however, this group only makes up 4 percent of households. Middle-wage earners in the \$35,000-\$75,000 income category also increased (34 percent) but their share of total households remained relatively the same (34 percent compared to 33 percent). While those earning over \$75,000 have experienced the greatest growth rates over the 13-year time period, in addition to making up a greater percentage of total households, more than three-fourths of the City's households still earn less than \$75,000 (76 percent).

Exhibit 2-5: Household Income Distribution, 2000 – 2012

Household Income	1999 Households	% of Total	2012 Households	% of Total	% Change 1999-2012
Less than \$10,000	1,563	13%	1,061	7%	-32%
\$10,000 to \$14,999	1,170	10%	1,393	9%	19%
\$15,000 to \$24,999	2,004	17%	2,361	15%	18%
\$25,000 to \$34,999	1,659	14%	1,746	11%	5%
Under \$35,000	6,396	54%	6,561	42%	3%

Household Income	1999 Households	% of Total	2012 Households	% of Total	% Change 1999-2012
\$35,000 to \$49,999	1,860	16%	2,470	16%	33%
\$50,000 to \$74,999	2,142	18%	2,890	18%	35%
\$35,000 - \$75,000	4,002	33%	5,360	34%	34%
\$75,000 to \$99,999	977	8%	1,758	11%	80%
\$100,000 to \$149,999	430	4%	1,486	9%	246%
\$75,000 - \$150,000	1,407	12%	3,244	21%	131%
\$150,000 to \$199,999	82	0.7%	424	3%	417%
\$200,000 or More	76	0.6%	188	1%	147%
\$150,000+	158	1.3%	612	4%	287%
Total	11,963	100%	15,777	100%	32%

Source: 2000 Census; 2008-2012 ACS Estimates

Note: Totals may not add to 100% due to rounding

Car Ownership: Exhibit 2-6 illustrates the number of cars per household. While the majority of households have two or more vehicles, over 20% of households have 1 or no vehicle.

Commuter Transportation: Exhibit 2-7 illustrates the mode of commuter travel. Over 78% of trips for work purposes are made by single occupancy vehicles. Public transit accounts for approximately 1% of commuter trips.

Exhibit 2-6: Automobiles per Household

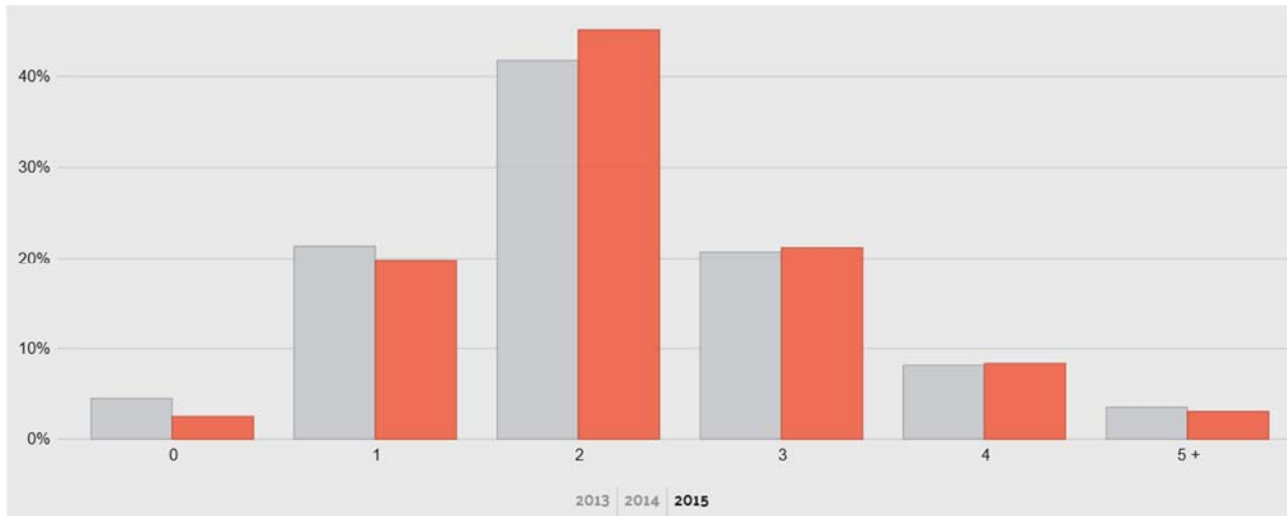
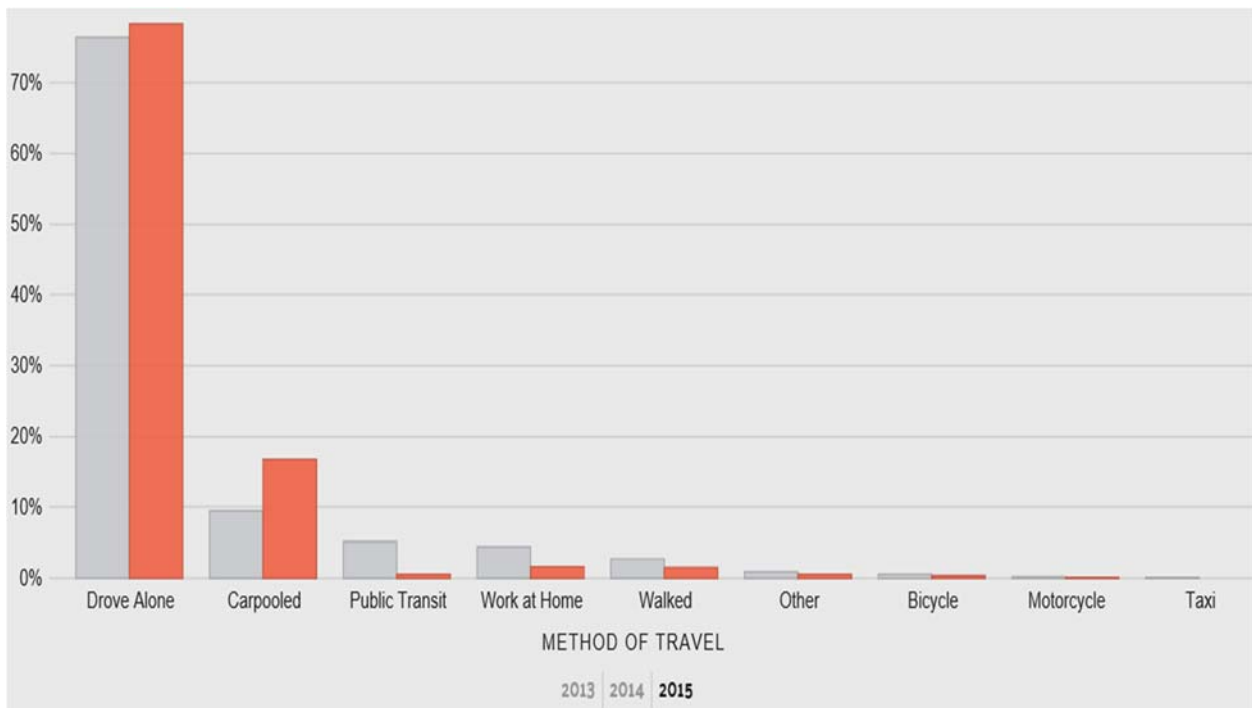


Exhibit 2-7: Mode of Commuter Travel



Propensity to Use Transit: Typically, market segments most likely to make use of public transit include youth, older adults, people who do not have access to an automobile and those who fall below the poverty line.

Salient household, economic and social characteristics include:

- 9% of the population is age 65+
- 4% of households have no vehicle available (18% have one vehicle available)
- 31.7% of individuals are below the federal poverty level
- Public transit currently captures approximately 1% of commuting to work mode choice. Driving alone is close to 80%.

The relatively high percentage of older adults, households with no vehicle availability and individuals below the federal poverty level, suggests a sizable portion of the City's population are dependent on Porterville Transit.

2030 General Plan: The Circulation Element of the 2030 General Plan is intended to provide guidance and specific actions to ensure the continued safe and efficient operation of Porterville's circulation system.

GUIDING POLICY

C-G-8 *Promote the use of public transit for daily trips to schools and work and for other purposes.*

IMPLEMENTING POLICIES

C-I-15 Situate transit stops and hubs at locations that are convenient for transit users, and promote increased transit ridership through the provision of shelters, benches, bike racks on buses, and other amenities.

C-I-16 Ensure that new development is designed to make transit a viable choice for residents. Design options include:

- Have neighborhood focal points with sheltered bus stops;
- Locate medium-high density development whenever feasible near streets served by transit; and
- Link neighborhoods to bus stops by continuous sidewalks or pedestrian paths.

3.0 SURVEY RESEARCH

The SRTTP study process has included outreach and facilitation with the public and key stakeholders. The alternative service scenarios and recommended service plan (presented in Chapter 7), reflect input received from a variety of activities, including two public workshops, an on-board survey of passengers (497 responses), and a community survey that received 18 responses.

Public workshop/outreach presentation material is presented in Appendix A.

3.1 Community Survey

As a part of the initial planning process, a community survey was conducted to better understand the transit needs of the community. The survey provided information on travel behavior, quality of service, and user demographics. The survey also provided an opportunity for the community to express their concerns and make recommendation to improve transit services.

The survey was administered on-line via Survey Monkey and accessed through a link from the City's home page. The survey was administered for a three-week period February 2017.

The community survey consisted of questions targeted to solicit feedback from community members on their preferred transportation mode, typical trip destinations by mode, opinions on the quality of transit service, recommendations on potential improvements to transit service, and individual demographic data.

Results from the surveys were reviewed as a part of the comprehensive analysis and served as important input for the development of the recommended service enhancements.

3.1.1 Community Survey Results

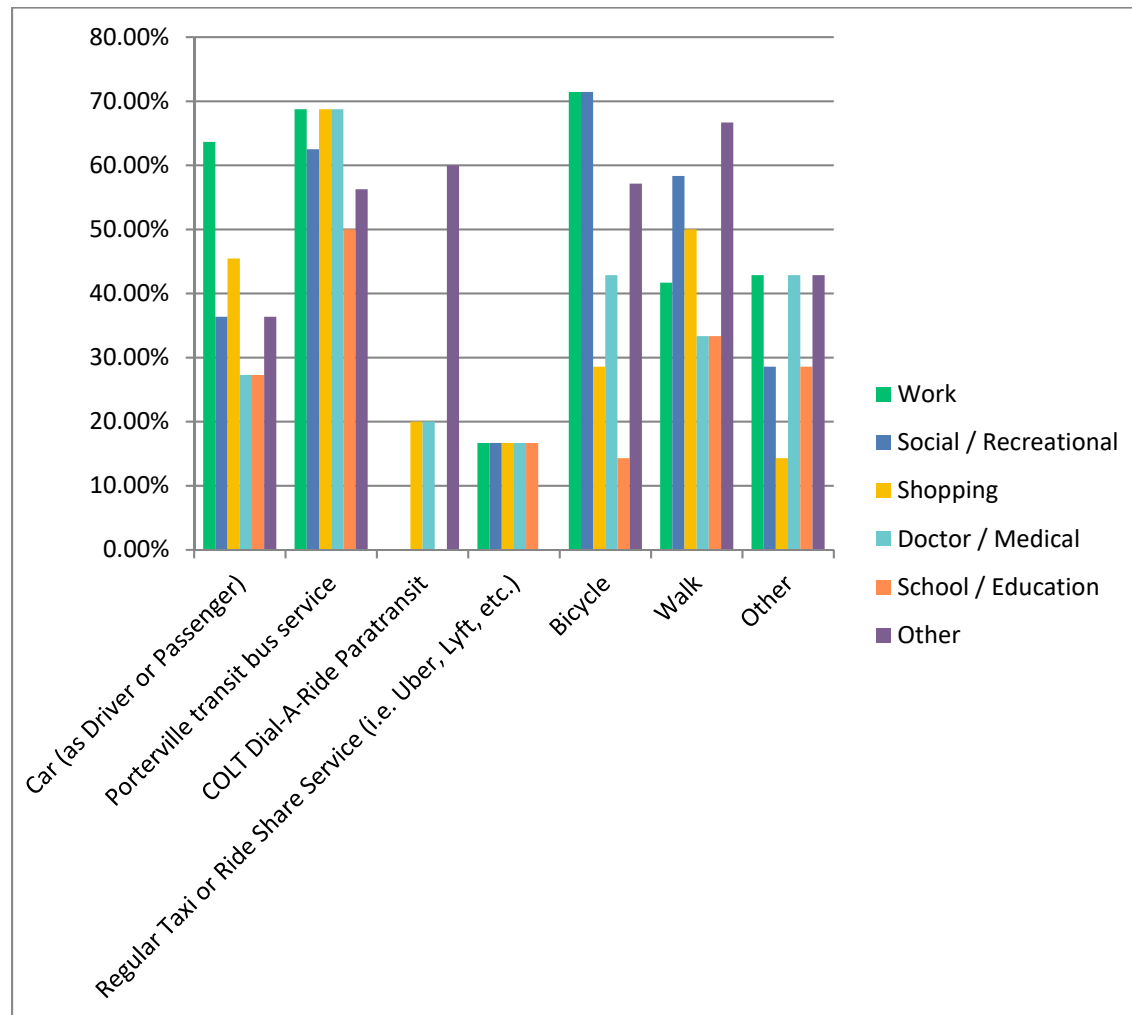
The results from key survey questions are presented below.

Transportation Mode Choice by Trip Purpose: To better understand the travel behavior of the community, the community survey asked participants to identify which transportation mode they or members of their household utilize in a typical week and for what purpose.

The results of the survey revealed that the majority of respondents use transit to get to work. The most common mode of transportation for both work and social/recreational trips was the bicycle.

Figure 3-1 illustrates the results of this survey question.

Figure 3-1: Transportation Mode Choice by Trip Purpose



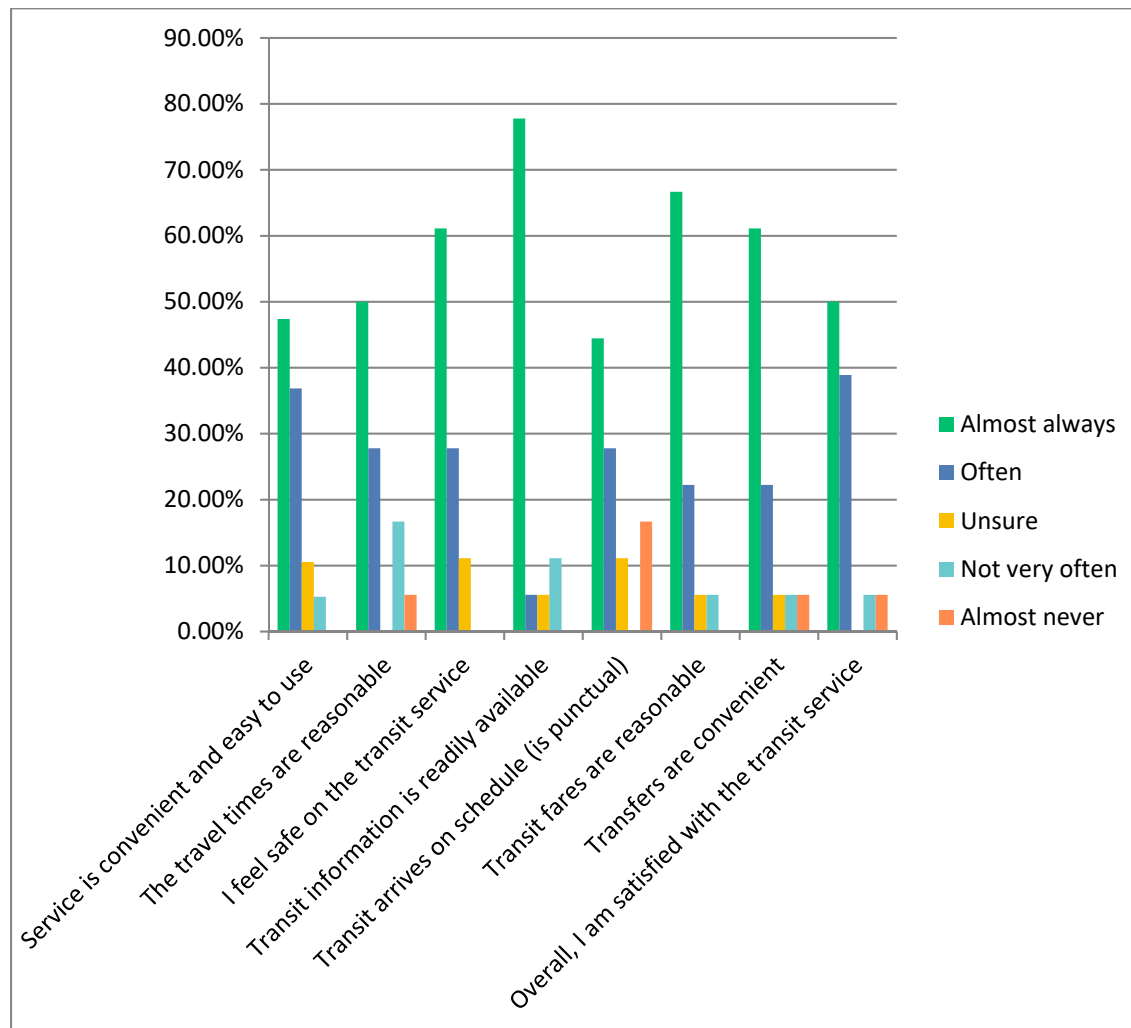
Quality of Service: Understanding the qualitative aspects of Porterville Transit service delivery is important in the evaluation of current transit performance. As a part of the process, the survey asked participants to provide feedback on various qualitative factors including:

- Convenience of service
- Transit travel time
- Perceived safety on transit and waiting for transit
- Available transit information
- On-time performance
- Transit fares
- Overall satisfaction of transit service

The results of the survey revealed that PT customers were generally satisfied with the overall quality of services. More specifically, the survey results revealed that customers were the most satisfied with safety and transit fares. The area of least satisfaction is that of the convenience of transfers.

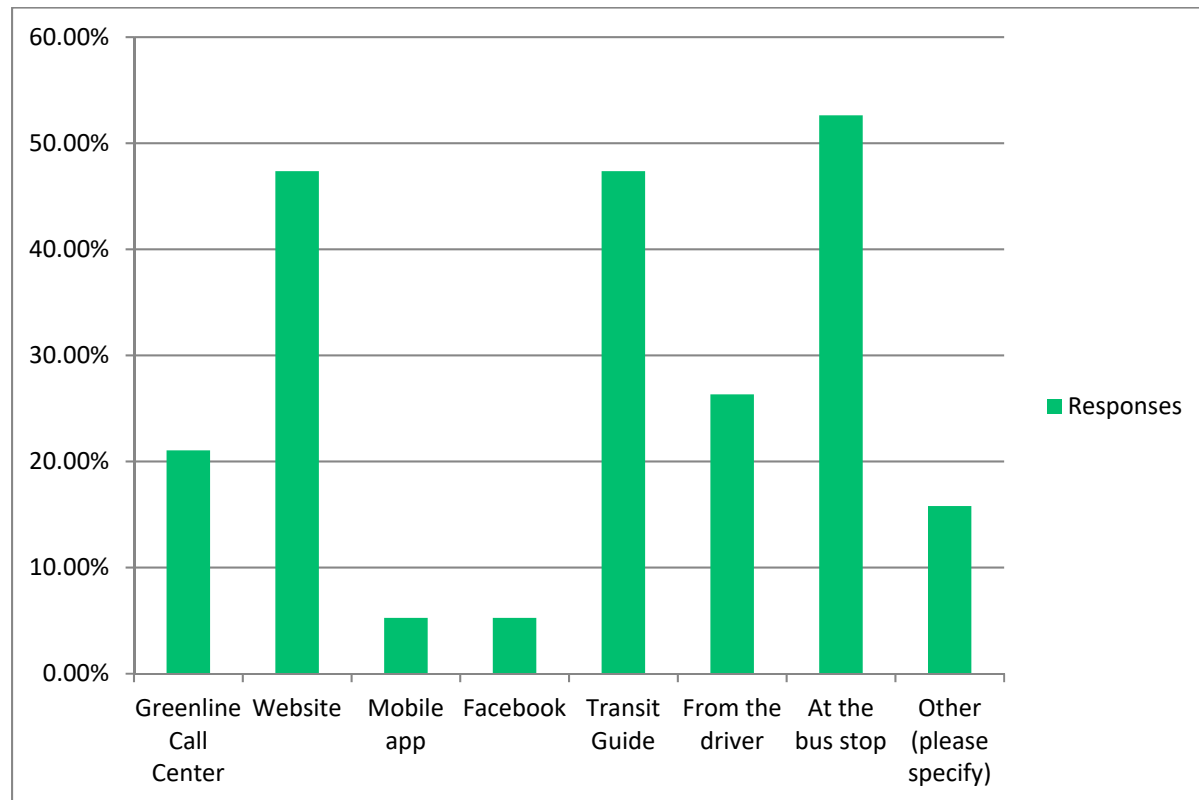
Figure 3-2 illustrates the results of the survey regarding the quality of Porterville Transit services.

Figure 3-2: Quality of PT Service



How Typically Locate Transit Information: Forty-seven percent of survey respondents indicated they typically get transit information from PT's website. Over 52% of respondents get their transit information at the bus stop. Results are presented in Exhibit 3-3.

Exhibit 3-3: How Typically Locate Transit Information

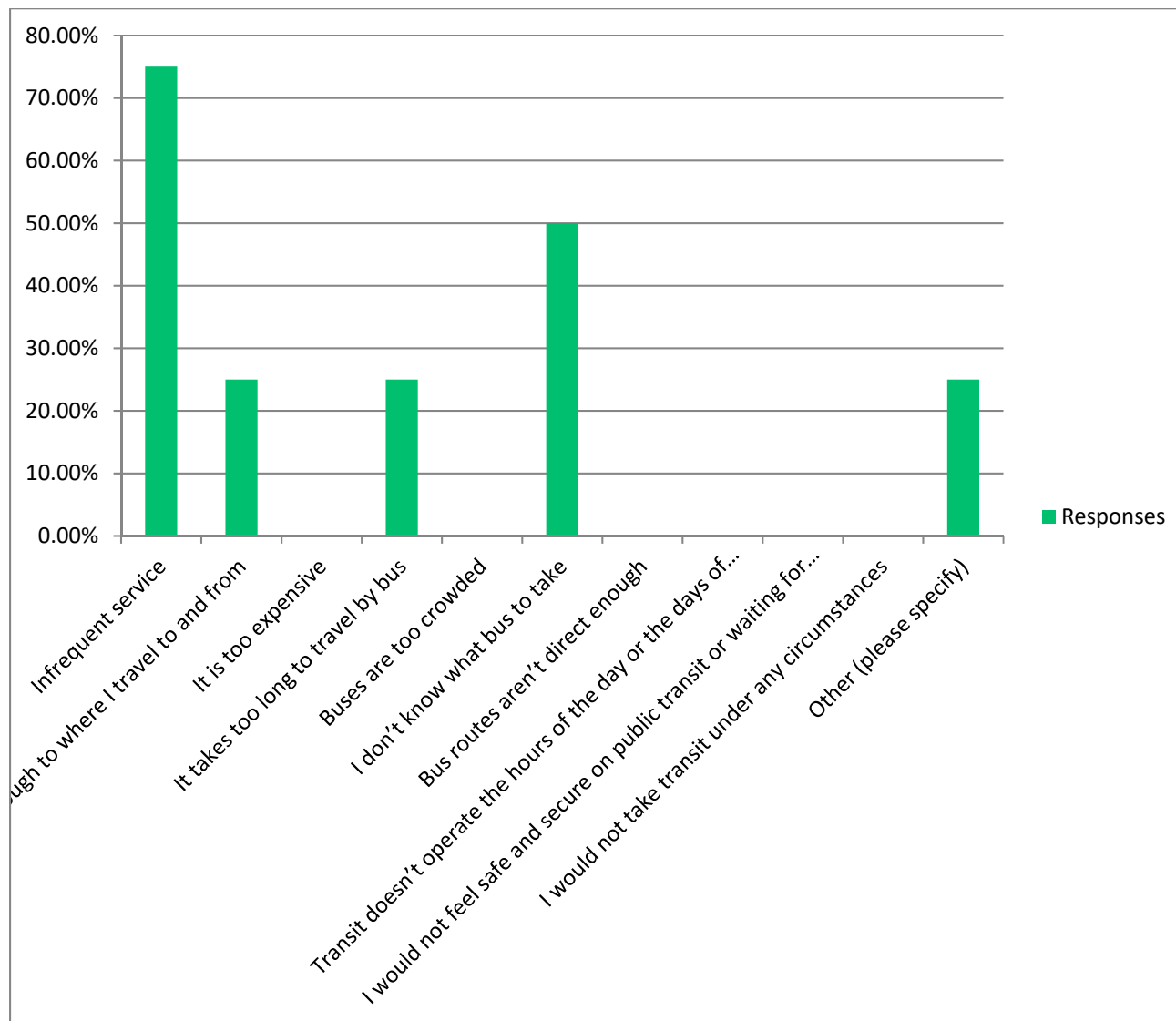


Reasons for Not Using Porterville Transit: The survey also solicited feedback from participants that did not utilize PT services. A list of reasons why an individual chose not to use transit was given and participants were asked to select all that applied. The list included options such as a dislike for transit, infrequent service, doesn't go close enough to where travel to and from, too expensive, takes too long, buses are too crowded, do not feel safe, don't know what bus to take, bus routes aren't direct enough, transit doesn't operate the hours of the day or days of the week that want to travel, or other.

Results of the survey revealed that of the given choices, the most common reason why survey respondents did not use PT services was because of infrequent service. The buses do not go close enough to where they want to travel to and from and that it takes too long to travel by bus, where also frequently mentioned.

Exhibit 3-4 illustrates the results of the survey regarding why survey participants do not use Porterville Transit.

Exhibit 3-4: Reasons for Not Utilizing Porterville Transit

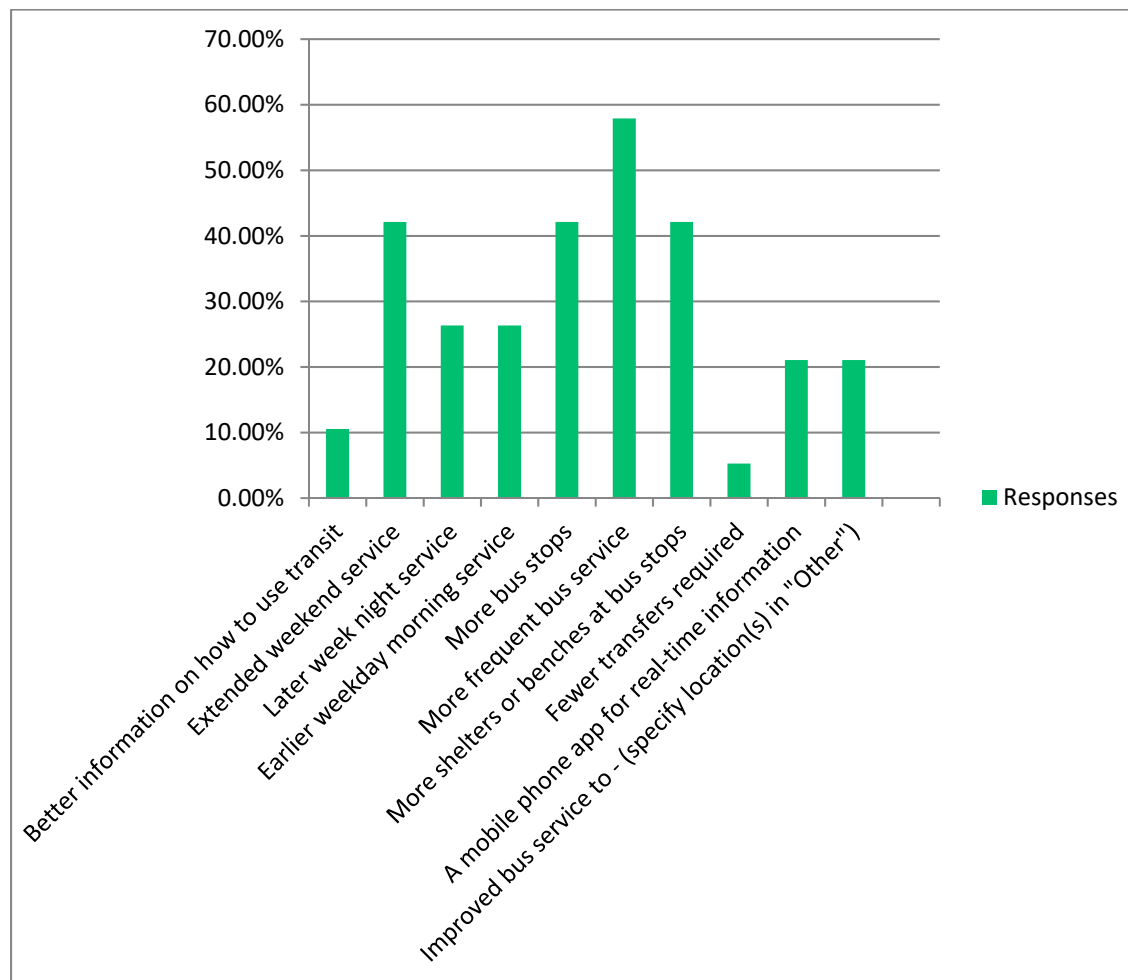


Suggested Transit Service Improvements: The community survey provided an opportunity for respondents to make their own recommendations on how PT could improve its services. The survey provided a list of improvements that participants could choose from, such as improvements in the information on how to use transit, later week night service, etc. Additionally, the survey also allowed participants to make their own recommendations for improving the transit service.

Results of the survey revealed that the most desired transit service improvement was a desire for more frequent bus service, followed by more bus stops and more bus stop amenities (shelters, benches).

Exhibit 3-5 illustrates the survey results for suggested transit service improvements.

Exhibit 3-5: Suggested Transit Service Improvements



Key observations from the survey results. Survey participants were generally satisfied with the quality of transit services. Most respondents expressed that the fares were reasonable and generally felt safe on the buses. Despite overall satisfaction with the quality of service, respondents did identify several areas for improvement. The following are some of the key observations from the survey results including the comments:

Survey participants were generally satisfied with the quality of Porterville Transit services. Most respondents felt the fares were reasonable and generally felt safe on the buses. Despite overall satisfaction with the quality of service, respondents did identify a number of areas for improvement. The following are some of the key observations from survey results including the comments:

- The majority of respondents are regular PT customers and use for work purposes.

- The most common reason why survey respondents did not use Porterville Transit services was because of infrequent service. The buses do not go close enough to where they want to travel to and from, and a feeling that it takes too long were also frequently mentioned.
- Results of the survey revealed that the most desired transit service improvement was more frequent service followed by extended weekend service.

3.2 On-Board Survey

The on-board survey was administered for a one-week period in late January and early February 2017. A total of 497 surveys were completed.

Key findings from survey respondents include:

- 64% ride daily (81% ride at least once per week) [Exhibit 3-6]
- 91% make a round trip
- 41% required a transfer to complete their trip
- 67% ride to work or school [Exhibit 3-7]
- 72% walk to get to/from the bus stop [Exhibit 3-8]
- 47% pay cash fare (19% use day pass. 17% use monthly pass) [Exhibit 3-9]
- 38% get transit info at bus stop (17% from Greenline. 21% Website) [Exhibit 3-10]
- 56% did not have a personal vehicle available [Exhibit 3-11]

Exhibit 3-6: Frequency of Ridership

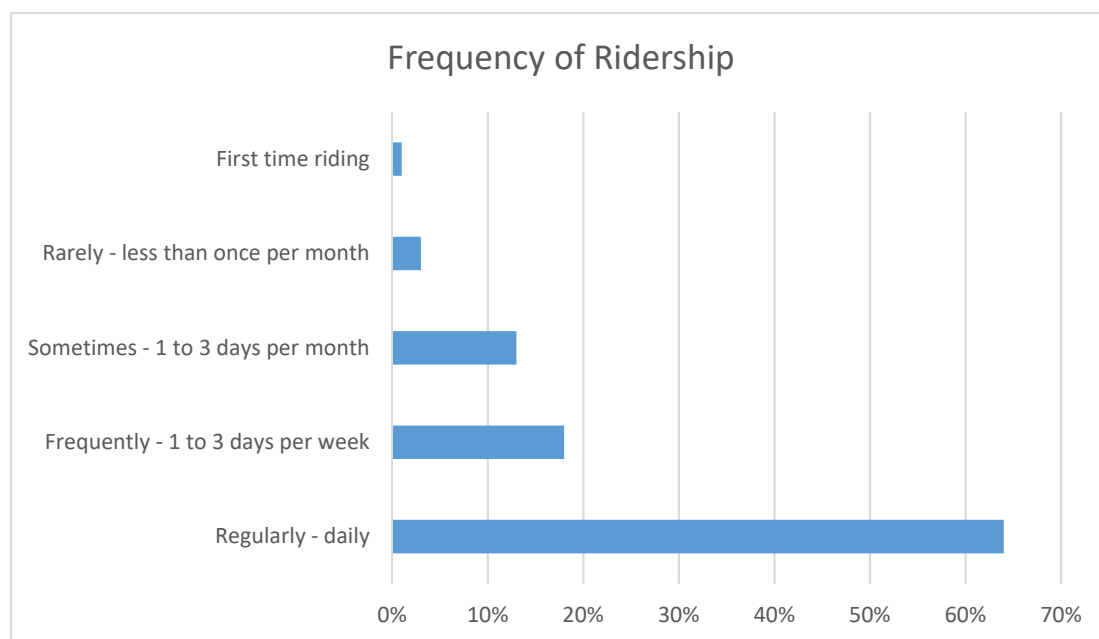


Exhibit 3-7: Trip Purpose

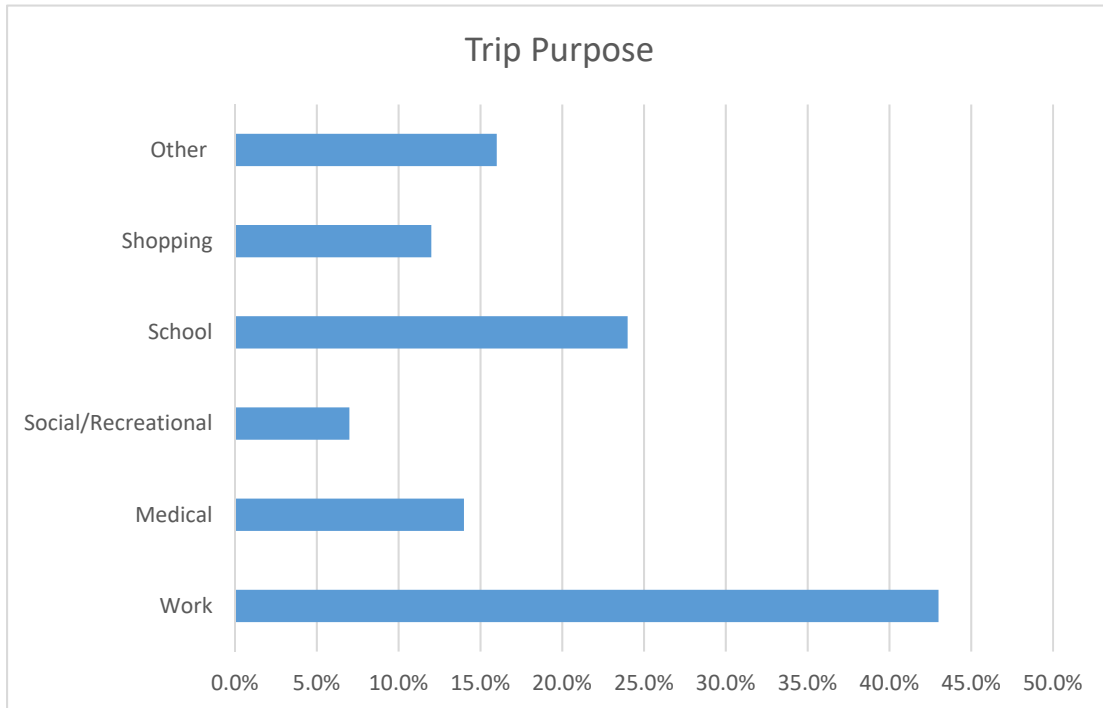


Exhibit 3-8: Access to Bus Stop

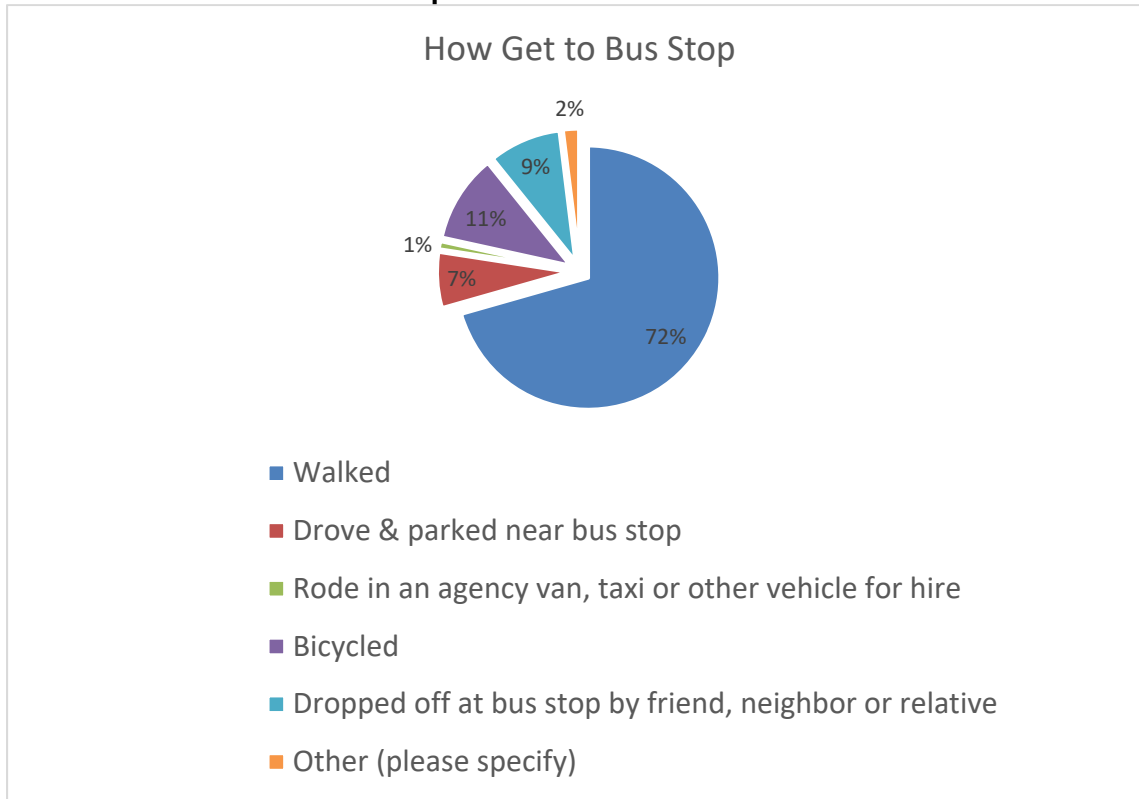


Exhibit 3-9: Fare Payment

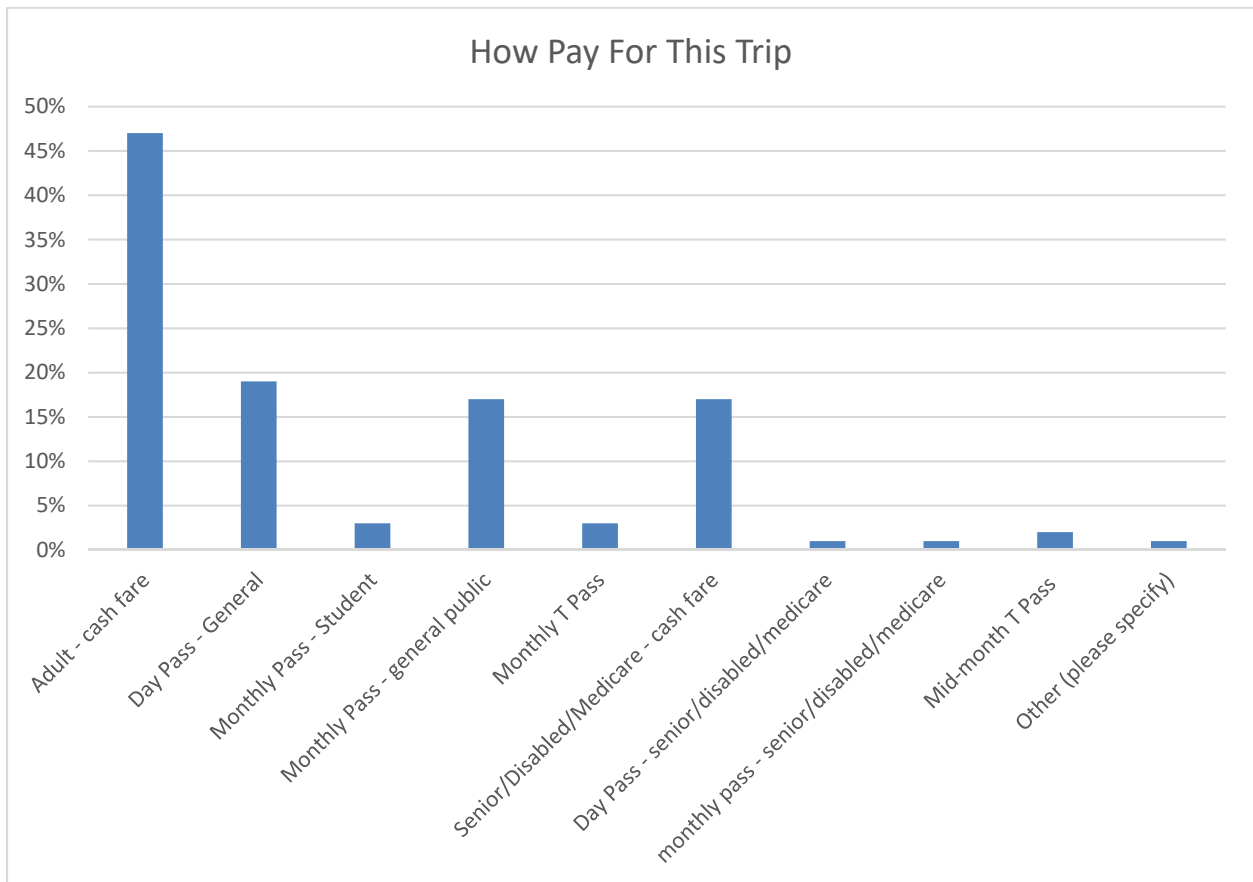


Exhibit 3-10: How Locate Transit Information

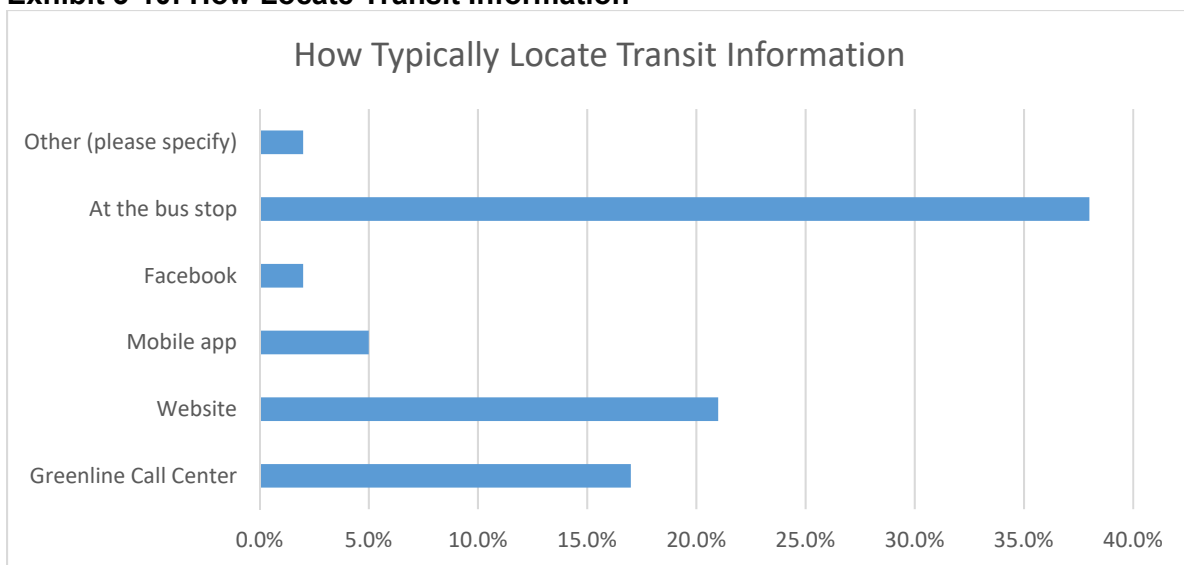
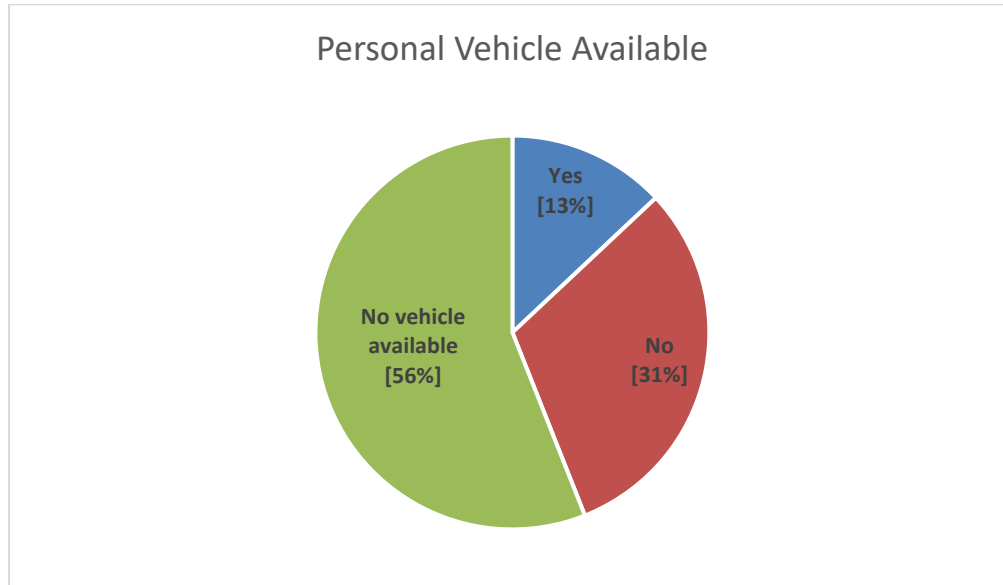


Exhibit 3-11: Personal Vehicle Available



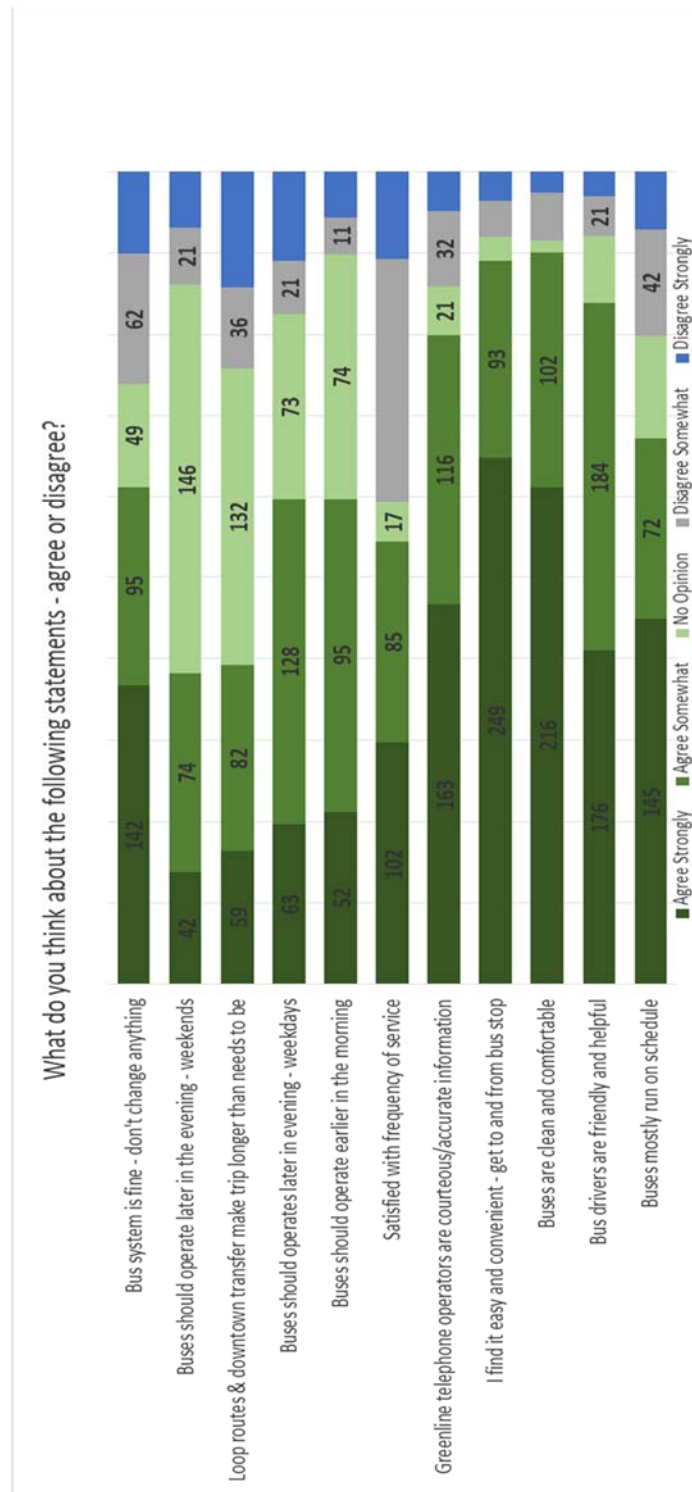
Quality of Service: Understanding the qualitative aspects of Porterville Transit service delivery is important in the evaluation of current transit performance. As a part of the process, the survey asked participants to provide feedback on various qualitative factors including:

- Convenience of service
- Transit travel time
- Perceived safety on transit and waiting for transit
- Available transit information
- On-time performance
- Transit fares
- Overall satisfaction of transit service

The results of the survey revealed that PT customers were generally satisfied with the overall quality of services. More specifically, the survey results revealed that customers were the most satisfied with safety and transit fares. The area of least satisfaction is that of the frequency of service. Of note was the response to *"The loop routes and downtown transfer point make my trip longer than need be"*, while 37% of respondents had "no opinion", close to 40% *Agreed* or *Strongly Agreed*.

Figure 3-12 illustrates the results of the survey regarding the quality of Porterville Transit services.

Exhibit 3-12; Quality of Service Considerations



4.0 PERFORMANCE MEASUREMENT

Transit industry performance measurement best practices are reflected in *TCRP Report 88: A Guidebook for Developing a Transit Performance-Measurement System*, and the *Report on California Transit Performance Measures* prepared for Caltrans by the Mineta Institute. TCRP Report 88 identifies over 400 transit performance measures divided into seven categories:

1. Service Availability measures the quantity of transit access based on when (*i.e.*, span), where (*i.e.*, coverage and stop location), and how often (*i.e.*, frequency) transit services are available. These are primarily design criteria that do not fluctuate except when consciously reset by budgetary or policy changes. Therefore, they do not need to be monitored, measured and reported on a routine basis.
2. Service Delivery measures the quality of customers' day-to-day transit travel experience in terms of service reliability, comfort and convenience. Key service quality indicators include network coverage, service span and frequency, available capacity (loading condition), and utilization (ridership and productivity). This group includes both measures of dynamic conditions that require continual monitoring and frequent reporting on a monthly or quarterly basis; as well as relatively static design criteria.
3. Safety/Security measures the likelihood that an accident will occur involving customers, or that a customer or employee will become a crime victim while using transit. Examples of performance measures in this category include accident rates per 100,000-mile, injury accidents per passenger miles, and quantity of safety devices and personnel. These are dynamic measures of preferred outcomes that warrant continual monitoring and quarterly reporting.
4. Community Impact measures quality-of-life impacts on service area communities in terms of access to employment, economic growth and productivity, personal mobility and finances, pollution reduction, and equitable distribution of transit service. These are primarily preferred outcomes that are attainable over a multi-year timeframe. As such, they require regular monitoring and periodic reporting.
5. Maintenance measures the safety, reliability and condition of revenue vehicles in terms of average fleet age and mileage, road calls per 100,000 miles, conformance to scheduled maintenance inspections, among others. These are dynamic measures of preferred outcomes that warrant continual monitoring and quarterly reporting.
6. Financial Performance measures how efficiently resources are deployed to meet travel demand within budgetary constraints. Key performance measures include net cost per revenue hour and per customer boarding applied to individual routes, and farebox recovery generally applied to the system. Net cost per revenue mile, which usually applies

to commuter routes only, is not needed by Porterville Transit as a performance measure distinct from net cost per hour.

7. Agency Administration measures organizational efficiency in terms of employee productivity (e.g., vehicle miles per employee), employee relations, and the percentage of the total operating budget consumed by general and administrative (G&A) expenses. These are dynamic measures of preferred outcomes that warrant ongoing monitoring and annual reporting.

A broad framework for monitoring, measuring and reporting system performance is cast by Porterville Transit's organizational mission statement:

Mission: *"Provide safe, affordable, reliable and efficient transit service that effectively meets the needs of Porterville residents who have limited mobility options or those who choose transit for some, or all, of their local transit needs."*

This mission statement may be the foundation for a vision reflecting: *Porterville Transit as a leader in applying new technology and innovative solutions toward future progress in improving the value, efficiency, and effectiveness of its services and the economic vitality of the community. PT's services keep pace with growth in populations and incorporate new areas, while maintaining efficiency and effectiveness throughout the system. PT provides leadership for public transportation services in the City of Porterville.*

Goals and objectives provide directions for action. The following four goals, while general in nature, are recommended for adoption to guide transit service delivery.

- Goal 1: Operate a high-quality public transportation system (safe, reliable, effective, efficient, and accessible).
- Goal 2: Meet the growing demand for new services and implement innovative and cost-effective solutions to meet the increasing public transportation needs of the community.
- Goal 3: Provide leadership in public transportation for the City, and the industry.
- Goal 4: Educate the public about transit services in the area and the benefits of public transportation to the community and individuals.

Each goal is supported by specified objectives, key performance indicators and measures, standards and targets. The SRTP compiled these in a table containing key performance indicators (*i.e.*, those that influence level of service) as well as passive or static design standards, preferred outcomes, management and marketing initiatives as a single body of information. This presents a complex view of performance measurement that may be difficult for stakeholders to absorb. Accordingly, the following discussion separates active measurement criteria from design criteria and preferred outcomes to focus attention on the key metrics underlying the evaluation of existing services presented in the next chapter.

4.1 Fixed Route Performance Metrics

Key performance indicators for Porterville Transit fixed route services are summarized in Exhibit 4-1. These metrics provide the basis for service evaluation and most directly influence proposed changes to the level of service operated on individual routes at various times of the service day. Porterville Transit monitors key performance indicators on an ongoing basis through monthly reports.

Exhibit 4-1: Porterville Transit Fixed Route Key Performance Indicators

Key Performance Indicator	Measure	Standard
Cost Efficiency	Cost per revenue hour	Base year + CPI
Service Effectiveness	Passengers per revenue hour	15 per hour New service (< 2 yrs.) – 10 per hour
Cost Effectiveness	Net cost per passenger Farebox recovery (% of total operating cost)	\$x.xx per passenger 20%

Fixed route service design guidelines are summarized in Exhibit 4-2. These are static measures used to shape service design and optimize the distribution of system resources. The targets indicate desired FY 2022 attainment thresholds.

Exhibit 4-2: Porterville Transit Fixed Route Service Design Criteria

Design Criteria	Measure	Target
Service Coverage	Percent residents within ¾-mile of a bus stop Bus stop spacing	90%
Service Span	Operating days / hours	Weekdays – 6:00 AM – 10:40 PM Saturday – 8:00 AM - 10:40 PM Sunday – 8:00 AM – 6:30 PM
Service Frequency	Minutes between scheduled trips	Weekdays - 30 minutes Saturday - 30 minutes Sunday – 60 minutes
Loading Condition	Maximum customers onboard	1.2x seated capacity
Transit Travel Time	Time relative to comparable travel via personal vehicle	< 1.5x personal vehicle travel time

Preferred outcome metrics are summarized in Exhibit 4-3. These are active indicators of dynamic performance of system functions such as transportation operations, maintenance, and

administration. A new measure – annual transit rides per capita – replaces Percentage annual increase in total boardings as an indicator of ridership growth,

Exhibit 4-3. Porterville Transit Fixed Route Preferred Outcomes

Preferred Outcome	Measure	Target
Ridership Growth	Annual Rides per Capita	
Reliability	Schedule adherence (percent on-time)	95% >
	Missed trips	< 1%
	Miles between road calls	14,000
Safety	Preventable accidents per 100K miles	< 1.5
	Passenger injuries per 100K miles	< 1.0
Customer Service	Bi-annual survey results	Rating of 3.0 or better
	Complaints per 100K customer boardings	< 100

The SRTTP also identified various management and marketing initiatives as part of the performance measurement system. These actions are inherent to transit system management and do not necessarily demand dynamic quantitative measurement. Examples cited in the SRTTP include:

- Employ technology cost effectively
- Annual marketing program
- Public information program
- Community association memberships and attendance
- Participation in community events
- Participation in industry conferences

4.2 Dial-a-COLT Performance Metrics

Key performance indicators for Porterville Transit Dial-a-COLT services are summarized in Exhibit 4-4.

Exhibit 4-4: Dial-a-Ride Key Performance Indicators

Key Performance Indicator	Measure	Standard
Cost Efficiency	Cost per revenue hour Cost per revenue mile	Base year + CPI
Service Effectiveness	Passengers per revenue hour	3.0 >
Cost Effectiveness	Net cost per passenger Farebox recovery (% of total operating cost)	\$x.xx per passenger 10%

Dial-a-Ride service design guidelines are summarized in Exhibit 4-5. These are static measures used to shape service design and optimize the distribution of system resources. The targets indicate desired FY 2022 attainment thresholds.

Exhibit 4-5: Dial-a-Ride Service Design Criteria

Design Criteria	Measure	Target
Service Coverage	Percent residents within ¾-mile of a fixed route bus route	100%
Service Span	Operating days of service	Same as fixed route system
Average Wait Time		
Loading Condition	Maximum customers onboard	1.2x seated capacity
Transit Travel Time	Time relative to comparable travel via personal vehicle	< 1.5x personal vehicle travel time

Preferred outcome metrics are summarized in Exhibit 4-6. These are active indicators of dynamic performance of system functions such as transportation operations, maintenance, and administration.

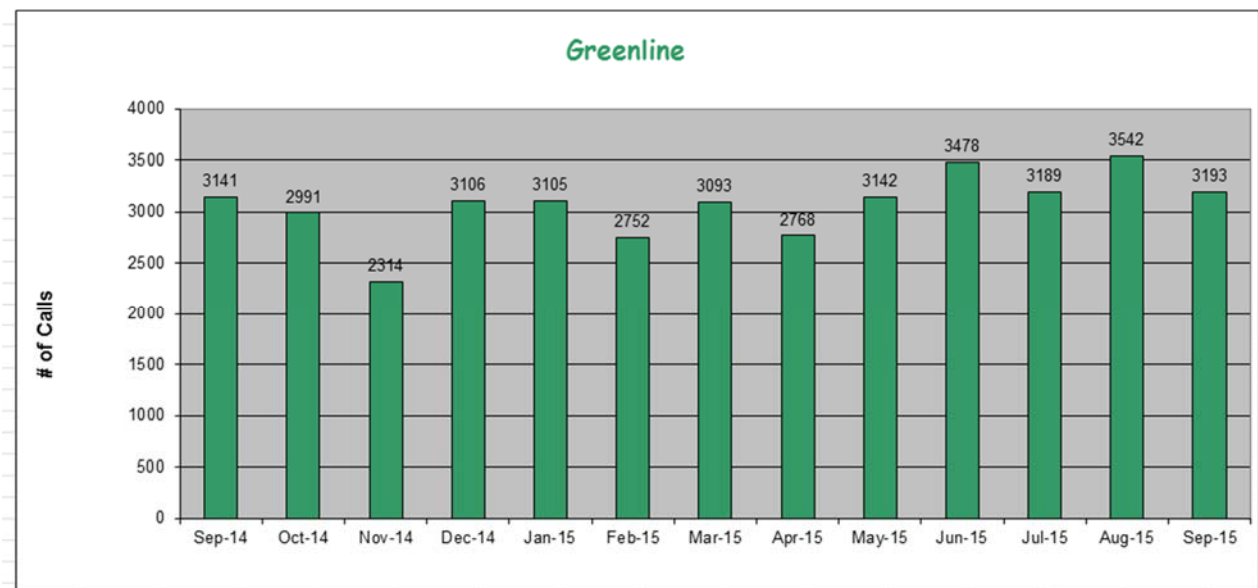
Exhibit 4-6: Dial-a-ride Route Preferred Outcomes

Preferred Outcome	Measure	Target
Ridership Growth	Percentage annual increase in total boardings	Population growth
Reliability	Schedule adherence (percent on-time)	90% >
	Missed trips	< 2%
	Miles between road calls	10,000
Safety	Preventable accidents per 100K miles	< 1.5
	Passenger injuries per 100K miles	< 1.0
Customer Service	Percentage of calls handled w/i 5 seconds	
	Bi-annual survey results	Rating of 3.0 or better
	Complaints per 100K customer boardings	< 100

4.3 Green Line Performance Metrics

The Green Line Call Center (877-40-GOGREEN) provides a countywide public transportation information number. 2014/15 Green Line call volumes averaged 2,800 to 3,100 per month (as illustrated in Exhibit 4-7), down from an average of 4,000 to 5,000 per month three years earlier. Declining call volumes may be attributed to the increased use of mobile phone apps providing transit trip planning and real-time transit information.

Exhibit 4-7: Number of Calls per Month



Preferred outcome metrics for the Green Line call center are summarized in Exhibit 4-8.

Exhibit 4-8: Green Line Preferred Outcomes

Preferred Outcome	Measure	Target
	Percentage of calls answered w/in 5 seconds	65%
	Hold time	<30 seconds.
	Abandoned calls	10%
	Call service time	<90 seconds

5.0 EXISTING CONDITIONS

5.1 History

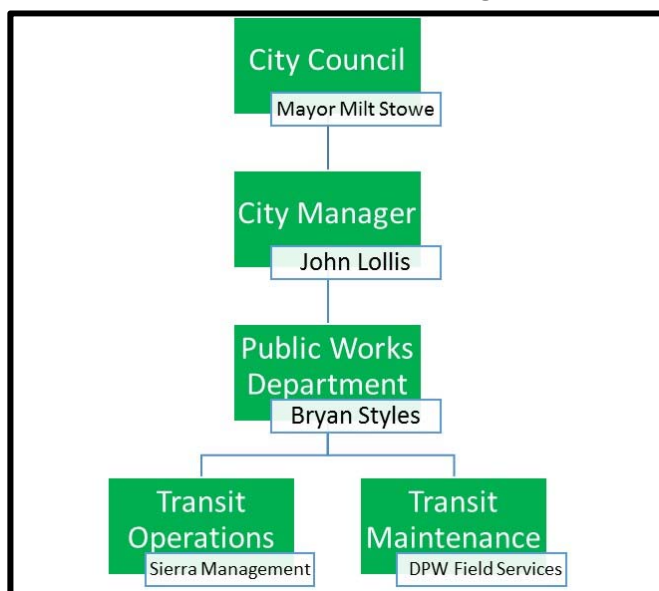
Porterville Transit began in March 1981 as a general-public demand responsive service branded City Operated Local Transit (COLT), or Dial-a-COLT. Transit demand increased as the City developed through the mid-nineties, leading to the creation of a two-route fixed route system in July 1997. The fixed route service expanded rapidly to seven routes and in August 2006, Dial-a-COLT was mostly restricted to individuals eligible for complementary paratransit service under the Americans with Disabilities Act (ADA), and older adults ages 65 and over. This restriction later was relaxed to include non-ADA eligible persons in outlying areas. Route 8 was added in August 2008 and Route 9 began service in December 2012. Service frequencies were reduced from 30 to 40 minutes in February 2010 due to increasing bus ridership and traffic congestion around the service area.

5.1 Organization

Porterville Transit (including Dial-a-COLT) is managed as an integrated municipal function under the oversight of the Porterville City Council through the City Manager and the Director of Public Works, as seen in Exhibit 5-1. The Council is the policy-making body responsible for adopting the SRTP, determining service and funding levels for the system, and ensuring performance consistent with the stated mission of the organization:

"Provide safe, affordable, reliable and efficient transit service that effectively meets the needs of Porterville residents who have limited mobility options or those who choose transit for some, or all, of their local transit needs."

Exhibit 5-1. Porterville Transit Organization



Under the City Manager, the Public Works Department is responsible for day-to-day administration of the transit system, and for vehicle maintenance. Administrative duties include: service contract monitoring administration, capital program planning, system performance monitoring, system planning and marketing, grant compliance and liaison to TCAG, Caltrans and the FTA.

The DPW Field Services Division provides direct maintenance and repair services for the transit fleet. It also operates the City's CNG fueling facility. One full-time mechanic is dedicated to transit vehicle maintenance and repair.

Transit operations are provided through a service contract with Sierra Management, a locally owned company formed in 1994 to manage Porterville Transit. Sierra has 50 employees,

including approximately 30 full-time and 10 part-time drivers, eight (8) supervisors and dispatchers, and four (4) administrative personnel.

5.3 Fleet and Facilities

The City presently owns 25 revenue vehicles, of which 17 are deployed in fixed-route service and eight (8) in Dial-A-COLT service. A current fleet roster is provided in Exhibit 5-2. The seven newest vehicles purchased since 2013 are CNG-powered, as are nine fixed route buses purchased in 2007 and 2010. Seven buses purchased between 2003 and 2009 are gasoline-powered; and two oldest buses acquired in 2003 are diesel-powered. The City is anticipating delivery of two battery-electric buses in November 2017, at which time the last two diesel buses in the fleet will be retired.

Exhibit 5-2. Active Revenue Vehicle Fleet, October 2016

Number of Vehicles	Manufacturer / Brand	Model Year	Fuel Type	Length	Capacity (seats + standees)	Average Mileage 9/30/16
<u>Fixed Route</u>						
2	El Dorado Freightliner	2003	Diesel	31'	28 + 6	283,850
1	SVMC Classic Trolley	2005	Gasoline	25'	24 + 6	22,331
4	El Dorado EZ Rider Max	2007	CNG	32'	28 + 6	184,098
5	El Dorado EZ Rider Max	2010	CNG	32'	28 + 6	296,127
1	Starcraft AllStar	2009	Gasoline	25'	16 + 3	115,198
2	El Dorado EZ Rider II Max	2013	CNG	32'	28 + 6	161,460
2	El Dorado EZ Rider II Max	2015	CNG	32'	28 + 6	87,186
17	Subtotal					
<u>Demand Response</u>						
1	Chevrolet Amerivan	2006	Gasoline	16'	6 + 0	99,670
2	Chevrolet Amerivan	2007	Gasoline	16'	6 + 0	106,544
2	Chevrolet Amerivan	2008	Gasoline	16'	6 + 0	81,706
3	El Dorado EZ Street	2013	CNG	25'	15 + 3	50,170
8	Subtotal					
25	Total					

Maintenance Facility - Vehicle maintenance, fueling and storage occurs at the DPW Field Services facility located on N Prospect Street between W Grand Avenue and W Morton Avenue.

Downtown Transit Center – is located at 61 West Oak Avenue, between “D” Street and Hockett Street. The DTC opened in May 2003 to provide a convenient off-street location for waiting customers and connectivity between local and regional transit services, including five Tulare County Area Transit (TCAT) bus routes (40, 60, 70, 80, 90) that link Porterville to the cities of Tulare and Visalia, and to unincorporated areas of Tulare County. Orange Belt Stages operates intercity bus service connecting Porterville to Bakersfield, Hanford, and other regional destinations.

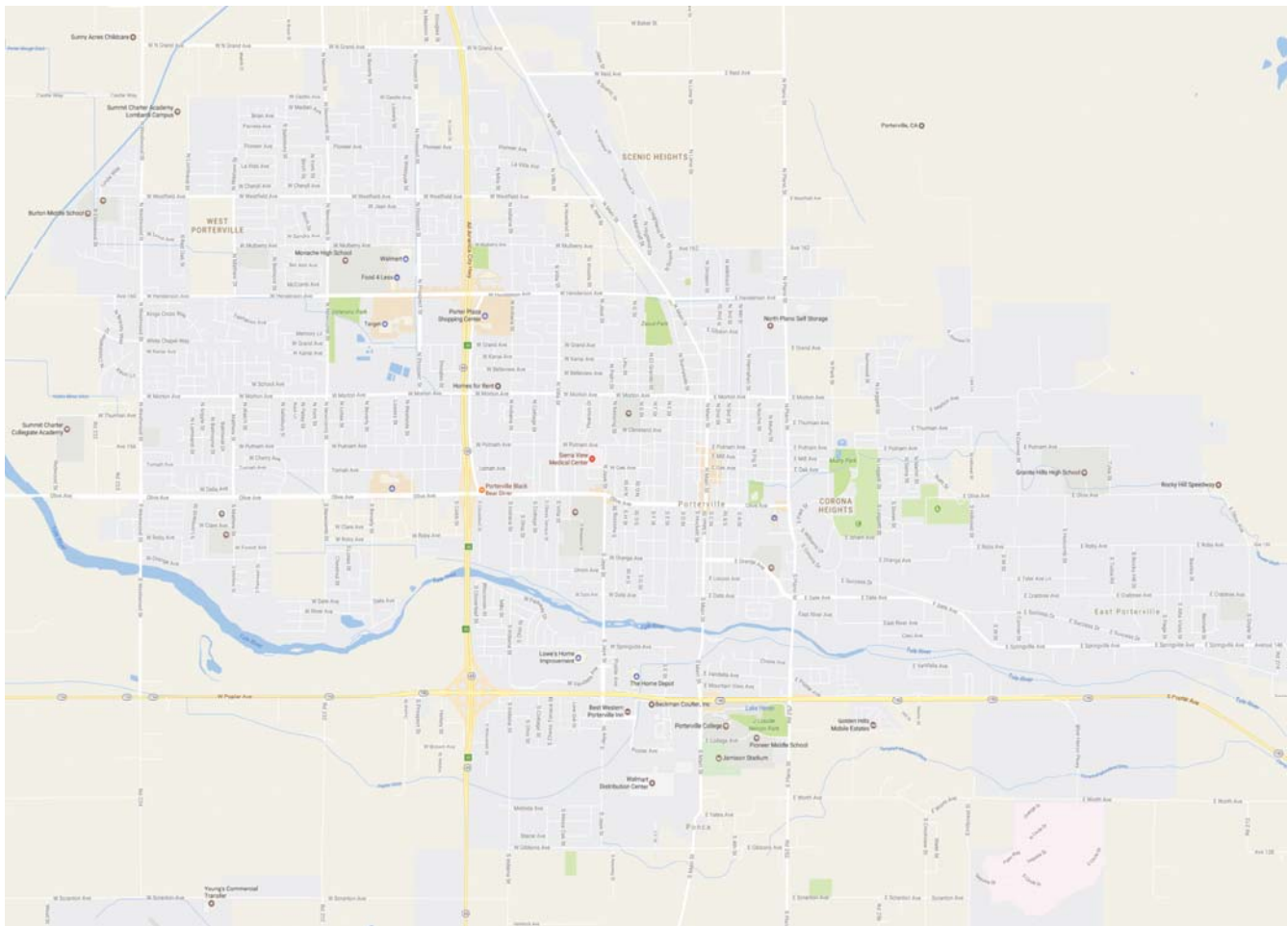
The facility contains the Dispatch center, ticket office, and 12 bus bays, benches, lockers and other passenger amenities. The DTC is equipped with 24-hour security cameras, lighted parking

lot for transit employees and persons traveling overnight. The adjacent parking lot containing designated short-term parking for transit customers was added in 2007.

5.4 Service Area

Porterville Transit fixed route and Dial-a-COLT services operate within a 49-square mile service area that includes the City of Porterville (17.6 sq. mi.) and contiguous unincorporated areas including East Porterville, Worth, and the Tule River Reservation. Displayed in Exhibit 5-3, the area contains approximately 76,000 persons, of which about 80% reside within the City limits.

Exhibit 5-3: Service Area Map



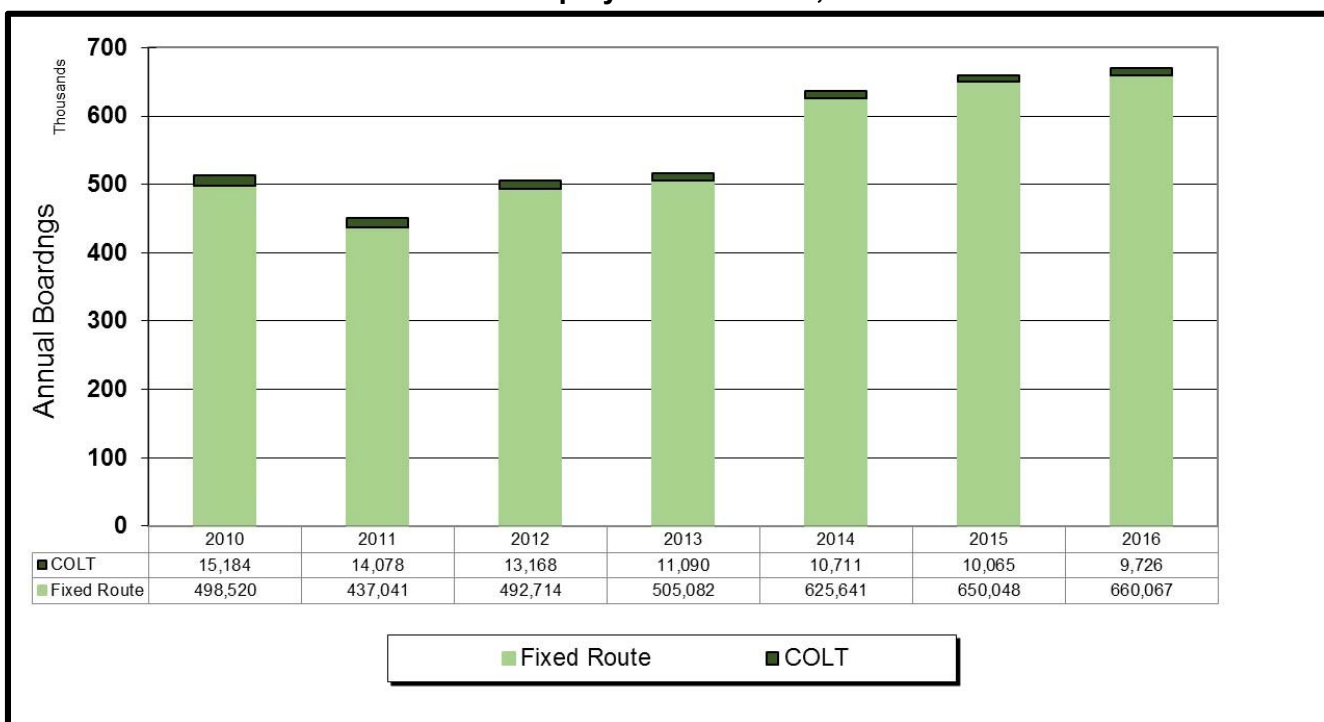
Main highways serving the area include SR 65, which runs north from Porterville to SR 198 via Lindsay and Exeter, and south to Bakersfield via Terra Bella and Ducor; and SR 190, which extends east to Sequoia National Forest via Lake Success and the Tule River Reservation, and west to Tipton and SR 99. Major arterial streets running north-south through the core service area include Plano Street, Main Street, Jaye Street, Newcomb Street and Westwood Street. East-

west arterials include Poplar Avenue, Olive Avenue, Morton Avenue, Henderson Avenue and Westfield Avenue.

5.5 System Ridership Profile

Recent trends in transit system ridership are displayed in Exhibit 5-4. Combined total customer boardings on fixed route and Dial-a-COLT buses increased by 5.1% annually since FY 2010; from about 514,000 customer boardings in FY 2010 to nearly 670,000 boardings in FY 2016. Fixed route ridership increased from 97% to 98.5% of total system boardings during this period, reflecting a 32% gain in fixed route boardings and a 36% decline in Dial-a-COLT ridership.

Exhibit 5-4. Porterville Transit Ridership by Service Mode, FY 2010 – 2016



5.6 System Financial Profile

Recent trends in transit system operating expenses and fare revenues are observed in Exhibit 5-5. Combined total operating expenses for fixed route and Dial-a-COLT services increased by 18.4% annually since FY 2010; from about under \$1.7 million in FY 2010 to over 3.5 million in FY 2016. Fare revenues generally kept pace with expenses, averaging 17.1% annually based on ridership growth and fare increases in 2010 and 2013. The average fare increased by 9.2% annually between FY 2010 and FY 2016; from \$0.63 to \$0.98 per customer boarding. The net operating cost per vehicle service hour, an indicator of cost efficiency, increased an average of 2.9% annually during the last six fiscal years since FY 2010; from \$47.11 in FY 2010 to \$55.20 in

FY 2016. The net operating cost per customer boarding, an indicator of cost effectiveness, increased an average of 10.4% annually since FY 2010; from \$2.63 to \$4.26.

Exhibit 5-5 System Financial Results, FY 2010-2016

FY	Total Operating Cost	Fare Revenue	Net Operating Cost	Farebox Recovery	Average Fare	Annual Boardings	Net Cost per Boarding	Revenue Vehicle Hours	Net Cost per Hour
2010	\$1,671,484	\$322,746	\$1,348,738	19.3%	\$0.63	513,722	\$2.63	28,632	\$47.11
2011	\$1,772,827	\$443,908	\$1,328,919	25.0%	\$0.98	451,119	\$2.95	28,467	\$46.68
2012	\$1,776,262	\$476,659	\$1,299,603	26.8%	\$0.94	505,882	\$2.57	28,196	\$46.09
2013	\$2,232,869	\$545,974	\$1,686,895	24.5%	\$1.06	516,172	\$3.27	32,284	\$52.25
2014	\$2,523,006	\$608,309	\$1,914,697	24.1%	\$0.96	636,352	\$3.01	44,782	\$42.76
2015	\$2,602,379	\$550,503	\$2,051,876	21.2%	\$0.83	660,113	\$3.11	44,574	\$46.03
2016	\$3,505,627	\$653,096	\$2,852,531	18.6%	\$0.98	669,793	\$4.26	51,680	\$55.20
Change - 6 yrs	109.7%	102.4%	111.5%	-3.5%	55.2%	30.4%	62.2%	80.5%	17.2%
Change - average	18.3%	17.1%	18.6%	-0.6%	9.2%	5.1%	10.4%	13.4%	2.9%

5.7 Applied Technologies

The City makes significant use of advanced scheduling and communications technologies to enhance fixed route and Dial-a-COLT service quality and customer travel experience. These include:

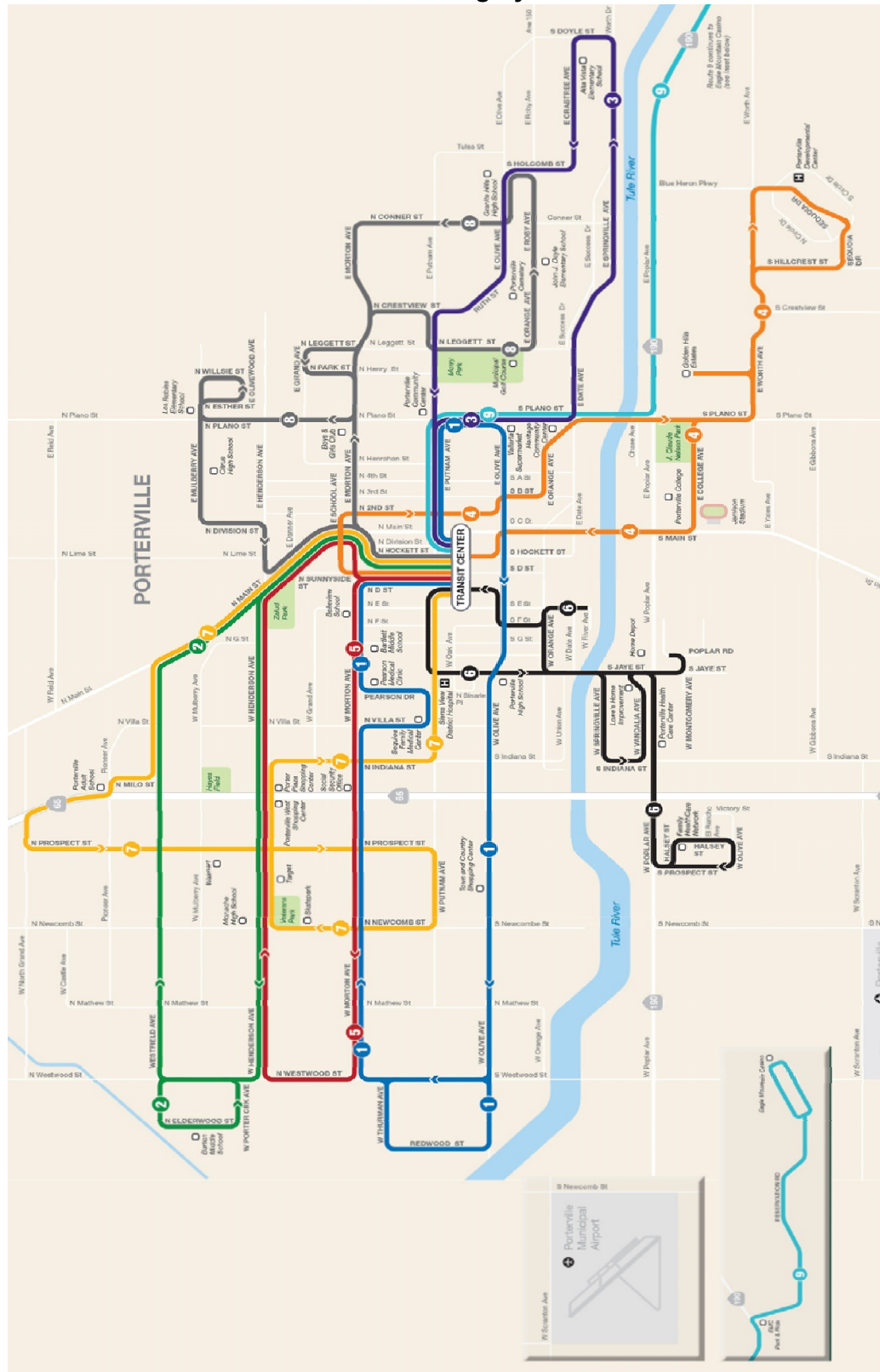
- RouteMatch Software™ computer assisted dispatch (CAD) system with capacity to support automated vehicle location (AVL) and electronic fare collection systems, and to generate digital manifests for bus operators and real-time customer information for customers.
- ADA-compliant automated voice annunciation systems calling out arriving bus stops and major intersections in English and Spanish.
- Customer-friendly Traveler Information System including RouteShout® Mobile App for real time arrival information; SMS Alerts – bus arrival times; web-based display of real time vehicle locations.
- Interactive Voice Response (IVR) system featuring automated call center with customer call-back capability.
- Onboard fare collection equipment featuring Genfare's Fastfare® electronic fareboxes integrated with e-Fare® web based fare system, Genfare Link point of sale and mobile ticketing; and ticket vending machine (TVM) at the Downtown Transit Center.
- Wi-fi on all buses

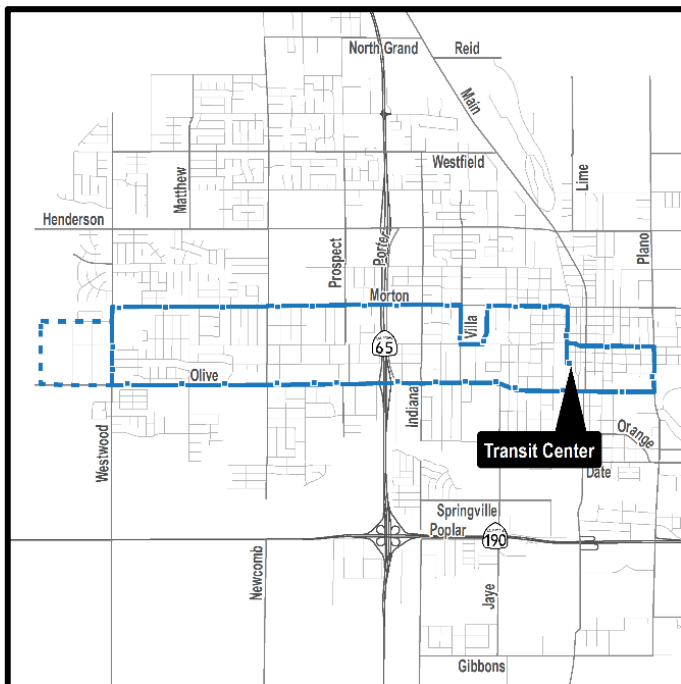
- Customer information displays at the DTC and at all bus stops, including maps and schedules.
- Solar-powered lighting at all posted bus stops.

5.8 Fixed Route Service Overview

Network Design / Service Coverage - Shown in Exhibit 5-6, the fixed route system is comprised of nine routes arranged in a hub-and-spoke pattern centering on the Downtown Transit Center (DTC) on West Oak Avenue between N Hockett and N D Streets. Routes 1-8 are designed as one-way loops that begin and end at the DTC. Route 9 is a linear route running between the DTC and the Tule River Reservation. Existing Porterville Transit routes are described briefly in the following paragraphs.

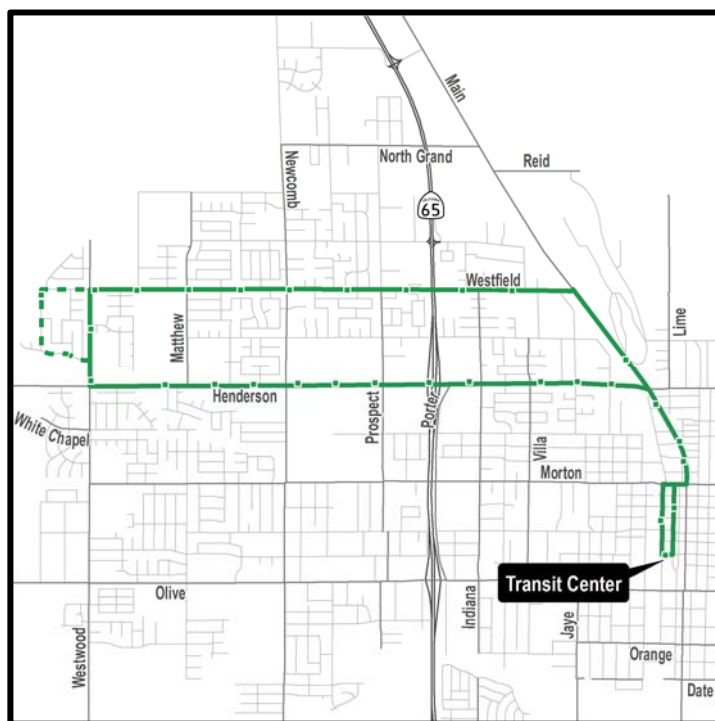
Exhibit 5-6 Existing System





Collegiate Academy; Mission Bell Mobile Homes (Morton Avenue & Lowery Street); Westwood & Putnam; and Olive & Salisbury. New service for Summer Charter Collegiate Academy was added in July 2015.

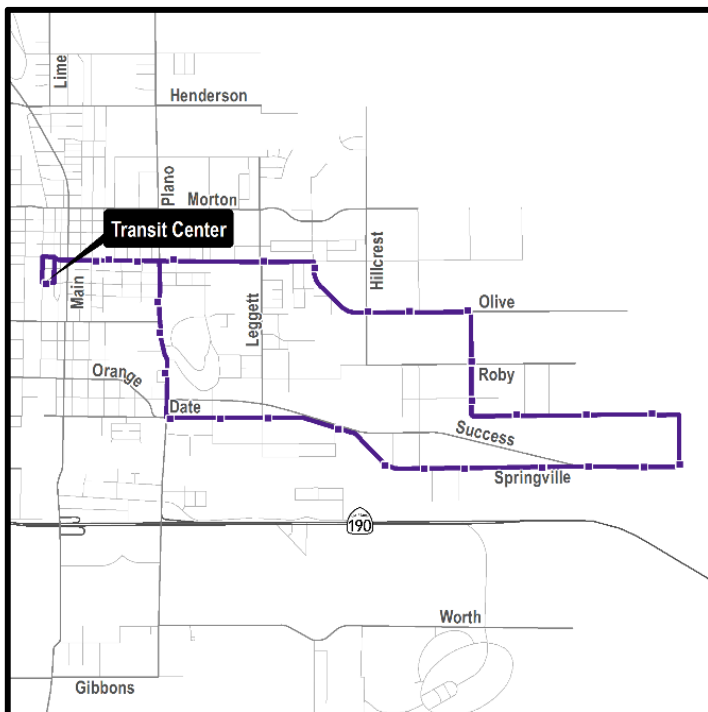
1 Sierra View Hospital / Porterville High School - One bus operates a one-way clockwise loop through central and west Porterville covering W Olive Avenue in the westbound direction between Downtown and N Westwood Street; and returning eastbound to Downtown via Morton Avenue. The schedule allows 37 minutes of travel time and three minutes of recovery dwell time per 40-minute cycle. In addition to the DTC, key destinations along the route include: South County Justice Center; Social Security Administration; Sierra View Hospital; Sequoia Family Medical Center; Town & Country Shopping Center; Veterans Memorial Building; Porterville High School; Summit Charter



Walmart, Porter Plaza Shopping Center, Porter West Shopping Center, Save-Mart); Tulare

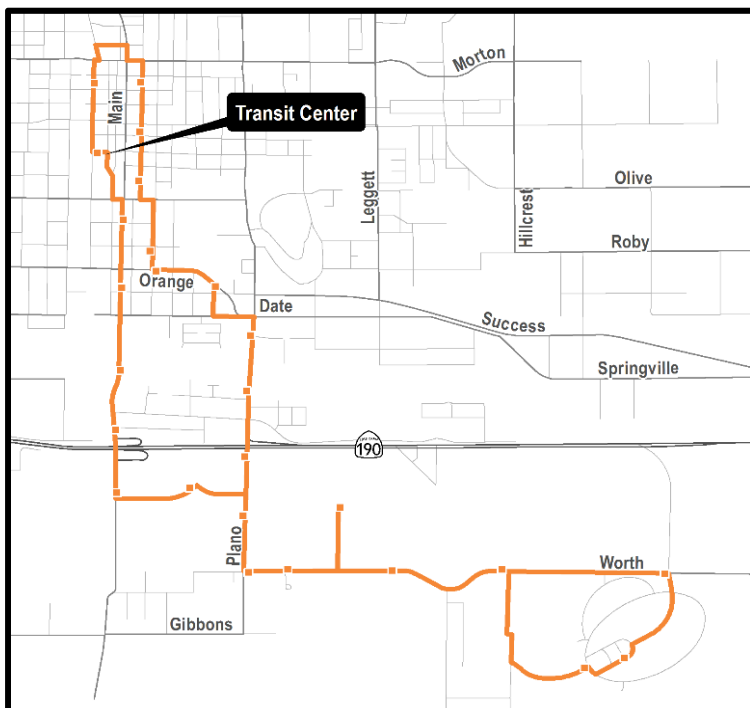
2 Monache High School / Henderson Avenue - One bus operates a one-way clockwise loop through north and west Porterville covering W Henderson Avenue in the westbound direction between N Main Street and N Westwood Street; and returning eastbound to Downtown via W Westfield Avenue. The loop extends to the DTC via bi-directional service on N Main Street between Morton Avenue and Henderson Avenue. The schedule allows 36 minutes of travel time and four minutes of recovery dwell time per 40-minute cycle. Key destinations along the route include: retail stores surrounding the SR 65 interchange at W Henderson Avenue (Target,

County Social Services; CVS Pharmacy (Westwood & Henderson); Monache High School; Burton Middle School; and Monte Vista School.

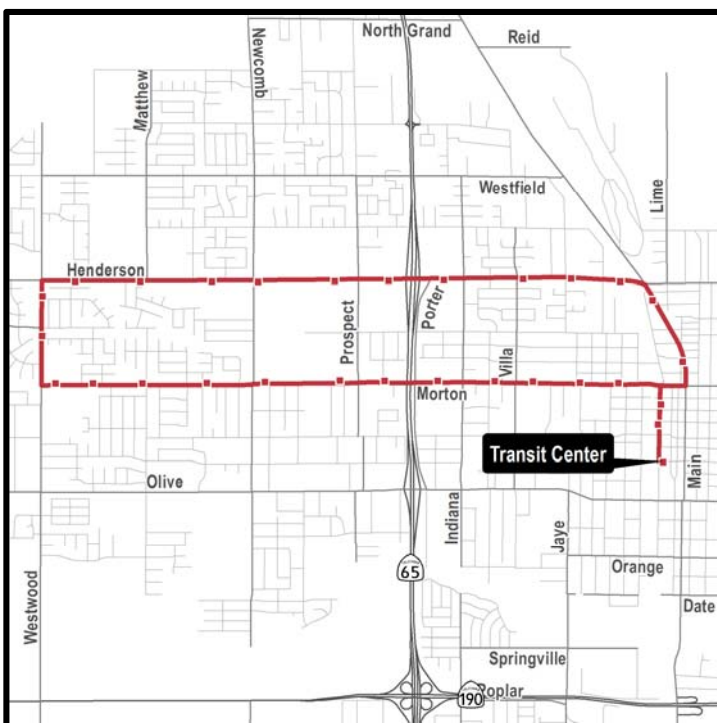


3 East Porterville / Granite Hills High School - One bus operates a one-way counterclockwise loop through East Porterville covering E Putnam Avenue, S Plano Street, E Date Avenue, E Springville Avenue, S Doyle Street, E Crabtree Avenue, S Holcomb Street, E Olive Avenue, E Olivecrest Avenue, and E Putnam Avenue. The schedule allows 39 minutes of travel time and one minute of recovery dwell time per 40-minute cycle. Key destinations along the route include: East Ridge Shopping Center (Vallarta); Granite Hills High School; Alta Vista School; Murry Park/Pool; and CHM Community Center; and Sunnyside Handi-market. Porterville Transit agreed to

add extra peak period service as necessary to address capacity concerns expressed during the FY 2015 unmet needs process.

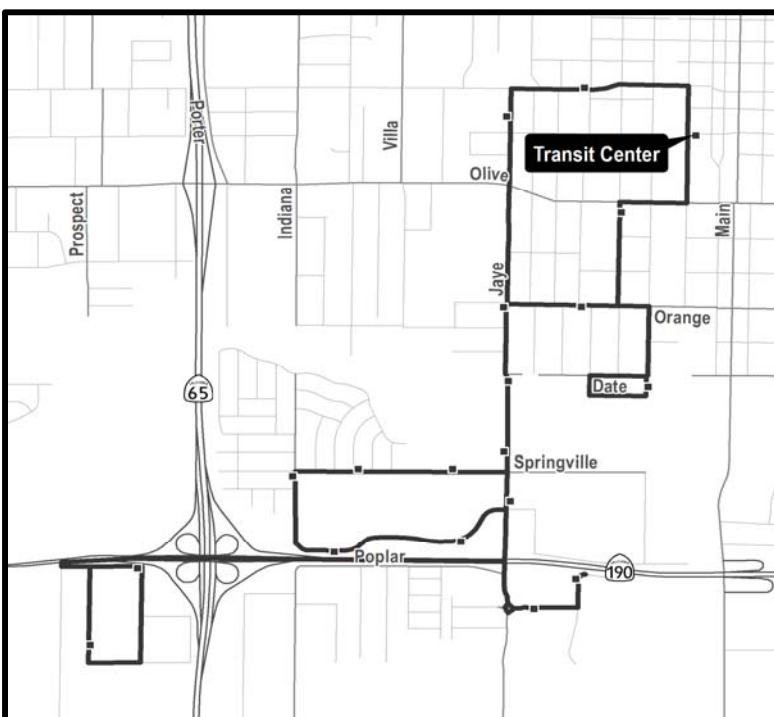


4 Developmental Center / Porterville College - One bus operates a mostly one-way clockwise loop through south and southeast Porterville extending south of SR 190 to the Porterville Development Center (PDC). The schedule allows 36 minutes of travel time and four minutes of recovery dwell time per 40-minute cycle. Key destinations along the route include: PDC Foster; Porterville College; Pioneer Junior High School; Santa Fe School; and LB Hill Learning Center.



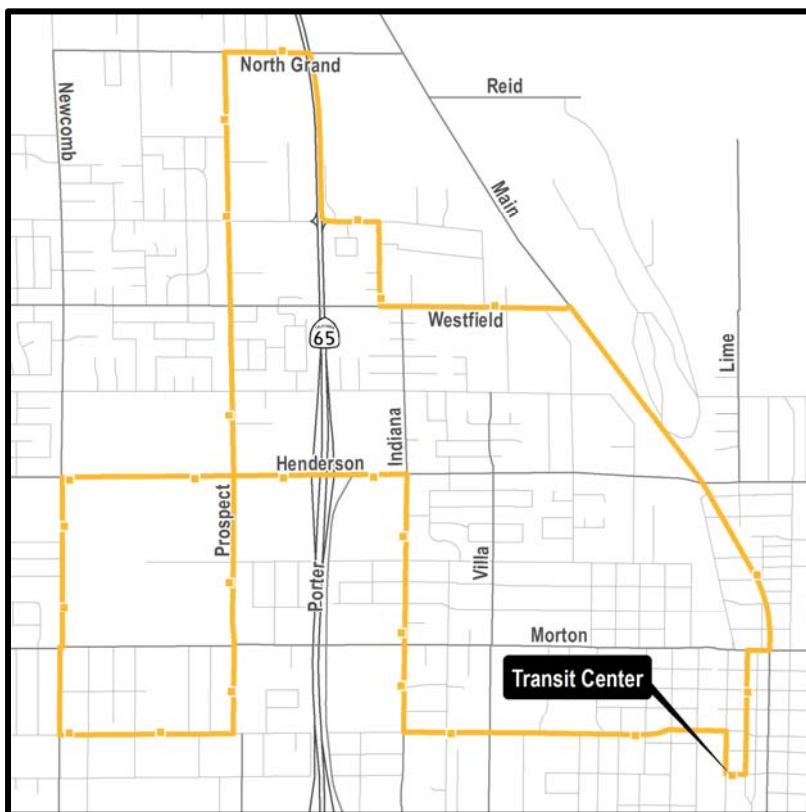
5 Veterans Park / Henderson Avenue - One bus operates a one-way counterclockwise loop through central and west Porterville covering W Morton Avenue westbound between N Main Street and N Westwood Street; and returning eastbound to Downtown via W Henderson Avenue. The schedule allows 34 minutes of travel time and six minutes of recovery dwell time per 40-minute cycle. Key destinations along the route include the retail district surrounding the SR 65 interchange at W Henderson Avenue (Target, Walmart, Porter Plaza Shopping Center, Porter West Shopping Center, Save-Mart); Tulare County Social Services;

Social Security Administration; CVS Pharmacy (Westwood & Henderson); N Main commercial corridor; Monache High School; Bartlett Middle School; Burton Elementary School; Bellevue School; and Zalud Park.



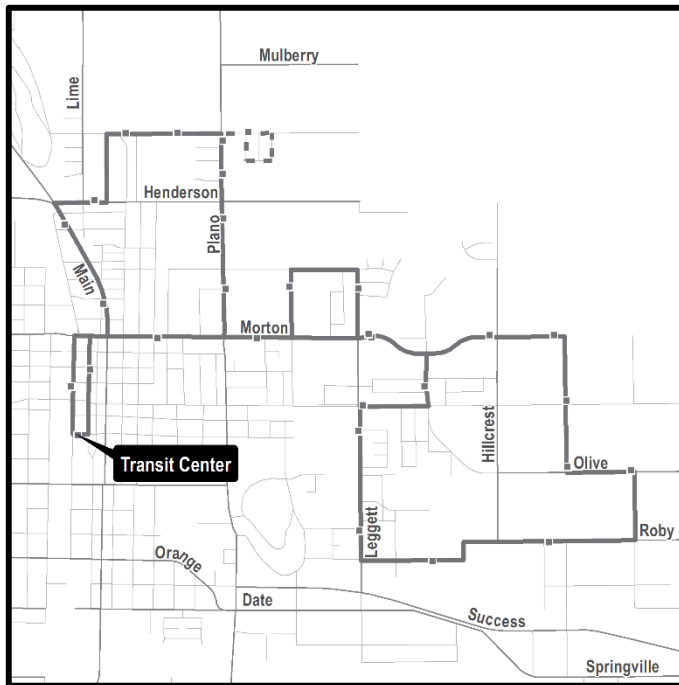
6 Family HealthCare Clinic Loop - One bus follows a circuitous alignment through central and south Porterville, including a one-way counterclockwise loop west of Downtown, bi-directional coverage on S Jaye Avenue south toward SR 190, and a clockwise loop straddling the SR 190 corridor and extending west of SR 65. The schedule allows 35 minutes of travel time and five minutes of recovery dwell time per 40-minute cycle. Key destinations along the route include: Family HealthCare; Best Western Inn; Holiday Inn Express; Home Depot; Lowes;

Owens Valley Career Development Center; Porterville High School; and residential subdivision at W Date & S E Streets.

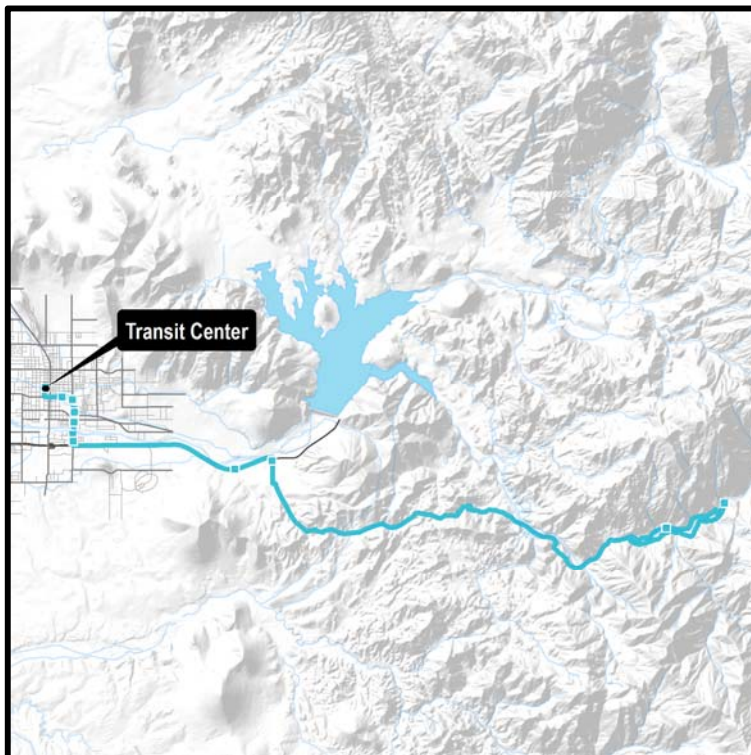


7 Porterville Adult School / Prospect Street – One bus operates alternating trips on Routes 7 and 8 through the DTC. Route 7 covers central and north Porterville with a one-way counterclockwise loop covering N Hockett Street, W Morton Avenue, N Main Street, W Westfield Avenue, Milo Street, Pioneer Avenue, SR 65 NB, W North Grand Avenue, N Prospect Street, W Putnam Avenue, N Newcomb Street, W Henderson Avenue, N Indiana Street, and E Putnam Avenue. The schedule allows 38 minutes of travel time and two minutes of recovery dwell time per 40-minute cycle. Key

destinations along the route include: Sequoia Family Medical Center; Porterville Health Care Center; retail district surrounding the SR 65 interchange at W Henderson Avenue (Target, Walmart, Porter Plaza Shopping Center, Porter West Shopping Center, Save-Mart); Tulare County Social Services; N Main commercial corridor; City recycling facility; Monte Vista School; Porterville Adult School; Sequoia Middle School; Westfield Elementary School; West Putnam School; and Veterans Park.



8 Northeast Porterville – Granite Hills High School – Route covers northeast Porterville with a mostly one-way counterclockwise loop centering on the E Morton Avenue corridor and roughly forming a “figure 8” through lower density areas southeast of Morton and Leggett Street; and north of Morton Avenue west of N Plano Street. The schedule allows 35 minutes of travel time and five minutes of recovery dwell time per 40-minute cycle. Key destinations along the route include: Granite Hills High School; Citrus High School; John J. Doyle School; Murry Park/Pool; and Foster Farms. Service to Los Robles Elementary School was added in August 2015.



9 Tule River Indian Reservation - Two buses deployed on Route 9 operate two-way service along a 17.5-mile alignment between the DTC and the Tule River Reservation via Olive Avenue, S Main Street, S Plano Street, SR 190, and Indian Reservation Drive. The schedule allows 109 minutes of round trip travel time and 11 minutes of recovery dwell time per two-hour cycle. Key destinations along the route include: Tribal Office; Eagle Mountain Casino; Eagle Mountain Park ‘n Ride; and Reservation Road Loop. Service began in December 2012.

Service Span - refers to the days and hours during which service is available to customers. Porterville Transit has systematically expanded fixed route system hours in recent years to current levels. Service is available 361 days per year with no service on four major holidays: New Year's Day; Independence Day; Thanksgiving Day; and Christmas Day. Saturday schedules operate on other holidays including President's Day; Christmas Eve.

- Weekday service operates a 16.5-hour span from 6:00 am until 10:00 pm with the last bus out of service shortly after 10:30 pm. Weeknight service was extended by one hour (from 8:00 pm to 9:00 pm) in July 2012, and by an additional hour (from 9:00 pm to 10:00 pm) in July 2015. Weekday morning service was extended one hour earlier (from 7:00 am to 6:00 am) in July 2015.
- Saturday service operates a 14.5-hour span from 8:00 am until 10:00 pm with the last bus out of service shortly after 10:30 pm. Evening service after 5:00 pm until 8:00 pm was implemented in July 2012. Saturday morning service was extended one hour earlier (from 9:00 am to 8:00 am) in July 2015; as was Saturday evening service extended one hour later (from 8:00 pm to 9:00 pm).
- Sunday service operates a 10.5-hour span from 8:00 am until 6:00 pm with the last bus out of service by 6:30 pm. Daytime service began in December 2012 between 9:00 am and 5:00 pm; and was extended both one hour earlier and later in July 2015 the current span.

Service Frequency - Porterville Transit schedule frequencies by service day and route are compiled in Exhibit 5-7. Routes 1 - 6 operate on 40-minute headways on weekdays and weekends. Service frequencies were reduced from every 30 minutes in February 2010, due to growing schedule reliability concerns caused by increased ridership and auto traffic on Porterville streets. Routes 7 and 80 operate 80-90-minute headways. Route 9 operates hourly headways.

Exhibit 5-7. Porterville Transit Route Frequencies – FY 2017

Route	Weekday (minutes)	Saturday (minutes)	Sunday (minutes)
1	40	40	40
2	40	40	40
3	40	40	40
4	40	40	40
5	40	40	40
6	40	40	40
7	80-90	80-90	80-90
8	80-90	80-90	80-90
9	60	60	60

Ridership Profile - Recent trends in ridership and productivity are observed in Exhibit 5-8. System ridership increased by nearly one-third during the six-year period since FY 2010; from less than 500,000 to over 660,000. Eighty-two percent of the increase is attributable to Route 9, which was

initiated in December 2012 and has grown by nearly 75% per year over the last three fiscal years. Routes 1, 2, 5, 7 and 8 also contributed to the system increase. Routes 3, 4 and 6 all experienced nominal ridership losses between FY 2010 and FY 2016.

Exhibit 5-8. Fixed Route System Ridership by Route, FY 2010-16

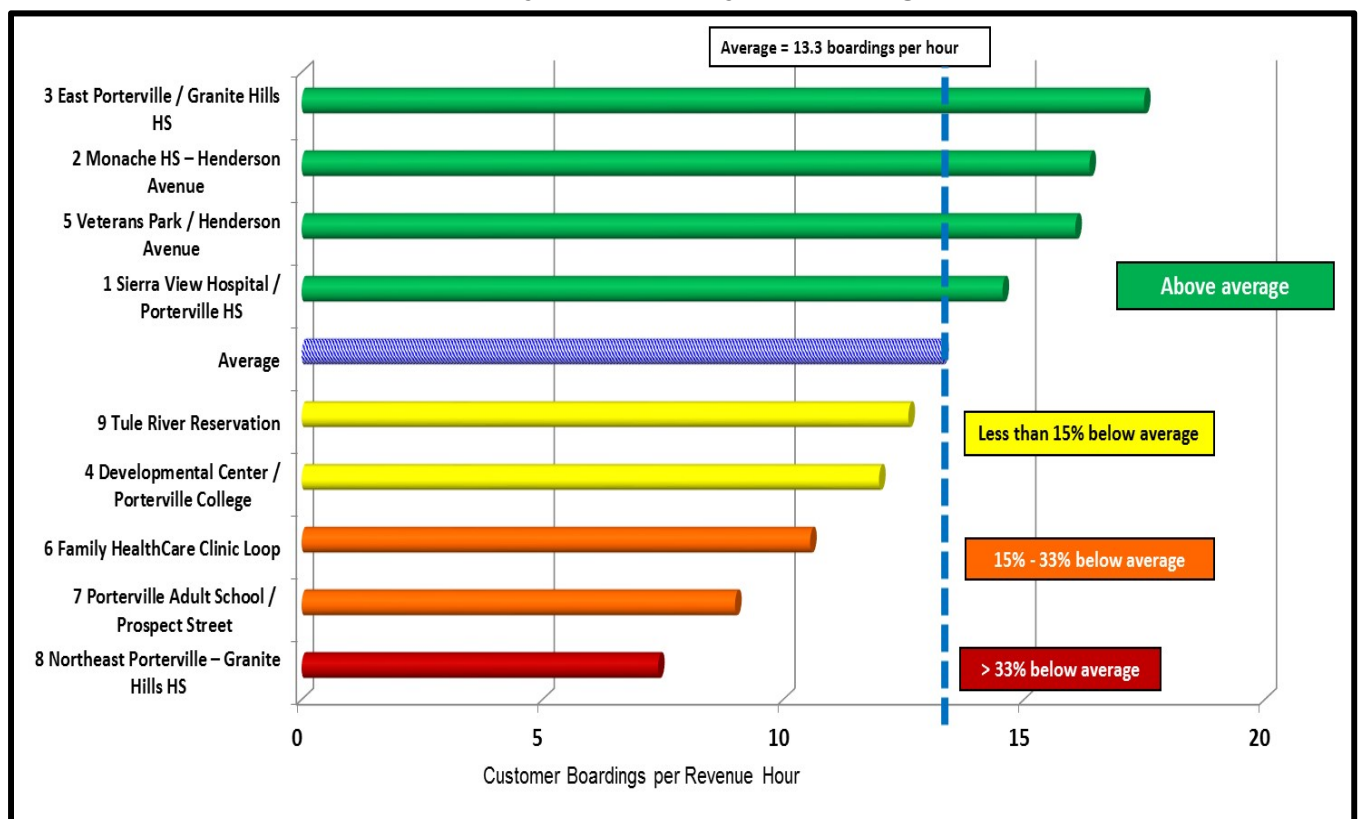
Fiscal Year	Customer Boardings											Total	Service
	Annual Total	Route Totals										Revenue	Productivity
		1	2	3	4	5	6	7	8	9	Trolley	Hours	Boardings per Hour
2010	498,520	77,321	84,510	102,414	70,937	76,055	63,272	13,798	9,853	-	360	24,337	20.5
2011	437,041	63,434	73,414	83,669	58,579	66,939	60,521	17,835	12,433	-	217	24,430	17.9
2012	492,714	69,500	79,942	89,525	65,108	77,033	70,297	25,387	15,749	-	173	24,582	20.0
2013	505,082	65,500	76,806	84,114	63,820	73,905	60,595	22,313	17,183	40,846	-	28,628	17.6
2014	625,641	77,393	90,702	94,705	68,792	87,094	64,958	24,917	15,694	101,165	221	42,218	14.8
2015	650,048	77,734	90,158	92,093	72,056	89,024	66,447	24,962	15,425	122,012	137	42,158	15.4
2016	660,067	81,007	90,959	97,572	66,664	89,130	58,645	24,267	19,362	132,384	77	49,374	13.4
Change - 6 years	32.4%	4.8%	7.6%	-4.7%	-6.0%	17.2%	-7.3%	75.9%	96.5%	224.1%	-78.6%	102.9%	-34.7%
Average change	5.4%	0.8%	1.3%	-0.8%	-1.0%	2.9%	-1.2%	12.6%	16.1%	74.7%	-13.1%	17.1%	-5.8%

FY 2016 productivity outcomes by route are compiled in Exhibit 5-9 and displayed relative to system average productivity performance in Exhibit 5-10. Route 3 was most productive with 17.5 customer boardings per revenue hour, or 32% above the system average of 13.3 boardings per hour. Routes 1, 2 and 5 also performed above the system average with productivity ranging from 14.6 to 16.5 boardings per revenue hour. Routes 7 and 8, which currently operate at one-half of the frequency of Routes 1-6, were the least productive in the system by a significant margin. Route 8 productivity performance was 44% below average, and Route 8 was 32% below average. Routes 4, 6 and 9 were moderately below average with productivity ranging from 10.6 to 12.6 boardings per revenue hour in FY 2016.

Exhibit 5-9. Porterville Transit Ridership & Productivity by Route, FY 2016

Route	Boardings	Revenue Hours	Productivity	Rank
1 Sierra View Hospital / Porterville HS	81,007	5,566	14.6	4
2 Monache HS – Henderson Avenue	90,959	5,560	16.4	2
3 East Porterville / Granite Hills HS	97,572	5,578	17.5	1
4 Developmental Center / Porterville College	66,664	5,560	12.0	6
5 Veterans Park / Henderson Avenue	89,130	5,548	16.1	3
6 Family HealthCare Clinic Loop	58,645	5,554	10.6	7
7 Porterville Adult School / Prospect Street	24,267	2,702	9.0	8
8 Northeast Porterville – Granite Hills HS	19,362	2,621	7.4	9
9 Tule River Reservation	132,384	10,468	12.6	5
10 Special	77	582	0.1	--
TOTAL	660,067	49,739	13.3	

Exhibit 5-10. Fixed Route Productivity Relative to System Average, FY 2016



Financial Profile - Recent trends in fixed route system operating expenses and fare revenues are observed in Exhibit 5-11. Total operating expenses increased by 25.3% annually since FY 2010; from under \$1.2 million in FY 2010 to nearly 3.0 million in FY 2016. Fare revenues increased by 17.9% annually during the same period based on ridership growth and fare increases in 2010 and 2013. The average fare increased by 9.4% annually between FY 2010 and FY 2016; from \$0.60 to \$0.94 per customer boarding. The net operating cost per vehicle service hour, an indicator of cost efficiency, increased an average of 5.2% annually during the last six fiscal years since FY 2010; from \$36.04 in FY 2010 to \$47.38 in FY 2016. The net operating cost per customer boarding, an indicator of cost effectiveness, increased an average of 16.9% annually since FY 2010; from \$1.76 to \$3.54.

Exhibit 5-11 Fixed Route Financial Results, FY 2010-2016

FY	Total Operating Cost	Fare Revenue	Net Operating Cost	Farebox Recovery	Average Fare	Annual Boardings	Net Cost per Boarding	Revenue Vehicle Hours	Net Cost per Hour
2010	\$1,176,851	\$299,829	\$877,022	25.5%	\$0.60	498,520	\$1.76	24,337	\$36.04
2011	\$1,279,934	\$405,110	\$874,824	31.7%	\$0.93	437,041	\$2.00	24,430	\$35.81
2012	\$1,294,208	\$437,253	\$856,955	33.8%	\$0.89	492,714	\$1.74	24,582	\$34.86
2013	\$1,812,113	\$512,384	\$1,299,729	28.3%	\$1.01	505,082	\$2.57	29,500	\$44.06
2014	\$2,126,280	\$576,476	\$1,549,804	27.1%	\$0.92	625,641	\$2.48	42,218	\$36.71
2015	\$2,167,039	\$519,762	\$1,647,277	24.0%	\$0.80	650,048	\$2.53	42,158	\$39.07
2016	\$2,960,122	\$620,972	\$2,339,150	21.0%	\$0.94	660,067	\$3.54	49,374	\$47.38
Change - 6 yrs	151.5%	107.1%	166.7%	-17.7%	56.4%	32.4%	101.4%	102.9%	31.5%
Change - average	25.3%	17.9%	27.8%	-2.9%	9.4%	5.4%	16.9%	17.1%	5.2%

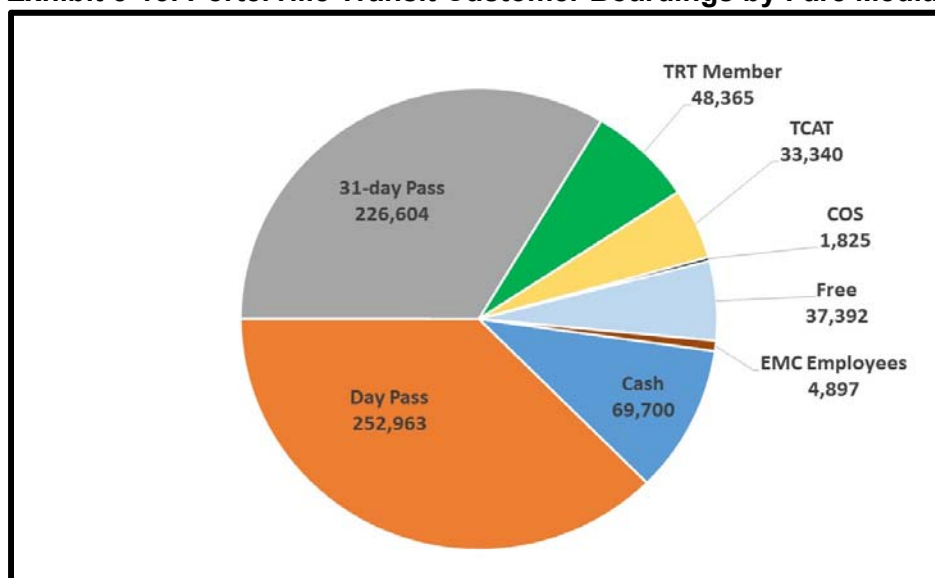
Fare Structure and Rates - Current Porterville Transit fare types and rates are summarized in Exhibit 5-12. Fares are collected on board Routes 1 through 8. No fares are charged on Route 9 through an agreement with the Tule River Nation that pays for 30% of the total operating cost of Route 9 in lieu of onboard fare collection. The present fare structure was implemented in July 2013, when the general cash fare was raised from \$1.25 to \$1.50 and the discount fare for older adults and persons with disabilities was reduced from \$1.25 per trip to \$0.75 per trip. Day passes, 31-day passes, and student passes were newly introduced. Previous fare increases occurred in January 2013 and February 2010.

Exhibit 5-12. Porterville Transit Fares, January 2017

Fare Type	Fare
General (adult)	
Cash	\$1.50
Day pass	\$3.00
31-day pass	\$40.00
Senior/Disability/Military	
Cash	\$0.75
Day Pass	\$1.50
31-day pass	\$20.00
Other Discount Fares	
Student 31-Day Pass (ID required)	\$25.00
Child (age 5 & under) – first two	Free
Additional child – cash	\$1.50
Tule River Tribe member	Free
Eagle Mountain Casino employee	Free
GoCard reloadable farecard	\$1.00

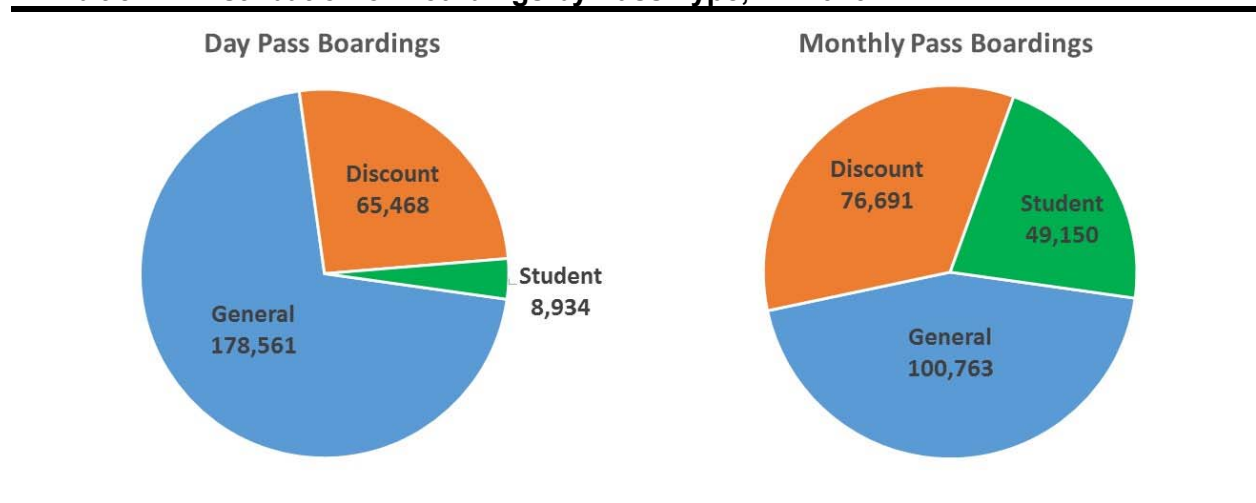
A distribution of fixed route customer boardings by fare media used are highlighted in Exhibit 5-13. The data indicates rapid acceptance of passes by customers in response to generous discounts. Day passes are the most common fare media used by approximately 37% of total boardings. Monthly (31-day rolling) passes are used by one-third of total boardings. Collectively, passes account for more than 70% of total customer boardings. Cash accounted for 10.3% of boarding customers in FY 2016.

Exhibit 5-13. Porterville Transit Customer Boardings by Fare Media Used, FY 2016



Distributions of day and monthly pass boardings are shown in Exhibit 5-14. The Day pass is priced at twice the cash fare, making it a significant value for round-trip customers who transfer to complete their travel, and a convenience other round-trip customers, as well as one-way customers who transfer to complete their travel. The monthly pass is priced at 27 times the one-way cash fare, making it a significant value for frequent travelers who use the system more than 13 times per month. The student monthly pass is priced at under 17 times the one-way cash fare, making it a significant value for students who use the system more than eight days a month. Students comprised nearly 22% of total monthly pass users in FY 2016.

Exhibit 5-14. Distribution of Boardings by Pass Type, FY 2016



5.9 Dial-A-COLT Program Overview

Service Design / Availability - COLT operates demand-responsive transportation service available to the general-public with priority given to persons with disabilities and older adults 65 years of age and over. A key role of COLT is to fulfill the City's obligation to offer complementary paratransit service to persons who are eligible under the Americans with Disabilities Act (ADA) and unable to use the fixed route system. The COLT service area is basically the same as the fixed route network, including the incorporated City of Porterville and selected corridors through unincorporated area Tulare County that are covered by fixed route service. Corridor boundaries are defined within $\frac{3}{4}$ -mile of the fixed route.

ADA-eligible customers may make reservations for same-day service and up to fourteen days in advance of desired travel, or on a subscription (recurring) basis to the extent that capacity allows. Reservations are accepted by telephone between 6:15 am and 7:00 pm on weekdays, and between 8:15 am and 5:00 pm on Saturdays. At all other times, customers may leave a message requesting next-day service.

COLT service is nominally available to the public; however, customers who are not ADA-eligible are limited to same-day travel requests and accommodated only after all ADA-eligible demand is

met. Trip requests are fulfilled on a first come, first serve basis, with priority given to ADA-eligible persons, followed by other older adults and Medicare participants.

Service Span - Service span refers to the days and hours during which service is available to customers. COLT service is available whenever regularly scheduled fixed route is operating.

- **Weekday** service operates a 16.5-hour span from 6:00 am until 10:00 pm with the last bus out of service shortly after 10:30 pm.
- **Saturday** service operates a 14.5-hour span from 8:00 am until 10:00 pm with the last bus out of service shortly after 10:30 pm.
- **Sunday** service operates a 10.5-hour span from 8:00 am until 6:00 pm with the last bus out of service by 6:30 pm.

Ridership Profile - Dial-a-COLT provided 9,726 rides in FY 2016, with daily ridership averaging 33 boardings per weekday, 12 boardings per Saturday, and 15 boardings per Sunday. Program ridership has been declining for a decade as the fixed route system has expanded to seven days per week with longer service hours. As seen in Exhibit 5-15, total ridership declined by nearly 36% since FY 2010, from 15,184 boardings to under 10,000 last year. Total revenue service hours provided dropped by 46% during the same period, resulting in a 20% improvement in service productivity. Average ridership per revenue hour increased from 3.5 boardings per hour in FY 2010 to 4.2 boardings per hour in FY 2016.

Exhibit 5-15. Dial-a-COLT Ridership and Productivity, FY 2010-2016

Fiscal Year	Customer Boardings							Total Revenue	Service Productivity
	Annual Total	Weekday Total Daily		Saturday Total Daily		Sunday Total Daily		Hours	Boardings per Hour
2010	15,184	13,911	55	1,273	22	0	0	4,295	3.5
2011	14,078	12,888	51	1,190	21	0	0	4,039	3.5
2012	13,168	12,043	47	1,125	20	0	0	3,614	3.6
2013	11,090	9,930	39	1,160	20	0	0	2,784	4.0
2014	10,812	9,681	38	1,131	20	0	0	2,556	4.2
2015	10,065	8,772	35	674	13	619	11	2,417	4.2
2016	9,726	8,258	33	625	12	843	15	2,306	4.2

Financial Profile - Recent trends in Dial-a-COLT operating expenses and fare revenues are observed in Exhibit 5-16. Total operating expenses increased by 1.7% annually since FY 2010; from under \$495,000 in FY 2010 to over \$545,000 in FY 2016. Fare revenues increased by 6.7% annually during the same period based on fare increases in 2010 and 2013. The average fare increased by 19.8% annually between FY 2010 and FY 2016; from \$1.51 to \$3.30 per customer boarding. The net operating cost per vehicle service hour, an indicator of cost efficiency,

increased an average of 17.1% annually during the last six fiscal years since FY 2010; from \$109.83 in FY 2010 to \$222.63 in FY 2016. The net operating cost per customer boarding, an indicator of cost effectiveness, increased an average of 11.7% annually since FY 2010; from \$31.03 to \$52.78.

Exhibit 5-16. Dial-a-COLT Financial Results, FY 2010-2016

FY	Total Operating Cost	Fare Revenue	Net Operating Cost	Farebox Recovery	Average Fare	Annual Boardings	Net Cost per Boarding	Revenue Vehicle Hours	Net Cost per Hour
2010	\$494,633	\$22,917	\$471,716	4.6%	\$1.51	15,202	\$31.03	4,295	\$109.83
2011	\$492,893	\$38,798	\$454,095	7.9%	\$2.76	14,078	\$32.26	4,037	\$112.48
2012	\$482,054	\$39,406	\$442,648	8.2%	\$2.99	13,168	\$33.62	3,614	\$122.48
2013	\$420,756	\$33,590	\$387,166	8.0%	\$3.03	11,090	\$34.91	2,784	\$139.07
2014	\$396,726	\$31,833	\$364,893	8.0%	\$2.97	10,711	\$34.07	2,564	\$142.31
2015	\$435,340	\$30,741	\$404,599	7.1%	\$3.05	10,065	\$40.20	2,416	\$167.47
2016	\$545,505	\$32,124	\$513,381	5.9%	\$3.30	9,726	\$52.78	2,306	\$222.63
Change - 6 yrs	10.3%	40.2%	8.8%	27.1%	119.1%	-36.0%	70.1%	-46.3%	102.7%
Change - average	1.7%	6.7%	1.5%	4.5%	19.8%	-6.0%	11.7%	-7.7%	17.1%

Fare Structure and Rates - Current Dial-a-COLT fare types and rates are summarized in Exhibit 5-17. Dial-A-COLT fares were increased in July 2013 \$2.00 per trip to the present \$2.50 per trip for ADA-eligible persons, and from \$3.00 per trip to the present \$5.00 per trip for the general public.

Exhibit 5-17. Dial-a-COLT Fares, January 2017

Fare Type	Fare
Senior / ADA / Military	\$2.50
General Public	\$5.00

5.9.1 Mobility Vision – A Way Forward

Through multiple initiatives addressing quality of life considerations, the City ensures a healthy, connected, supportive environment for its residents. It is within this spirit that the following *guiding principles* will provide the foundation for recommended Dial-A-COLT service plan strategies:

**PT Dial-A-COLT:
shared ride public
transit for those
unable to use
accessible public
transit**

Universal access including an accessible infrastructure;

Flexible mobility options with a cost-effective mix of accessible shared-ride, public transportation services; and

Maximize the utility and investment in accessible conventional transit (mobility management strategies) to encourage a shift from ADA paratransit to conventional public transit.

As a transit provider, Porterville Transit has facilitated a more integrated approach between accessible conventional transit services and Dial-A-COLT (ADA Paratransit) services. Transit has created a user friendly, accessible conventional transit service that may provide additional mobility options for many Dial-A-COLT (paratransit) service registrants. PT's accessible public transit system provides a higher degree of trip making flexibility and facilitates greater travel spontaneity and independence. A truly accessible transit system can become the preferred choice for many people with a disability.

The longer-term vision is to move towards the concept of *universal access* to conventional public transit services. While preserving the integrity of Dial-A-COLT services for those with no alternatives, universal access to conventional transit services requires the need to address ancillary considerations including an accessible infrastructure, streetscape, audible signals, etc.

7.0 PLANNED IMPROVEMENTS – SERVICE PLAN

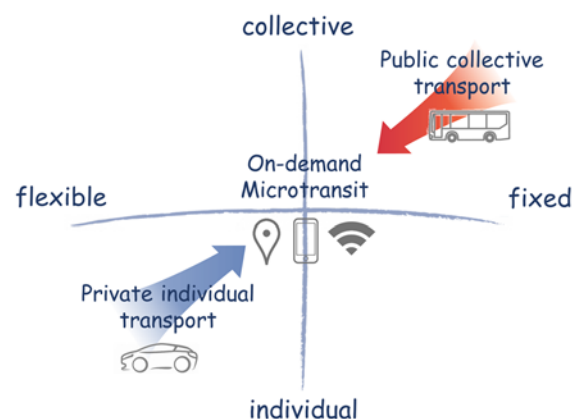
This chapter provides the proposed plan to restructure the Porterville Transit (PT) applying industry best practices for network design, route alignment, schedule construction, and customer-oriented service quality criteria.

This chapter is structured to reflect the following sections:

- 7.1 Network Design Objectives
- 7.2 Service Span
- 7.3 Service Frequency
- 7.4 Schedule Composition
- 7.5 Proposed Route Changes
- 7.6 Impacts of Proposed Service Changes
- 7.7 Resource Requirements

Supplemental Microtransit Solutions: Complementing the scalability of the recommended network, City staff may want to explore alternate microtransit solutions (community based, demand-response service) to provide supplemental service in areas and/or times of day of low travel density throughout the transit service area.

Microtransit is relatively new market niche with many start-ups resulting in recent business successes. Generally, the defining characteristics of microtransit service include: On-demand, shared-ride transportation service; a customized vehicle fleet ranging from individually-owned driven cars driven by independent contractors or operated by a transit agency, to electric carts, vans, small and large buses equipped with amenities such as Wi-Fi, USB outlets, and larger seats; and customer access facilitated using a mobile phone application to hail (e-hail) a ride or reserve a seat in a group service.



7.1 Network Design Objectives

The existing route network was conceived more than 20 years ago, for a smaller, more compact Porterville in which most local trips either began or ended in the downtown area. Today's Porterville is geographically more spread out with many more destinations dispersed throughout the service area. Retail shopping centers around W Henderson Avenue and Highway 65, and along S Jaye Street on both sides of Highway 190. Several new schools have been built in outlying areas and the new municipal sports complex is located six miles southwest of Downtown. Medium density residential neighborhoods now extend west of Westwood Street, and lower density development has occurred in northeast Porterville. To the east, the Tule River Reservation was added to the service area in 2012.

The five-year service plan proposes significant network restructuring intended to make Porterville Transit simpler to understand and easier to use, with fewer routes covering generally longer alignments that offer more one-seat ride opportunities between origins and destinations across the service area. The current emphasis on Downtown Porterville is retained, but at the same time, new direct crosstown travel opportunities become available to transit customers. The proposed system is designed to reduce onboard travel times, replace transfers with one-seat rides where possible, and improve customers' travel experience.

Key design objectives include:

7. Simply the system– The current network is unnecessarily complicated and should be easier to understand for new and existing customers. The proposed service plan reduces the number of routes from nine to five, and forms longer alignments operating more directly between origins and destinations with fewer transfers required. Bus routes should use the same streets in both directions whenever possible.
8. Reduce transit travel times – Existing loop alignments and the Downtown transfer hub system design results for many customers in excessively long bus rides. Longer, straighter routes facilitate faster travel by avoiding time-consuming transfers where possible, and reducing out-of-direction travel caused by meandering one-way loop alignments.
9. Reduce customer wait times – Improving the frequency of Porterville Transit service is a key design objective given its positive influence on ridership and productivity. Funding constraints aside, a system-wide 30-minute minimum service frequency is recommended to encourage per capita transit ridership in Porterville. As an interim step, the service plan assumes a 40-minute minimum frequency applied system-wide. This would upgrade frequency on three routes (7 – 9) that currently operate less frequently than 40 minutes.
10. Minimize route duplication – Optimization of resources is acknowledged as essential to the service plan in consideration of perennial transit funding concerns. Network redesign addresses route spacing to avoid duplicate coverage by more than one route in most travel corridors, except where desired in the Downtown area and the W Henderson Avenue retail district. Areas currently receiving duplicative coverage include N Main Street between

Morton and Henderson; E Putnam Avenue between Main Street and Plano Street; and W Putnam Avenue between D Street and Indiana Street.

11. Replace marginal fixed route service with flex route service – The service plan constructively addresses concerns about low-productivity route segments with nominal ridership activity and limited short-range potential for improvement. Rather than abandoning coverage, two flex service areas are recommended in northeast and southeast Porterville. Two proposed flex routes (4, 5) combine the desirable characteristics of fixed schedules and bus stops on route segments where higher ridership is possible; and demand-responsive service available to the general public by request via mobile app, cell phone, or website.
12. Coordinate with the Tule River Tribe to achieve shared short-range service development objectives, including a transition of direct operation of service on the Reservation operated directly by the Tribe, and improved Porterville Transit service between the Highway 190 Park-Ride lot and Porterville.

7.2 Service Span

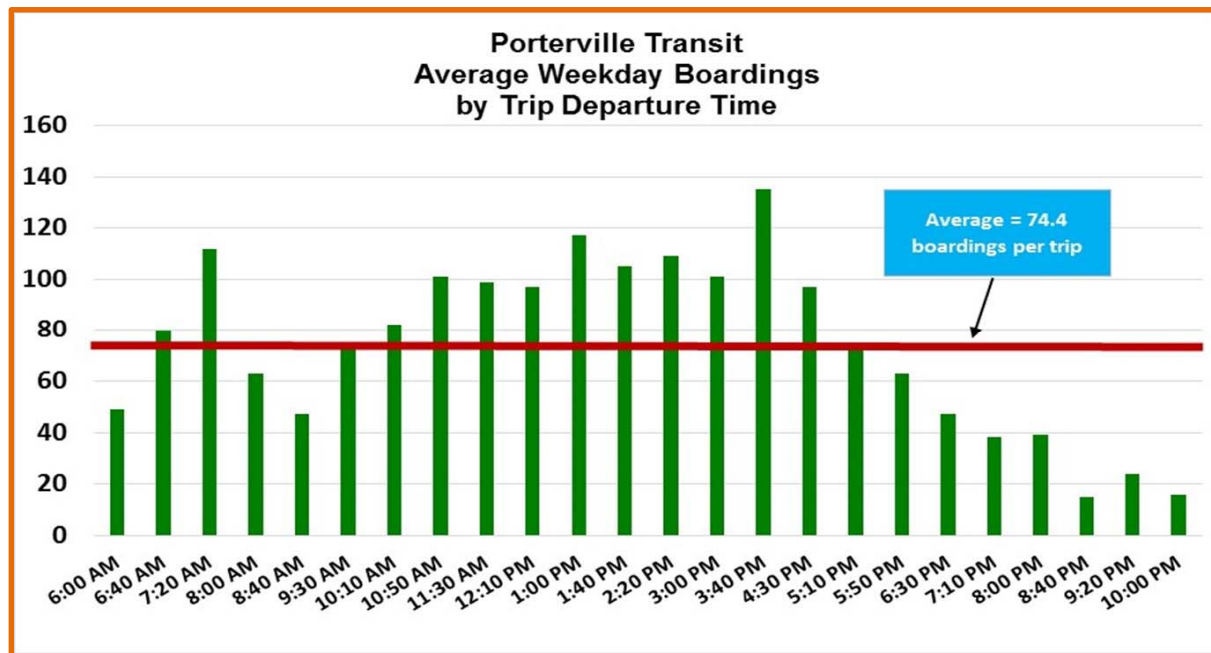
Service span refers to the days and hours during which service is available to customers. In recent years, Porterville Transit has systematically expanded fixed route system hours to present levels. The proposed service plan recommends two significant changes resulting in a one-hour longer weekday service span of 5:30 am to 11:00 pm.

3. Earlier Weekday Service – Expand weekday morning service from the present 6:00 am one-half hour earlier to 5:30 am. This 30-minute improvement should be considered a new service demonstration with a 12-18 month combined ridership target of 80 or more boardings on the first two trips with scheduled departures at 5:30 am and 6:10 am. If attained, this threshold reflects a roughly two-thirds increase above October 2016 performance.
4. Weeknight Flex Service – Rather than rolling back low-productivity weeknight service generally after 8:30 pm, conversion of existing fixed route coverage to city-wide flex route service is recommended. Initially, four buses assigned to service area quadrants would operate on flexible routes and schedules built around a 40-minute cycle pulsing at the Downtown Transit Center. Proposed service hours are 8:30 pm to 11:00 pm.

The foregoing recommendations are based on data compiled in Exhibit 7-1, which shows the cumulative average total number of customer boardings on weekday trips operating between 6:00 am and 10:40 pm. The data reflects ridership aboard Routes 1-8 on selected weekdays in October 2016. System ridership varies from almost 140 customers boarding buses at 3:40 pm, to approximately 15 customers boarding buses at 8:40 pm. The pattern reflects greater customer demand for early morning service than for evening and weeknight service. For example, first trips departing from the DTC at 6:00 am generated higher ridership (49 boardings) than any trip

departing after 6:00 pm. Beginning with the 7:10 pm departures, system ridership drops below five boardings per trip (*i.e.*, fewer than 35 total boardings on seven buses in service).

Exhibit 7-1. Weekday System Boardings by Trip Departure Time, October 2016



7.3 Service Frequency

As noted earlier, the fiscally-constrained service plan assumes 40-minute service frequencies on all routes. This represents a modest improvement for customers riding routes with hourly (Route 9) and 80-minute (Routes 7 and 8) frequencies

Looking ahead, an eventual restoration of 30-minute frequencies system-wide is recommended within or beyond the five-year planning period, as affordable.

7.4 Schedule Composition

The service plan recommends expansion of current 40-minute schedule cycles to 80 minutes initially, and eventually to 90 minutes to achieve key operational objectives including maintaining operating safety, protecting schedule integrity, improving on-time performance, and accommodating operator breaks mandated by Wage Order 9 without dropping service frequency to 50 minutes several times per day. The longer cycles allow the selective interlining of service through Downtown to form four longer routes offering both crosstown and downtown-oriented connections. Two buses each are assigned to proposed Routes 1 - 4, and one bus is assigned to Route 5.

Adequate recovery time is essential to protect schedule integrity amidst recurring operating conditions such as wheelchair ramp-assisted boardings and alightings, customers with bicycles,

traffic delays due to vehicular accidents and congestion, accommodate operator needs; and, to avoid a “domino effect” of lateness compounding over consecutive trips resulting in missed trips.

Ideally the schedule cycle should include recovery dwell time equivalent to 15% of round trip running time. This equates to up to 70 minutes of round trip running time and 10 minutes of scheduled recovery time per 80-minute cycle. As service frequencies improve from 40 to 30 minutes in the latter years of the five-year plan, schedule cycles will increase to 90 minutes containing up to 79 minutes of round trip running time and at least 11 minutes of scheduled recovery time.

Looking beyond the five-year planning horizon, a 120-minute schedule cycle may become optimal as the geographic footprint of the service area expands. A prototypical schedule cycle would be up to 105 minutes of round-trip running time and at least 15 minutes of scheduled recovery time.

7.5 Proposed Route Changes

Route 1 – Tule River / W Olive

Shown in Exhibits 7-2.A and 7-2.B, Route 1 forms a new crosstown alignment running predominantly east-west across the City on a mostly bi-linear 7.1-mile alignment between the Hwy 190 Park-Ride lot to S Westwood Street at Olive Avenue. The alignment replaces portions of existing Routes 1 and 9 connected through Downtown Porterville.

Key destinations include the Hwy 190 Park-Ride lot; Salvation Army store; Heritage Community Center; Eastridge Plaza / Vallarta’s Market; Tulare County Superior Court; Smith’s Town Square Shopping Center; Downtown Transit Center; Town & Country Shopping Center; Porterville High School; Memorial Auditorium; Veterans Memorial Building; Port Naz Christian Academy; Summit Charter Academy; Westwood Village Mobile Home Park; Jim Maples Academy and Burton Elementary School.

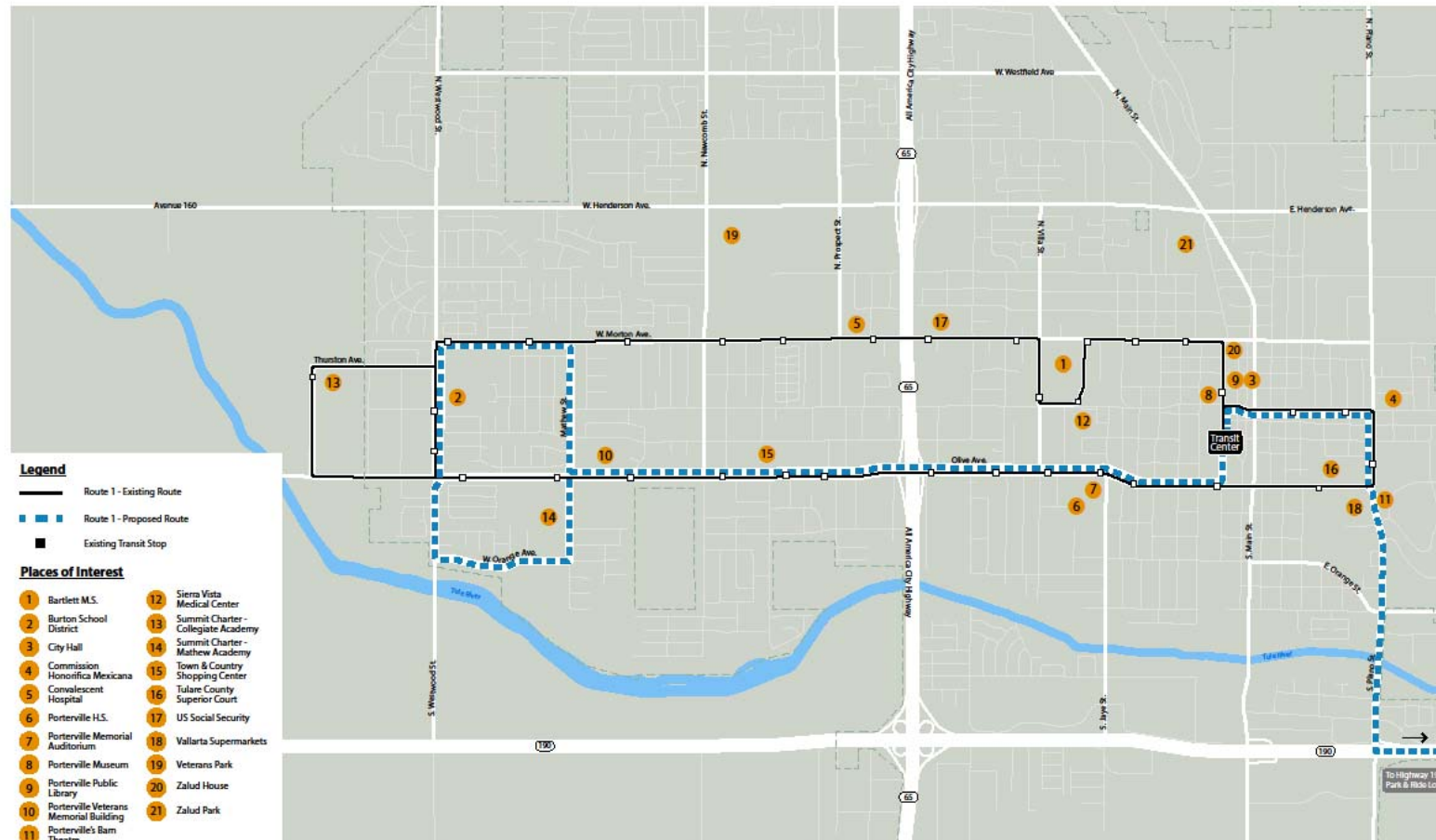
East of Downtown, the proposed alignment is unchanged from existing Route 9 with bi-linear coverage on E Putnam Avenue, Plano Street and Hwy 190. The plan assumes truncation of the current route at the Hwy 190 Park-Ride Lot concurrently with implementation of new service on the Tule River Reservation to be operated by the Tule River Tribe.

West of Downtown, the proposed alignment consists of two-way operation on W Olive Avenue between D Street and Mathew Street. This segment currently is served westbound-only. Buses turn around using a one-way clockwise loop consisting of S Mathew Street to W Orange Avenue, and S Westwood Street to Olive Avenue; then continuing north on Westwood to W Morton Avenue and Mathew Street returning to Olive Avenue. Weekday schedules will be coordinated with Burton School District (BSD) shuttle buses near Summit Charter Academy on S Mathew at W Clare Avenue. Currently BSD transfers students twice per day (at 7:30 am and 2:30 pm) home-based school bus routes and shuttles connecting to its school campuses. Connecting Route 1 will this transfer point will allow Porterville Transit to discontinue existing Route 1 and 2 deviations west of Westwood Street to Burton Middle School and Summit Charter Collegiate Academy.

Exhibit 7-2.A: Route 1 – Tule River



Exhibit 7-2.B: Route 1 - Olive



Proposed Route 1 - Olive

Route 2 – Morton / Jaye

Shown in Exhibits 7-3.A and 7-3.B, Route 2 combines portions of Routes 1, 5 and 6 into a single alignment extending 7.3 miles between Westwood Street and the Family Health Care facility located southwest of Highways 65 and 190.

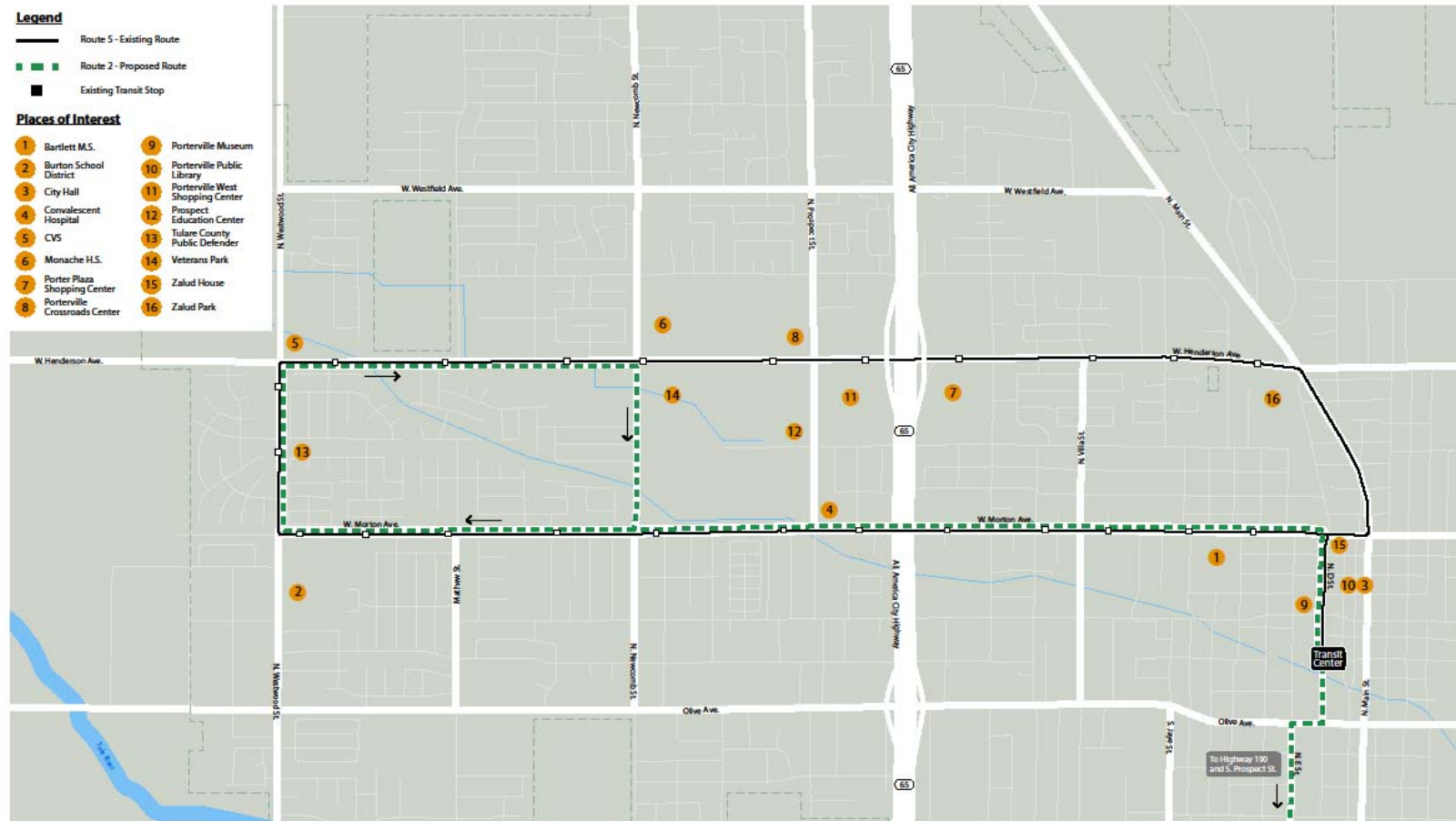
Key destinations along the route include Monache High School; Burton Elementary School; Belleview Elementary School; Bartlett Middle School; Skatepark in Veterans Park; Smith's Town Square Shopping Center Parkview Apartments; Villa Robles Apartments; Lowe's and Home Depot stores; Best Western and Holiday Inn Express; and Family Health Network.

West of Downtown, the proposed alignment includes two-way operation on W Morton Avenue between D Street and N Newcomb Street. West of Newcomb, buses operate a one-way consisting of W Morton Avenue to N Westwood Street; then continuing north on Westwood to east on Henderson Avenue, south on Newcomb Street and returning to W Morton Avenue.

South of Downtown, the proposed alignment mostly overlays existing Route 6 with three modifications:

- A. Discontinue coverage on W Montgomery Avenue and Poplar Avenue, instead using the Jaye Street rotary to turn around and stop adjacent to the Holiday Inn Express. Relocate the existing stop eastbound on Montgomery to Jaye Street adjacent to the Holiday Inn Express. The proposed change would discontinue service to one bus stop located on southbound Poplar near the Denny's Restaurant and Best Western Inn. Recent average weekday ridership activity at this stop is one boarding and zero alightings.
- B. Provide two-way service to the Riverwalk Marketplace and adjacent residential neighborhood located mostly west and north of S Indiana Street and W Springvale Avenue. Given existing development, it is recommended that morning trips operate northbound through Riverwalk and southbound on Jaye Street; and that afternoon trips operate in reverse. This pattern would best serve area residents with shorter travel times to Downtown and other parts of the City in the morning, and comparable return service in the afternoon. If the planned Walmart store development at Riverwalk moves forward, the City should consider an internal street network that would allow buses to circulate efficiently through the heart of the development with two-way service on the same streets.
- C. Discontinue deviation service on E Street south of Orange Avenue to River Avenue. Operate two-way service on W Orange Avenue between Jaye Street and E Street, and two-way service on E Street between Orange Avenue and Olive Avenue.

Exhibit 7-3.A: Route 2 – Morton



Proposed Route 2 - Morton

Route 3 – East Porterville / Henderson

Shown in Exhibits 7-4.A and 7-4.B, Route 3 forms a new crosstown alignment running predominantly east-west across the City on a mostly bi-linear 9.1-mile alignment between East Porterville and the W Henderson Avenue corridor. The alignment replaces portions of existing Routes 2, 3 and 5 connected through Downtown Porterville.

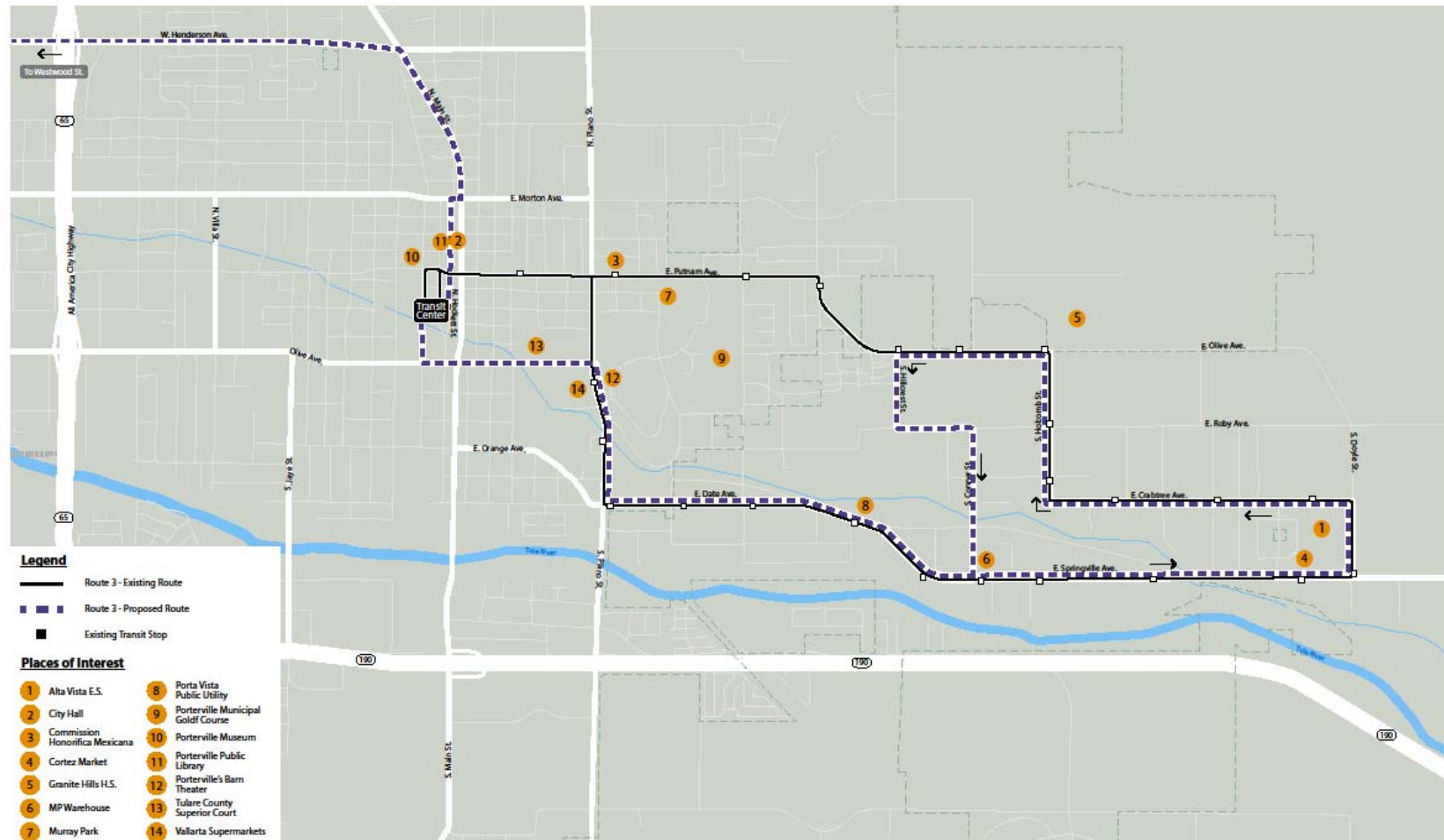
Key destinations include Granite Hills High School; Alta Vista Elementary School; Eastridge Shopping Center; Guadalajara Meat Market; Salvation Army store; Tulare County Superior Court; Heritage Community Center; Porterville Place, Save Mart, Porterville Town Center and Porterville West shopping centers; Monache High School; Skatepark in Veterans Park; and Zalud Park.

East of Downtown, the proposed alignment maintains existing Route 3 coverage between S Plano Street and Granite Hills High School via E Date Avenue, E Springville Avenue, S Doyle Street, E Crabtree Avenue and S Holcomb Street. Realignment is proposed in two areas:

- Between the Transit Center and S Plano Street, it is recommended that the alignment make use of D Street and Olive Avenue, both to expedite transit travel times from the east side of the City, and to avoid duplication with other routes on Putnam Avenue.
- Returning from Granite Hills HS to Downtown, it is recommended that the alignment continue west on Olive Avenue to south on Hillcrest Street, east on Roby Avenue; south on S Conner Street; and returning to E Springville Avenue. This change would reduce the size of the one-way loop through East Porterville to equalize two-way travel times for as many area households as possible. While there will continue to be one-way service east of S Conner Street, the potential for convenient round-trip travel by bus to destinations will be eliminated.

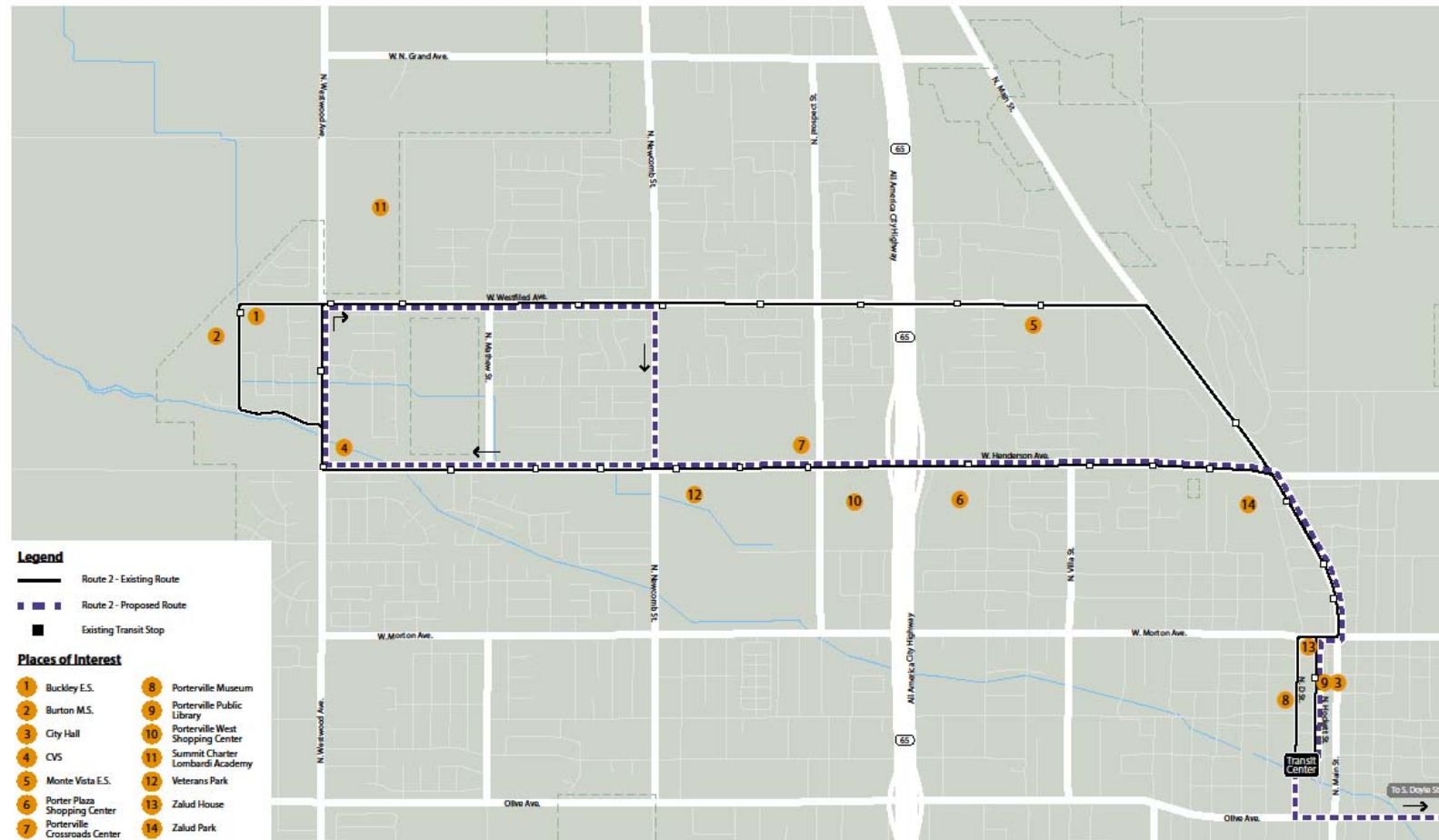
West of Downtown, provide two-way service on N Main Street and W Henderson Avenue through the retail district and continuing toward Westwood Street. Coverage west of the intersection of Henderson Avenue and Newcomb Street is provided with a one-way terminal loop operating clockwise via Henderson Avenue, Westwood Street, Westfield Avenue, and Newcomb Street and rejoining the two-way route at Henderson Avenue.

Exhibit 7-4.A: Route 3 – East Porterville



Proposed Route 3 - East Porterville

Exhibit 7-4.B: Route 3 – Henderson



Proposed Route 3 - Henderson

Route 4 – Prospect / Main

Shown in Exhibits 7-5.A and 7-5.B, Route 4 forms a new north-south alignment running nine miles through central Porterville between W N Grand Avenue at N Prospect Street on the City's north side to Porterville College and Porterville Developmental Center. It replaces portions of existing Routes 4 and 7 interlined through the Downtown Transit Center.

Key destinations include Sierra View Medical Center and other medical offices along Putnam Avenue; Sierra Place Apartments on Indiana Street; and the Henderson-Hwy 65 retail district containing Target, Walmart, Porter Plaza/Galaxy 9 Theater, Porterville Place, Porterville Town Center, Porterville West and Save-Mart shopping centers.

North of Downtown, existing one-way loop coverage is replaced by two-way operation on W Putnam Avenue, N Indiana Street, W Henderson Avenue and N Prospect Street. Coverage north and east of the intersection of W Westfield Avenue and N Prospect Street is provided with a one-way loop running counter-clockwise via W Westfield to Milo Street and Pioneer Avenue, passing Porterville Adult School; then continuing via Pioneer to Highway 65, W North Grand Avenue and Prospect Street returning to Westfield Avenue, where it rejoins the two-way alignment. This segment partly replaces existing Route 5 eastbound-only service on Westfield Avenue between Prospect Street and Milo Street.

Bus operators cited concerns with the location of existing bus stops located near the intersection of Westfield Avenue and Milo Street. Currently there are separate stops for Route 2 on eastbound Westfield before Milo Street, and for Route 7 on northbound Milo Street north of Westfield Avenue. The specific concern is with the stop on Westfield, which operators feel is not safe given the speed of traffic descending from the overpass over Hwy 65. Given the proposed changes to the route structure, it is suggested that the stop on Westfield be removed. Additionally, an operator cited a safety concern making the left turn from northbound Hwy 65 to westbound W North Grand Avenue. This intersection is signalized with a left turn lane and left turn signal phase; hence, further discussion with bus operators on this issue is suggested.

South of Downtown, two-way service on S Main Street is established between Putnam Avenue and College Avenue. This would equalize transit travel times between Downtown and Porterville College to encourage round trip ridership among college students, visitors and employees. Recent data indicates that the number daily boardings by customers leaving the campus on northbound trips is more than twice the number arriving to campus. This reflects the split alignment running southbound on S Plano Street and E Worth Avenue to Porterville Developmental Center before servicing the campus stop on Main Street at E College Avenue. Two-way routing on Main between Downtown and Porterville College would reduce walking distance for riders presently alighting from southbound service on Plano Street near the ballfields and walking at least one-third of a mile to classrooms and other campus buildings.

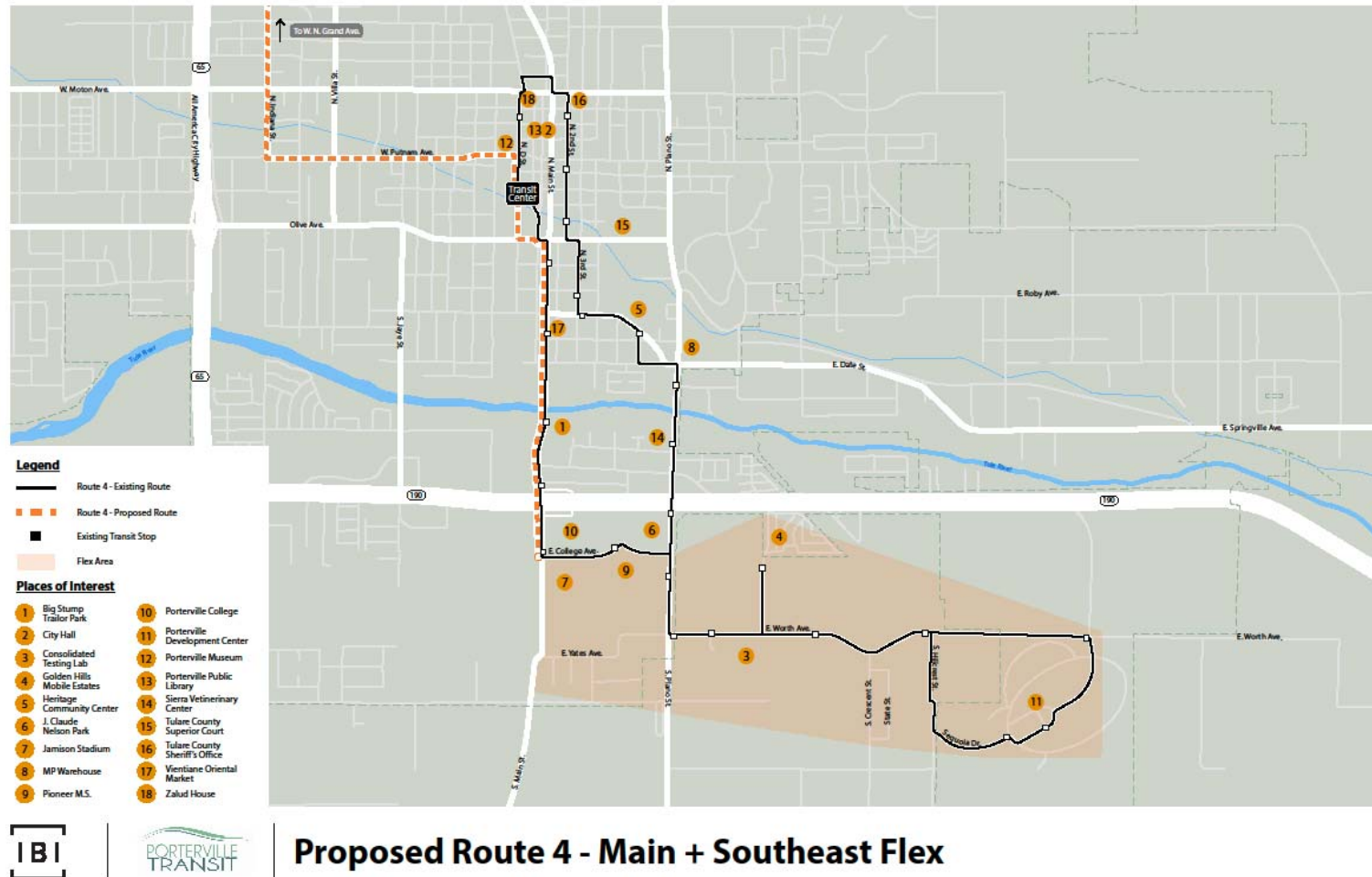
The plan replaces existing fixed route coverage along E Worth Avenue with a flexible service zone east of Porterville College that encompasses Ponca, Golden Hills Estates, Crestview-State Street subdivision, and Porterville Developmental Center (PDC). The proposed Southeast Flex zone is bounded by Main Street on the west; E Gibbons Avenue, Warzee Avenue and Sequoia Drive on the south; Blue Heron Parkway on the east; and Hwy 190 on the north. The focus of

the flex zone is to reduce walking distances for area residents located in a wider corridor centering on E Worth Avenue, and to maintain an appropriate level of service for Foster Grandparents Program volunteers who travel to and from the PDC.

Exhibits 7-5.A: Route 4 – Prospect



Exhibits 7-5.B: Route 4 – S Main + Southeast flex

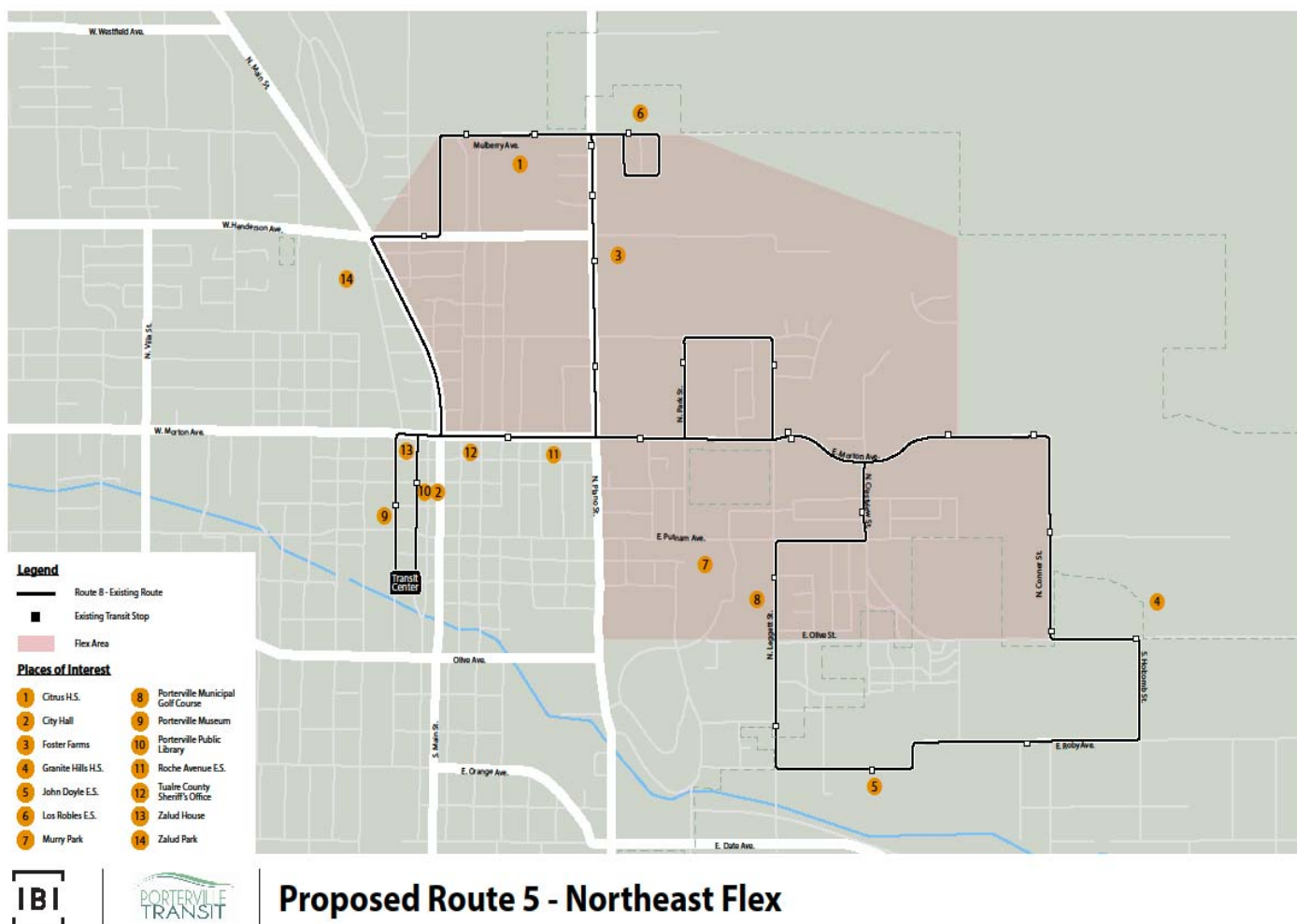


Route 5 – Northeast Flex

Shown in Exhibit 7-6, Route 5 is a mostly flexible service covering lower density neighborhoods of the City currently served primarily by Route 8. The proposed Northeast Flex zone is bounded by E Mulberry Avenue on the north; Lisa Lane and Granite Hills High School on the east; E Olive Avenue on the south; and Plano Street (south of Morton) and N Main Street (north of Morton) on the west. A short-fixed route segment operates between the Transit Center and the flex zone boundary via E Putnam and N 4th Street to serve the Senior Center.

Key destinations include Citrus High School, Granite Hills High School, the City Pool in Murry Park, Porterville Senior Center, Foster Farms, and Los Robles Elementary School.

Exhibit 7-6: Route 5 – Northeast Flex



Sports Complex Service Demonstration

The possibility of service to the sports complex was mentioned by stakeholders and the public. Accordingly, a limited service demonstration is recommended to determine. The facility is located at 2701 W Scranton Avenue, which is approximately 2.5 miles southwest of the nearest proposed route (1 Tule River / Olive) at the intersection of S Westwood Street and W Orange Avenue

The service plan assumes one bus operating up to six round trips on Saturdays between 7:00 am and 1:00 pm. A fixed or flex-route service mode is possible running from the Heritage Community Center (256 E Orange) with stops at the DTC and along W Olive Avenue. Alternatively, one or more weekday evening service (4:30pm – 8:30pm) could be offered. Further discussion with the City's Community Development staff is suggested to finalize the service plan.

7.6 Impacts of Proposed Service Changes

This section reviews existing route segments that are significantly affected by the proposed service plan. Existing coverage is mostly retained with some exceptions. Service changes often involve trade-offs between the walking distance required to access the transit system and the quality of service offered by the system. Areas in which existing service would be changed significantly are described in the following paragraphs.

- Northeast Porterville currently is served by Route 8 operating mostly one-way service at a low (80-minute) service frequency. Ridership is quite low at just 2.9% of total fixed route boardings in FY 2016, and Route 8 is the least productive route in the current network at 7.4 boardings per revenue service hour, or 44% below the system average. Most of the area covered by Route 8 is within the proposed Route 5 Northeast Flex service area. Key trip generators including Granite Hills High School, Sequoia Villa Apartments, Foster Farms, and Citrus High School will still be served.
- School service west of Westwood Street currently is provided by deviation trips made by Routes 1 and 2 around morning and afternoon school bell times at Summit Charter Collegiate Academy and Burton Middle School. Discontinuation of these trips would impact up to seven students arriving to SCCA in the morning and two students departing in the afternoon via Route 1; and one student arriving to Burton Middle School and two students departing in the afternoon via Route 2. However, the proposed service plan offers alternative coverage by coordinating schedules with Burton School District shuttle buses and a timed transfer at S Mathew Street and W Clare Avenue.
- N Jaye Street currently is served by Route 6 offering one-way (southbound) service along a 0.6-mile segment between W Putnam Avenue and W Orange Avenue. Recent ridership data indicates that no customers would be impacted by discontinuation of service on this segment. Most of the ridership activity focuses on Sierra View Medical Center, which is covered by proposed Route 4; and on Bartlett Middle School, which is covered by Routes 2 and 4.

- N Main Street and W Westfield Avenue currently are served by Routes 2 and 7 running in opposing directions on N Main between Henderson Avenue and Westfield Avenue, and on W Westfield east of Milo Street. Ridership data indicates that activity on this segment is limited to Route 2 with three boardings and one alighting per day at Monte Vista School. These customers retain transit access via proposed Route 4 at the intersection of Milo Street and W Westfield Avenue, which is approximately 500 feet (0.1 mile) west of the school and connected by sidewalks and pedestrian crosswalks at N Indiana Street. Route 7 generates no boardings or alightings on this segment.
- W Westfield Avenue west of N Milo Street currently is served by Route 2 one-way (eastbound) between N Westwood Street and N Milo Street. Ridership data indicates weekday average 25 boardings and 26 alightings on the 1.9-mile segment. The proposed service plan provides replacement coverage between N Westwood and N Newcomb via Route 3, and between N Prospect Street and Milo Street via proposed Route 4. However, no service would be available on the 0.5-mile segment of Westfield between N Newcomb and N Prospect. Only one bus stop is located on this segment opposite Atkins Way. Recent average weekday ridership activity at this stop is two boardings and four alightings. It is recommended that a new bus stop be installed on Prospect Street southbound at the near side of Westfield Avenue, adjacent to the Stop 'n Save Market.
- East Orange Avenue and S B Street west of Plano Street and south of Olive Avenue currently receives one-way service (southbound/eastbound) via Route 4. Two significant destinations are located along this segment are:
 - o *Heritage Community Center*, which is accessed from the existing bus stop at E Orange Avenue and S B Street (zero boardings / 9 alightings per weekday). Alternative access will be provided by proposed Route 4 at Main Street and Orange Avenue, which is approximately 500 feet (0.1 mile) west of B Street.
 - o *Santa Fe School*, which is accessed from the existing bus stop on E Orange Avenue and S Cornell Street (1 boarding / 3 alightings per weekday). Alternative access will be available on S Plano Street at E Orange Avenue, which is approximately 700 feet (0.15 mile) to the east of the existing stop. However, new stops and a pedestrian crossing at S Plano and E Locust Avenue would reduce walking distance to 500 feet. It should be noted that the existing stop at Cornell Street is located across E Orange Avenue from the school with no safe way to cross the street. Therefore, the small number of current customers who utilize this need to walk to S Plano Avenue to cross E Orange Avenue safely.
- Sequoia Village Apartments, located on S E Street at E Date Avenue, currently is served by Route 6 on northbound trips only. Porterville Transit bus operators cite time and safety concerns with the 0.75-mile deviation loop via E Street, W Date Avenue, G Street and W River Avenue required to approach the bus stop at Sequoia Village. The proposed service plan discontinues the deviation south of W Orange Avenue, and would require that existing customers walk approximately 1,100 feet (0.2-mile) north on E Street to the nearest stop

on W Orange Avenue. Currently, nine customers board and three alightings per average weekday occur at Sequoia Village.

- Porterville Developmental Center and Golden Hills Estates currently are served by Route 4 with two-way fixed route coverage on E Worth Avenue east of S Plano Street. Ridership data indicates 12 boardings and five alightings on the 1.6-mile segment; of which half are Foster Grandparent Program volunteers traveling to and from the PDC campus. The service plan proposes conversion of existing fixed route coverage to flex route service. This will expand coverage to new areas suggested by Porterville Transit bus operators, including Ponca and the S Crestview Street residential subdivision.
- Tule River Reservation - The service plan accommodates the shared objectives of the City and Tule River Tribal Council to improve transit service while transitioning direct operating responsibility for service on the Reservation to the Tribe from Porterville Transit. Concurrent with Tribal assumption of service delivery, proposed Route 1 would improve service frequency by 50% (from hourly to every 40 minutes) between the Highway 190 Park-Ride lot and offer more direct connections to destinations west of Downtown Porterville.

7.7 Resource Requirements

Two scenarios are presented to frame the discussion for funding Porterville Transit annually through FY 2022. Both assume the restructured route network and service span as proposed. The main difference between the two is service frequency.

- Scenario A - 40-minute System Frequency offers an inflation-adjusted no-growth option intended to maintain current level of fixed route service (LOS) at nine (9) peak buses and approximately 48,700 annual revenue vehicle hours. Key LOS characteristics are summarized in Exhibit 7-7. First year revenue hours are 1.4% lower than actual FY 2016 hours. A three percent (3%) inflation rate is assumed annually beginning in FY 2018.
- Scenario B – 30-minute System Frequency offers an assertive growth option focused on upgrading system-wide service frequency to 30 minutes. Attaining this objective would require five additional peak buses (total 14) and approximately 25,000 additional revenue service hours (total 73,800) annually. These targets reflect a more than 50% increase in operating resources for the transit system. Key first-year LOS characteristics are summarized in Exhibit 7-8.

These scenarios are intended to book-end the discussion of transit system funding, and the City is not limited to either one or the other. Service frequency improvements are scalable by upgrading LOS on one or more routes at a time. To illustrate, the cost of upgrading Routes 1 – 4 is one peak vehicle and approximately 4,500 revenue service hours per route, or 9.1% more than Scenario A LOS. The cost of upgrading Route 5 is slightly greater than Routes 1 – 4. The incremental cost of expanding city-wide flex route service after 8:30 pm will depend on the level

of demand for the service at the time, but could range from no incremental cost to one or more additional buses when needed.

Exhibit 7-7: Scenario A – Key LOS Characteristics

Scenario A
Year 1 LOS Characteristics

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WEEKDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		Peak	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		5:30 AM	8:30 PM	40	40	40	--	80	2	2	2	0	30	7,590	22	5,566
2 Morton / Jaye		5:30 AM	8:30 PM	40	40	40	--	80	2	2	2	0	30	7,590	22	5,566
3 East Porterville / Henderson		5:30 AM	8:30 PM	40	40	40	--	80	2	2	2	0	30	7,590	22	5,566
4 Main / Prospect		5:30 AM	8:30 PM	40	40	40	--	80	2	2	2	0	30	7,590	22	5,566
5 Northeast Flex		5:30 AM	8:30 PM	40	40	40	--	40	1	1	1	0	15	3,795	22	5,566
6 City Wide Evening Flex		8:30 PM	11:00 PM	--	--	--	40	40	0	0	0	4	10	2,530	14	3,542
Subtotal, Weekday									9	9	9	4	145	36,685	124	31,372

SATURDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		AM	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		8:00 AM	8:30 PM	40	40	40	--	80	2	2	2	0	25	1,300	18	936
2 Morton / Jaye		8:00 AM	8:30 PM	40	40	40	--	80	2	2	2	0	25	1,300	18	936
3 East Porterville / Henderson		8:00 AM	8:30 PM	40	40	40	--	80	2	2	2	0	25	1,300	18	936
4 Main / Prospect		8:00 AM	8:30 PM	40	40	40	--	80	2	2	2	0	25	1,300	18	936
5 Northeast Flex		8:00 AM	8:30 PM	40	40	40	--	40	1	1	1	0	13	650	18	936
6 City Wide Evening Flex		8:30 PM	11:00 PM	--	--	--	40	40	0	0	0	4	10	520	16	832
Sports Complex Special		7:00 AM	1:00 PM						1	1	--	--	6	312	6	312
Subtotal, Weekday									10	10	9	4	129	6,682	112	5,824

SUNDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		Peak	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		8:00 AM	6:30 PM	40	40	40	--	80	2	2	2	0	21	1,176	15	840
2 Morton / Jaye		8:00 AM	6:30 PM	40	40	40	--	80	2	2	2	0	21	1,176	15	840
3 East Porterville / Henderson		8:00 AM	6:30 PM	40	40	40	--	80	2	2	2	0	21	1,176	15	840
4 Main / Prospect		8:00 AM	6:30 PM	40	40	40	--	80	2	2	2	0	21	1,176	15	840
5 Northeast Flex		8:00 AM	6:30 PM	40	40	40	--	40	1	1	1	0	11	588	15	840
6 City Wide Evening Flex		--	--	--	--	--	--	40	0	0	0	0	0	0	0	0
Subtotal, Weekday									9	9	9	0	95	5,292	75	4,200
Total													48,659		41,396	

Exhibit 7-8: Scenario B – Key LOS Characteristics

Scenario B
 Year 1 LOS Characteristics

WEEKDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		Peak	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		5:30 AM	8:30 PM	30	30	30	--	90	3	3	3	0	45	11,385	28	7,084
2 Morton / Jaye		5:30 AM	8:30 PM	30	30	30	--	90	3	3	3	0	45	11,385	28	7,084
3 East Porterville / Henderson		5:30 AM	8:30 PM	30	30	30	--	90	3	3	3	0	45	11,385	28	7,084
4 Main / Prospect		5:30 AM	8:30 PM	30	30	30	--	90	3	3	3	0	45	11,385	28	7,084
5 Northeast Flex		5:30 AM	8:30 PM	30	30	30	--	60	2	2	2	0	30	7,590	28	7,084
6 City Wide Evening Flex		8:30 PM	11:00 PM	--	--	--	30	30	0	0	0	4	10	2,530	20	5,060
Subtotal, Weekday									14	14	14	4	220	55,660	160	40,480

SATURDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		AM	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		8:00 AM	8:30 PM	30	30	30	--	90	3	3	3	0	38	1,950	25	1300
2 Morton / Jaye		8:00 AM	8:30 PM	30	30	30	--	90	3	3	3	0	38	1,950	25	1300
3 East Porterville / Henderson		8:00 AM	8:30 PM	30	30	30	--	90	3	3	3	0	38	1,950	25	1300
4 Main / Prospect		8:00 AM	8:30 PM	30	30	30	--	90	3	3	3	0	38	1,950	25	1300
5 Northeast Flex		8:00 AM	8:30 PM	30	30	30	--	60	2	2	2	0	25	1,300	25	1300
6 City Wide Evening Flex		8:30 PM	11:00 PM	--	--	--	30	30	0	0	0	4	10	520	20	1040
Sports Complex Special		7:00 AM	1:00 PM						1	1	--	--	6	312	6	312
Subtotal, Saturday									15	15	14	4	191	9,932	151	7,852

SUNDAY		Service Span		Frequency (minutes)				Schedule Cycle	Buses in Service				Revenue Service Hours		Scheduled Round Trips	
Route		Begin	End	Peak	Midday	Eve	Night		Peak	Base	Eve	Night	Day	Annual	Day	Annual
1 Tule River / Olive		8:00 AM	6:30 PM	30	30	30	--	90	3	3	3	0	32	1,764	21	1176
2 Morton / Jaye		8:00 AM	6:30 PM	30	30	30	--	90	3	3	3	0	32	1,764	21	1176
3 East Porterville / Henderson		8:00 AM	6:30 PM	30	30	30	--	90	3	3	3	0	32	1,764	21	1176
4 Main / Prospect		8:00 AM	6:30 PM	30	30	30	--	90	3	3	3	0	32	1,764	21	1176
5 Northeast Flex		8:00 AM	6:30 PM	30	30	30	--	60	2	2	2	0	21	1,176	21	1176
6 City Wide Evening Flex		--	--	--	--	--	30	30	0	0	0	0	0	0	0	0
Subtotal, Sunday									14	14	14	0	147	8,232	105	5,880
Total													73,824		54,212	

8.0 FUNDING

The Porterville Transit system relies on a variety of funding sources to operate and sustain its public transit services to the community. Those sources of revenue are derived from fare revenues generated by the various service modes as well as local, state, and federal grant subsidy programs. The revenues discussed in this memo reflect source data from the past seven years (FY 2010-FY 2016). Exhibit 8-5 at the end of this chapter presents a summary and total of revenues received over the seven-year period.

8.1 LOCAL TRANSIT FUNDING SOURCES

The following presents a commentary on local funding sources and are summarized in Exhibit 8-1.

8.1.1 Fare Revenues

The largest local transit revenue source is derived from fare revenues to help support operations and meet state-required performance measures. Fare revenues are for combined Porterville Transit services including fixed route and Dial-A-COLT. Fare revenues have been consistent over the past several years to exceed the state farebox ratio requirement for Porterville to be fully eligible for Transportation Development Act (TDA) Local Transportation Fund (LTF) revenues. The minimum farebox ratio for Porterville Transit to meet each year is 20 percent. Senate Bill (SB) 508 (Beall) was passed in October 2015 and amends key provisions of the TDA. SB 508 allows for other locally generated revenues in the farebox ratio. Examples of possible other local support revenues may include gains on the sale of capital assets, lease revenues generated by transit-owned property, and advertising revenues.

8.1.2 Transportation Development Act - Local Transportation Fund

TDA funds are the largest single source of operating revenue for most public transportation systems in the state. The spirit of the TDA statute guiding use of LTF intends for the revenue to be prioritized for transit. This means that the funds are intended to be spent on transit projects to the extent that such projects are needed to fill “unmet transit needs that are reasonable to meet” before any LTF is spent on local streets and roads. The unmet transit needs process, by law, is conducted by TCAG. TDA funds can be used for capital or operations expenditures or a combination thereof, and can provide an important source of local match for federal funding.

The LTF revenues are derived from a one-quarter cent sales tax, which is collected by the Board of Equalization, but administered locally through TCAG which allocates the revenue to local jurisdictions based on population. The FY 2013 LTF revenues received were not expended during the year and were deferred to the following year.

8.1.3 Measure R

Local county Measure R, the one-half cent sales tax, has been in effect since April 2007. Measure R allows for each jurisdiction in the county to develop a priority list of projects based on community needs. In addition, 14 percent of the transportation measure funds are directed to transit, bike, and environmental projects.

Measure R funding can be allocated toward transit service expansion beyond services provided at the time Measure R was approved in November 2006. In addition, Measure R funds cannot be used to replace other available types of transit funding, including federal transit funds, State Transit Assistance (STA) funds, transit advertising revenue received, fares received from riders or other parties, and other sources of funding provided for transit operations.

The purpose of allowing Measure R funds to supplement farebox revenues required under the TDA is to encourage new pilot routes or expanded service frequency when fares initially received for the expanded service may not initially meet the state-required amounts to offset operating costs. Measure R funds used to supplement actual farebox revenue may not be used to exceed the farebox recovery requirement for the expansion service.

Eligible transit uses for Measure R may include:

- Adding new routes.
- Adding new service days (e.g., weekend service).
- Increasing headways (frequency of routes).
- Adding bus shelters.
- Building or expanding a transit center.
- Farebox supplement for new routes/route expansion to achieve required farebox recovery requirements for new routes/route expansion.
- Adding or replacing buses for new service. Bus replacement must clearly be demonstrated as necessary for the new service. If bus replacement is for a route that has both existing service and service expansion, then a proportionate cost share must be calculated.

Measure R support toward Porterville's farebox recovery has ranged from \$105,000 to \$120,250 annually.

8.1.4 Advertising

The City of Porterville has a contract with a local company to sell and manage the advertising signage seen on the sides and rear of the Porterville Transit bus fleet. The advertisements range from interior panels to full-size bus wraps in the form of a direct vinyl application. The City's transit advertising contract is through Rethought Reborn Media. The contractor's goal is to have every advertising spot filled at the lowest cost to the advertiser. The City has budgeted revenues received from advertising in its annual income.

8.1.5 San Joaquin Valley Air Pollution Control District (SJVAPCD)

The SJVAPCD provides funding for transit projects that benefit the public and expand ridership. The district's Public Benefit Grant Program is composed of four sub-program components that are subject to availability of funding:

- The New Alternative Fuel Vehicle Purchase Program
- The Enhanced Transportation Strategies Program
- The Alternative Fuel Infrastructure Component program
- The New Electric Vehicle Infrastructure

The Enhanced Transportation Strategies program funding was fully awarded in FY 2014–15 with the possibility of being reopened in the future. This program provides funding for public agencies that undertake enhanced transportation strategies with the potential to provide broad benefits to San Joaquin Valley residents and achieve quantifiable emission reductions from passenger vehicles. This program has three focus areas:

- (1) Enhanced Mass Transit and Transportation Systems projects for large-scale mass transit and innovative technology transportation projects (e.g., bus rapid transit, electric transit buses, and traffic light synchronization).
- (2) Park & Rides funds large-scale park-and-ride facilities used by transit services to connect commuters to high traffic areas.
- (3) Alternate Commute Strategies funds large-scale projects that use alternative commuting methods to reduce passenger vehicle emissions (e.g., regional bicycle commuting network, alternative fuel shuttle service, or transportation sharing services using alternative fuel vehicles). Maximum funding is \$3 million per project and \$3 million per entity, with an application review criterion of \$40,000 per ton emission reduction.

The SJVAPCD released a Request for Proposals for the Enhanced Transportation Strategies program to fund projects that achieve quantifiable emission reductions through the deployment of clean alternative fuels and commute strategies that reduce vehicle miles traveled and emissions. Porterville submitted a proposal requesting \$2,019,400 and was awarded \$459,270 toward the purchase of two zero emission transit vehicles.

Exhibit 8-1. Local Transit Funding Sources

Formula Funding	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Local Transportation Funds	\$318,247	\$598,684	\$328,759	\$0	\$882,820	\$373,591	\$1,424,228
Measure R (Non-Operating)	\$277,777	\$185,000	\$105,000	\$435,723	\$105,000	\$120,250	\$285,527
Farebox Revenues	\$322,746	\$338,908	\$361,016	\$440,974	\$576,760	\$531,394	\$534,697
Measure R Farebox Supplement	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	\$120,250	\$0
Advertising Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$86,274
SJVAPCD - Enhanced Transportation Program	\$0	\$0	\$0	\$0	\$0	\$0	\$459,270
Total Local Funding Received	\$1,023,770	\$1,227,592	\$899,775	\$981,697	\$1,669,580	\$1,145,485	\$2,789,996

Sources: Annual Fiscal & Compliance Audits, Transit Operators Financial Transactions Reports, SJVAPCD

8.2 STATE TRANSIT FUNDING SOURCES

The following presents a commentary on state transit funding sources and are summarized in Exhibit 8-2.

8.2.1 State Transit Assistance Fund

The STA program is a second funding component of TDA. Revenues are derived primarily through the state sales tax on diesel fuel and are allocated by the state legislature. Fifty percent of statewide revenue is allocated by the state based on county population within the jurisdiction of the regional transportation planning agencies, and the remaining 50 percent is allocated based on qualifying revenue such as passenger fares and other local sources by the transit systems.

Historically, the STA has provided a relatively stable source of revenue for public transit service. However, in times of economic downfalls and state fiscal issues, the legislature has leveraged STA funds during state budget negotiations resulting in uncertain funding levels. Part of the budget negotiations included the “gas tax swap” involving use of the revenues.

8.2.2 Proposition 1B (PTMISEA)

On November 7, 2006, California voters approved Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. This act authorized the issuance of \$19.925 billion in general obligation bonds to invest in high-priority improvements to the state's surface transportation system and to finance strategies to improve air quality. Among the programs contained in Proposition 1B is the \$3.6 billion Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). PTMISEA funds are to be used to fund various mass transportation projects, including rehabilitation, safety, or modernization improvements, capital enhancements or expansion, rail transit improvement, bus rapid transit improvements, the acquisition of rolling stock, and other similar investments. The funds in the PTMISEA are to be dispersed according to the same formula used to distribute STA funds. Management and administration costs are not allowable for Proposition 1B funds.

Porterville has applied for and received Proposition 1B PTMISEA funding for several projects. The grant funding was applied toward the purchase of compressed natural gas (CNG) transit vehicles, bus stop amenities, automatic passenger counter system, and a mobile fare payment system.

8.2.3 Cal OES – CTSGP-CTAF

Another component of the Proposition 1B program is the California Transit Security Grant Program, California Transit Assistance Fund (CTSGP-CTAF) administered by the Governor's Office of Emergency Services (Cal OES). Eligible activities under the CTSGP-CTAF include capital projects that provide increased protection against a security or safety threat; capital projects that increase the capacity of transit operators to prepare for disaster-response transportation systems that can move people, goods, emergency personnel, and equipment in the aftermath of a disaster; and costs directly related to construction or acquisition including, but not limited to, planning, engineering, construction management, architectural, and other design work, environmental impact reports and assessments, required mitigation expenses, appraisals, legal expenses, site acquisitions, necessary easements, and warranties, as approved by Cal OES. Entities receiving an allocation of funds must expend those funds within three fiscal years of the fiscal year in which the funds were allocated. Cal OES funds awarded to Porterville have been utilized toward security cameras.

8.2.4 California Air Resources Board

The California Air Resources Board (CARB) issued competitive grant solicitations for its Zero-Emission Truck and Bus Pilot Commercial Deployment Project. The funding opportunity was approved by CARB in FY 2014–15 and FY 2015–16 Funding Plans for the Assembly Bill 118 Air Quality Improvement Program and Low Carbon Transportation Greenhouse Gas Reduction

Fund Investments. The City was diligent in securing funds through CARB as part of its strategy to purchase 10 zero-emission vehicles (ZEV) as well as upgrade the infrastructure to accommodate these vehicles at its Corporation Yard and Transit Center. The City received a letter from CARB in 2016 concerning \$16 million in available funding for the ZEV buses. The City Council adopted a resolution in 2014 to pursue funding, which was \$450,000 initially. CARB funded \$9.5 million toward the purchase of the ZEV buses in FY 2016–17.

Exhibit 8-2. State Transit Funding Sources

Formula Funding	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
State Transit Assistance Funds	\$443,091	\$322,222	\$654,815	\$280,541	\$623,029	\$864,965	\$57,848
Discretionary Funding							
Proposition 1B - PTMISEA	\$241,943	\$0	\$486,017	\$830,723	\$0	\$568,578	\$0
Cal OES	\$0	\$0	\$0	\$0	\$169,263	\$0	\$0
CARB Zero-Emission Bus Program	\$0	\$0	\$0	\$0	\$0	\$0	\$401,370
Total State Funding Received	\$685,034	\$322,222	\$1,140,832	\$1,111,264	\$792,292	\$1,433,543	\$459,218

Source: Annual Fiscal & Compliance Audits, City of Porterville

8.3 FEDERAL REVENUE SOURCES

The Federal Transit Administration (FTA) provides financial and technical assistance to local public transit systems. Since 1964, FTA has partnered with state and local governments to create and enhance public transportation systems, investing more than \$11 billion annually to support and expand public transit services. FTA provides annual formula grants to transit agencies nationwide as well as discretionary funding in competitive processes.

A summary of federal revenue sources is presented in Exhibit 8-3.

8.3.1 FTA Section 5307 Urbanized Area Formula Program

The Urbanized Area Formula Funding Program makes federal resources available to urbanized areas for transit capital and operating assistance, and for transportation planning related planning in urbanized areas. An urbanized area is a Census-designated area with a population of 50,000 or more as designated by the US Department of Commerce, Bureau of the Census. With the recent inclusion of Tulare into the Porterville Urbanized Area based on the 2010 Census data findings, Tulare has become a recipient of the Urbanized Area Formula Program funding under FTA Section 5307. The Cities of Tulare and Porterville entered into a Memorandum of Understanding (MOU) in July 2013 that pertains to the coordination of ongoing FTA Section 5307 funded activities for the expanded urbanized area.

8.3.2 ARRA Urbanized Area Program Funds

Pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA), \$5.4 billion was provided to urbanized areas through the Section 5307 program. Funds were apportioned directly to the 38 urbanized areas over 1 million population and 114 urbanized areas with populations between 200,000 and 1 million, and to 52 states and territories for urbanized areas under 200,000 in population. All projects funded are included in the Regional Transportation Improvement Program and the approved State Transportation Improvement Program before grant award.

8.3.3 FTA Section 5311 Rural Area Formula Program

The Rural Area Formula Funding Program makes federal resources available to rural areas with populations less than 50,000 for transit capital, planning, and operating assistance as well as to federally-recognized Indian tribes such as the Tule River Indian Reservation. Porterville is a recipient of FTA Section 5311 funds for operating assistance in the rural areas served by Porterville Transit. Based on the Schedule of Expenditures of Federal Awards in the FY 2015 Single Audit, Porterville received \$400,000 in rural formula funds toward the purchase of a CNG vehicle.

8.3.4 FTA Section 5316 Job Access and Reverse Commute Program

Under the Federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), projects selected for funding under the Elderly Individuals and Individuals with Disabilities (FTA Section 5310), Job Access and Reverse Commute (JARC) (Section 5316), and New Freedom programs (Section 5317) were to be derived from a locally developed, coordinated public transit-human services transportation plan and be developed through a process that included representatives of public, private, and nonprofit transportation and human services providers and participation by members of the public. These plans identify the transportation needs of individuals with disabilities, older adults, and people with low incomes, provide strategies for meeting these needs, and prioritize transportation services for funding and implementation. The *Tulare County Coordinated Transportation Plan* was adopted in October

2015 and submitted to Caltrans. Porterville has received JARC funds toward operating assistance and the purchase of a CNG vehicle.

8.3.5 FTA Section 5317 New Freedom Program

The New Freedom Program was a new program authorized in SAFETEA–LU to support new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act (ADA) of 1990. The New Freedom Program grew out of the New Freedom Initiative introduced by the administration under Executive Order 13217, “Community-Based Alternatives for Individuals with Disabilities,” on June 18, 2001. The New Freedom Program was intended to fill the gaps between human service and public transportation services previously available, and to facilitate the integration of individuals with disabilities into the workforce and full participation in the community.

Exhibit 8-3. Federal Transit Funding Sources

Formula Funding	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Urbanized Area Formula Program (Section 5307)	\$666,958	\$1,640,202	\$1,893,780	\$1,967,591	\$1,749,829	\$1,171,963	\$3,575,460
Rural Area Formula Program (Section 5311)	\$0	\$0	\$0	\$0	\$0	\$400,000	\$213,338
Job Access & Reverse Commute Formula Program (Section 5316)	\$0	\$0	\$0	\$0	\$183,167	\$519,614	\$0
Discretionary Funding							
ARRA Urbanized Area Program Funds (5307)	\$94,660	\$7,000	\$0	\$0	\$0	\$0	\$0
FTA New Freedom Program (5317)	\$0	\$0	\$319,946	\$0	\$40,719	\$17,344	\$0
Total Federal Funding Received	\$761,618	\$1,647,202	\$2,213,726	\$1,967,591	\$1,973,715	\$2,108,921	\$3,788,798

Source: Single Audits, National Transit Database

8.3.6 Future Federal and State Funding Considerations

The most recent development concerning the provision of federal transportation funding support has been the passage of the Fixing America's Surface Transportation Act (FAST Act), signed into law by President Obama on December 4, 2015. The FAST Act is the first law enacted in more than a decade that provides long-term funding certainty for transportation. In FY 2016, the FTA has a funding allocation of \$11,789 billion, which it disperses to states and other recipients through a combination of formula and discretionary grants. Retroactively effective on October 1, 2015, the FAST Act authorizes transit program funding for five years through September 30, 2020.

Exhibit 8-4 provides a listing of the formula and competitive discretionary grant opportunities under the FAST Act.

Exhibit 8-4. Formula & Competitive Discretionary Grant Opportunities

Formula	Discretionary
Section 5307: Urbanized Area Formula Program	Sections 5303, 5304, and 5305: MPO/Statewide/Non-MPO Transportation Planning
Section 5310: Enhanced Mobility of Seniors and Individuals with Disabilities	Section 5309: Capital Investment Grant program (New Starts, Small Starts, Core Capacity)
Section 5311: Rural Formula Programs	Section: 5337: State of Good Repair (High Intensity Fixed Guideway and High Intensity Motorbus)
Section 5329: Public Transportation Safety and Oversight	Section 5339: Bus and Bus Facilities and No and Low Emission

Source: Michael Baker International, FTA

As an urbanized area (UZA) operator, the largest source of FTA funding Porterville receives comes through the FTA Section 5307 program. Eligible activities include planning, engineering design, and evaluation of transit projects; capital investments in bus and bus-related activities; crime prevention and security equipment; construction of maintenance and passenger facilities; and capital investments in existing fixed guideway systems. All preventive maintenance and some ADA complementary paratransit service costs are considered capital costs.

Some of the changes to the FTA Section 5307 program under the FAST Act of interest to the Porterville transit system include:

- The ability to use up to 20 percent of the Section 5307 allocation (previously 10 percent) for the operation of paratransit service, if certain conditions are met.
- Recipients must maintain equipment and facilities in accordance with an adopted transit asset management plan.

- Recipients are no longer required to expend 1 percent of their funding for associated transit improvements. However, recipients are still required to submit an annual report listing of projects that were carried out in the preceding fiscal year.
- Grantee may use up to 0.5 percent of their Section 5307 allocation on Workforce Development activities.

The federal funding share is not to exceed 80 percent of the net capital project cost. The federal share may not exceed 50 percent of the net project cost of operating assistance. For UZAs with populations of 200,000 or more, the funding formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles as well as population and population density. Fixed guideway criteria would not be applicable since Porterville does not operate rail transit such as a streetcar, light-rail line, monorail, commuter rail, or subway.

Given that Porterville also receives operating assistance funding under FTA Section 5311, the federal share is 80 percent for capital projects, 50 percent for operating assistance, and 80 percent for ADA paratransit service using up to 10 percent of the recipient apportionment. Under the Tribal Transit Program component, FTA Section 5311 provides \$5 million in discretionary funding for each fiscal year on a competitive basis as well as \$30 million in formula funding for tribes that provide public transportation. The key changes to the FTA Section 5311 program under the FAST Act include:

- The inclusion of all operating and capital costs without revenue offset in determining the amount of the unsubsidized portion of privately provided intercity bus service that connects feeder service that is eligible for an in-kind local match.
- Revenue from the sale of advertising and concessions may be used as a local match.
- Recipients may now use up to 20 percent of their FTA Section 5311 allocation (previously 10 percent) for the operation of paratransit service, if certain conditions are met.

At the state level, there are several recently adopted funding mechanisms for transit capital and operations. As mentioned previously, SB 508 was passed in October 2015 and amends key provisions of the TDA. SB 508 allows for other locally generated revenues in the farebox ratio. Examples of possible other local support revenues may include gains on the sale of capital assets, lease revenues generated by transit-owned property, and advertising revenues. In addition, SB 508 exempts certain operating cost categories used to determine compliance with required farebox ratios, including certain fuel, insurance, and claims settlement cost increases beyond the change in the Consumer Price Index. Startup costs for new transit services are also exempted for up to two years. Although Porterville's system-wide farebox recovery ratio has generally exceeded the 20 percent minimum standard, supplemental revenues would serve in providing a local match for state and federal grants to fund transit expansion.

CARB's Cap-and-Trade Program provides new funding for transit that is part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California legislature in 2014 by SB 862. One new funding source is the Transit and Intercity Rail Capital

Program, a discretionary grant program to modernize and integrate the state's transit and rail systems to increase ridership and reduce greenhouse gas emissions which lead to climate change.

Another component of the Cap-and-Trade Program is the Low Carbon Transit Operations Program (LCTOP) that was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with an emphasis on serving disadvantaged communities. Approved projects in LCTOP support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions. SB 862 continuously appropriates 5 percent of the annual auction proceeds in the Greenhouse Gas Reduction Fund for LCTOP, beginning in FY 2015–16.

The most recent development at the state level concerns the passage and signing into law of SB 1 (Beall) in April 2017. SB 1 is composed of a series of measures and revenue enhancements such as increases in the diesel and gasoline excise and sales taxes and vehicle registration fees. The law is projected to provide \$5.2 billion annually over a 10-year period toward the state's transportation infrastructure, including \$750 million toward transit capital and operations annually. Based upon latest STA (PUC 99314) allocation estimates provided by the Tulare County Association of Governments, Porterville is projected to receive an additional \$285,615 in STA over 10 years.

Exhibit 8-5. Combined Transit Funding Sources – FY 2010–2016

Transit Funding Source	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Local Transportation Funds	\$318,247	\$598,684	\$328,759	\$0	\$882,820	\$373,591	\$1,424,228
Measure R (Non-Operating)	\$277,777	\$185,000	\$105,000	\$435,723	\$105,000	\$120,250	\$285,527
Farebox Revenues	\$322,746	\$338,908	\$361,016	\$440,974	\$576,760	\$531,394	\$534,697
Measure R Farebox Supplement	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	\$120,250	\$0
Advertising Space Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$86,274
SJVAPCD - Enhanced Transportation Strategies	\$0	\$0	\$0	\$0	\$0	\$0	\$459,270
Total Local Funding Received	\$1,023,770	\$1,227,592	\$899,775	\$981,697	\$1,669,580	\$1,145,485	\$2,789,996
State Transit Assistance Funds	\$443,091	\$322,222	\$654,815	\$280,541	\$623,029	\$864,965	\$57,848
Proposition 1B - PTMISEA	\$241,943	\$0	\$486,017	\$830,723	\$0	\$568,578	\$0
Cal OES (CTSGP-CTAF)	\$0	\$0	\$0	\$0	\$169,263	\$0	\$0
CARB Zero-Emission Bus Program	\$0	\$0	\$0	\$0	\$0	\$0	\$401,370
Total State Funding Received	\$685,034	\$322,222	\$1,140,832	\$1,111,264	\$792,292	\$1,433,543	\$459,218
Urbanized Area Formula Program (Section 5307)	\$666,958	\$1,640,202	\$1,893,780	\$1,967,591	\$1,749,829	\$1,171,963	\$3,575,460
Rural Area Formula Program (Section 5311)	\$0	\$0	\$0	\$0	\$0	\$400,000	\$213,338
Job Access & Reverse Commute Formula Program (Section 5316)	\$0	\$0	\$0	\$0	\$183,167	\$519,614	\$0
ARRA Urbanized Area Program Funds (5307)	\$94,660	\$7,000	\$0	\$0	\$0	\$0	\$0
FTA New Freedom Program (5317)	\$0	\$0	\$319,946	\$0	\$40,719	\$17,344	\$0
Total Federal Funding Received	\$761,618	\$1,647,202	\$2,213,726	\$1,967,591	\$1,973,715	\$2,108,921	\$3,788,798
TOTAL FUNDING FROM ALL SOURCES	\$2,470,422	\$3,197,016	\$4,254,333	\$4,060,552	\$4,435,587	\$4,687,949	\$7,038,012

8.4 FEDERAL TRANSIT ADMINISTRATION (FTA) COMPLIANCE

The Federal Transit Administration (FTA) has prepared compliance checklists that pertain to the FTA Section 5307 formula funding program. More recent checklists cover the asset management reporting requirements. The more recent checklists are in conformance with the new Transit Award Management System (TrAMS) grant reporting system that was implemented in 2016. TrAMS is FTA's platform to award and manage federal grants. TrAMS was created to provide greater efficiency and improved transparency and accountability.

Before the FTA awards federal assistance for public transportation in the form of a federal grant, certain pre-award *Certifications and Assurances* are required, (except as FTA determines otherwise in writing). These *Certifications and Assurances* have been prepared considering the *Fixing America's Surface Transportation* (FAST) Act, (Public Law No. 114-94, December 4, 2015), and other authorizing legislation.

Beyond the standard (administrative) Assurances (i.e., nondiscrimination, lobbying, suspension and debarment, etc.), salient elements of TrAMS and Porterville Transit's compliance status is presented in Exhibit 8-6.

Exhibit 8-6. Porterville Transit – FTA Compliance Status

Category of Certifications and Assurances	Provision (and Pertinent Sections)	Porterville Transit Compliance Status
Category 03. Private Sector Protections	Section 03.B: Charter Service Agreement: Shall not engage in charter service operations.	✓ Compliant
Category 04. Rolling Stock Reviews and Bus Testing	Sections 04.A. Rolling Stock Reviews & 04.B. Bus Testing: As defined by pertinent regulations, will: (1) conduct the required pre-award and post-delivery reviews for new vehicle acquisition; and (2) ensure compliance with FTA's Bus Testing regulations.	✓ Compliant
Category 05. Demand Responsive Service	As required by U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)". Offers public transportation services equivalent in level and quality of service. Equivalent to the service it offers individuals without disabilities with respect to: (1) Response time, (2) Fares, (3) Geographic service area, (4) Hours and days of service, (5) Restrictions on priorities based on trip purpose, (6) Availability of information and reservation capability, and (7) Constraints on capacity or service availability.	✓ Compliant
Category 06. Intelligent Transportation Systems	Assure conformity to the appropriate regional ITS architecture, applicable standards, and protocols.	✓ Compliant
Category 08. Transit Asset Management Plan, Public Transportation Agency Safety Plan, and State Safety Oversight Requirement	Section 08.A. Transit Asset Management Plan: 1. Comply with FTA regulations, "Transit Asset Management," 49 CFR part 625, and 2. Follow federal guidance to implement the regulations. Section 08.B. Public Transportation Safety Program: Comply with applicable regulations, and follow federal guidance, and directives that implement the Public Transportation Safety Program provisions of 49 U.S.C. § 5329(b)-(d).	✓ Compliant ✓ Compliant

Category of Certifications and Assurances	Provision (and Pertinent Sections)	Porterville Transit Compliance Status
Category 09. Alcohol and Controlled Substances Testing	As required by 49 U.S.C. § 5331, and FTA regulations, “Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations”: Have established and implemented: (1) An alcohol misuse testing program; and (2) A controlled substance testing program.	✓ Compliant
Category 11. State of Good Repair Program	Among the various provisions of this category, to certify that Porterville Transit has the financial and technical capacity, it has continuing control over the use of its equipment and facilities, and it will maintain its equipment and facilities	✓ Compliant

In discussions with Porterville Transit officials, they report that programs are in place that address requirements and include: vehicle fleet maintenance - goals and objectives; preventive maintenance (PM) inspections and services (including Pre/Post Trip Inspections, and forms including: Daily Inspection Checklist; Reporting Defects; PM Service Schedule; Maintenance Logs; etc.).

9.0 FLEET – EXISTING AND PROCUREMENT/REPLACEMENT PLAN

9.1 Introduction

This chapter presents Porterville Transit's fleet replacement plan for the five-year planning period.

This chapter is structured as follows:

- Section 9.2 presents a detailed inventory of the existing fleet roster; and
- Section 9.3 presents Porterville Transit's vehicle replacement schedule and estimated annual costs for vehicle replacement.

9.2 Existing Fleet

As previously presented in Chapter 5.3, Porterville Transit has a total fleet of twenty-five (25) buses; seventeen (17) are utilized in fixed route services, and eight (8) in Dial-A-COLT service.

Exhibit 9.1 provides a summary of Porterville Transit's fixed route fleet. Of note is the addition of fourteen GreenPower EV350 (all electric) buses in 2018 and 2019.

Exhibit 9.2 provides a summary of the Dial-a-COLT fleet. Again, of note is the addition of three GreenPower EV-Star (all electric) buses in 2018 through 2021.

Of note is the electrification of the entire fleet of fixed-route transit buses by 2025. This is a full fifteen-years in advance of the California Air Resources Board's (CARB) goal to achieve full zero emission fleets by 2040.

Exhibit 9.1: Fixed Route Fleet Roster

<u>Make/Model</u>	<u>Vehicle #</u>	<u>Year</u>	<u>Ambulatory Capacity</u>	<u>Wheelchair Capacity</u>	<u>Fuel Type</u>	<u>Original Source of Funding</u>	<u>Estimated Replacement Date</u>	<u>Active or Reserve</u>
Ford F550	8100	2006	18	1	Gas	FTA	2016	Reserve
El Dorado EZ-Rider 2 Max	8168	2007	32	2	CNG	FTA	2021	Reserve
El Dorado EZ-Rider 2 Max	8169	2007	32	2	CNG	FTA	2021	Reserve
El Dorado EZ-Rider 2 Max	8170	2007	32	2	CNG	FTA	2021	Reserve
El Dorado EZ-Rider 2 Max	8171	2007	32	2	CNG	FTA	2021	Reserve
El Dorado EZ-Rider 2 Max	8175	2010	32	2	CNG	PROP 1B	2022	Reserve
El Dorado EZ-Rider 2 Max	8176	2010	32	2	CNG	FTA	2022	Reserve
El Dorado EZ-Rider 2 Max	8177	2010	32	2	CNG	FTA	2022	Reserve
El Dorado EZ-Rider 2 Max	8178	2010	32	2	CNG	FTA	2022	Reserve
El Dorado EZ-Rider 2 Max	8179	2010	32	2	CNG	FTA	2022	Reserve
El Dorado EZ-Rider 2 Max	8190	2013	32	2	CNG	Prop 1b	2025	Reserve
El Dorado EZ-Rider 2 Max	8191	2013	32	2	CNG	FTA	2025	Reserve
El Dorado EZ-Rider 2 Max	8192	2015	32	2	CNG	FTA	2027	Reserve
El Dorado EZ-Rider 2 Max	8193	2015	32	2	CNG	FTA	2027	Reserve
StarCraft All-star Type 3	8184	2009	15	2	CNG	Prop 1b	2019	Reserve

<u>Make/Model</u>	<u>Vehicle #</u>	<u>Year</u>	<u>Ambulatory Capacity</u>	<u>Wheelchair Capacity</u>	<u>Fuel Type</u>	<u>Original Source of Funding</u>	<u>Estimated Replacement Date</u>	<u>Active or Reserve</u>
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2018	38	2	EV	ARB	3032	Active
GreenPower EV350		2019	38	2	EV	TBD	3033	Active
GreenPower EV350		2019	38	2	EV	TBD	3033	Active
GreenPower EV350		2019	38	2	EV	TBD	3033	Active
GreenPower EV350		2019	38	2	EV	TBD	3033	Active

Exhibit 9.2: Dial-A-COLT Fleet Roster

<u>Division</u>	<u>Make/Model</u>	<u>Vehicle #</u>	<u>Year</u>	<u>Ambulatory Capacity</u>	<u>Wheelchair Capacity</u>	<u>Fuel Type</u>	<u>Original Source of Funding</u>	<u>Estimated Replacement Date</u>	<u>Active or Reserve</u>
Dial-A-Colt	Chevrolet Uplander	8167	2006	5	1	Gas	FTA	2011	Reserve
Dial-A-Colt	Chevrolet Uplander	8172	2007	5	1	Gas	FTA	2012	Reserve
Dial-A-Colt	Chevrolet Uplander	8173	2007	5	1	Gas	FTA	2012	Reserve
Dial-A-Colt	Chevrolet Uplander	8174	2008	5	1	Gas	FTA	2013	Reserve
Dial-A-Colt	Chevrolet Uplander	8183	2008	5	1	Gas	FTA	2013	Reserve
Dial-A-Colt	EI Dorado EZ Street	8187	2013	15	2	CNG	FTA	2023	Active
Dial-A-Colt	EI Dorado EZ Street	8188	2013	15	2	CNG	FTA/Prop 1b	2023	Active
Dial-A-Colt	EI Dorado EZ Street	8189	2013	15	2	CNG	Prop 1b	2023	Active
Dial-A-Colt	GreenPower EV-Star		2018	15	2	EV	SGR	2028	Active
Dial-A-Colt	GreenPower EV-Star		2019	15	2	EV	SGR	2029	Active
Dial-A-Colt	GreenPower EV-Star		2020	15	2	EV	SGR	2030	Active

10.0 Financial Plan

This chapter provides a financial plan projected through FY 2022 supporting implementation of the recommended service plan.

Exhibit 10-1 presents Porterville Transit's proposed project plan. Presented are a listing and description of capital projects and reference to funding source, presented by fiscal year. As presented, projects include: safety and security, bus stop and ITS improvements; electronic fareboxes; and CNG fueling, bus maintenance and admin. facility enhancements or expansion.

Exhibit 10-2 presents PT's financial plan to FY20 including revenues and expenditures. The financial plan for transit operations and the capital program is prepared to ensure there is sufficient for funding for the proposed service, development, maintenance, and replacement of capital assets.

Following are summary descriptions of the funding sources and assumptions for the financial plan. The assumptions are conservative in recognition of shifts in general economic conditions that impact actual revenue generation and the competitiveness of discretionary transit grant programs. Funding sources had previously been identified and described in Chapter 8. This chapter presents the financial plan tables and revenue strategies. The latter, reflects transit's financial condition and meet performance standards.

10.1 Operating Expenses and Revenues

The City relies on a variety of funding sources to operate and sustain its public transit services to the community. Fares comprise thirty percent of total operating costs. The net cost of operations is funded through a combination of local, state and federal grant subsidy programs. Actual and projected transit system operating revenues and expenses through FY 2020 are compiled in Exhibit 10-2. Chapter 7 had previously presented service plan resource estimates, Exhibits 7.7 and 7.8 reflecting Scenario A and Scenario B, respectively. Exhibit 10-3 provides a summary of service plan resource estimates.

The two scenarios were presented to frame the discussion for funding Porterville Transit annually through FY 2022. Both assume the restructured route network and service span as proposed. The main difference between the two is service frequency.

- Scenario A - 40-minute System Frequency offers an inflation-adjusted no-growth option intended to maintain current level of fixed route service (LOS) at nine (9) peak buses and approximately 48,700 annual revenue vehicle hours. First year revenue hours are 1.4% lower than actual FY 2016 hours. A three percent (3%) inflation rate is assumed annually beginning in FY 2018.
- Scenario B – 30-minute System Frequency offers an assertive growth option focused on upgrading system-wide service frequency to 30 minutes. Attaining this objective would require five additional peak buses (total 14) and approximately 25,000 additional revenue

service hours (total 73,800) annually. These targets reflect a more than 50% increase in operating resources for the transit system.

These scenarios are intended to book-end the discussion of transit system funding, and the City is not limited to either one or the other. Service frequency improvements are scalable by upgrading LOS on one or more routes at a time. To illustrate, the cost of upgrading Routes 1 – 4 is one peak vehicle and approximately 4,500 revenue service hours per route, or 9.1% more than Scenario A LOS. The cost of upgrading Route 5 is slightly greater than Routes 1 – 4. The incremental cost of expanding city-wide flex route service after 8:30 pm will depend on the level of demand for the service at the time, but could range from no incremental cost to one or more additional buses when needed.

Exhibit 10-1: Projects Program Summary – FY2016-2022

Section 5307	Description	5307 2015/16	5311 2015/16	5309 2015/16	5307 2016/17	5311 2016/17	5339 2016/17	5307 2017/18	5311 2017/18	5339 2017/18	5307 2018/19	5311 2018/19	5339 2018/19	5309 2018/19	5307 2019/20	5311 2019/20	5339 2019/20	5307 2020/21	5311 2020/21	5339 2020/21	5307 2021/22
Project ID #																					
Transit Bus Stop Signage																					
Signal Preemption Devices					\$75,000																
Safety & Security Improvements-Vehicle					\$25,000																
Safety & Security Improvements-Facility	Purchase and install security system: w/video surveillance				\$200,000																
Bus Stop Improvements	Purchase and install bus stop signs and poles	\$100,000																			
ITS Improvements	Purchase and install bus stop improvements						\$184,000			\$184,000			\$184,000				\$184,000			\$184,000	
Electronic Fare Boxes	Electronic fare boxes, tickets, and supplies	\$70,000													\$15,000			\$15,000			\$15,000
CNG/Electric Facility	CNG Fueling Facility Expansion							\$2,200,000													
Bus Maintenance Facility	Bus Maintenance & Admin Facility				\$500,000																
Operational Items (Federal share only)																					
Annual Operating Costs		\$1,350,000	\$450,000		\$1,508,024	\$294,000		\$1,508,024	\$294,000		\$1,350,000	\$294,000			\$1,350,000	\$294,000		\$1,350,000	\$294,000		\$1,350,000
Totals		\$1,520,000	\$850,000	\$0	\$2,308,024	\$294,000	\$184,000	\$3,708,024	\$294,000	\$184,000	\$1,350,000	\$294,000	\$184,000	\$0	\$1,365,000	\$294,000	\$184,000	\$1,365,000	\$294,000	\$184,000	\$1,365,000
Eligible Federal Share		\$1,486,000	\$850,000	\$0	\$2,148,024	\$147,000	\$147,200	\$3,378,024	\$147,000	\$147,200	\$1,350,000	\$147,000	\$147,200	\$0	\$1,362,000	\$147,000	\$147,200	\$1,362,000	\$147,000	\$147,200	\$1,362,000
Apportionment		\$1,591,435	\$750,000	\$8,000,000	\$1,618,892	\$250,000	\$184,000	\$1,839,615	\$250,000	\$184,000	\$1,839,615	\$250,000	\$184,000	\$2,000,000	\$1,839,615	\$250,000	\$184,000	\$1,839,615	\$250,000	\$184,000	\$1,839,615
Federal Balance Available		\$2,290,537			\$1,761,405			\$222,996			\$712,611				\$1,190,226			\$1,667,841			\$2,145,456
Local Share (Capital & Operating)		\$1,384,000	\$100,000	\$0	\$1,668,024	\$250,000	\$36,800	\$1,838,024	\$250,000	\$36,800	\$1,350,000	\$250,000	\$36,800	\$0	\$1,353,000	\$250,000	\$36,800	\$1,353,000	\$250,000	\$36,800	\$1,353,000

Exhibit 10-2. Porterville Transit Revenues and Expenditures – FY2015 to FY2020

	2015	2016	2017	2018	2019	2020
Revenues						
Fares	\$ 690,000.00	\$ 755,000.00	\$ 777,000.00	\$ 815,413.48	\$ 855,726.06	\$ 898,031.62
Local Contracts						
LTF/STA	\$ 595,431.00	\$ 518,000.00	\$ 772,600.00	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00
New STA Funding starting in 2018				\$ 360,897.54	\$ 360,897.54	\$ 360,897.54
Measure R	\$ 131,000.00	\$ 131,000.00	\$ 131,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00
Other Local Funds						
Tribal Funds						
Other state funds						
Cap and Trade (LCTOP)						
Federal Funds (FTA 5307, 5311, 5339)	\$ 2,455,569.00	\$ 1,208,000.00	\$ 2,320,400.00	\$ 1,994,686.00	\$ 1,995,000.00	\$ 1,995,000.00
Federal Funds (FHWA - CMAQ and other)						
Total Revenues	\$ 3,872,000.00	\$ 2,612,000.00	\$ 4,001,000.00	\$ 3,905,997.03	\$ 3,946,623.60	\$ 3,988,929.16
Expenditures						
O&M (fixed route and demand response)	\$ 2,301,000.00	\$ 2,452,000.00	\$ 2,526,000.00	\$ 2,669,902.34	\$ 2,822,002.57	\$ 2,982,767.73
Capital Expense Rolling Stock	\$ 359,000.00		\$ 665,000.00	\$ 150,000.00	\$ 450,000.00	\$ 350,000.00
Capital Expense Passenger Facilities and Amenities	\$ 70,000.00	\$ 80,000.00	\$ 730,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
Capital Expense Operating Facilities	\$ 1,062,000.00					
Capital Expense Corridor Development						
Capital Expense Information Technology	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00
Total Expenses	\$ 3,862,000.00	\$ 2,602,000.00	\$ 3,991,000.00	\$ 2,989,902.34	\$ 3,442,002.57	\$ 3,502,767.73
Balance- Revenues minus expenses	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 916,094.69	\$ 504,621.03	\$ 486,161.43

Exhibit 10-3. Summary of Service Plan Resource Estimates

Service / Performance Characteristic	Existing System	Budget-Neutral Level of Service <i>Scenario A</i>	Horizon Planned Level of Service <i>Scenario B</i>
Number of Routes	9	5	5
Buses in Peak Service	9	9	13
Revenue Service Hours	49,739	48,659	73,824 (+ 48.4%)
Weekday service hours	6:00 am – 10:40 pm	5:30 am – 11:00 pm	5:30 am – 11:00 pm
Saturday service hours	8:00 am – 10:40 pm	8:00 am – 11:00 pm	8:00 am – 11:00 pm
Sunday service hours	8:00 am – 6:30 pm	8:00 am – 6:30 pm	8:00 am – 6:30 pm
Service Frequency (minutes)	40 - 80	40	30

10.2 Fare Policy

Fare revenue estimates are based on pricing fare policy objectives and strategies, rate structure, rules and fare collection procedures described in this section. Current fares for Porterville Transit fixed route service are summarized in Exhibit 10-5. Discount fares apply to senior citizens, persons with disabilities, Medicare recipients, and active military personnel.

Overall, the Porterville Transit fare structure is consistent with transit industry best practices, which have been shifting away from cash and paper transfers to pre-paid passes and smart cards for many years. The current fare structure is simplified with ample opportunities for customers to purchase multi-ride passes for daily, weekly and monthly use.

Transit pricing should use incentives to encourage the use of pre-paid fare instruments and achieve other outcomes such as improved revenue security, simplified fare collection and processing, fewer fare disputes among customers and front-line operating employees, reduced dwell times to accommodate onboard cash transactions, and rewards for customer loyalty. Onboard fare collection and processing is a significant cost function. Generally, cash fare transactions are more likely to require driver enforcement and increase potential for unfavorable customer experience. The City has the continuing obligation to ensure secure handing of revenues from the farebox to the bank, as well as for accounting and reconciliation. Industry best practice continues to trend away from onboard cash fare transactions in favor of electronic or conventional pre-paid fare media purchased “upstream” prior to boarding the bus.

Exhibit 10-5: Porterville Transit Fares, January 2017

Fare Type	Fare
<u>General (adult)</u>	
Cash	\$1.50
Day pass	\$3.00
31-day pass	\$40.00
<u>Senior/Disability/Military</u>	
Cash	\$0.75
Day Pass	\$1.50
31-day pass	\$20.00
<u>Other Discount Fares</u>	
Student 31-Day Pass (ID required)	\$25.00
Child (age 5 & under) – first two	Free
Additional child – cash	\$1.50
Tule River Tribe member	Free
Eagle Mountain Casino employee	Free
GoCard reloadable farecard	\$1.00

When planning for fare adjustments in the next five years, the City's transit fare policy should reflect the cyclical nature of farebox recovery with planned fare increases having moderate impact (e.g., 15%) occurring at regular intervals (e.g., every fourth year). The transit revenue cycle is predictable to the extent that farebox recovery improves during the first and second years following a general fare increase, and declines in subsequent years as annual operating costs rise with inflation while the average fare remains flat. The proposed financial plan assumes fare adjustments at the beginning of FY 2020 (August 2019) and FY 2022 (August 2021) to maintain fixed route system cost recovery above 20%.

The proposed FY 2020 fare structure is summarized in Exhibit 10-6. The local cash fare would increase by 17% from \$1.50 to \$1.75. The Day Pass price would increase from \$3.00 to \$3.50 to re-establish a 2x multiple of the one-way cash fare. The 31-Day Pass would increase from \$40 to \$50 based on a 29x multiple of the one-way cash fare. It is assumed that no fares would be decreased to achieve the desired price multipliers.

Exhibit 10-6: Proposed Porterville Transit Fixed Route Fare Structure, FY 2020

Fare Type	Full Fare	Discount Fare
Cash Fare one-way	\$1.75	\$0.85
Children 6 & under (max. 2)	--	\$0.00
Day Pass	\$3.50	\$2.00
31-Day Pass	\$50.00	\$30.00
Monthly Regional Pass	TBD	--

The proposed FY 2022 fare structure is summarized in Exhibit 10-7. The local cash fare would increase by 14% from \$1.75 to \$2.00. The Day Pass price would increase from \$3.50 to \$4.00 to maintain a 2x multiple of the one-way cash fare. The 31-Day Pass would increase from \$50 to \$60 to establish a 30x multiple of the one-way cash fare.

Exhibit 10-7: Proposed Porterville Transit Fixed Route Fare Structure, FY 2022

Fare Type	Full Fare	Discount Fare
Cash Fare one-way	\$2.00	\$1.00
Children 6 & under (max. 2)	--	\$0.00
Day Pass	\$4.00	\$2.50
31-Day Pass	\$60.00	\$30.00
Monthly Regional Pass	TBD	--

An evaluation of the regional T-Pass should be undertaken prior to a FY2022 fare increase.

The Americans with Disabilities Act (ADA) regulations require paratransit (PT's Dial-A-COLT) fares to be comparable to the fare for a trip between the same points on the regular fixed route transit system. "Comparable" is defined in DOT ADA regulations at 49 C.F.R. Section 37.131(c) as not more than twice the fare that would be charged to an individual paying full fare for a trip of similar length, at a similar time of day, on the entity's fixed route system, exclusive of discounts.



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Appeal of Zoning Administrator Determination 2018-012 - Green Power Motor Company

SOURCE: Administrative Services

COMMENT: On October 18, 2018, staff denied a Painted on Sign Application proposed by Green Power Motor Company for the facility shared with Pro Document Solutions at 90 W. Poplar Avenue. The permit was denied based on the sign exceeding the permitted amount. Table 305.09 of the Porterville Development Ordinance allots two square feet per linear foot of building frontage within the IG (General Industrial) zone district. Wall signs are further defined under §305.10. Subsection (d)2 only allows a maximum sign area of 300 square feet per sign. The General Standards (§305.07) does allow buildings with walls facing more than one public street be allowed signage for each building frontage and may transfer the allowable signage amount provided that the sign area does not exceed the maximum allowed. Section 305.07(b) additionally provides the framework of how to measure the sign area to use a continuous line which outlines the perimeter of the words, emblems, and logos.

Per the description above, the leased space at 90 W. Poplar Avenue is 200 linear feet along Poplar and 250 linear feet along E Street. Based on the two square feet per linear feet and the transfer of the E Street signage, could allow a total of 900 square feet, except for the restriction that a sign area has a maximum of 300 square feet. The Painted on Sign proposed is 4,291 square feet.

Chapter 612 of the PDO establishes a procedure for appeals of final decisions by the Zoning Administrator to the City Council. The City Council shall review the appeal within 30 days of the appeal being filed and the City Council shall render its decision within thirty (30) days of the date the hearing is closed (§612.04(c) and (f) respectively).

The applicant submitted in writing an appeal to Zoning Administrator Determination 2018-012, the action being appealed and the grounds for an appeal to the Zoning Administrator determination to allow for a painted on sign greater than the Development Ordinance permits (Attachment 1). Essentially the applicant argues that a large sign would assist with courting investors and that large signage is an expectation of the investors. Staff requested examples be provided of similar manufacturing companies and the cities in which they are located that allow comparable signage per their request, however, at the time of this report, no examples have been provided.

RECOMMENDATION: That the City Council consider the appeal consistent with Chapter 305 - Signs, as approved in the Porterville Development Ordinance

ATTACHMENTS:

1. Applicant Request to Appeal ZA Determination
2. Green Power Motor Company - Proposed Sign
3. Green Power Motor Company - 400 square feet
4. Chapter 305 - Signs

Appropriated/Funded:

Review By:

Department Director:

Final Approver: John Lollis, City Manager

Date: October 10, 2018
Name: Green Power Bus
2011 Wildcat Way
Porterville, CA 93257
559-782-6350

RECEIVED
OCT 11 2018
CITY OF PORTERVILLE
CITY MANAGER

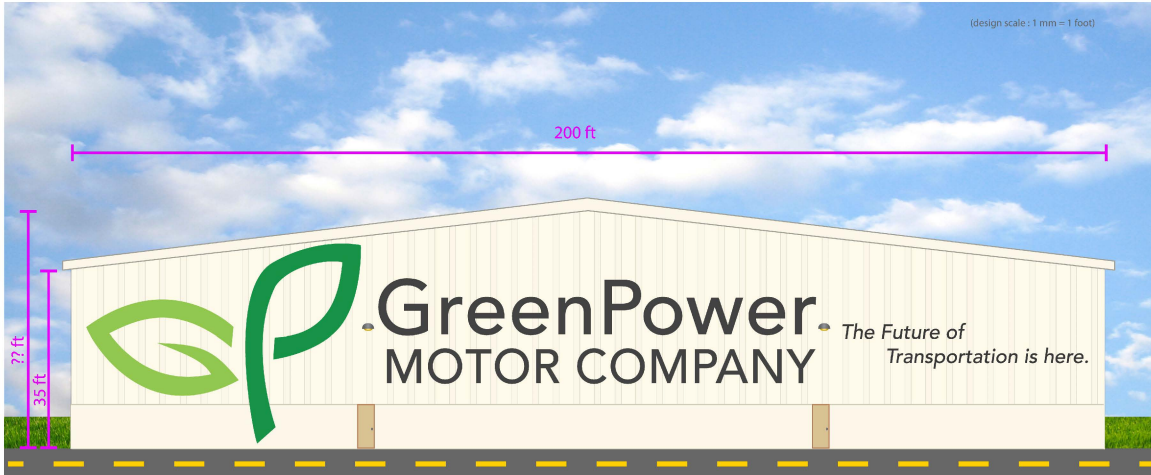
Appellant: Brendan Riley

Appealing: The denied of the application for signing, exceeding the permitted amount per City Ordinance.

Address: 90 W. Poplar Porterville, CA 93257

Grounds: Green Power Motor is a publicly traded EV manufacturer. Green Power is courting savvy investors that have investments in other EV manufacturers. Investors go on tours of manufacturing plants or look at photos of them to help make decisions on whether to invest in those companies. If one looks at the companies in our space, EV Manufacturing, one would see those factories with huge signage. We submit that it is actually expected that the Manufacturers of EVs have this large signage on their building and we would like to show investors what they expect to see.

Thank you



53.4' x 38.8'



85' x 20.45'

GreenPower
MOTOR COMPANY

G 9.65' x 11.12'

M 6.62' x 6.57'

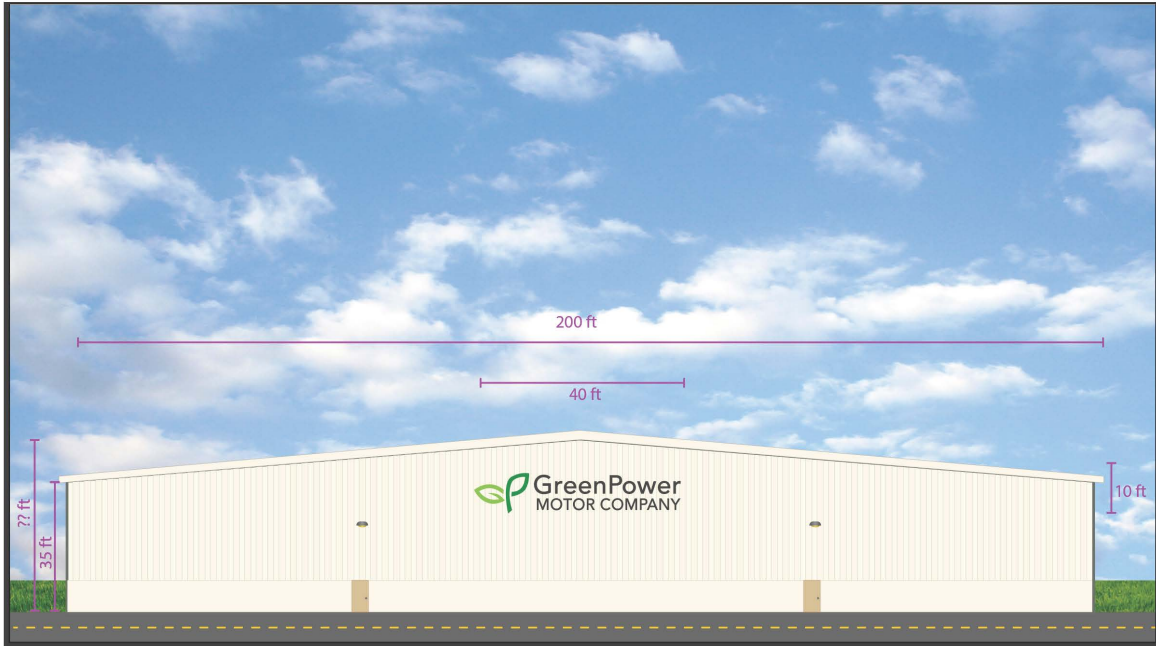
34.6' x 4.4'

The Future of

56.27' x 5.85'

Transportation is here.

T 3.2' x 4'



Chapter 305 Signs

Sections:

305.01	Purpose
305.02	Policies
305.03	Applicability
305.04	Design Principles
305.05	Exempt Signs
305.06	Prohibited Signs
305.07	General Standards
305.08	Sign Standards for Residential Districts
305.09	Sign Standards for Non-Residential Districts
305.10	Standards for Specific Types of Signs
305.11	Temporary Signs
305.12	Permits Required; Review Process
305.13	Master Sign Program
305.14	Nonconforming Signs
305.15	Abatement and Removal of Illegal Signs

305.01 Purpose

The purpose of this chapter is to establish regulations to ensure the orderly display of signs as a city-wide information system, consistent with State and Federal law. These regulations recognize the desire and need of each individual, business, firm or corporation to identify its place of residence, business or service, and realizing that the indiscriminate erection, location, illumination, coloring, size, and lack of proper maintenance of signs and advertising structures constitutes a significant contributing factor detrimental to the well-being and continuing activity of a city's people and economy. Specifically, these regulations are intended to:

- (a) Assure that all signs and advertising structures are designed, erected and maintained in a manner to enhance, rather than detract from, the ultimate design and appearance of the affected locality, and do not impair the view of nearby or adjacent signs;
- (b) Prohibit the installation and maintenance of signs or advertising structures that unduly distract motorists' attention from driving, and which detract from attention to traffic movement and to signs and signals promoting traffic safety;
- (c) Prevent the installation and maintenance of signs or advertising structures that individually or collectively have an injurious effect on the morale of the people and the economic well-being of the city;
- (d) Assure that size and location of signs and advertising structures do not constitute an obstacle to effective fire protection and firefighting techniques; nor constitute a direct or potential danger to vehicular or pedestrian traffic, especially in the event of structural failure during the period of inclement weather and earthquakes or in the event of impaired vision due to improper size or location; and
- (e) Otherwise protect the public health, safety, morale, and promote the public welfare.

305.02 Policies

The policies and principles stated in this Section apply to all signs within the regulatory scope of this Chapter, and to all procedures set forth in, or invoked by, this Chapter. These policies are to prevail over any other provision to the contrary, even if more specific.

- (a) **Permit Requirement.** Unless expressly exempted by a provision of this Chapter, or by other applicable law, signs within the regulatory scope of this Chapter may be displayed only pursuant to a permit issued by the City.
- (b) **Message Neutrality.** It is the City's policy to regulate signs in a constitutional manner, which is content neutral as to noncommercial signs and viewpoint neutral as to commercial signs.
- (c) **Regulatory Interpretations.** All regulatory interpretations of this Chapter are to be exercised in light of the City's message neutrality policy. Where a particular type of sign is proposed in a permit application, and the type is neither expressly allowed nor prohibited by this Chapter, or wherever a sign does not qualify as a "structure" as defined in the Building Code, then the Zoning Administrator shall approve, conditionally approve, or disapprove the application based on the most similar sign type that is expressly regulated by this Chapter.
- (d) **Substitution of Messages.** Subject to the property owner's consent, a noncommercial message of any type may be substituted for any duly permitted or allowed noncommercial message, provided that the sign structure or mounting device is legal without consideration of the message content. Such substitution of message may be made without any additional approval or permitting. This provision prevails over any more specific provision to the contrary within this Chapter. The purpose of this provision is to prevent any inadvertent favoring of commercial speech over any other noncommercial message. This provision does not create the right to increase the total amount of signage on a parcel, lot or land use; does not affect the requirement that a sign structure or mounting device be properly permitted; does not allow a change in the physical structure of a sign or its mounting device; does not allow the substitution of an off-site commercial message in place of an on-site commercial message; and does not allow one particular on-site commercial message to be substituted for another without a permit.
- (e) **Rules for Non-communicative Aspects of Signs.** All rules and regulations concerning the non-communicative aspects of signs, such as location, size, height, illumination, spacing, orientation, etc., stand enforceable independently of any permit or approval process.
- (f) **Situs of Non-commercial Message Signs.** The onsite/offsite distinction applies only to commercial messages on signs.
- (g) **Property Owner's Consent.** No sign may be displayed without the consent of the legal owner(s) of the property on which the sign is mounted or displayed. For purposes of this policy, "owner" means the holder of the legal title to the property and all parties and persons holding a present right to possession, control or use of the property.

- (h) **Legal Nature of Signage Rights and Duties.** As to all signs attached to property, real or personal, the signage rights, duties and obligations arising from this Chapter attach to and travel with the land or other property on which a sign is mounted or displayed. This provision does not modify or affect the law of fixtures, sign-related provisions in private leases regarding signs (so long as they are not in conflict with this Chapter), or the ownership of sign structures.
- (i) **Sign Programs.** Sign programs for specific developments, as well as special sign districts or special sign overlay zones, when approved by the Approving Authority, may modify the rules stated herein as to sign size, height, number, illumination, spacing, orientation or other non-communication aspects of signs, but may not override or modify any of the Basic Policies stated in this Section. All the provisions of this Section shall automatically apply to, and be deemed a part of, any sign program after the date on which this provision is initially adopted.
- (j) **Severance.** If any section, sentence, clause, phrase, word, portion or provision of this Chapter is held invalid, or unconstitutional, or unenforceable by any court of competent jurisdiction, such holding shall not affect, impair, or invalidate any other section, sentence, clause, phrase, word, portion, or provision of this Chapter which can be given effect without the invalid portion. In adopting this Chapter, the City Council affirmatively declares that it would have approved and adopted the Chapter even without any portion which may be held invalid or unenforceable.

305.03 Applicability

The requirements and development standards in this chapter apply to signs in all zoning districts, unless otherwise specified.

305.04 Design Principles

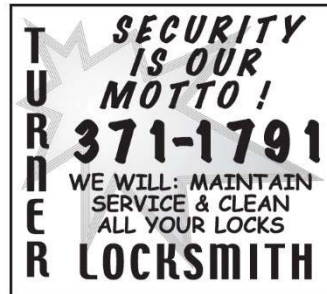
- (a) **Architectural Compatibility.** A sign (including its supporting structure, if any) shall be designed as an integral design element of a building's architecture and architecturally compatible, including color and scale, with any building to which the sign is to be attached and with surrounding structures. A sign that spills over "natural" boundaries or architectural features and obliterates parts of upper floors of buildings, or is detrimental to visual order is not permitted.
- (b) **Consistency with Area Character.** A sign shall be consistent with distinct area or district characteristics and incorporate common design elements such as sign materials or themes. Where a sign is located in close proximity to a residential area, the sign shall be designed and located so it has little or no impact on adjacent residential neighborhoods.
- (c) **Legibility.** The proportion of the elements of the sign's message, including logos, letters, icons and other graphic images, shall be selected based on the anticipated distance and travel speed of the viewer. Colors chosen for the sign text and/or graphics shall have sufficient contrast with the sign background in order to be easily read during both day and night hours.

FIGURE 305.04(C): LEGIBILITY OF SIGNS

This:



Not This:



This:



Not This:



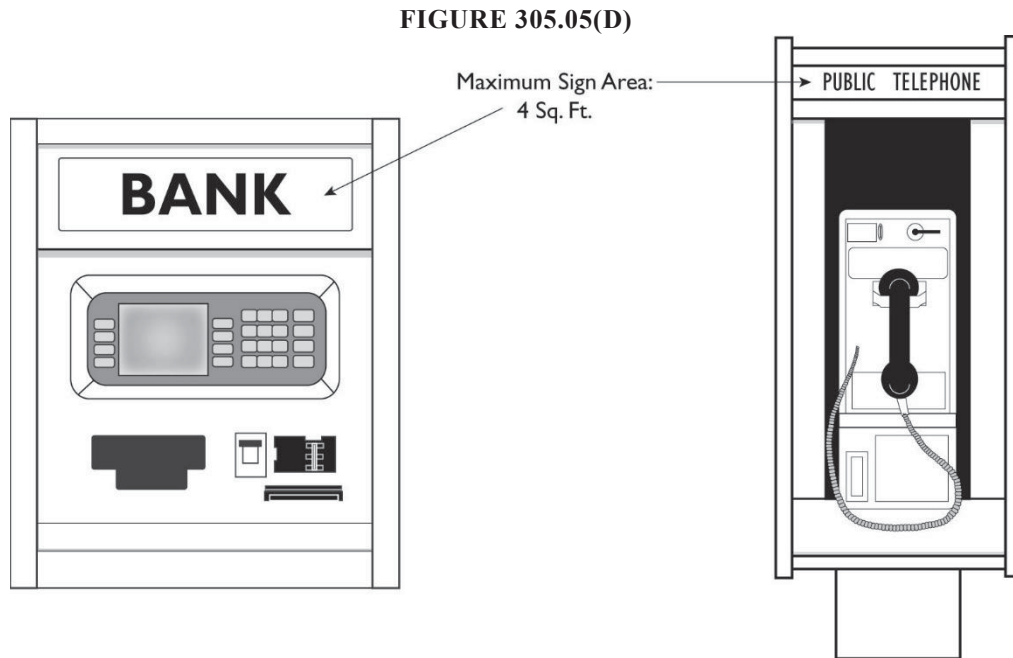
- (d) **Finish.** Signs shall have finished edges with a clean, smooth, consistent surface. Lettering on the sign is to be of complementary size, proportion and font and either carved, routed, painted or applied.
- (e) **Visibility.** A sign shall be conspicuous and readily distinguishable from its surroundings.

305.05 Exempt Signs

The following signs are exempt from the permit requirements of this chapter, and they do not count toward the total sign number or area limit for a site, provided that they conform to the specified standards and obtain building permits when required by law.

- (a) Signs for historical or memorial buildings, when constructed of bronze or other incombustible materials or cut into any masonry surface and installed by a civic organization recognized by the City Council.
- (b) A temporary attachment or covering of wood, plastic, or canvas over a permanent sign may be displayed no longer than thirty (30) days following the change of ownership, or up to ninety (90) days following issuance of a building permit. The sign shall be no larger than the previously permitted permanent sign.
- (c) One (1) sign, with a maximum sign area of thirty-two (32) square feet, per street frontage on real property where construction, structural alteration or repair is to take place, or is taking place. Construction signs shall be removed upon final building inspection.

- (d) Signs, not more than four (4) square feet in area, incorporated into displays, machinery or equipment by a manufacturer, distributor or vendor, such as signs customarily fixed to automated teller machines (ATMs), gasoline pumps, vending machines, menu boards and umbrellas, such as those represented in Figure 305.05(D).



- (e) **Flags.** Flags with the display of only noncommercial speech.
- (f) **Handbills.** Handbills, Advertising Circulars, Etc., must comply with the standards and licensing contained in Chapter 3, Article II, of the Porterville Municipal Code
- (g) A maximum of one sign per apartment house, boarding or rooming house, or similar use, not exceeding six (6) square feet in area.
- (h) A maximum of two signs per building within six feet of the building entrances for commercial, industrial, and office uses, not exceeding six square feet per building. Government uses, in addition to the aforementioned six square feet per building, may include not more than one shadowbox with not more than ten square feet of display area.
- (i) Up to two on-site signs for public or private developments, not exceeding four (4) square feet in area per face, and not exceeding forty-eight inches in height, provided such signs are not prohibited or further regulated by other sections of this or any other chapter of the Porterville Municipal Code. Uses that include a drive-through service window are allowed one additional sign per this exemption.
- (j) Properties or lease spaces may display not more than one (1) on-site sign with a maximum size of six (6) square feet (excluding rider signs no larger than a total of six (6) square feet) and a maximum height of six (6) feet in the R districts, and a maximum size of thirty-two (32) square feet and a maximum height of eight (8) feet in all other districts, per street frontage of a parcel when the property is currently for

sale or rent. Such signs shall be removed within 5 days following close of escrow or finalization of sale, rental or lease.

- (k) **Reader Panels.** Permanent reader panels for public, charitable, or religious institutions provided said reader panels are located on the property to which such reader panels pertain and do not exceed twenty (20) square feet in total area per face nor more than ten (10) feet in height, and further provided said reader panels are located in such a manner as not to constitute a hazard to vehicular or pedestrian traffic. Electronic reader boards which otherwise comply with the signage requirements of the zone in which they are located, and do not include animation, characters, flashing, or similar rapid movements, and which are programmed to change messages no more frequently than once every three (3) seconds shall also be allowed as exempt signs for public, charitable or religious institutions.
- (l) One sign per business provided by said business, which sponsors and contributes to the sports activities upon public premises, not to exceed thirty-six (36) square feet in area, per site shall be permitted for a period not to exceed ninety (90) days preceding the event or season. Such sign shall be removed within fifteen (15) days after the event or season.
- (m) Bus stop, shelter, and bench advertisement displays as permitted by the Transit Advertising Policy.

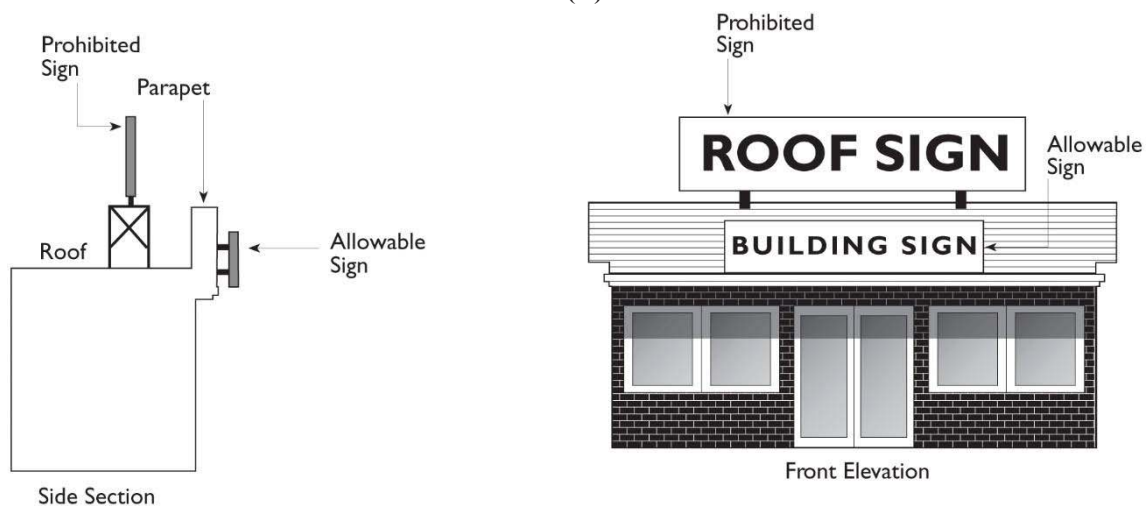
305.06 Prohibited Signs

The following types of signs and devices are specifically prohibited:

- (a) **Animated, Flashing or Moving Signs.** Signs that incorporate, flashing, moving, rotating, pulsating or intermittent lighting, with the exception of changeable copy message center display signs and barber poles, except as allowed elsewhere in this chapter. Any sign that, because of brilliant lighting, interferes with the enjoyment of surrounding residential property or interferes with traffic, vehicular or pedestrian, is prohibited.
- (b) **Balloons, Banners, Streamers and Pennants.** Signs, balloons, banners, pennants, or any other advertising display constructed of cloth, canvas, light fabric, paper, cardboard, wallboard or other light materials, except awnings or as allowed for Automobile/Vehicle Sales and Leasing establishments, or in Section 305.11, Temporary Signs.
- (c) **Billboards.** Any sign directing attention to a business, service, or product that is not conducted, sold, produced, or offered by any use on the same lot, or which identifies by brand name a product which, although sold on the premises, does not constitute one (1) of the principal items for sale on the premises unless otherwise provided by the California Outdoor Advertising Act (Business and Professions Code Sections 5200 – 5486, inclusive).
- (d) **Emissions.** Signs that produce noise in excess of forty (40) decibels, excluding voice units at drive-through facilities, and signs that emit odor or visible smoke, vapor or particles.

- (e) **Fence Signs.** Signs attached or painted on fences or freestanding walls that are not part of a building, except for subdivision entry signs as allowed in Section 305.08 (b).
- (f) **Obscenities.** Signs that depict, describe or relate to “specified sexual activities” or “specified anatomical areas” as defined in Chapter 700, Terms and Definitions.
- (g) **Obstructions to Exits.** Signs erected, constructed or maintained which obstruct any firefighting equipment, fire escape, required exit or door opening intended as a means of egress, unless approved by the Fire Marshal.
- (h) **Obstructions to Driver Visibility.** Signs in corner cut-offs and lines of sight in accordance with the provisions of Section 300.16, Visibility at Driveways and Intersections.
- (i) **Obstructions to Ventilation.** Signs that interfere with any opening required for ventilation.
- (j) **Portable Signs.** Signs not permanently attached to, mounted upon or affixed to a building, structure or the ground, except as otherwise provided herein.
- (k) **Posters.** Posters of a temporary character that are tacked, painted, pasted or otherwise placed or affixed and made visible from a public way, on the walls of buildings, on barns, sheds, trees, fences, utility poles or other structures, sidewalks or patios, except as otherwise provided in this chapter. This section excludes signs placed in windows per Section 305.10 (e).
- (l) **Roof Signs.** Signs erected or painted upon, over or above the roof of a building or structure, or any sign affixed to the wall of a building so that it projects above the ridge line or top of parapet, except as allowed in this chapter.

FIGURE 305.06(L): ROOF SIGNS



- (m) **Signs Creating Traffic Hazards.** Signs that simulate in color, size or design any traffic control sign, signal or device, or that make use of words, symbols or characters

in a manner that interferes with, misleads or confuses pedestrian or vehicular traffic. No sign, light or advertising structure shall be located in such a manner as to constitute a hazard to pedestrian or vehicular traffic, or in such a manner as to obstruct free and clear vision, at any location where, by reason of the position, shape, color or movement may interfere with, obstruct the view of, or be confused with any authorized traffic sign, signal or device.

- (n) Signs of public property. Signs located on public lands, including but not limited to public rights of way, parks, public buildings, storm drainage basins, and facilities are prohibited. When associated with rental or reservation of such facility, signs may be placed during the event for which the reservation was made; however, such signs must be removed at the end of the reservation period.

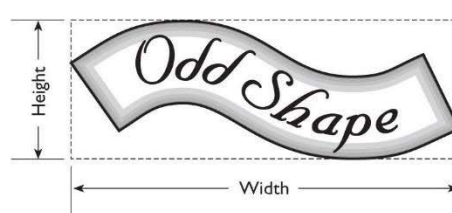
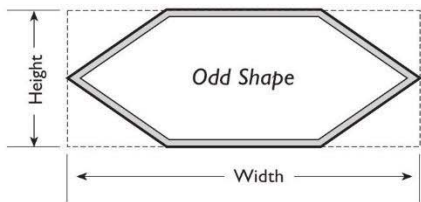
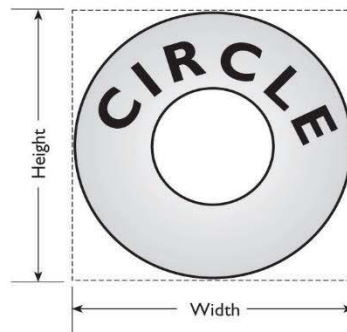
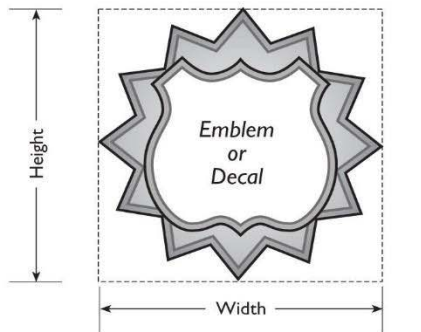
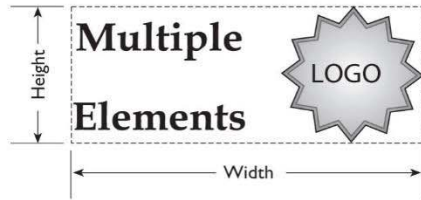
305.07 General Standards

This section establishes general physical standards and requirements. More detailed standards applicable to specific sign types (e.g. wall signs, awning signs) are in Section 305.10, Standards for Specific Sign Types. In addition to these general standards, all signs shall conform to the specifications of Municipal Code Chapter 3, Advertising and Signs.

- (a) **Maximum Allowable Sign Area.** All signs shall conform to the maximum area requirements specified in Table 305.09, unless a different limit is approved under a Master Sign Program.
- (b) **Measuring Sign Area.** Sign area includes the entire face of a framed sign, but does not include the supporting structure. Individual letters attached to a building shall be measured by the area enclosed by a continuous line outlining the perimeter of the words, emblems, and logos.

FIGURE 305.07(B): MEASURING SIGN AREA

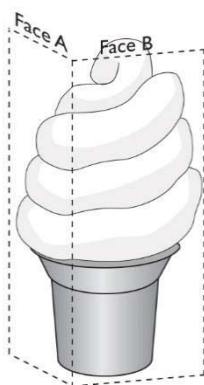
Sign Area = Height x Width



- (1) **Double-Faced Signs.** For double-faced signs, only one (1) side shall be counted as the total area. Where the faces are not equal in size, the larger sign face shall be used as the basis for calculating sign area.
- (2) **Multi-faced Signs.** The sign area of signs with three (3) or more sign faces shall be calculated as the sum of two (2) sign faces. Where the faces are not equal in size, the larger sign faces shall be used as the basis for calculating sign area.
- (3) **Three-dimensional Signs.** Signs that consist of, or have attached to them, one (1) or more three-dimensional objects (i.e. balls, cubes, clusters of objects, sculpture, or statue-like trademarks), shall have a sign area of the sum of two (2) adjacent sides or sign faces.

FIGURE 305.07(B)(3): THREE-DIMENSIONAL SIGNS

Sign Area = Sum of Two Adjacent Sides



- (c) **Abandoned Signs.** Any sign, including its supporting structure, which no longer identifies the current occupant after a lapse of ninety (90) days, shall be deemed an abandoned sign and shall be removed by the owner of the property on which it is located. When a wall sign is removed, the wall behind the sign shall be repaired and painted to match the rest of the building wall. Any signs not removed or made blank within this time shall be removed pursuant to the removal procedures set forth in this chapter.
- (d) **Building Frontage.** Building frontage shall be considered the wall of a building that faces and is roughly parallel with a public street, excluding an alley. The linear dimension of that building frontage shall be used to calculate allowable signage. Buildings with walls facing more than one public street shall be allowed signage for each building frontage in accordance with Table 305.09. Buildings located on interior lots (not on a corner) and that are oriented perpendicular to a public street shall be allowed signage based on the longer of the front or side building elevation. All, or a percentage, of the allowable sign area may be transferred to the other building elevations provided the sign area on any wall shall not exceed the maximum allowable for that wall in accordance with Table 305.09. For buildings that have no public street frontage, building frontage shall be determined by the Zoning Administrator.
- (e) **Changeable Copy.** Changeable copy shall cover no more than forty (40) percent of the total sign allowance for manually changeable signs. For electronic message center

- signs with copy that can be changed or altered by electric, electro-mechanical, electronic, or any other artificial energy means, the changeable portion of the sign shall cover no more than forty (40) percent of the total sign allowance. The following uses are exempt from this restriction: religious institutions, cinemas, government or civic uses, gas station uses, indoor theaters, schools, and colleges.
- (f) **Clearance from Utilities.** Signs and their supporting structures shall maintain clearance from and not interfere with electrical conductors, communications equipment or lines, surface and underground facilities and conduits for water, sewage, gas, electricity and communications equipment or lines. Signs shall not be placed in public utility easements unless express written permission from the affected public utility is obtained.
- (g) **Construction and Maintenance**
- (1) Unless exempt, signs and supporting structures shall be installed in accordance with the latest adopted Building Code.
 - (2) All signs, together with all supporting structures, shall be maintained in the following manner:
 - a. Signs shall be kept free of rust, dirt and chipped, cracked or peeling paint.
 - b. All hanging, dangling, torn or frayed parts of signs shall be promptly repaired, and graffiti and unauthorized attachments shall be removed.
 - c. Failed, damaged, or blinking illumination shall be promptly replaced.
 - d. Sign areas shall be kept free and clear of all noxious substances, rubbish and weeds.
 - e. Discolored or faded panels on plastic faces shall be restored to their original condition and color.
- (h) **Encroachment into Public Street or Sidewalk.** Any sign projecting into a public right of way requires an encroachment agreement approved by the City Engineer.
- (i) **Illumination.** Channel letters, internally illuminated signs and neon signs are permitted. Bare bulbs visible from the public right of way are prohibited. On signs with external illumination, lights shall be provided with proper reflectors to concentrate the illumination on the area of the sign to prevent glare on the street or adjacent properties. All sign illumination shall adhere to the performance standards for lighting and glare in Chapter 306, Performance Standards.
- (j) **Materials.** Paper, cardboard, untreated plywood and other materials subject to rapid deterioration shall be limited to signs displayed for no more than (30) days

305.08 Sign Standards for Residential Districts

- (a) Religious facilities, multi-family residential projects, schools, civic uses and other nonresidential uses in R districts are allowed one (1) building-mounted sign and one

- (1) monument sign with a maximum cumulative sign area of thirty-two (32) square feet.
- (b) Residential subdivisions are allowed one (1) monument sign or wall sign per street frontage for entry into the subdivision. Each sign shall not exceed a maximum size of thirty-two (32) square feet.

305.09 Sign Standards for Non-Residential Districts

Signage in non-residential districts shall comply with the standards in Table 305.09 unless a different sign area allowed for a specific use is described elsewhere in this code. Buildings without clearly defined tenant space frontage shall share total sign area allowed per building as determined in Table 305.09. All properties in non-residential districts shall be allowed a minimum sign area of twenty (20) square feet.

Table 305.09: SIGN AREA AND SIGN STANDARDS FOR SPECIFIC SIGN TYPES AND ZONING DISTRICTS		
<i>Zoning Districts (Frontage)</i>	<i>Sign Area Allowed (Sq. Ft. Per 1 Linear Ft. Of Building Frontage)</i>	<i>Permitted Sign Types</i>
DR-N, D-MX	2	Awning and canopy
		Marquee
		Projecting
		Wall
		Window
D-PO	2	Awning and canopy
		Projecting
		Monument
		Window
D-PS	2	Awning and canopy
		Marquee
		Monument
		Projecting
		Wall
		Window
DR-D, DR-S	2	Awning and canopy
		Marquee
		Projecting
		Wall
		Window
D-GC	2	Awning and canopy
		Marquee
		Monument
		Projecting
		Wall
		Window

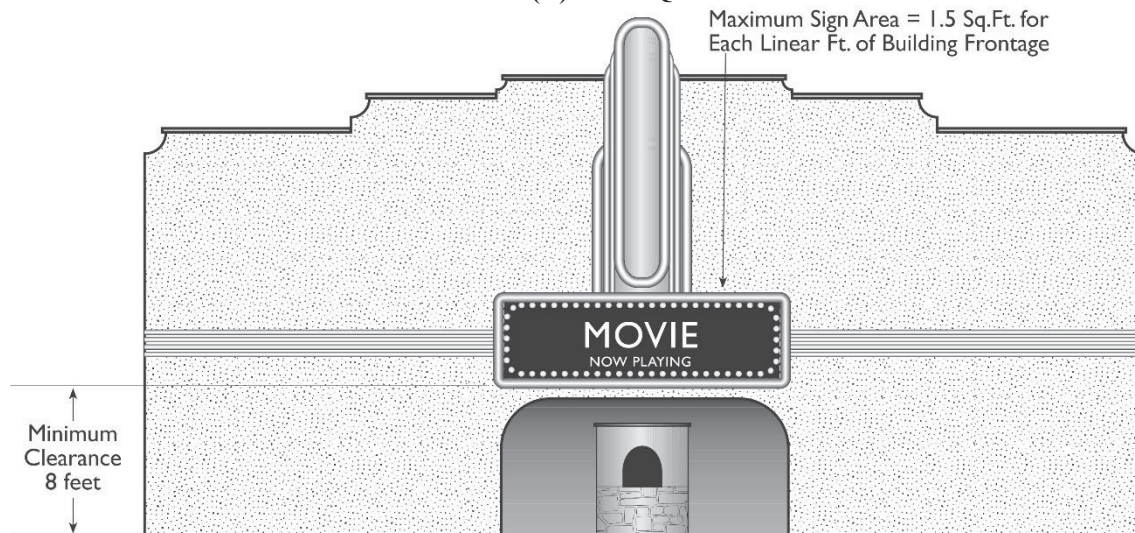
Table 305.09: SIGN AREA AND SIGN STANDARDS FOR SPECIFIC SIGN TYPES AND ZONING DISTRICTS		
<i>Zoning Districts (Frontage)</i>	<i>Sign Area Allowed (Sq. Ft. Per 1 Linear Ft. Of Building Frontage)</i>	<i>Permitted Sign Types</i>
CMX, CN, PO	1.5	Awning and canopy
		Marquee
		Monument
		Freestanding
		Projecting
		Wall
		Window
CG, CR	3	Awning and canopy
		Marquee
		Monument
		Freestanding
		Projecting
		Wall
		Window
IP, IG, IA	2	Awning and canopy
		Marquee
		Monument
		Freestanding
		Projecting
		Wall
		Window
REC, PK, PS	2	Awning and canopy
		Monument
		Freestanding
		Projecting
		Wall

305.10 Standards for Specific Types of Signs

- (a) **Awning and Canopy Signs.** Signs painted on awnings, canopies, arcades, or similar attachments or structures are allowed. Awning and canopy signs are subject to the specific zoning district standards and the following standards:

- (1) **Maximum Sign Area Per Awning or Canopy Sign:**
 - a. Downtown, CMX, and CN districts: twenty-four (24) square feet
 - b. CG, CR, and Employment districts: sixty (60) square feet
 - (2) **Sign Clearance.** Minimum of eight (8) feet.
 - (3) **Height Limit.** Twenty-five (25) feet.
 - (4) **Number of Signs.** Four (4) maximum per building façade, which includes any wall signs.
- (b) **Marquee Signs.** A sign permanently affixed to a marquee is allowed in conjunction with theaters, museums, galleries, and similar uses. Removable copy may be changed on the face of permitted marquee signs without securing a permit. Marquee signs are subject to the specific zoning district standards and the following standards:
- (1) **Maximum Number of Signs:** One (1) marquee sign per site.
 - (2) **Maximum Sign Area Per Sign:** One and one-half (1.5) square feet per linear foot of building frontage.
 - (3) **Sign Clearance.** Minimum of eight (8) feet.

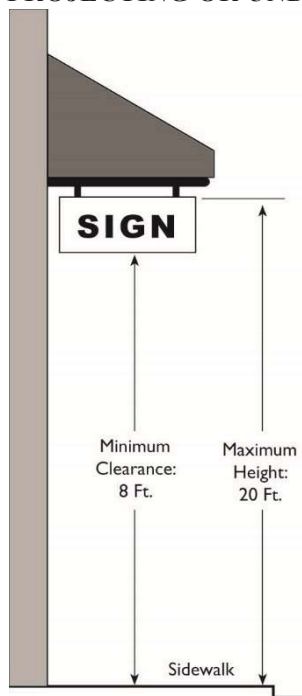
FIGURE 305.09(B): MARQUEE SIGNS



- (c) **Projecting Signs.** Signs under canopies or covers in conjunction with pedestrian walkways, or signs projecting from the building wall are allowed, subject to the specific zoning district standards and the following standards:
- (1) **Maximum Number of Signs:** One (1) projecting sign per building façade or tenant space frontage.
 - (2) **Maximum Sign Area Per Sign:** Sixteen (16) square feet; except the maximum sign area per sign is eight (8) square feet when the sign is located under a canopy or awning.
 - (3) **Sign Clearance.** Minimum of eight (8) feet.

- (4) **Height.** A projecting sign shall be erected in such a manner as not to create a traffic hazard to vehicles or pedestrians. Projecting signs shall not extend higher than twenty (20) feet above ground level or above an eave or roof, whichever is lower.
- (5) **Projection**
- A projecting sign cannot extend more than three (3) feet from the building to which it is attached.
 - An under-canopy sign, attached to and hanging from an awning or canopy shall be located completely under the canopy or awning and shall not project beyond its edge. An under-canopy sign shall not count towards the sign area allowed.

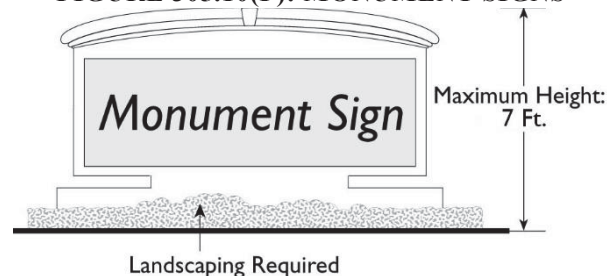
FIGURE 305.10(C): PROJECTING OR UNDER-CANOPY SIGNS



- (d) **Wall Signs.** Wall signs include any sign attached to, erected against or painted upon the wall of a building or structure, the face of which is in a single plane parallel to the plane of the wall. Wall signs also include signs on a parapet or mansard roof. Wall signs attached to the fascia shall be channel letters and shall be architecturally consistent with other signage in the development. No wall sign may cover wholly or partially any required wall opening. Wall signs are also subject to the specific zoning district standards and the following standards:
- (1) **Maximum Number of Signs.** Four (4) maximum per building façade or tenant space frontage, which includes any awning or canopy signs.
 - (2) **Maximum Sign Area Per Sign:** Three hundred (300) square feet.

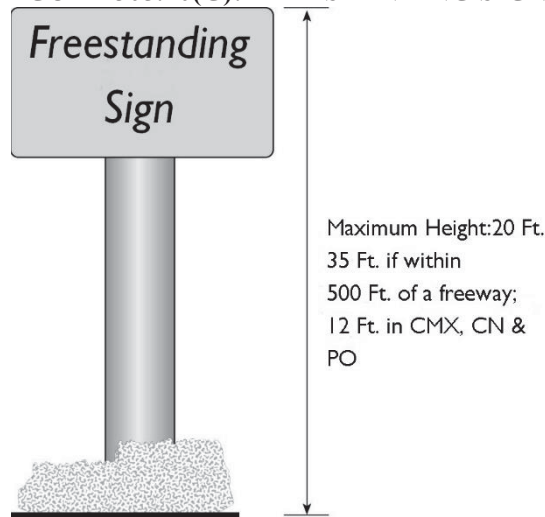
- (3) **Height.** Wall signs shall not be mounted or placed higher than the second story and shall not extend higher than the building wall upon which they are attached.
 - (4) **Coverage.** Wall sign copy shall not occupy more than seventy-five (75) percent of the length of the wall to which the sign is attached.
 - (5) **Projection.** Wall signs cannot extend more than twelve (12) inches beyond the face of the wall to which they are attached.
 - (6) **Design.** Wall signs shall be oriented to achieve balance composition and harmony with other architectural elements of a building façade.
- (e) **Window Signs.** Window signs painted or otherwise adhered directly onto a window are exempt from the permit requirements of this chapter and do not count towards the total sign area limit for a site, but are subject to the specific zoning district standards and the following standards:
- (1) **Coverage.** Window signs shall cover no more than fifty (50) percent of the total glass window area along each building façade.
 - (2) **Height.** Window signs shall not be mounted or placed on windows higher than the second story.
- (f) **Monument Signs.** Freestanding signs erected on the ground or on a monument base designed as an architectural unit are allowed, subject to the specific zoning district standards and the following standards:
- (1) **Maximum Number of Signs.** One (1) monument sign per frontage per site.
 - (2) **Maximum Sign Area Per Sign:**
 - a. D-PO, D-PS, D-GC, CMX, and CN districts: thirty-two (32) square feet.
 - b. CG, CR, and Employment districts: sixty (60) square feet
 - c. PS, REC and PK districts: thirty-two (32) square feet.
 - (3) **Height.** A maximum of seven (7) feet.
 - (4) **Landscaping.** All monument signs shall require automatic irrigated landscaping at the base equivalent to the area of the sign copy.

FIGURE 305.10(F): MONUMENT SIGNS



- (g) **Freestanding Signs.** Freestanding signs are allowed subject to the specific zoning district standards and the following standards:
- (1) **Maximum Number of Signs:** One (1) freestanding sign per site.
 - (2) **Allowable Sign Area Per Sign.** The area of any freestanding sign shall be included in the maximum allowed sign area per Table 305.09.
 - (3) **Architectural Treatment.** Freestanding signs shall be architecturally compatible in style, finish and color with the adjacent building or development. Structural supports, poles, angle bars, iron pipes, I-beams or similar structural members shall be architecturally encased with finished metal cladding, stucco, or similar material at least one foot in diameter, subject to approval by the Zoning Administrator as to proportion and architectural compatibility.
 - (4) **Landscaping.** Freestanding signs shall be placed within a landscaped planter with at least twenty-four (24) square feet of planting area. As a condition of any permit for a pole sign, additional landscaping of the property may be required where needed to better integrate sign appearance with the site through scale and softening effects.
 - (5) **Height**
 - a. A maximum of twenty (20) feet; thirty-five (35) feet within five hundred (500) feet of a freeway right of way. Pole signs shall have a minimum clearance of fourteen (14) feet over parking lots and driveways, and eight (8) feet over interior pedestrian walkways.
 - b. A maximum of twelve (12) feet in the CMX, CN and PO zone districts.
 - (6) **Projection.** Freestanding signs shall not project beyond the property line.

FIGURE 305.10(G): FREESTANDING SIGNS



(h) **Other Sign Types**

- (1) **Commercial Center Signs.** Commercial Center signs may be erected in the Commercial and Employment districts, subject to the following limitations:
 - a. *Allowable Areas.* The center shall consist of a commercial or industrial development with an integrated site and design plan creating a single unified development with three (3) or more uses.
 - b. *Area Not Counted.* The area of the sign shall not count towards the sign area allowed for the individual tenant space or building on the lot.
 - c. *Sign Area Allowed.* The maximum sign area may be no more than one (1) square foot for each linear foot of street frontage, but in no case shall the total sign area exceed two hundred (200) square feet. If more than one (1) entrance to the lot exists, the maximum sign area permitted will be divided among the number of entryways and signs requested.
 - d. *Sign Height.* The maximum sign height shall not exceed twenty (20) feet in the CMX, CN and PO zone districts; thirty-five (35) feet in all other Commercial and Employment zone districts.
 - e. *Sign Base.* The sign base is to be located within a planter box or planting area at least twenty-four (24) square feet in area and the design and location is to be approved by the Zoning Administrator.
- (2) **A-Frame/Sandwich Board Signs.** Temporary, portable A-frame or sandwich board signs may be erected in all nonresidential zone districts, subject to the following limitations:
 - a. *Area Not Counted.* The area of the sign shall not count towards the permissible sign area of the individual lot.
 - b. *Maximum Number of Signs.* One (1) A-frame/sandwich board sign per tenant space.
 - c. *Maximum Sign Area.* The total sign area shall not exceed a maximum of six (6) square feet per side.
 - d. *Location.* Such sign may encroach into the right of way up to two (2) feet from the property line provided there remains a five (5) foot wide walkable area when the sign is in place.
 - e. *Removal.* Such sign is to be removed during non-operational hours.
- (3) **Mobile Signs.** Signs pulled on a trailer or otherwise mounted to a vehicle may be allowed subject to the following limitations:
 - a. *Permit process.* Only three such signs shall be permitted at a given time. A party wishing to present signage in a mobile or semi-mobile manner may apply for a conditional use permit. The conditional use permit will be valid for a term of one year. The three terms will initiate on a rotational basis, beginning in January, May, and September of each year. A lottery will be held in December, April, and August of each year for the respective terms.

- b. *Materials.* A mobile sign permitted per this section shall be developed of materials as prescribed in Section 305.07, and shall include any additional design considerations to assure that such signs are securely and safely affixed to the host vehicle in consideration of its use on local streets and roadways.
- c. *Size.* Signs may not exceed the height of the vehicle to which they are affixed by more than eighteen inches, and may not extend beyond the horizontal dimensions of the trailer on which they are mounted.
- d. *Exemptions.* Decals, paint, stickers, and similar treatments affixed directly to the exterior of the host vehicle, or to a trailer, are exempted from this ordinance, provided that:
 - 1. Lighting, changeable copy, and digital signs are not permissible exemptions.
 - 2. In order for signage on a trailer to be exempt, the trailer shall meet the standard minimum dimensions established by the U.S. Department of Transportation, Federal Highway Administration, in the Federal Size Regulations for Commercial Motor Vehicles.
- e. Signs placed or displayed on vehicles parked in a conspicuous location that do not otherwise suit the above noted exemptions shall be considered mobile signage and are subject to this section.

305.11 Temporary Signs

The following types of temporary signs are permitted, provided that they conform to the standards of this section:

- (a) **Signs Associated with Commercial Uses:** Banners, handheld signs, portable signs and other similar temporary advertising devices shall be prohibited, except for business openings, special events, promotional events and new subdivisions being developed in the City and are subject to the following:
 - (1) A temporary sign permit shall be secured prior to the installation or display of any such sign. Issuance of a temporary sign permit may be contingent upon the overall permissible area available for temporary signs within a geographic area as identified in subsection (a)(6) of this section. In addition, the application would be reviewed in light of other temporary sign permit applications submitted for the same area, which may put such signs in conflict with subsection (a)(6) of this section.
 - (2) A temporary sign permit shall be granted for any one business or building for a period of three (3) calendar months. A temporary sign permit shall authorize the business to display a banner, handheld sign, portable sign or inflatable sign for the duration of the sign permit. A maximum of two (2) such signs may be permitted with a single application.
 - (3) No more than one temporary sign permit shall be in effect simultaneously for any business.

- (4) Each business shall be limited to a maximum of four (4) temporary sign permits in any calendar year. A temporary sign is not intended to be in lieu of a permanent sign. A temporary sign permit shall not be permitted longer than one (1) year before a permanent sign is installed.
 - (5) Each business shall be limited to a maximum of one temporary sign permit during a “going out of business sale,” or the equivalent in any calendar year.
 - (6) Unless otherwise authorized by a master sign program, freestanding temporary signs for multiple tenants of any one building, shopping center, office complex, or unified development shall be separated by a minimum of one hundred (100) feet.
 - (7) All banners, regardless of their ratio allowance of signage to linear building frontage, shall not exceed forty (40) square feet in size.
 - (8) A-frame signs are not considered temporary and as such do not apply to this section.
 - (9) No temporary sign shall be mounted on or above roofs or mansards or otherwise extend above a parapet wall or ridge line of a structure.
 - (10) During the period of time beginning sixty (60) days before a general, special, primary, or runoff election, and ending fifteen (15) days after such election, one additional temporary sign may be permitted without a temporary use permit, subject to the following size limitations:
 - a. Size Limitations in a Residential Zone District. The following size limitations apply:
 1. Four (4) square feet of cumulative signage when located on private property with frontage on a local street as designated in the General Plan.
 2. Eight (8) square feet of cumulative signage when located on private property with frontage on an Arterial or Collector Street as designated in the General Plan.
 - b. Size Limitations in a Non-Residential Zone District. The following size limitations apply:
 1. Sixteen (16) square feet of cumulative signage when located on private property.
 2. Four (4) square feet of cumulative signage when located within the public right of way.
- (b) **Signs Associated With Residential Uses.** On residential uses, non-illuminated temporary signs, with the size restrictions as specified below may be displayed at any time. However, during the period of time beginning sixty (60) days before a general, special, primary or runoff election, and ending fifteen (15) days after such election, the amount of display area may be doubled. Flags do not count toward the signage allowed under this provision.
- (1) *Size Limitations in a Residential Zone District.* The following size limitations apply:

- a. Four (4) square feet of cumulative signage when located on private property with frontage on a local street as designated in the General Plan.
 - b. Eight (8) square feet of cumulative signage when located on private property with frontage on an Arterial or Collector Street as designated in the General Plan.
 - (2) *Size Limitations in a Non-Residential Zone District.* The following size limitations apply:
 - a. Sixteen (16) square feet of cumulative signage when located on private property.
 - b. Four (4) square feet of cumulative signage when located within the public right of way.
 - (3) *Violations.* Violation to any of the above regulatory conditions shall be deemed a public nuisance and may be summarily abated as such, and each day that such violation continues shall be regarded as a new and separate offense.
- (c) Developers of a new subdivision being developed in the City may be permitted signs subject to the following requirements:
- (1) One (1) sign per street frontage with a maximum of three (3) temporary signs may be permitted on the subdivision site in accordance with the following:
 - a. *Maximum Sign Area.* The maximum sign area may be no more than one hundred (100) square feet (total of all signs).
 - b. *Height.* A maximum of ten (10) feet
 - c. *Duration.* Signs shall be removed twelve (12) months from the date the permit for same is issued, or within one year of the date that the most recent building permit was issued for a new house within the subdivision.
 - d. *Letter of Agreement.* A Letter of Agreement from the property owners giving the City right of entry to remove signs in the event the above stipulations are not complied with shall be submitted to the Zoning Administrator prior to the issuance of a sign permit. If at any time the property on which the signs are located is sold, the signs shall be removed, or a new Letter of Agreement shall be submitted from the buyer to permit the signs to remain and granting the City right to enter the property and remove the signs.
 - (2) Up to four (4) off-site signs may be permitted in any zone, provided that:
 - a. *Maximum Sign Area.* The maximum sign area per sign may be no more than thirty-two (32) square feet.
 - b. *Height.* A maximum twelve (12) feet.
 - c. *Duration.* Said signs shall be removed twelve (12) months from the date the permit for same is issued, or within one year of the date that

the most recent building permit was issued for a new house within the subdivision.

- d. *Consent of Landowner.* A completed application form, including a notarized affidavit signed by each property owner of each site is required prior to issuance of a sign permit.

305.12 Permits Required; Review Process

- (a) **Authority.** Unless otherwise stated, the Zoning Administrator shall review and approve all signs as specified in this chapter.
- (b) **Applicability.** Except for certain signs exempted in compliance with Section 305.05, Exempt Signs, no sign shall be erected, re-erected, constructed or altered (excluding change of copy on a can or cabinet sign) without Zoning Administrator approval and a building permit is issued by the Building Division.
- (c) **Applications for Filing, Processing and Review**
 - (1) **Applicant.** Sign owners or their designees shall apply for Building Permits for signs that require them.
 - (2) **Filing and Filing Fee.** Application for such permits shall be made upon forms furnished by the Zoning Administrator and accompanied by the required fee and working drawings adequate to show the location, construction and design, including colors, materials, lighting, electrical elements, and advertising copy, of the sign in accordance with applicable sign design guidelines and the linear footage of building frontage owned or leased by the business
 - (3) **Compliance with Standards.**
 - a. Upon acceptance of a sign application, the Zoning Administrator shall review the request for compliance with the locational and operational standards identified in this chapter, and with any standards established in a Master Sign Program pursuant to Section 305.13, Master Sign Program.
 - b. The Zoning Administrator's decision shall clearly state any conditions of approval or reasons for disapproval and applicable appeal provisions.
- (d) **Appeals.** Decisions by the Zoning Administrator may be appealed subject to the provisions of Chapter 612, Appeals.

305.13 Master Sign Program

- (a) **Purpose.** The purpose of a Master Sign Program is to provide a method for an applicant to integrate the design and placement of signs within a project with the overall development design to achieve a more unified appearance. It is not the intent of this section to be used solely to request relief from the sign regulations in order to circumvent any requirements or purpose of this chapter.

- (b) **Applicability.** A Master Sign Program may be processed for any development. However, shown below are examples of when a Master Sign Program may be most appropriate:
- (1) Nonresidential developments of three (3) or more separate tenants that share either the same parcel or structure and use common access and parking facilities (e.g., shopping centers, malls, office complexes and industrial parks); or
 - (2) Developments with multiple structures with limited frontage or no frontage on a public street; or
 - (3) Businesses conducted primarily outside of a building; or
 - (4) New multi-family residential developments of one hundred (100) or more units, or
 - (5) Other developments where the strict application of the sign code unduly restricts the allowable signage that can be located on the parcel.
- (c) **Application.** Master Sign Program applications shall contain all written and graphic information needed to fully describe the proposed sign program, including the proposed location and dimension of each sign, as well as proposed color schemes, font types, materials, methods of attachment or support, and methods of illumination. A Master Sign Program application shall also include calculation of total allowed sign area, and total proposed sign area, for the site.
- (d) **Allowable Modifications.** A Master Sign Program may provide for additional sign area and other deviations from the standards of this chapter, provided that the Master Sign Program is consistent with the sections on design principles and general standards.
- (e) **Review Authority.** All Master Sign Programs are subject to review and approval of the Zoning Administrator, unless the signs are associated with a project that requires City Council review and approval; then the City Council shall review and approve it as part of the overall project approval.
- (f) **Required Findings.** In order to approve a Master Sign Program, the decision-making body shall find that all of the following are met, in addition to other applicable regulations in this section:
- (1) The proposed signs are compatible in style and character with any building to which the signs are to be attached, any surrounding structures and any adjoining signage on the site;
 - (2) Future tenants will be provided with adequate opportunities to construct, erect or maintain a sign for identification;
 - (3) Directional signage and building addressing is adequate for pedestrian and vehicular circulation and emergency vehicle access; and
 - (4) Use of the Master Sign Program provides a more desirable functional and aesthetic appearance than would otherwise be provided by standard code requirements.

- (g) **Lessees to Be Informed of Master Sign Program.** Lessees within developments subject to the requirements of an approved Master Sign Program shall be made aware of the Master Sign Program in their lease.
- (h) **Revisions to Master Sign Programs.** Revisions to an approved Master Sign Program shall be approved by the Zoning Administrator.

305.14 Nonconforming Signs

- (a) All legal nonconforming signs are permitted to remain unless they are subject to a permit condition or development agreement providing for their removal after a fixed period of time.
- (b) Any changes to legal nonconforming signs or their structures in terms of location, orientation, size, or height other than routine maintenance and repair or change of sign copy shall require the signs to be brought into conformance with this chapter.
- (c) A legal nonconforming sign loses its legal nonconforming status when the activity, product, business, service, or other use which was being advertised has ceased or vacated the premises for one hundred eighty (180) days, at which time it shall be considered an abandoned sign, subject to the requirements of Section 305.07(c), Abandoned Signs.

305.15 Abatement and Removal of Illegal Signs

- (a) **Authority to Abate.** The City has the authority to abate illegal and abandoned signs.
- (b) **Illegal Signs in the Public Right-of-Way.** Illegal signs posted in the public right-of-way or upon public property may be removed by the Zoning Administrator or officer without notice or hearing. Signs shall be retained by the City for a period of not less than thirty (30) days if identifiable. Thereafter, any unclaimed signs may be discarded.
- (c) **Recovery of Costs.** When the City is required to remove illegal or abandoned signs in compliance with this chapter, the reasonable cost of the removal may be assessed against the owner of the sign(s).
- (d) **Sign Removal**
 - (1) Any sign, including its supporting structure, which no longer identifies the current occupant or products currently sold, or which otherwise fails to serve its original purpose, or is not maintained in a safe, presentable, and good condition, including the replacement of defective parts, painting, repainting, and cleaning, shall be removed by the owner of the property within 30 calendar days after written notice to do so from the Building Division.
 - (2) Any sign which the Building Division establishes as unsafe or unsecure shall be corrected or removed, together with all supporting structures, by the owner of the property upon which the sign is located within thirty (30) days after written notice by the Building Division.

- (3) Such notice shall state the location of the sign, the nature of the violation, and/or the manner in which the sign constitutes a public nuisance. The notice also shall require the removal or other abatement of the sign before the date specified in the notice. Further, the notice shall state that failure to comply may result in the removal of the sign by the City and that the cost of such removal may be imposed on the owner of the property. The notice shall also include instructions for the filing of an appeal of the determination of the Zoning Administrator that the sign is in violation of this chapter or constitutes a public nuisance. Such notice shall be served by posting on the property on which the sign is located and by registered or certified mail delivery, postage prepaid to the owner of the property, and, if known, the owner of the sign.
- (4) After the periods specified in paragraphs (1) and (2) above, the Building Division may cause such sign to be removed, and the cost of such removal shall become a lien against the property.
- (5) If a hazardous condition exists, the condition shall be corrected forthwith upon notice by the Building Division.

If an appeal is received prior to the date specified in the notice, abatement proceedings shall be suspended, and any deadlines shall be suspended, pending the outcome of such appeal.



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Consideration of Appointment to the Arts Commission

SOURCE: Administrative Services

COMMENT: Pursuant to Ordinance No. 1841, the Arts Commission shall consist of five (5) members, plus one (1) student/youth member, and shall represent four areas of arts: 1) theatrical/performing arts; 2) visual/graphic; 3) music; (4) youth. Due to recent resignations there are currently two vacancies on the commission, one seat with a term to expire in July of 2019 and a second with a term to expire in July of 2020. In addition, the one-year term youth member seat, which has customarily been appointed in the fall time frame (once the school year has commenced) is also vacant.

Staff is in receipt of a Request for Appointment from Mr. Diego Monterrubio, which is attached hereto for Council's consideration.

Staff has received no additional Requests for Appointment, but will continue to advertise existing vacancies and solicit applications from interested parties until all vacancies are filled.

RECOMMENDATION: That the City Council consider the appointment of Diego Monterrubio to the City's Arts Commission.

ATTACHMENTS: 1. Request for Appointment - Monterrubio

Appropriated/Funded:

Review By:

Department Director:

Patrice Hildreth, Administrative Services Dir

Final Approver: John Lollis, City Manager



CITY OF PORTERVILLE REQUEST FOR APPOINTMENT



Please complete all blanks.

RECEIVED

Name: DIEGO MONTERRUBIO

(Please Print)

OCT 17 2018

CITY OF PORTERVILLE
CITY CLERK OFFICE

Appointment to: PORTERVILLE ARTS Commission

(Name of Board, Commission, or Committee)

☐ Reappointment; or IF NEW, Please provide:

Street Address:

[REDACTED]
Porterville, CA 93257

Mailing Address:

[REDACTED]
Porterville, CA 93257

Name of Business:

ARTIST

☒ Own

☐ Operate

Business Address:

Telephone: Home

Work

FAX

E-mail

City of Porterville resident:

☒ Yes

☐ No

Registered Voter:

☒ Yes

☐ No

Qualifications: (It is recommended that a resume or letter accompany this form.)

I am a Professor of ART at both
Bakersfield College & Fresno STATE. I am
also a Full Time multidisciplinary
artist.

Please tell us why you are interested in this position.

As the founder & executive director
of the Porterville ART walk, I have
much to contribute to my community
as well as to the commission.

☐ Resume attached

☐ Letter of request attached

Submitted By: _____



7-31-18

Date

Received by: _____

Forwarded to: City Clerk

☐ Date: _____

City Council

☐ Date: _____

Staff Liaison

☐ Date: _____

Tentative Council Mtg Date: _____



CITY COUNCIL AGENDA – NOVEMBER 6, 2018

SUBJECT: Consider Resolutions Approving the Form and Authorizing the Execution of Certain Installment Sale Financing Documents in Connection with the Refunding of the Outstanding Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A

SOURCE: City Manager's Office

COMMENT: The City's municipal advisor, Wulff Hansen & Co., advised the City that there is an opportunity to refinance the outstanding Porterville Public Financing Authority Sewer Revenue Bonds, Series 2011 (the "2011 Bonds"), for debt service savings.

The proceeds of the 2011 Bonds were used to finance and refinance certain improvements to the City's municipal sewer enterprise, including to refund certain certificates of participation issued in 1997.

At its meeting on September 18, 2018, the City Council adopted Resolution 71-2018, authorizing staff to commence the proceeding to refund the 2011 Bonds and hiring the financing team.

Since revisions to the Internal Revenue Code now preclude the ability of the City to refund the 2011 Bonds on a tax-exempt basis, the City will be employing a financing structure that will set a taxable interest rate that will be effective until October of 2021 when the 2011 Bonds can be paid off and then convert to a tax-exempt interest rate for the remaining term of the issue. This structure is colloquially known as a "Cinderella Bond." Due to the unique structure, the issue will be sold on a private placement basis to commercial banks who are willing to commit to the initial taxable interest rate and the converted tax-exempt rate.

Brandis Tallman LLC, the City's placement agent, circulated a Request for Proposals (RFP) to eighteen (18) potential banks and received twelve (12) proposals on October 19, 2018. The City Manager and Finance Director, with advice from the City's municipal advisor, selected Banner Bank for the transaction which provided the lowest taxable and tax-exempt rates and other favorable terms. The proposal is subject to final credit approval, which is anticipated to be completed by November 9, 2018. A purchase agreement with Banner Bank will be executed on that date.

The proposed Resolutions will approve the form and authorize the execution of certain required financing documents.

Based upon the Banner Bank proposal, it is anticipated that by refunding the 2011 Bonds, the payments currently made by the City would be reduced annually by approximately \$260,000, reflecting total cash flow savings over the remaining life of the issue of approximately \$4,700,000 with a net present value of savings of approximately \$1,500,000.

The following good faith estimates are provided in accordance with Section 5852.1 of the California Government Code

(A) The true interest cost of the Installment Sale Agreement: 3.7885%

(B) The sources and uses of funds:

SOURCES

Principal: \$19,327,000

Plus 2011 Reserve Fund: \$1,878,299

Total Sources: \$21,205,299

USES

Refunding of 2011 Bonds: \$21,005,159

Costs of Issuance: \$200,140

Total Uses: \$21,205,299

(C) The sum total of all debt service payments, calculated to the final maturity of the Installment Sale Agreement: \$26,916,080

The foregoing constitute good faith estimates only.

The principal amount of the Installment Sale Agreement, the true interest cost of the Installment Sale Agreement, the costs of issuance, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to: (a) the actual date of the sale of the Installment Sale Agreement being different than the date assumed for purposes of such estimates; (b) the actual principal amount of Installment Sale Agreement sold being different from the estimated amount used for purposes of such estimates; (c) the actual amortization of the Installment Sale Agreement being different than the amortization assumed for purposes of such estimates; (d) the actual market interest rates at the time of sale of the Installment Sale Agreement being different than those estimated for purposes of such estimates; (e) other market conditions; or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Installment Sale Agreement and the actual principal amount of Installment Sale Agreement sold will be determined based on the timing of the need for proceeds of the Installment Sale Agreement and other factors. The actual interest rates with respect to the Installment Sale Agreement will depend on market interest rates at the time of sale thereof. The actual amortization of the Installment Sale Agreement will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors

beyond the control of the City.

RECOMMENDATION: That the City Council, also meeting as the Board of Directors of the Porterville Public Improvement Corporation, adopt the draft Resolutions.

ATTACHMENTS:

1. City Council Draft Resolution
2. Public Improvement Corporation Draft Resolution
3. Acquisition Agreement
4. Installment Sale Agreement
5. Escrow Agreement
6. Letter Agreement for Purchase and Rate Lock
7. Assignment Agreement
8. Sewer Refunding Analysis

Appropriated/Funded:

Review By:

Department Director:

Final Approver: John Lollis, City Manager

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE, APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF CERTAIN INSTALLMENT SALE FINANCING DOCUMENTS IN CONNECTION WITH THE REFUNDING OF THE OUTSTANDING PORTERVILLE PUBLIC FINANCING AUTHORITY SEWER REVENUE BONDS, 2011 SERIES A, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

RESOLVED, by the City Council (the "Council") of the City of Porterville (the "City"), as follows:

WHEREAS, the Porterville Public Financing Authority (the "Authority") has previously issued its Sewer Revenue Bonds, 2011 Series A (the "2011 Bonds"), the proceeds of which were used to finance and refinance certain improvements (the "Project") to the City's municipal sewer enterprise (the "Enterprise"); and

WHEREAS, the principal of and interest on the 2011 Bonds is payable from installment payments made by the City to the Authority under an installment sale agreement (the "2011 Installment Sale Agreement") which installment payments are secured by a pledge of the net revenues of the Enterprise; and

WHEREAS, the City has determined at this time, due to available interest rates in the municipal market and for other reason, to refinance its obligations under the 2011 Installment Sale Agreement and to refund the 2011 Bonds; and

WHEREAS, it is in the public interest and for the public benefit that the City authorize and direct execution of the Installment Sale Agreement (hereinafter defined) and certain other documents in connection therewith; and

WHEREAS, the City's obligation to make installment payments under the Installment Sale Agreement will be payable from the net revenues of the Enterprise; and

WHEREAS, the documents below specified have been filed with the City and the Members of Council, with the aid of its staff, have reviewed said documents; and

NOW, THEREFORE, it is hereby DECLARED and ORDERED, as follows:

Section 1. The City Council of the City of Porterville hereby approves the refinancing of the Project and the refunding of the 2011 Bonds.

Section 2. The below-enumerated documents be and hereby approved, and the Mayor, the City Manager or the Finance Director, or the designee of any such official, is each hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such official, the execution thereof to be conclusive evidence of such approval:

- (a) an acquisition agreement, by and between the City, as seller, and the Porterville Public Improvement Corporation (the "Corporation"), as purchaser, pursuant to which the City will sell the Project to the Corporation; and
- (b) an installment sale agreement, by and between the Corporation, as seller, and the City, as purchaser (the "Installment Sale Agreement"), pursuant to which the Corporation will sell the Project back to the City, and pursuant to which the City will agree to make semi-annual installment payments (the "Installment Payments") to the Corporation, so long as the term of the Installment Sale Agreement does not extend beyond October 1, 2036, and the Installment Payments, as compared to the installment payments under the 2011 Installment Sale Agreement, provide net present value savings to the City; and
- (c) an escrow agreement, by and between the City and U.S. Bank National Association, an escrow bank, providing for the payment and prepayment of the 2011 Installment Sale Agreement and refunding of the 2011 Bonds; and
- (d) a letter agreement for purchase between Banner Bank (the "Purchaser") and the City, whereby the Purchaser agrees to acquire the rights of the Corporation to the Installment Payments to be made by the City under the Installment Sale Agreement.

Section 3. The Mayor, the City Manager, the Finance Director, the City Clerk, and all other appropriate officials of the City, are hereby authorized and directed to execute such other agreements, documents and certificates, and to take such other actions as may be necessary to effect the purposes of this Resolution and the financing herein authorized.

Section 4. This Resolution shall take effect from and after the date of its passage and adoption by this Council.

PASSED, APPROVED, AND ADOPTED this 6th day of November, 2018.

Milt Stowe, Mayor

ATTEST:

John D. Lollis, City Clerk

By: _____
Patrice Hildreth, Chief Deputy City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PORTERVILLE
PUBLIC IMPROVEMENT CORPORATION, APPROVING THE FORM AND
AUTHORIZING THE EXECUTION OF CERTAIN INSTALLMENT SALE FINANCING
DOCUMENTS IN CONNECTION WITH THE REFUNDING OF THE
OUTSTANDING PORTERVILLE PUBLIC FINANCING AUTHORITY SEWER
REVENUE BONDS, 2011 SERIES A, AND AUTHORIZING AND DIRECTING
CERTAIN ACTIONS WITH RESPECT THERETO

RESOLVED, by the Board of Directors (the "Board") of the Porterville Public Improvement Corporation (the "Corporation"), as follows:

WHEREAS, the Porterville Public Financing Authority (the "Authority") has previously issued its Sewer Revenue Bonds, 2011 Series A (the "2011 Bonds"), the proceeds of which were used to finance and refinance certain improvements (the "Project") to the municipal sewer enterprise (the "Enterprise") owned and operated by the City of Porterville (the "City"); and

WHEREAS, the principal of and interest on the 2011 Bonds is payable from installment payments made by the City to the Authority under an installment sale agreement (the "2011 Installment Sale Agreement") which installment payments are secured by a pledge of the net revenues of the Enterprise; and

WHEREAS, the City has determined at this time, due to available interest rates in the municipal market and for other reason, to refinance its obligations under the 2011 Installment Sale Agreement and to refund the 2011 Bonds; and

WHEREAS, it is in the public interest and for the public benefit that the Corporation authorize and direct execution of the Installment Sale Agreement (hereinafter defined) and certain other documents in connection therewith; and

WHEREAS, the City's obligation to make installment payments under the Installment Sale Agreement will be payable from the net revenues of the Enterprise; and

WHEREAS, the documents below specified have been filed with the Corporation and the Board of Directors, with the aid of its staff, have reviewed said documents; and

NOW, THEREFORE, it is hereby DECLARED and ORDERED, as follows:

Section 1. The below-enumerated documents, substantially in the forms on file with the Secretary, be and hereby approved, and the Chair, the Executive Director or the Treasurer, or the designee of any such official, is each hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such official, the execution thereof to be conclusive evidence of such approval:

- (a) an acquisition agreement, by and between the City, as seller, and the Corporation, as purchaser, pursuant to which the City will sell the Project to the Corporation; and
- (b) an installment sale agreement, by and between the Corporation, as seller, and the City, as purchaser (the "Installment Sale Agreement"), pursuant to which the Corporation will sell the Project back to the City; and
- (c) an assignment agreement, by and between the Corporation and Banner Bank (the "Purchaser"), pursuant to which the Corporation will assign certain rights under the Installment Sale Agreement to the Purchaser, including its right to receive Installment Payments thereunder.

Section 2. The Chair, the Executive Director, the Treasurer, the Secretary, and other officials of the Corporation are hereby authorized and directed to execute such other agreements, documents and certificates, and to take such other actions as may be necessary to effect the purposes of this Resolution and the financing herein authorized.

Section 4. This Resolution shall take effect from and after the date of its passage and adoption by the Board.

PASSED, APPROVED, AND ADOPTED this 6th day of November, 2018.

Milt Stowe, Chair

ATTEST:

John D. Lollis, Executive Director

By: _____
Patrice Hildreth, Secretary

ACQUISITION AGREEMENT

Dated as of November 1, 2018

by and between the

CITY OF PORTERVILLE, CALIFORNIA, as Seller

and the

PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, as Purchaser

ACQUISITION AGREEMENT

THIS ACQUISITION AGREEMENT, dated as of November 1, 2018, is by and between the CITY OF PORTERVILLE, a municipal corporation and chartered city organized and existing under and by virtue of the laws of the State of California (the "City"), as grantor, and the PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, a nonprofit public benefit corporation organized and existing under and by virtue of the laws of the State of California (the "Corporation"), as grantee;

WITNESSETH:

WHEREAS, the City presently owns certain municipal sewer system facilities more particularly described in Exhibit A attached hereto and made a part hereof (the "Project");

WHEREAS, the Corporation wishes to acquire the Project from the City for the purpose of providing moneys to refinance the construction of the Project; and

WHEREAS, the Corporation proposes to sell the Project back to the City pursuant to an Installment Sale Agreement, dated as of November 1, 2018, by and between the Corporation and the City (the "Installment Sale Agreement"), and to assign its right to receive installment payments (the "Installment Payments") under the Installment Sale Agreement to Banner Bank, as assignee (the "Assignee"), pursuant to that certain Assignment Agreement, dated as of November 1, 2018, by and between the Corporation and the Assignee; and

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED, as follows:

Section 1. Acquisition of the Project. The City hereby grants, conveys and sells to the Corporation all right, title and interest of the City in and to the Project and the Corporation hereby acquires all of the right, title and interest of the City in the Project.

Section 2. Acquisition Price. In consideration of the acquisition by the Corporation of the City's right, title and interest in the Project pursuant to Section 1, the Corporation hereby agrees to pay to the City the amount of \$1.00. Said purchase price shall be paid by the Corporation to the City on the date of execution and delivery of this Acquisition Agreement.

Section 3. Amendment. This Acquisition Agreement may be amended by the parties hereto at any time during the Term of the Agreement (as such term is defined in the Installment Sale Agreement).

Section 4. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Acquisition Agreement.

Section 5. Execution. This Acquisition Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Corporation have caused this Acquisition Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF PORTERVILLE, as Seller

By _____
John D. Lollis,
City Manager

PORTERVILLE PUBLIC IMPROVEMENT
CORPORATION, as Purchaser

By _____
John D. Lollis,
Executive Director

EXHIBIT A

PROJECT DESCRIPTION

The Project consists of the City's existing sewer treatment plant.

INSTALLMENT SALE AGREEMENT

Dated as of November 1, 2018

by and between

PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, as Seller

and the

CITY OF PORTERVILLE, as Purchaser

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INSTALLMENT SALE AGREEMENT

THIS INSTALLMENT SALE AGREEMENT, dated as of November 1, 2018, is by and between the PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, a joint powers authority duly organized and existing under the laws of the State of California (the "Corporation"), and the CITY OF PORTERVILLE, a general law city and municipal corporation duly organized and existing under the laws of the State of California (the "City"),

WITNESSETH:

WHEREAS, the Porterville Public Financing Authority (the "Authority") has previously issued its Sewer Revenue Bonds, 2011 Series A (the "2011 Bonds"), the proceeds of which were used to finance and refinance certain improvements (the "Project") to the City's municipal sewer enterprise (the "Enterprise");

WHEREAS, the principal of and interest on the 2011 Bonds is payable from installment payments made by the City to the Authority under an installment sale agreement (the "2011 Installment Sale Agreement") which installment payments are secured by a pledge of the net revenues of the Enterprise;

WHEREAS, the City has determined at this time, due to available interest rates in the municipal market and for other reason, to refinance its obligations under the 2011 Installment Sale Agreement and to refund the 2011 Bonds;

WHEREAS, pursuant to the Acquisition Agreement dated as of November 1, 2018, between the Corporation and City, the City proposes to grant, convey and sell to the Corporation all of its right, title and interest in and to the Project;

WHEREAS, the Corporation proposes to sell the Project to the City pursuant to this Installment Sale Agreement and to assign all of its rights, title and interest in, to and under this Installment Sale Agreement, including its right to receive lease payments under this Installment Sale Agreement (the "Installment Payments"), its right to enforce payment of the Installment Payments and otherwise to enforce its interest and rights under this Installment Sale Agreement in the event of a default hereunder by the City, to Banner Bank (the "Assignee"), pursuant to that certain Assignment Agreement, dated as of November 1, 2018, by and between the Corporation and the Assignee;

WHEREAS, the City and the Corporation have agreed to enter into this Installment Sale Agreement providing for Installment Payments with an aggregate principal component in the amount of \$_____ for the purpose of implementing the financing transaction described above; and

WHEREAS, the Corporation and the City have duly authorized the execution and delivery of this Installment Sale Agreement;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. All terms defined in this Section 1.1 have the meanings herein specified for all purposes of this Installment Sale Agreement.

"Acquisition Agreement" means the Acquisition Agreement, dated as of November 1, 2018, between the City and the Corporation, as originally executed or as thereafter amended under any duly authorized and executed amendments thereto.

"Applicable Environmental Laws" means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 USC Sections 9601 *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 USC Sections 6901 *et seq.*; the Federal Water Pollution Control Act, 33 USC Sections 1251 *et seq.*; the Clean Air Act, 42 USC Sections 7401 *et seq.*; the California Hazardous Waste Control Law ("HWCL"), California Health & Safety Code Sections 25100 *et seq.*; the Hazardous Substance Account Act ("HSAA"), California Health & Safety Code Sections 25300 *et seq.*; the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code Sections 1300 *et seq.*; the Air Resources Act, California Health & Safety Code Sections 3900 *et seq.*; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 *et seq.*; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:

- (a) the existence, cleanup, and/or remedy of contamination on property;
- (b) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;
- (c) the control of hazardous wastes; or
- (d) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

"Additional Payments" means the payments so designated and required to be paid by the City pursuant to Sections 4.4 of this Installment Sale Agreement.

"Assignee" means (a) initially, Banner Bank, as assignee of all rights, title and interests of the Corporation hereunder, and (b) any other entity to whom the rights of the Corporation hereunder are assigned, including subsequent assignees of the Assignee.

"Assignment Agreement" means the Assignment Agreement, dated as of November 1, 2018, between the Corporation, as assignor of its rights under this Installment Sale Agreement, and the Assignee, as assignee, as originally executed or as thereafter amended under any duly authorized and executed amendments thereto.

"Bond Counsel" means (a) Quint & Thimmig LLP, or (b) any other attorney or firm of attorneys of nationally recognized expertise with respect to legal matters relating to obligations the interest on which is excludable from gross income under Section 103 of the Tax Code.

"Business Day" means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in the State.

"City" means the City of Porterville, a municipal corporation and general law city organized and existing under the laws of the State.

"City Representative" means the Mayor, the City Manager or the Deputy City Manager, Administrative Services, or the designee of any such official, or any other person authorized by resolution to act on behalf of the City under or with respect to the Installment Sale Agreement.

"Closing Date" means the date of execution and delivery of this Installment Sale Agreement by the parties hereto, being November 20, 2018.

"Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date, or as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated under the Code.

"Corporation" means Porterville Public Improvement Corporation, a joint exercise of powers authority organized and existing under the laws of the State.

"Corporation Representative" means the President, the Executive Director, the Treasurer, or the designee of any such official, or any other person authorized by resolution to act on behalf of the Corporation under or with respect to the Installment Sale Agreement and the Assignment Agreement.

"Date of Taxability" means the date from and for which the interest component of the Installment Payments is subject to federal or State income taxation as a result of a Determination of Taxability.

| *"Default Rate"* means the then applicable interest rate plus 3.000% (300 basis points).

"Determination of Taxability" means any determination, decision, or decree made by the Commissioner or any District Director of the Internal Revenue Service, or by any court of competent jurisdiction, that, after conversion from the Taxable Rate to the Tax-Exempt Rate, as a result of any actions or omissions of the City with respect to this Installment Sale Agreement (including as a result of the City's election to convert from the Taxable Rate to the Tax-Exempt Rate), the interest components of the Installment Payments are includable in the gross income for federal or State income tax purposes of the Assignee; *provided, however*, that no such Determination of Taxability shall be deemed to have occurred if the City is contesting such determination in good faith and is diligently proceeding to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, or (b) abandonment of such appeal by the City.

"Enterprise" means any and all properties and assets, real and personal, tangible and intangible, of the City, now or hereafter existing, used or pertaining to the disposal or reuse of sewer, including sewage treatment plants, intercepting and collecting sewers, outfall sewers, force mains, pumping stations, ejector stations, pipes, valves, machinery and all other appurtenances necessary, useful or convenient for the collection, treatment, purification or disposal of sewage, and any necessary lands, rights of way and other real or personal property useful in connection therewith, including all additions, extensions, expansions, improvements and betterments thereto and equipments thereof.

"Escrow Agreement" means that certain Escrow Agreement, dated the Closing Date, by and between the City and the Escrow Bank, providing for the defeasance of the 2011 Bonds.

"Escrow Bank" means U.S. Bank National Association, appointed by the City to act as escrow bank under the Escrow Agreement, and its assigns or any other corporation or association which may at any time be substituted in its place, as provided in the Escrow Agreement.

"Escrow Fund" means the fund by that name established pursuant to the Escrow Agreement.

"Event of Default" means any of the events of default as defined in Section 8.1.

"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.

"Financing Documents" means this Installment Sale Agreement, the Acquisition Agreement, the Assignment Agreement and the Escrow Agreement.

"Fiscal Year" means each twelve-month period during the Term of this Installment Sale 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.

"Governmental Authority" means any state, federal, local or other agency, authority, body, commission, instrumentality, political subdivision or other entity or officer exercising executive, legislative, taxing, regulatory or administrative powers or functions for any governmental, investigative, regulatory or self-regulatory authority.

"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 investment earnings thereon; but excluding (a) the proceeds of any *ad valorem* property taxes levied for the purpose of paying general obligation bonds of the City relating to the Enterprise, (b) the proceeds of any special assessments or special taxes levied upon real property within any improvement district for the purpose of paying special assessment bonds or special tax obligations of the City relating to the Enterprise; and (c) customers' deposits or any other deposits subject to refund until such deposits have become the property of the City, or contributions in aid of construction.

"Hazardous Substance" means any substance that shall, at any time, be listed as "hazardous" or "toxic" in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Facilities associated with the Enterprise, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 *et seq.*).

"I-Bank Agreement" means the Enterprise Fund Installment Sale Agreement dated as of September 1, 2004, between the City and the California Infrastructure and Economic Development Bank.

"Independent Accountant" means any certified public accountant or firm of certified public accountants appointed and paid by the City, and who, or each of whom (a) is in fact

independent and not under domination of the City; (b) does not have any substantial interest, direct or indirect, in the City; and (c) is not connected with the City as an officer or employee of the City but who may be regularly retained to make annual or other audits of the books of or reports to the City.

"Installment Sale Agreement" means this Installment Sale Agreement dated as of November 1, 2018, between the Corporation and the City.

"Installment Payment Date" means April 1 and October 1 in each year, regardless of whether such days are Business Days, commencing April 1, 2019, and continuing to and including the date on which the Installment Payments are paid in full.

"Installment Payments" means all payments required to be paid by the City under Section 4.4, including any prepayment thereof under Sections 9.2 or 9.3.

"Material Adverse Effect" means an event or occurrence which adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business, facilities or operations of the City, (b) the ability of the City to carry out its business in the manner conducted as of the date of this Installment Sale Agreement or to meet or perform its obligations under this Installment Sale Agreement on a timely basis, (c) the validity or enforceability of this Installment Sale Agreement, or (d) after conversion from the Taxable rate to the Tax-Exempt Rate, the exclusion of the interest on the Bonds component of the Installment Payments from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes.

"Material Litigation" means any action, suit, proceeding, inquiry or investigation against the City in any court or before any arbitrator of any kind or before or by any Governmental Authority, (i) if determined adversely to the City, may have a Material Adverse Effect, (ii) seek to restrain or enjoin any of the transactions contemplated by this Installment Sale Agreement, or (iii) may adversely affect (A) after conversion from the Taxable rate to the Tax-Exempt Rate, the exclusion of the interest on the Bonds component of the Installment Payments from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes or (B) the ability of the City to perform its obligations under this Installment Sale Agreement.

"Net Proceeds" means any insurance or eminent domain award (including any proceeds of sale to a governmental entity under threat of the exercise of eminent domain powers), paid with respect to the Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

"Net Revenues" means Gross Revenues less Operation and Maintenance Expenses.

"Operation and Maintenance Costs" means the reasonable and necessary costs and expenses paid by the City for maintaining and operating the Enterprise, including but not limited to (a) costs of electricity and other forms of energy supplied to the Enterprise, (b) 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 (c) the reasonable administrative costs of the City attributable to the operation and maintenance of the Enterprise; but in all cases excluding (i) debt service payable on all other obligations incurred by the City with respect to the Enterprise including but not limited to any Parity Obligations, (ii) depreciation, replacement and obsolescence charges or reserves therefor and other noncash expenses, and (iii) amortization of intangibles or other bookkeeping entries of a similar nature.

"Parity Obligations" means any leases, loan agreements, installment sale agreements, 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 Installment Payments, entered into or issued pursuant to and in accordance with Section 4.8 of this Installment Sale Agreement.

~~*"Permitted Encumbrances"* means, as of any time: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the City may permit to remain unpaid under Article VI of this Installment Sale Agreement; (b) this Installment Sale Agreement and the Assignment Agreement; (c) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (d) the exceptions disclosed in the title insurance policy issued with respect to the Property issued as of the Closing Date; and (e) any easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which the City certifies in writing will not materially impair the use of the Property for its intended purposes.~~

"Project" means the project more particularly described in Exhibit A to this Installment Sale Agreement.

"Sewer Fund" means, collectively, the City's existing Sewer Fund, established and held by the City with respect to the Enterprise.

"Subordinated Debt" means the obligations of the City under the I-Bank Agreement and any other leases, loan agreements, installment sale agreements, notes or other obligations of the City payable from and secured by a pledge of a lien upon any of the Net Revenue subordinate to the Installment Payments.

"State" means the State of California.

"Tax-Exempt Conversion Date" means October 1, 2021, when the interest components of the Installment Payments are converted to the Tax-Exempt Rate.

"Tax-Exempt Rate" means 3.470% per annum based on a 30-day month ~~the actual number of days elapsed~~ and a 360-day year for calculating interest.

"Taxable Rate" means 4.480% per annum based on a 30-day month ~~the actual number of days elapsed~~ and a 360-day year for calculating interest.

"Term of this Installment Sale Agreement" or *"Term"* means the time during which this Installment Sale Agreement is in effect, as provided in Section 4.2.

"2011 Bonds" means the outstanding Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A.

"Written Certificate," "Written Request" and "Written Requisition" of the Corporation or the City mean, respectively, a written certificate, request or requisition signed in the name of the Corporation by its Authority Representative or the City by its City Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

Section 1.2. Interpretation.

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

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

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

ARTICLE II

COVENANTS AND REPRESENTATIONS

Section 2.1. Covenants, Representations and Warranties of the City. The City makes the following covenants, representations and warranties to the Corporation as of the date of the execution and delivery of this Installment Sale Agreement:

(a) *Due Organization and Existence*. The City is a municipal corporation and chartered city, duly organized and existing under and by virtue of the laws of the State, has full legal right, power and authority under the laws of the State to enter into ~~this Installment Sale Agreement and the Escrow Agreement~~the Financing Documents and to carry out and consummate all transactions on its part contemplated hereby and thereby, and by proper action the City has duly authorized the execution and delivery by the City of ~~this Installment Sale Agreement and the Escrow Agreement~~the Financing Documents.

(b) *Due Execution*. The representative of the City executing this Installment Sale Agreement and the Escrow Agreement has been fully authorized to execute the same by a resolution duly adopted by the City Council of the City.

(c) *Valid, Binding and Enforceable Obligation*. ~~This Installment Sale Agreement and the Escrow Agreement~~The Financing Documents have been duly authorized, executed and delivered by the City and constitute the legal, valid and binding agreements of the City enforceable against the City in accordance with its terms.

(d) *No Conflicts*. The execution and delivery of ~~this Installment Sale Agreement and the Escrow Agreement~~the Financing Documents, the consummation of the transactions therein and herein contemplated and the fulfillment of or compliance with the terms and conditions thereof and hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any installment sale agreement, mortgage, deed of trust, lease, contract or other agreement or instrument to which the City is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by ~~this Installment Sale Agreement or the Escrow Agreement~~the Financing Documents or the financial condition, assets, properties or operations of the City.

(e) *Consents and Approvals*. No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of ~~this Installment Sale Agreement or the Escrow Agreement~~the Financing Documents, or the consummation of any transaction therein and herein contemplated, except as have been obtained or made and as are in full force and effect.

(f) *No Litigation*. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the City after reasonable investigation, threatened against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions

contemplated by or the validity of ~~this Installment Sale Agreement or the Escrow Agreement~~the Financing Documents or upon the financial condition, assets, properties or operations of the City, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by ~~this Installment Sale Agreement or the Escrow Agreement~~the Financing Documents, or the financial condition, assets, properties or operations of the City.

(g) *Sufficient Funds*. The City reasonably believes that sufficient funds can be obtained to make all Installment Payments and all other amounts required to be paid pursuant to this Installment Sale Agreement.

(h) *No Defaults*. The City has never non-appropriated or defaulted under any of its payment or performance obligations or covenants, either under any financing lease of the same general nature as this Installment Sale Agreement, or under any of its bonds, notes, or other debt obligations.

(i) *Use of the Project*. During the term of this Installment Sale Agreement, the Project will be used by the City only for the purpose of performing one or more governmental or proprietary functions of the City consistent with the permissible scope of the City's authority.

(j) *Change in Financial Condition*. The City has experienced no material change in its financial condition since June 30, 2017.

(k) *Hazardous Substances*. Except to the extent disclosed to the Assignee, the Enterprise is free of all Hazardous Substances, and the City is in full compliance with all Applicable Environmental Laws.

(l) *Sewer Fund*. The City has heretofore established the Sewer Fund into which the City deposits and will continue to deposit all Gross Revenues, and which the City will maintain throughout the Term of this Installment Sale Agreement.

(m) *No Outstanding Obligations*. There are no outstanding bonds, notes, loans, leases, installment sale agreements or other obligations which have any security interest in or claim upon the Net Revenues, which security interest or claim is superior to or on a parity with the Installment Payments.

Section 2.2. Covenants and Representations of the Corporation. The Corporation makes the following covenants and representations to the City that as of the Closing Date:

(a) *Due Organization and Existence*. The Corporation is a nonprofit public benefit corporation, duly organized and existing under the laws of the State, has full legal right, power and authority to enter into the Acquisition Agreement, this Installment Sale Agreement and the Assignment Agreement and to carry out and consummate all transactions on its part contemplated hereby and thereby, and by proper action the Corporation has duly authorized the execution and delivery by the Corporation of the Acquisition Agreement, this Installment Sale Agreement and the Assignment Agreement.

(b) *Due Execution*. The representative of the Corporation executing the Acquisition Agreement, this Installment Sale Agreement and the Assignment Agreement is fully authorized to execute the same under official action taken by the Board of Directors of the Corporation.

(c) *Valid, Binding and Enforceable Obligations.* ~~This~~ The Acquisition Agreement, this Installment Sale Agreement and the Assignment Agreement have been duly authorized, executed and delivered by the Corporation and constitute the legal, valid and binding agreements of the Corporation, enforceable against the Corporation in accordance with their respective terms.

(d) *No Conflicts.* The execution and delivery of the Acquisition Agreement, this Installment Sale Agreement and the Assignment Agreement, the consummation of the transactions herein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any installment sale agreement, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Acquisition Agreement, this Installment Sale Agreement and the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation.

(e) *Consents and Approvals.* No consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of the Acquisition Agreement, this Installment Sale Agreement or the Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) *No Litigation.* There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Corporation after reasonable investigation, threatened against or affecting the Corporation or the assets, properties or operations of the Corporation which, if determined adversely to the Corporation or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Installment Sale Agreement or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the Corporation, and the Corporation is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Acquisition Agreement, this Installment Sale Agreement or the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS

Section 3.1. Deposit of and Application of Funds. On the Closing Date, the Assignee shall (a) transfer to the Escrow Bank the sum of \$_____ for deposit in the Escrow Fund, and (b) cause the total amount of \$_____ to be paid to various payees in connection with the costs of the transaction.

ARTICLE IV

SALE OF IMPROVEMENTS; INSTALLMENT PAYMENT

Section 4.1. Sale. The Corporation hereby agrees to sell the Project to the City, and the City hereby agrees to purchase the Project from the Corporation, upon the terms and conditions set forth in this Installment Sale Agreement.

Section 4.2. Term. The Term of this Installment Sale Agreement shall commence on the Closing Date, and shall end on the earlier of (i) October 1, 2036, or such later date on which the City shall have paid all of the Installment Payments and other amounts due and payable hereunder, or (ii) the date on which the City shall have paid all of the Installment Payments and all other amounts due and payable hereunder. The provisions of this Section 4.2 are subject in all respects to any other provisions of this Installment Sale Agreement relating to the termination hereof with respect to the Project or any portion thereof.

Section 4.3. Title. On the Closing Date, title to the Project shall be deemed conveyed to and vested in the City.

Section 4.4. Installment Payments; Interest Rate.

(a) *Obligation to Pay*. The City agrees to pay to the Corporation, its successors and assigns, but solely from the Net Revenues and other funds pledged hereunder, as the purchase price of the Project the aggregate principal amount of _____ dollars (\$_____) together with interest on the unpaid principal balance, payable in Installment Payments coming due and payable in the respective amounts and on each Installment Payment Date specified in Exhibit B. The interest components of the Installment Payments have been initially calculated based on Taxable Rate. The City understands that the Assignee will endeavor to send an invoice to the City in advance of each Installment Payment Date, but any failure to so invoice shall not constitute a breach or default by the Assignee under any of the Financing Documents or otherwise affect or impair in any manner the City's obligations under the Financing Documents.

The interest components of the Installment Payments shall convert to the Tax-Exempt Rate on the Tax-Exempt Conversion Date upon the satisfaction of the following conditions precedent to such conversion:

(i) The election by the City, communicated in writing to the Assignee within 30 days prior to the Tax-Exempt Conversion Date, to convert the interest components of the Installment Payments to the Tax-Exempt Rate;

(ii) Selection by the Assignee of one of the following two prepayment options which shall become applicable to this Installment Sale Agreement to maturity:

(1) The City may exercise its option to prepay the principal components of the Installment Payments in whole on any Installment Payment Date, on and after October 1, 2024, upon 30 days' prior written notice to the Assignee, by paying a prepayment price equal to the aggregate principal components of the Installment Payments to be prepaid, together with the interest component of the Installment Payment required to be paid on or accrued to such date, plus a premium, as set forth in the following table:

Prepayment Period	Premium
October 1, 2024 through September 30, 2025	2%
October 1, 2025 through September 30, 2026	1
October 1, 2026 and thereafter	0

or

(2) The City may exercise its option to prepay the principal components of the Installment Payments in whole on any Installment Payment Date, on and after October 1, ____, upon 30 days' prior written notice to the Assignee, by paying a prepayment price equal to the aggregate principal components of the Installment Payments to be prepaid, together with the interest component of the Installment Payment required to be paid on or accrued to such date without a premium.

(iii) Appropriate amendments or supplements to this Installment Sale Agreement, if required;

(iv) Delivery of an arbitrage certificate executed by the City with respect to certain tax matters relating to this Installment Sale Agreement after interest with respect thereto is converted to the Tax-Exempt Rate;

(v) The filing of an IRS Form 8038-G, executed by the City; and

(vi) Issuance of an opinion of Special Bond Counsel to the effect that the conditions precedent set forth above to the conversion of the interest components of the Installment Payments to the Tax-Exempt Rate have been satisfied and that subject to the City's compliance with certain covenants, the interest components of the Installment Payments are excludable from gross income of the owners thereof for federal income tax purposes and are not included as an item of tax preference in computing the alternative minimum tax under the Code.

If the conditions precedent to the conversion of the interest components of the Installment Payments to the Tax-Exempt Rate shall have been satisfied on or before the Tax-Exempt Conversion Date, Installment Payments shall thereafter be due and payable in the respective amounts and on each Installment Payment Date specified on Exhibit A-2.

If, by October 1, 2021, the conditions precedent to the conversion of the interest components of the Installment Payments to the Tax-Exempt Rate shall not have occurred, the interest components of the Installment Payments shall remain at the Taxable Rate to maturity.

From and after the Date of Taxability following a Determination of Taxability, the interest rate on the Bonds shall increase to the Taxable Rate.

(b) *Additional Payments.* In addition to the Installment Payments set forth herein, the City agrees to pay as Additional Payments all of the following:

(i) all taxes and assessments of any nature whatsoever, including but not limited to excise taxes, ad valorem taxes, ad valorem and specific lien special assessments and gross receipts taxes, if any, levied upon the Project or upon any interest of the Corporation therein or in this Installment Sale Agreement; provided, however, the City may, at the City's expense and in its name, in good faith contest any such taxes and

assessments and, in the event of such contest, may permit such taxes and assessments to remain unpaid during the period of such contest and appeal therefrom unless the Corporation shall notify the City that, in the opinion of Bond Counsel, by nonpayment of any such items, the interest of the Corporation in the Project will be materially endangered or the Project, or any portion thereof, will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes and assessments or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation;

(ii) insurance premiums, if any, on all insurance required under the provisions of Article V hereof;

(iii) any other reasonable fees, costs or expenses incurred by the Corporation in connection with the execution, performance or enforcement of this Installment Sale Agreement or any of the transactions contemplated hereby or related to the Project, including, without limitation, any amounts which may become due; provided, however, the City shall not be responsible for any costs incurred by the Corporation associated with any assignment made by the Assignee; and

(iv) any amounts required to be paid as rebate to the United States pursuant to the Tax Certificate.

Amounts constituting Additional Payments payable hereunder shall be paid by the City directly to the person or persons to whom such amounts shall be payable. The City shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Corporation to the City stating the amount of Additional Payments then due and payable and the purpose thereof.

(c) *Effect of Prepayment.* In the event that the City prepays all remaining Installment Payments in full pursuant to Article IX, the City's obligations under this Installment Sale Agreement shall thereupon cease and terminate, including but not limited to the City's obligation to pay Installment Payments therefor under this Section 4.4; *provided, however,* that the City's obligations to indemnify the Assignee pursuant to Section 6.3 shall survive such prepayment. In the event that the City prepays the Installment Payments in part but not in whole pursuant to Section 9.3, the prepayment shall be applied to the outstanding principal and interest components of each succeeding component of Installment Payments shall be reduced as provided in such Sections in inverse order of their respective due dates.

(d) *Rate on Overdue Payments.* In the event the City should fail to make any of the payments required in this Section 4.4 and Section 4.10, 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, from the date of default to the date of payment, at the Default Rate until cured.

(e) *Assignment Agreement*. The City understands and agrees that all Installment Payments have been assigned by the Corporation to the Assignee under the Assignment Agreement recorded concurrently herewith, and the City hereby assents to such assignment. The Corporation hereby directs the City, and the City hereby agrees, to pay to the Assignee (or to its assignees as directed pursuant to Section 7.4 hereof) all payments payable by the City under this Section 4.3.4 and all amounts payable by the City under Article IX. If any Installment Payment Date is not a Business Day, the Installment Payment due on such date shall be due and payable on the immediately preceding Business Day. Installment Payments shall be paid to the Assignee as follows:

WIRE INSTRUCTIONS

MAIL INSTRUCTIONS

Section 4.5. Pledge and Application of Net Revenues.

(a) *Pledge of Net Revenues*. All of the Net Revenues and amounts on deposit in the Sewer Fund are hereby irrevocably pledged, charged and assigned to the punctual payment of the Installment Payments and all Parity Obligations and except as otherwise provided herein the Net Revenues and such other funds shall not be used for any other purpose so long as any of the Installment Payments or Parity Obligations remain unpaid. Such pledge, charge and assignment shall constitute a first lien on the Net Revenues and such other moneys for the payment of the Installment Payments and the Parity Obligations in accordance with the terms hereof.

(b) *Deposits into Sewer Fund; Transfers to Make Installment Payments*. All of the Gross Revenues shall be deposited by the City immediately upon receipt in the Sewer Fund. The City covenants and agrees that all Net Revenues will be held by the City in the Sewer Fund in trust for the benefit of the Assignee (as assignee of the rights of the Corporation hereunder) and for the benefit of the owners of any Parity Obligations. On or before each Installment Payment Date, the City shall withdraw from the Sewer Fund and transfer to the Assignee, an amount which is equal to the aggregate amount of the Installment Payment coming due and payable on such Installment Payment Date.

In addition, the City shall withdraw from the Sewer Fund such amounts at such times as shall be required to: (i) pay all Operation and Maintenance Costs as they come due and payable; (ii) 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, including without limitation deposits required to be made to reserve funds; (iii) pay all other amounts when and as due and payable hereunder, and (iv) pay all other amounts payable from the Gross Revenues when and as due and payable.

(c) *Release from Lien*. Following the transfers described in paragraph (b) of this Section 4.5 with respect to the October 1 Installment Payment Date, Net Revenues in excess of amounts required for the payment of Installment Payments and any Parity Debt and Subordinate Debt in

that Fiscal Year shall be released from the lien of this Installment Sale Agreement and shall be available for any lawful purpose of the City.

(d) *Limitation on Use of Net Revenues for Capital Improvements.* The City hereby agrees that Net Revenues shall not be applied for the payment of capital improvements relating to the Enterprise until such Net Revenues have been released from the lien of this Installment Sale Agreement as described in paragraph (c) of this Section 4.5.

Section 4.6. Special Obligation of the City; Obligations Absolute. The City's obligation to pay the Installment Payments, all Parity Obligations, the Additional Payments and any other amounts coming due and payable hereunder shall be a special obligation of the City limited solely to the Net Revenues and amounts on deposit in the Sewer Fund. Under no circumstances shall the City be 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 Installment Payments, all Parity Obligations and the Additional Payments, nor shall any other funds or property of the City be liable for the payment of the Installment Payments and the Additional Payments and any other amounts coming due and payable hereunder.

The obligations of the City to make the Installment Payments and the Additional Payments from the Net Revenues and to perform and observe the other agreements contained herein shall be absolute and unconditional and shall not be 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 Installment Payments, all of the Additional Payments and all other amounts coming due and payable hereunder shall have been fully paid or prepaid, the City (a) will not suspend or discontinue payment of any Installment Payments, Additional Payments or such other amounts, (b) will perform and observe all other agreements contained in this Installment Sale Agreement, and (c) will not terminate the Term of this Installment Sale 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 law other laws of the United States of America or the State 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 Installment Sale Agreement.

Nothing contained in this Section 4.6 shall be construed to release the Corporation from the performance of any of the agreements on its part contained herein and in the event the Corporation shall fail to perform any such agreements, the City may institute such action against the Corporation as the City may deem necessary to compel performance so long as such action does not abrogate the obligations of the City contained in the preceding paragraph. 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 hereby agrees to cooperate fully with the City and to 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. The provisions of this paragraph shall not be applicable to the Assignee.

Section 4.7. Rate Covenant.

(a) The City hereby covenants that it shall prescribe, revise and collect such charges for the services and facilities of the Enterprise which, after allowances for contingencies and error in the estimates, shall produce Gross Revenues sufficient in each Fiscal Year to provide Net Revenues which, together with existing unencumbered cash and cash-equivalents in the Sewer Fund with respect to such Fiscal Year, are at least equal to at least 1.20 times (i) the Installment Payments coming due and payable during such Fiscal Year, and (ii) all payments required with respect to Parity Debt.

(b) If, in any Fiscal Year, charges for the services and facilities of the Enterprise which, after allowances for contingencies and error in the estimates, shall produce Gross Revenues insufficient in each Fiscal Year to provide Net Revenues equal to at least 1.20 times (i) the Installment Payments coming due and payable during such Fiscal Year, and (ii) all payments required with respect to Parity Debt, the City covenants and agrees to notify the Assignee of such fact and to employ an independent consultant to make recommendations as to a revision of the rates, fees and charges of the Enterprise or the methods of operation of the Enterprise that will result in producing Net Revenues equal to at least 1.20 times (i) the Installment Payments coming due and payable during such Fiscal Year, and (ii) all payments required with respect to Parity Debt.

(c) The City covenants and agrees that it shall, promptly upon its receipt of such recommendations from such consultant, subject to applicable requirements or restrictions imposed by law, and subject to a good faith determination of the City Council that such recommendations, in whole or in part, are in the best interests of the City, revise its rates, fees and charges or its methods of operation or collections and shall take such other action as shall be in conformity with such recommendations. In the event that the City fails to comply with such recommendations, subject to the applicable requirements or restrictions imposed by law and to the determination of the City Council of the City that such recommendations are in the best interests of the City, the Corporation, or its assignee, may, in addition to the rights and remedies elsewhere set forth in this Installment Sale Agreement, and shall, upon the written request of the Assignee, and being indemnified to its satisfaction therefor, institute and prosecute an action or proceeding in a court of competent jurisdiction to compel the City to comply with the recommendations and requirements of this paragraph (c). If the City complies in all material respects with the reasonable recommendations of the consultant in respect to said rates, fees, charges and methods of operation or collection, the City will be deemed to have complied with the covenants described above notwithstanding that Net Revenues shall be less than the amount required under this Installment Sale Agreement for such Fiscal Year; ~~provided, however, that~~ but only if such rates, fees, charges and methods of operation or collection shall produce Net Revenues equal to at least 100% of (i) the Installment Payments coming due and payable during such Fiscal Year, and (ii) all payments required with respect to Parity Debt; ~~provided further~~ however, that this sentence shall not be construed as in any way excusing the City from taking any action or performing any duty required under this Installment Sale Agreement or be construed as constituting a waiver of any other Event of Default.

Section 4.8. Limitations on Future Obligations Secured by Net Revenues.

(a) *No Obligations Superior to Installment Payments.* In order to protect further the availability of the Net Revenues and the security for the Installment Payments and any Parity Debt, the City hereby agrees that the City shall not, so long as any Installment Payments are unpaid, issue or incur any obligations payable from Gross Revenues or Net Revenues superior to the Installment Payments or such Parity Debt.

(b) *Parity Debt*. The City further covenants that, except for obligations issued or incurred to prepay the Installment Payments in full pursuant to Section 9.2 hereof, the City shall not issue or incur any Parity Debt unless:

(i) The City is not in default under the terms of this Installment Sale Agreement;

(ii) Net Revenues, calculated on sound accounting principles, as shown by the books of the City for the latest Fiscal Year or any more recent twelve (12) month period selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which instrument such Parity Debt is issued or incurred, as shown by the books of the City, plus, at the option of the City, the additional allowance described below, shall have amounted to at least 1.25 times the sum of the maximum Installment Payments coming due and payable in any future Fiscal Year and the maximum annual debt service on all Parity Debt outstanding immediately subsequent to the incurring of such additional obligations.

Either or both of the following items may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii):

(A) An allowance for revenues from any additions to or improvements or extensions of the Enterprise to be constructed with the proceeds of such additional obligations, and also for net revenues from any such additions, improvements or extensions which have been from moneys from any source but which, during all or any part of such Fiscal Year, were not in service, all in an amount equal to 70% of the estimated additional average annual Net Revenues to be derived from such additions, improvements and extensions for the first 36-month period following closing of the proposed Parity Debt, all as shown by the certificate or opinion of a qualified independent consultant employed by the City, may be added to such Net Revenues for the purpose of applying the restriction contained in this subsection (b)(ii).

(B) An allowance for earnings arising from any increase in the charges made for service from the Enterprise which has become effective prior to the incurring of such additional obligations but which, during all or any part of such Fiscal Year, was not in effect, in an amount equal to 100% of the 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 and any period prior to the incurring of such additional obligations, as shown by the certificate or opinion of a qualified independent engineer employed by the City.

(iii) A reserve fund may, but shall not be required to be, funded for such Parity Debt.

(iv) Interest with respect to such Parity Debt shall be paid on the Installment Payment Dates.

(v) Principal with respect to such Parity Debt shall be paid on October 1.

(c) *Subordinate Debt*. The City further covenants that the City shall not issue or incur any Subordinate Debt unless:

(i) Net Revenues, calculated on sound accounting principles, as shown by the books of the City for the latest Fiscal Year or any more recent twelve (12) month period

selected by the City ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which instrument such Subordinate Debt is issued or incurred, as shown by the books of the City shall, after deducting all amounts required for the payment of Installment Payments and any Parity Debt, have amounted to at least 1.00 times the sum of the maximum annual debt service on all Subordinate Debt outstanding immediately subsequent to the incurring of such additional obligations. An allowance for earnings arising from any increase in the charges made for service from the Enterprise which has become effective prior to the incurring of such additional obligations but which, during all or any part of such Fiscal Year, was not in effect, may be added in an amount equal to 100% of the 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 and any period prior to the incurring of such additional obligations, as shown by the certificate or opinion of a qualified independent engineer employed by the City.

(ii) Interest with respect to such Subordinate Debt shall be paid on the Installment Payment Dates.

(iii) Principal with respect to such Subordinate Debt shall be paid on ~~May 1 or~~ November 1.

(d) *Calculating Debt Service on Variable Rate Debt.* For all purposes, variable rate indebtedness shall be assumed to bear interest at the highest of: (i) the actual rate on the date of calculation, or if the indebtedness is not yet outstanding, the initial rate (if established and binding), (ii) if the indebtedness has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) (A) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Code, the most recently published *Bond Buyer "Revenue Bond Index"* (or comparable index if no longer published) plus 50 basis points, or (B) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus 50 basis points; provided, however, that for purposes of any rate covenant measuring actual debt service coverage during a test period, variable rate indebtedness shall be deemed to bear interest at the actual rate per annum applicable during the test period.

ARTICLE V

MAINTENANCE, TAXES, INSURANCE AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Installment Sale Agreement, all improvement, repair and maintenance of the Enterprise shall be the responsibility of the City, and the City shall pay for or otherwise arrange for the payment of all utility services supplied to the Enterprise, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Enterprise resulting from ordinary wear and tear.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Corporation or the City affecting any Enterprise or the respective interests or estates therein; *provided, however*, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the Term of this Installment Sale Agreement as and when the same become due.

The City may, at the City's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Corporation shall notify the City that, in its opinion, by nonpayment of any such items, the interest of the Corporation hereunder will be materially adversely affected, in which event the City shall promptly pay such taxes, assessments or charges or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation.

Section 5.2. Operation of Enterprise. The City covenants and agrees to operate the Enterprise in an efficient and economical manner and to operate, maintain and preserve the Enterprise in good repair and working order. The City covenants that, in order to fully preserve and protect the priority and security of the Installment Payments, the City shall pay from the Gross Revenues and discharge all lawful claims for labor, materials and supplies furnished for or in connection with the Enterprise which, if unpaid, may become a lien or charge upon the Gross Revenues or the Net Revenues prior or superior to the lien granted hereunder, or which may otherwise impair the ability of the City to pay the Installment Payments in accordance herewith.

Section 5.3. Public Liability and Property Damage Insurance. The City shall maintain or cause to be maintained, throughout the Term of this Installment Sale Agreement, but only if and to the extent available at reasonable cost from reputable insurers, a standard comprehensive general insurance policy or policies in protection of the Corporation, the City, and their respective members, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Enterprise. Said policy or policies shall provide coverage in such liability limits and shall be subject to such deductibles as shall be customary with respect to works and property of a like character. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of Section 5.5, or in the form of the participation by the City in a joint powers agency or other program providing pooled

insurance. The proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which such proceeds shall have been paid.

Section 5.4. Casualty Insurance. The City shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Installment Sale Agreement, but only in the event and to the extent available from reputable insurers at reasonable cost, casualty insurance against loss or damage to any improvements constituting any part of the Enterprise, covering such hazards as are customarily covered with respect to works and property of like character. Such insurance may be subject to deductible clauses which are customary for works and property of a like character. Such insurance may be maintained as part of or in conjunction with any other casualty insurance carried by the City and may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of Section 5.5, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. All amounts collected from insurance against accident to or destruction of any portion of the Enterprise shall be used to repair, rebuild or replace such damaged or destroyed portion of the Enterprise, and to the extent not so applied, shall be paid to the Assignee to be applied to prepay the Installment Payments or any Parity Obligations in accordance with written instructions of the City filed with the Assignee Section 9.3.

Section 5.5. Insurance Net Proceeds; Form of Policies. The City shall pay or cause to be paid when due the premiums for all insurance policies required by this Installment Sale Agreement. The Assignee shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss. ~~In the event that any insurance required pursuant to Sections 5.3 or 5.4 shall be provided in the form of self-insurance, the City shall file with the Assignee annually, within ninety (90) days following the close of each Fiscal Year, a statement of an independent actuarial consultant identifying the extent of such self-insurance and stating the determination that the City maintains sufficient reserves with respect thereto. In the event that any such insurance shall be provided in the form of self-insurance by the City, the City shall not be obligated to make any payment with respect to any insured event except from Net Revenues or from such reserves.~~

Section 5.6. Eminent Domain. 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, at the election of the City (evidenced by a Written Certificate of the City filed with the Assignee and the Corporation) shall either (a) be used for the acquisition or construction of improvements and extension of the Enterprise, or (b) be paid to the Assignee to be applied to prepay the Installment Payments in accordance with Section 9.3 hereof or any Parity Obligations in accordance with written instructions of the City filed with the Assignee.

Section 5.7. Records and Accounts. The City shall keep proper books of record 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 by the Assignee. The City shall cause the books and accounts of the Enterprise to be audited annually by an Independent Accountant, not more than one hundred eighty (180) days after the close of each Fiscal Year, and shall make a copy of such report available for inspection by the Assignee at the office of the City.

Section 5.8. Other Covenants.

(a) *Reporting Requirements*. The City hereby covenants and agrees that it will provide to the Assignee:

(i) the Comprehensive Annual Financial Report (CAFR) of the City within nine months after the end of each fiscal year, which shall include audited financial statements of the City, with a standard opinion provided by the auditor in accordance with Generally Accepted Accounting Principles including required supplemental information;

(ii) will cause to be prepared annually, not more than two hundred ten (210) days after the close of each Fiscal Year an internally prepared balance sheet, and income statement showing: the assets, liabilities, reserves, revenues and expenditures of the Enterprise. Additional reports include: (A) Gross Revenues and the amount of all other funds collected which are required to be pledged or otherwise made available as security for payment of principal of and interest on the Bonds, the disbursements from the Gross Revenues and other funds in reasonable detail, (B) customer utilization and collection metrics, (C) independent rate analysis reports (when and if prepared and 30 days after City review), (D) capital projects underway and proposed, and (E) general narrative of the physical condition of the Enterprise;

(iii) annually, within 30 days of City approval, an annual financial plan for the Enterprise with a narrative (when available) for the following year;

(iv) a certification of the City (A) demonstrating the ratio of Net Revenues to scheduled debt service on the Bonds, any outstanding Parity Obligations and any subordinate obligations for the prior fiscal year; and (B) such additional information with respect to the City or Net Revenues as the Assignee may from time to time reasonably request. Said Report to be provided by October 31 of each year; and

(v) immediately upon the City's knowledge thereof, notices of (A) any default on any debt obligation, (B) Material Litigation, (C) material governmental proceedings, or (D) Material Adverse Effect; and.

(vi) such other information regarding the operations of the Enterprise and the City's financial condition as the Assignee may reasonably request, including without limitation, information regarding water and waste water rates and charges, copies of any rate studies commissioned by the City, and reports regarding the compliance of Enterprise with Applicable Environmental Laws.

(b) *Event of Default.* The City shall immediately notify the Trustee and the Assignee by telephone, promptly confirmed in writing, of any event, action or failure to take any action which constitutes an event of default under any obligation or this Installment Sale Agreement, together with a detailed statement by an authorized representative of the City of the steps being taken by the City to cure the effect of such event of default.

(c) *Action, Suit or Proceeding.* The City shall promptly notify the Assignee in writing (i) of any action, suit or proceeding or any investigation, inquiry or similar proceeding by or before any court or other governmental authority, domestic or foreign, against the City which involve claims equal to or in excess of \$100,000 or that seeks injunctive relief, any Material Litigation and the occurrence of any Material Adverse Change.

(d) *Costs and Expenses.* Subject to the following sentence, the City agrees to pay the reasonable out-of-pocket expenses and disbursements of the Assignee and the necessary and reasonable fees, expenses and disbursements of counsel to the Assignee in connection with (A) obtaining any waiver or consent under this Installment Sale Agreement (whether or not the transactions contemplated thereby shall be consummated) or any Event of Default hereunder,

(B) the preparation, execution, delivery, administration, defense and enforcement or preservation of rights in connection with a workout, restructuring or waiver with respect to this Installment Sale Agreement, and (C) the occurrence of an Event of Default and collection and other enforcement proceedings resulting therefrom.

(e) *Indemnification.* The City covenants and agrees to indemnify and hold harmless, to the extent permitted by law, the Assignee and its incorporators, members, commissioners, directors, officers, agents and employees (collectively, the "Assignee Indemnified Persons") against all liability, losses, damages, all reasonable costs and charges (including reasonable fees and disbursements of attorneys, accountants, consultants and other experts), taxes, causes of action, suits, claims, demands and judgments of every conceivable kind, character and nature whatsoever, by or on behalf of any person arising in any manner from the transaction of which this Installment Sale Agreement or the Bonds is a part, including, but not limited to, losses, claims, damages, liabilities or reasonable expenses arising out of, resulting from or in any way connected with (i) the operation of the Enterprise; (ii) any violation of contract, agreement (including this Installment Sale Agreement) or restriction relating to the Enterprise; or (iii) the carrying out of any of the transactions contemplated by this Installment Sale Agreement, the Bonds and all documents related thereto.

ARTICLE VI

DISCLAIMER OF WARRANTIES; ACCESS

Section 6.1. Disclaimer of Warranties. The Corporation and the Assignee make no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the City of the Project, or any other representation or warranty with respect to the Project. In no event shall the Corporation or the Assignee be liable for incidental, indirect, special or consequential damages in connection with or arising out of this Installment Sale Agreement for the existence, furnishing, functioning or City's use of the Project.

Section 6.2. Access to the Enterprise. The City agrees that the Corporation and the Assignee, and any duly authorized representative thereof, shall have the right at all reasonable times to enter upon and to examine and inspect the Enterprise. The City further agrees that the Corporation and the Assignee, and any duly authorized representative thereof, shall have such rights of access to the Enterprise as may be reasonably necessary to cause the proper maintenance of the Enterprise in the event of failure by the City to perform its obligations hereunder.

Section 6.3. Release and Indemnification Covenants. The City shall and hereby agrees to indemnify and save the Corporation and the Assignee and their respective officers, agents, successors and assigns harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, or from any work or thing done on 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 Installment Sale Agreement, (c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Enterprise, (d) any act or negligence of any sublessee of the City with respect to the Enterprise, or (e) the presence on, under or about, or release from, the Enterprise of any substance, material or waste which is, or which becomes, regulated or classified as hazardous or toxic under State, federal or local law. No indemnification is made under this Section 6.3 or elsewhere in this Installment Sale Agreement for adjudicated willful misconduct or negligence by the Corporation or the Assignee, or their respective officers, employees, successors or assigns. The rights of the Assignee and the obligations of the City under this Section 6.3 shall survive the termination of this Installment Sale Agreement.

Section 6.4. Non-Liability of Authority for Enterprise Obligations. The Corporation and its successor and assigns shall have no obligation and shall incur no liabilities or debts whatsoever for the obligations, liabilities and debts of the City incurred in connection with the Enterprise.

ARTICLE VII

ASSIGNMENT, SALE AND AMENDMENT

Section 7.1. Assignment by the Corporation. The Corporation's rights under this Installment Sale Agreement, including the right to receive and enforce payment of the Installment Payments to be made by the City under this Installment Sale Agreement have been pledged and assigned to the Assignee pursuant to the Assignment Agreement, to which pledge and assignment the City hereby consents. The Assignee's rights under this Installment Sale Agreement and the Assignment Agreement may be further assigned from time to time, but only in whole, and only to a person or entity that certifies in writing to the City and the Corporation that it is a "qualified institutional buyer" as that term is defined in Rule 144A promulgated under the Securities Act of 1933, as amended. The Assignee shall provide written notice to the City of any such assignment, and the City shall maintain copies of all such notices as a register of assigns.

Section 7.2. Assignment by the City. This Installment Sale Agreement may not be assigned by the City.

Section 7.3. Sale of Enterprise. Except as provided herein, the City covenants that the Enterprise shall not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise disposed of, as a whole or substantially as a whole. Neither the Net Revenues nor any other funds pledged or otherwise made available to secure payment of the Installment Payments shall be mortgaged, encumbered, sold, leased, pledged, any charge placed thereon, or disposed or used except as authorized by the terms of this Installment Sale Agreement. 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 Installment Payments, or which otherwise would impair the rights of the Assignee and the owners of any Parity Obligations with respect to the Net Revenues. If any substantial part of the Enterprise shall be sold, the payment therefor shall either (a) be used for the acquisition or construction of improvements, extensions or replacements constituting the unsold part of the Enterprise, or (b) to the extent not so used, be paid to the Assignee to be applied to prepay the Installment Payments in accordance with Section 9.3 hereof or any Parity Obligations, in accordance with written instructions of the City filed with the Assignee.

Section 7.4. Amendment of Installment Sale Agreement. The City and the Corporation shall have the right to modify or amend this Installment Sale Agreement without the consent of any of the Assignee or any of the owners of Parity Obligations, but only if such amendment or modification does not cause the interest component of the Installment Payments to be includable in gross income for federal income tax purposes in the opinion of Bond Counsel, and only if such amendment or modification does not materially adversely affect the interests of the Assignee or the owners of any Parity Obligations in the opinion of Bond Counsel, and only if such amendment or modification is for any one or more of the following purposes:

(a) to provide for the issuance of Parity Obligations pursuant to Section 4.8(b);

(b) to add to the covenants and agreements of the City contained in this Installment Sale Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City;

(c) to cure any ambiguity, or to cure, correct or supplement any defective provision contained herein, or in any other respect whatsoever as the Corporation and the City may deem necessary or desirable; or

(d) to amend any provision thereof for the purpose of complying with the applicable requirements of the Tax Code.

ARTICLE VIII
EVENTS OF DEFAULT

Section 8.1. Events of Default Defined. The following events shall be Events of Default hereunder:

(a) Failure by the City to pay any Installment Payment when and as the same become due and payable hereunder.

(b) Failure by the City to pay any Additional Payment when due and payable hereunder, and the continuation of such failure for a period of ten (10) days.

(c) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding clauses (a) or (b), for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Corporation or the Assignee; *provided, however*, that if the City shall notify the Corporation and the Assignee that in its reasonable opinion the failure stated in the notice can be corrected, but not within such 60-day period, such failure shall not constitute an event of default hereunder if the City shall commence to cure such failure within such sixty (60) day period and thereafter diligently and in good faith cure such failure in a reasonable period of time not to exceed 180 days.

(d) 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 entry by the City into an agreement of composition with 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.

(e) The occurrence and continuation of any event of default under and as defined in the instruments authorizing the issuance of any Parity Obligations.

Section 8.2. Remedies on Default. Whenever any Event of Default referred to in Section 8.1 shall have happened and be continuing, it shall be lawful for the Corporation to exercise any and all remedies available pursuant to law or in equity or granted pursuant to this Installment Sale Agreement; provided, however, that notwithstanding anything to the contrary herein, there shall be no right under any circumstances to accelerate the Installment Payments or otherwise declare any Installment Payments not then in default to be immediately due and payable or to terminate this Installment Sale Agreement. While an Event of Default exists, the principal component of Installment Payments shall, at the option of the Assignee, bear interest at the Default Rate.

Section 8.3. 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 Installment Sale 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 VIII it shall not be necessary to give any notice, other than such notice as may be required in this Article VIII or by law.

Section 8.4. Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Installment Sale Agreement ~~the City~~ should default under any of the provisions hereof and the nondefaulting party, the Assignee should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained ~~City~~, the defaulting party ~~City~~ agrees that it will on demand therefor pay to the nondefaulting party, the Assignee or such Owner, as the case may be, the reasonable fees of such attorneys and such other expenses so incurred.

Section 8.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Installment Sale 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 8.6. Assignee to Exercise Rights. Such rights and remedies as are given to the Corporation under this Article VIII have been assigned by the Corporation to the Assignee, to which assignment the City hereby consents.

Section 8.7. Rights of the Owners of Parity Obligations. Notwithstanding anything in this Article VIII to the contrary, it is hereby acknowledged and agreed that the rights of the Assignee hereunder in and to the Net Revenues and the Enterprise shall be exercised on a parity and proportionate basis with the rights of the owners of any Parity Obligations and any fiduciary acting for the benefit of such owners. The provisions of this Article VIII, and the provisions of any instruments authorizing the issuance of any Parity Obligations, shall be construed in accordance with the foregoing sentence.

ARTICLE IX

PREPAYMENT OF INSTALLMENT PAYMENTS

Section 9.1. Security Deposit. Notwithstanding any other provision of this Installment Sale Agreement, the City may on any date secure the payment of Installment Payments in whole or in part by irrevocably depositing with the Assignee or any other fiduciary an amount of cash which is either (a) sufficient to pay all such Installment Payments, including the principal and interest components thereof, in accordance with the Installment Payment schedule set forth in Exhibit A, or (b) invested in whole or in part in Federal Securities in such amount as will, in the written opinion of an Independent Accountant, together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay all such Installment Payments when due pursuant to Section 4.4(a) or when due on any the applicable optional prepayment date pursuant to Section 4.4 or Section 9.2, as the City shall instruct at the time of said deposit. In the event of a security deposit pursuant to this Section 9.1 with respect to all of the Installment Payments, all obligations of the City under this Installment Sale Agreement, and all security provided by this Installment Sale Agreement for said obligations, shall cease and terminate, excepting only the obligation of the City to make, or cause to be made, all of such Installment Payments from such security deposit, and the obligation of the City to indemnify the Assignee pursuant to Section 6.3. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of Installment Payments in accordance with the provisions of this Installment Sale Agreement. If the interest component of Installment Payments is being calculated at the Tax-Exempt Rate as of the date of such deposit, the Assignee shall be provided with an opinion of Bond Counsel to the effect that such deposit will not adversely affect the exclusion of the interest components of the Installment Payments from gross income of the owners thereof for federal income tax purposes.

Section 9.2. Optional Prepayment. Prior to the Tax-Exempt Conversion Date, the Installment Payments are not subject to optional prepayment. On and after the Tax-Exempt Conversion Date, the Installment Payments will be subject to optional prepayment as selected by the Assignee in connection with the conversion of interest to the Tax-Exempt Rate pursuant to Section 4.4 of this Installment Sale Agreement. In the event the interest rate is not converted from the Taxable Rate to the Tax-Exempt Rate, the City may exercise its option to prepay the principal components of the Installment Payments in whole on any Installment Payment Date, on and after October 1, 2024, upon 30 days' notice to the Assignee, by paying a prepayment price equal to the aggregate principal components of the Installment Payments to be prepaid, together with the interest component of the Installment Payment required to be paid on or accrued to such date together with a premium as set forth in the following table:

Prepayment Period	Premium
October 1, 2024 through September 30, 2025	2%
October 1, 2025 through September 30, 2026	1
October 1, 2026 and thereafter	0

Section 9.3. Optional Prepayment from Proceeds of Insurance or Eminent Domain. The City may exercise its option to prepay the Installment Payments in whole, or in part ~~among Installment Payment Dates on a pro rata basis in any integral multiple of \$5,000~~, on any date from and to the extent of any proceeds of insurance award or condemnation award with respect to the Enterprise ~~theretofore paid to the Assignee for such purpose~~ that are available pursuant to Sections 5.4 or 5.6. Any such prepayment shall be accompanied by a premium as set forth in the following table:

<u>Prepayment Period</u>	<u>Premium</u>
<u>Closing Date through September 30, 2024</u>	<u>3%</u>
<u>October 1, 2024 through September 30, 2025</u>	<u>2</u>
<u>October 1, 2025 through September 30, 2026</u>	<u>1</u>
<u>October 1, 2026 and thereafter</u>	<u>0</u>

The City shall give the Assignee at least 30 days' prior written notice of any such prepayment. Any such prepayment shall be applied against the principal component of Installment Payments in inverse order of their respective due dates. The City and the Corporation hereby agree that such proceeds, to the extent remaining after payment of any delinquent Installment Payments, shall be credited towards the City's obligations under this Section 9.3.

In the event of such prepayment, the City may be required to pay the Assignee an additional fee, determined in the manner provided below, to compensate the Assignee for all losses, costs and expenses incurred in connection with such prepayment.

The fee shall mean an amount equal to the present value of the difference between (a) the amount that would have been realized by the Assignee on the prepaid amount for the remaining term of the Installment Sale Agreement at the fixed rate with respect to the Installment Sale Agreement and (b) the amount that would be realized by the Assignee by reinvesting such prepaid amount for the remaining term of the Installment Sale Agreement at (i) the then-current market swap rate for the remaining term of the Installment Sale Agreement sourced from the Federal Reserve's "H.15 Selected Interest Rates" plus (ii) a spread of 0.90%; both (a) and (b) discounted at such then-current market swap rate excluding the spread. In the event that the remaining term of the Installment Sale Agreement is in-between tenors of available swap rates as published by the Federal Reserve's "H.15 Selected Interest Rates," a then-current swap rate will be interpolated by using the two published swap rates with tenors closest to the remaining term of the Installment Sale Agreement. In the event that the Federal Reserve's "H.15 Selected Interest Rates" no longer becomes available, the Assignee will disclose the source of the then-current swap rate to the City. If the present value so calculated has no value or is a negative value, the fee shall be \$0.

ARTICLE X
MISCELLANEOUS

Section 10.1. Further Assurances. The City agrees that it will execute and deliver any and all such further agreements, instruments, financing statements or other assurances as may be reasonably necessary or requested by the Corporation or the Assignee to carry out the intention or to facilitate the performance of this Installment Sale Agreement, including, without limitation, to perfect and continue the security interests herein intended to be created.

Section 10.2. Notices. Any notice, request, complaint, demand or other communication under this Installment Sale Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopy, telex or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopy, telex or other form of telecommunication, (b) 48 hours after deposit in the United States 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 Corporation:	Porterville Public Improvement Corporation c/o City of Porterville 291 North Main Street Porterville, CA 93257 Attention: City Manager Phone: (559) 782-7466 Fax: (559) 784-4569
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If to the City:	City of Porterville 291 North Main Street Porterville, CA 93257 Attention: City Manager Phone: (559) 782-7466 Fax: (559) 784-4569
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If to the Assignee:	Banner Bank 1750 Howe Avenue, Suite 100 Sacramento, CA 99825 Attention: Mr. Bob Pedersen, Vice President Phone: (916) 848-3490 Fax: (916) _____
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Section 10.3. Third Party Beneficiary. The Assignee shall be and is hereby made a third-party beneficiary hereunder with all rights of a third-party beneficiary.

Section 10.4. Governing Law. This Installment Sale Agreement shall be construed in accordance with and governed by the laws of the State.

Section 10.5. Binding Effect. This Installment Sale Agreement shall inure to the benefit of and shall be binding upon the Corporation and the City, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 10.6. Severability of Invalid Provisions. If any one or more of the provisions contained in this Installment Sale Agreement shall for any reason be held to be invalid, illegal or

unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Installment Sale Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Installment Sale Agreement, and this Installment Sale Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Corporation and the City each hereby declares that it would have entered into this Installment Sale Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Installment Sale Agreement may be held illegal, invalid or unenforceable.

~~Section 10.7. Article and Section Headings and References. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Installment Sale Agreement. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Installment Sale Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Installment Sale Agreement as a whole and not to any particular Article, Section or subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.~~

Section 10.7. Execution of Counterparts. This Installment Sale Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

Section 10.8. Waiver of Personal Liability. No member of the City Council, officer, agent or employee of the City shall be individually or personally liable for the payment of Installment Payments or Additional Payments or be subject to any personal liability or accountability by reason of this Installment Sale Agreement; but nothing herein contained shall relieve any such member of the City Council, officer, agent or employee from the performance of any official duty provided by law or by this Installment Sale Agreement.

IN WITNESS WHEREOF, the Corporation and the City have caused this Installment Sale Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

PORTERVILLE PUBLIC IMPROVEMENT
CORPORATION, as Seller

By _____
John D. Lollis
Executive Director

CITY OF PORTERVILLE, as Purchaser

By _____
John D. Lollis
City Manager

EXHIBIT A-1

**SCHEDULE OF INSTALLMENT PAYMENTS
(Taxable Rate)**

<u>Installment Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Installment Payment</u>
4/1/2019			
10/1/2019			
4/1/2020			
10/1/2020			
4/1/2021			
10/1/2021			
4/1/2022			
10/1/2022			
4/1/2023			
10/1/2023			
4/1/2024			
10/1/2024			
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4/1/2031			
10/1/2031			
4/1/2032			
10/1/2032			
4/1/2033			
10/1/2033			
4/1/2034			
10/1/2034			
4/1/2035			
10/1/2035			
4/1/2036			
10/1/2036			
Totals			

*The Interest component of the Installment Payments is based on the Taxable Rate of 4.480%.

SCHEDULE OF INSTALLMENT PAYMENTS
(Tax-Exempt Rate)

*The Interest component of the Installment Payments is based on the Tax-Exempt Rate of 3.470%.

EXHIBIT B

DESCRIPTION OF PROJECT

The Project consists of the City's existing sewer treatment plant.

ESCROW AGREEMENT

by and between the

CITY OF PORTERVILLE

and

U.S. BANK NATIONAL ASSOCIATION, as Escrow Bank

Dated November 20, 2018

Relating to the refunding of the
Porterville Public Financing Authority
Sewer Revenue Bonds, 2011 Series A

ESCROW AGREEMENT

This ESCROW AGREEMENT (this "Escrow Agreement"), dated November 20, 2018, is by and between the CITY OF PORTERVILLE, a municipal corporation and chartered city organized and existing under and by virtue of the laws of the State of California (the "City"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as escrow bank (the "Escrow Bank").

WITNESSETH:

WHEREAS, the Porterville Public Financing Authority (the "Authority") has heretofore issued its \$19,743,587 Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A (the "2011 Bonds"), the proceeds of which were used to finance and refinance certain improvements to the City's municipal sewer enterprise (the "2011 Project");

WHEREAS, the 2011 Bonds were issued pursuant to the terms of an indenture, dated as of February 1, 2011 (the "2011 Indenture"), by and between the Authority and U.S. Bank National Association, as trustee thereunder (the "2011 Trustee");

WHEREAS, in order to provide for the repayment of the 2011 Bonds, the Authority sold the Project to the City pursuant to an installment sale agreement, dated as of October 1, 2011 (the "2011 Installment Sale Agreement"), under which the City agreed to make installment payments to the Authority (the "2011 Installment Payments") from net revenues of the Enterprise;

WHEREAS, the City has determined that it is in the best interests of the City at this time to provide for the payment and prepayment of the 2011 Installment Payments and, as a result thereof, to provide for the payment and redemption of the 2011 Bonds and, to that end, the City proposes to enter into a new installment sale agreement, dated as of November 1, 2018, by and between the Porterville Public Improvement Corporation (the "Corporation") and the City (the "Installment Sale Agreement");

WHEREAS, the City proposes to provide for the payment described above and to appoint the Escrow Bank as their agent for the purpose of applying said deposit to provide for the payment and prepayment of the 2011 Installment Payments in accordance with the instructions provided by this Escrow Agreement and of applying said prepaid 2011 Installment Payments to the payment and redemption of the 2011 Bonds and the Escrow Bank desires to accept said appointment;

WHEREAS, the City wishes to provide for the payment described above and to enter into this Escrow Agreement for the purpose of providing the terms and conditions for the deposit and application of amounts so deposited;

WHEREAS, to obtain moneys to make such deposit, and for certain other purposes, the Authority proposes to assign and transfer certain of its rights under the Installment Sale Agreement to Banner Bank (the "Assignee"), pursuant to that certain Assignment Agreement, dated as of November 1, 2018, by and between the Authority and the Assignee;

WHEREAS, the Escrow Bank has full powers to perform the duties and obligations to be undertaken pursuant to this Escrow Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein set forth, the parties hereto do hereby agree as follows:

Section 1. Definitions. Capitalized terms used, but not otherwise defined, herein, shall have the meanings ascribed thereto in the 2011 Indenture.

Section 2. Appointment of Escrow Bank. The City hereby appoints the Escrow Bank as escrow bank for all purposes of this Escrow Agreement and in accordance with the terms and provisions of this Escrow Agreement, and the Escrow Bank hereby accepts such appointment.

Section 3. Establishment of Escrow Fund. There is hereby created by the City with, and to be held by, the Escrow Bank, as security for the payment and prepayment of the 2011 Installment Payments and the payment and redemption of the 2011 Bonds, as hereinafter set forth, an irrevocable escrow to be maintained by the Escrow Bank on behalf of the City (the "Escrow Fund"). The Escrow Fund shall be held separate and apart from other funds and moneys of, or held by, the Escrow Bank. All moneys deposited in the Escrow Fund shall be held as a special fund for the payment and prepayment of the 2011 Installment Payments and the payment and redemption of the 2011 Bonds. If at any time the Escrow Bank shall receive actual knowledge that the moneys in the Escrow Fund will not be sufficient to make any payment required by Section 5 hereof, the Escrow Bank shall notify the City of such fact and the City shall immediately cure such deficiency. The Escrow Bank shall have no liability for such deficiency.

Section 4. Deposit into Escrow Fund; Investment of Amounts.

(a) Concurrently with delivery of the Installment Sale Agreement, the City shall cause to be transferred to the Escrow Bank for deposit into the Escrow Fund the amount of \$_____ in immediately available funds, derived as follows:

(i) \$_____ from the proceeds of the assignment of the Installment Sale Agreement to the Assignee; and

(ii) \$_____ from the reserve fund established for the 2011 Bonds (the "2011 Reserve Fund").

(b) The Escrow Bank shall invest \$_____ of the moneys deposited into the Escrow Fund pursuant to the preceding paragraph in the U.S. Treasury Securities—State and Local Government Series, set forth in Exhibit A attached hereto and by this reference incorporated herein (the "Escrowed Federal Securities") and shall hold the remaining \$_____ in cash, uninvested. The Escrowed Federal Securities shall be deposited with and held by the Escrow Bank in the Escrow Fund solely for the uses and purposes set forth herein.

If the Escrow Bank learns that the Department of the Treasury or the Bureau of Fiscal Service will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Escrow Agreement, the Escrow Bank shall promptly request alternative written investment instructions from the City with respect to funds which were to be invested in SLGS. The Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the City. In the absence of investment instructions from the City, the Escrow Bank shall not be responsible for the investment of such funds or interest thereon. The Escrow Bank may conclusively rely upon the City's selection of an alternative investment as a determination of the

alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

(c) The Escrow Bank may rely upon the conclusion of Causey Demgen & Moore, Inc., as contained in its opinion and accompanying schedules (the "Report") dated November 20, 2018, that the Escrowed Federal Securities mature and bear interest payable in such amounts and at such times as, together with cash on deposit in the Escrow Fund, will be sufficient to make the scheduled payments of principal of and interest on the 2011 Bonds to and including October 1, 2021, and to redeem all outstanding 2011 Bonds on October 1, 2021, at the outstanding principal amount thereof.

(d) The Escrow Bank shall not be liable or responsible for any loss resulting from its full compliance with the provisions of this Escrow Agreement.

(e) Any money left on deposit in the Escrow Fund after payment in full of the 2011 Bonds, and the payment of all amounts due to the Escrow Bank hereunder, shall be transferred to the City and applied to the payment of the installment payments due under the Installment Sale Agreement.

Section 5. Instructions as to Application of Deposit.

(a) The moneys deposited in the Escrow Fund pursuant to Section 4 shall be applied by the Escrow Bank for the sole purpose of paying the scheduled payments of principal of and interest on the 2011 Bonds to and including October 1, 2021, and of redeeming all outstanding 2011 Bonds on October 1, 2021, at the outstanding principal amount thereof, as set forth in Exhibit B attached hereto and by this reference incorporated herein.

(b) The Escrow Bank, in its capacity as 2011 Trustee, is hereby requested, and the Escrow Bank, in its capacity as 2011 Trustee, hereby agrees to give notice of the defeasance of the 2011 Bonds in the form of defeasance notice attached hereto as Exhibit C.

(c) The Escrow Bank, in its capacity as 2011 Trustee, is hereby requested, and the Escrow Bank, in its capacity as 2011 Trustee, hereby agrees to give notice of redemption of the 2011 Bonds in accordance with the applicable provisions of the 2011 Indenture and in the form of defeasance notice attached hereto as Exhibit D.

Section 6. Investment of Any Remaining Moneys. The Escrow Bank shall invest and reinvest the proceeds received from any of the Escrowed Federal Securities, and the cash originally deposited into the Escrow Fund, for a period ending not later than the next succeeding interest payment date relating to the 2011 Bonds, in U.S. Treasury Securities pursuant to written directions of the City; *provided, however*, that (a) such written directions of the City shall be accompanied by (i) a certification of an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions that the U.S. Treasury Securities then to be so deposited in the Escrow Fund, together with the cash then on deposit in the Escrow Fund, together with the interest to be derived therefrom, shall be in an amount at all times at least sufficient to make the payments specified in Section 5 hereof, and (ii) an opinion of nationally recognized bond counsel ("Bond Counsel") that investment in accordance with such directions will not affect, for federal income tax purposes, the exclusion from gross income of interest due with respect to the 2011 Bonds or the Installment Sale Agreement, and (b) if the City directs such investment or reinvestment to be made in United States Treasury Securities—State and Local Government Series, the City shall, at its cost, cause to be prepared all necessary subscription forms therefor in sufficient time to enable the Escrow Bank to acquire such

securities. In the event that the City shall fail to file any such written directions with the Escrow Bank concerning the reinvestment of any such proceeds, such proceeds shall be held uninvested by the Escrow Bank. Any interest income resulting from investment or reinvestment of moneys pursuant to this Section 6 and not required for the purposes set forth in Section 5, as indicated by such verification, shall, promptly upon the receipt of such interest income by the Escrow Bank, be paid to the U.S. Treasury Securities.

The Escrow Bank acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Escrow Bank will furnish the City periodic transaction statements which include detail for all investment transactions made by the Escrow Bank hereunder; provided that the Escrow Bank is not obligated to provide an accounting for any fund or account that (a) has a balance of \$0.00 and (b) has not had any activity since the last reporting date.

Section 7. Substitution or Withdrawal of Federal Securities. The City may, at any time, direct the Escrow Bank in writing to substitute U.S. Treasury Securities for any or all of the Escrowed Federal Securities then deposited in the Escrow Fund, or to withdraw and transfer to the City any portion of the Escrowed Federal Securities then deposited in the Escrow Fund, provided that any such direction and substitution or withdrawal shall be simultaneous and shall be accompanied by (a) a certification of an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of political subdivisions that the U.S. Treasury Securities then to be so deposited in the Escrow Fund together with interest to be derived therefrom, or in the case of withdrawal, the Escrowed Federal Securities to be remaining in the Escrow Fund following such withdrawal together with the interest to be derived therefrom, together with the cash then on deposit in the Escrow Fund, shall be in an amount at all times at least sufficient to make the payments specified in Section 5 hereof; and (b) an opinion of Bond Counsel that the substitution or withdrawal will not affect, for Federal income tax purposes, the exclusion from gross income of interest on the 2011 Bonds or the Installment Sale Agreement. In the event that, following any such substitution of Escrowed Federal Securities pursuant to this Section 7, there is an amount of moneys or Escrowed Federal Securities in excess of an amount sufficient to make the payments required by Section 5 hereof, as indicated by such verification, such excess shall be paid to the City and applied to the payment of the installment payments due under the Installment Sale Agreement.

Section 8. Application of 2011 Bond Moneys. On the date of deposit of amounts in the Escrow Fund pursuant to Section 4, the 2011 Trustee will be directed to withdraw all amounts on deposit in the 2011 Reserve Fund (\$_____) and transfer such sum to the Escrow Bank for deposit in the Escrow Fund.

Any amounts remaining on deposit in any fund or account established under the 2011 Indenture for the 2011 Bonds, including any investment earnings received after the date of original delivery of the Installment Sale Agreement, shall be transferred by the Escrow Bank to the City and applied as a credit against payments of principal and interest with respect to the Installment Sale Agreement.

Section 9. Compensation to Escrow Bank. The City shall pay the Escrow Bank full compensation for its duties under this Escrow Agreement, including out-of-pocket costs such as publication costs, prepayment or redemption expenses, legal fees and other costs and expenses relating hereto. Under no circumstances shall amounts deposited in the Escrow Fund be deemed to be available for said purposes.

Section 10. Liabilities and Obligations of Escrow Bank. The Escrow Bank shall have no obligation to make any payment or disbursement of any type or risk or incur any financial liability in the performance of its duties under this Escrow Agreement unless the City shall have deposited sufficient funds with the Escrow Bank. The Escrow Bank may rely and shall be protected in acting upon the written instructions of the City or its agents relating to any matter or action as Escrow Bank under this Escrow Agreement.

The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or any securities deposited therein, the purchase of the securities to be purchased pursuant hereto, the retention of such securities or the proceeds thereof, the sufficiency of the securities or any uninvested moneys held hereunder to accomplish the purposes set forth in Section 5 hereof, or any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "whereas" clauses herein shall be taken as the statement of the City, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representations as to the sufficiency of the securities to be purchased pursuant hereto and any uninvested moneys to accomplish the purposes set forth in Section 5 hereof or to the validity of this Escrow Agreement as to the City and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement, and no implied covenants or obligations shall be read into this Escrow Agreement against the Escrow Bank. The Escrow Bank may consult with counsel, who may or may not be counsel to the City, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel) may be deemed to be conclusively established by a written certification of the City.

The Escrow Bank may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

The Escrow Bank may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Bank be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Bank has been advised of the likelihood of such loss or damage and regardless of the form of action.

The Escrow Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Escrow Agreement and delivered using Electronic Means ("Electronic Means" means mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Bank, or another method or system specified by the Escrow Bank as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Escrow Bank an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Escrow Bank Instructions using Electronic Means and the Escrow Bank in its discretion elects to act upon such Instructions, the Escrow Bank's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Escrow Bank cannot determine the identity of the actual sender of such Instructions and that the Escrow Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Bank have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Bank and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

The Escrow Bank may at any time resign by giving 30 days written notice of resignation to the City and the 2011 Trustee. Upon receiving such notice of resignation, the City shall promptly appoint a successor, and, upon the acceptance by the successor of such appointment, release the resigning Escrow Bank from its obligations hereunder by written instrument, a copy of which instrument shall be delivered to each of the City, the 2011 Trustee, the resigning Escrow Bank and the successor. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Escrow Bank may petition any court of competent jurisdiction for the appointment of a successor.

The City hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated), to the extent permitted by law, to indemnify, protect, save and hold harmless the Escrow Bank and its respective directors, officers, employees, successors, assigns, agents and servants from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Bank (whether or not also indemnified against by any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the retention of the moneys therein and any

payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Agreement, or as may arise by reason of any act, omission or error of the Escrow Bank made in good faith in the conduct of its duties; provided, however, that the City shall not be required to indemnify the Escrow Bank against its own negligence or willful misconduct. The indemnities contained in this Section 10 shall survive the termination of this Escrow Agreement or the resignation or removal of the Escrow Bank.

Section 11. Amendment. This Escrow Agreement may be modified or amended at any time by a supplemental agreement which shall become effective when the written consent of the 2011 Trustee shall have been filed with the Escrow Bank. This Escrow Agreement may be modified or amended at any time by a supplemental agreement, without the consent of the 2011 Trustee, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein or therein reserved to the City, (2) to cure, correct or supplement any ambiguous or defective provision contained herein, provided any such cure, correction or supplement does not adversely affect the interests of the 2011 Trustee, (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which, in the opinion of counsel reasonably acceptable to the 2011 Trustee shall not materially adversely affect the interests of the holders of the 2011 Bonds, and that such amendment will not cause interest with respect to the 2011 Bonds to become subject to federal income taxation.

Section 12. Severability. If any section, paragraph, sentence, clause or provision of this Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence clause or provision shall not affect any of the remaining provisions of this Escrow Agreement.

Section 13. Notice to Escrow Bank and District. Any notice to or demand upon the Escrow Bank may be served and presented, and such demand may be made, at the Principal Corporate Trust Office of the Escrow Bank. Any notice to or demand upon the City shall be deemed to have been sufficiently given or served for all purposes by being mailed by first class mail, and deposited, postage prepaid, in a post office letter box, addressed to such party as provided in the 2011 Indenture (or such other address as may have been filed in writing by the City with the Escrow Bank).

Section 14. Merger or Consolidation of Escrow Bank. Any company into which the Escrow Bank may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business, provided such company is reasonably acceptable to the City, shall be the successor hereunder to the Escrow Bank without the execution or filing of any paper or any further act.

Section 15. Governing Law. This Escrow Agreement shall be governed by the laws of the State of California.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the City and the Escrow Bank have each caused this Escrow Agreement to be executed by their duly authorized officers all as of the date first above written.

CITY OF PORTERVILLE

By _____
John D. Lollis
City Manager

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Bank

By _____
Ilse Vlach
Vice President

EXHIBIT A

SCHDULE OF ESCROWED FEDERAL SECURITIES

Type	Maturity	Coupon	Par	Price	Cost	Accrued	Total
SLGS	4/1/19						
SLGS	10/1/19						
SLGS	4/1/20						
SLGS	10/1/20						
SLGS	4/1/21						
SLGS	10/1/21						

EXHIBIT B

PAYMENT AND REDEMPTION SCHEDULE

Date	Maturing Principal	Called Principal	Interest	Redemption Premium	Total Payment
4/1/19	—	—	\$525,403.75	—	\$ 525,403.75
10/1/19	\$350,000	—	525,403.75	—	875,403.75
4/1/20	—	—	525,403.75	—	525,403.75
10/1/20	660,000	—	525,403.75	—	1,185,403.75
4/1/21	—	—	510,883.75	—	510,883.75
10/1/21	765,000	\$17,780,000	510,883.75	—	19,055,883.75

EXHIBIT C

DEFEASANCE NOTICE Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A

Maturity Date	Amount Defeased	Interest Rate	CUSIP No.
10/1/19	\$ 350,000	CAB	73637R AC2
10/1/20	660,000	4.400%	73637R AB4
10/1/21	765,000	4.625	73637R AD0
10/1/22	800,000	4.850	73637R AE8
10/1/23	835,000	5.000	73637R AF5
10/1/24	880,000	5.100	73637R AG3
10/1/25	925,000	5.300	73637R AH1
10/1/29	4,245,000	5.750	73637R AJ7
10/1/36	10,095,000	5.625	73637R AK

NOTICE IS HEREBY GIVEN, on behalf of the Porterville Public Financing Authority (the "Authority") to the owners of the outstanding Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A, described above (the "Bonds"), that pursuant to the indenture authorizing the issuance of the Bonds (the "Indenture"), the lien of the Indenture with respect to the Bonds has been discharged through the irrevocable deposit of cash and U.S. Treasury securities in an escrow fund (the "Escrow Fund"). The Escrow Fund has been established and is being maintained pursuant to that certain Escrow Agreement, dated November 20, 2018, by and between the City of Porterville and U.S. Bank National Association, as escrow bank (the "Escrow Bank"). As a result of such deposit, the Bonds are deemed to have been paid and defeased in accordance with the Indenture. The pledge of the funds provided for under the Indenture and all other obligations of the Authority to the owners of the defeased Bonds shall hereafter be limited to the application of moneys in the Escrow Fund for the payment of the Bonds as described below.

As evidenced by the verification report delivered to the Escrow Bank, the cash and U.S. Treasury securities deposited in the Escrow Fund are calculated to provide sufficient moneys to pay the principal of and interest on the Bonds to and including October 1, 2021, and to redeem the outstanding Bonds in full on October 1, 2021 (the "Redemption Date"), at a redemption price equal to 100% of the principal amount thereof. From and after the Redemption Date, interest with respect to the Bonds shall cease to accrue and be payable.

Dated: _____, 2018

U.S. BANK NATIONAL
ASSOCIATION, as Trustee

EXHIBIT D

REDEMPTION NOTICE Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A

Maturity Date	Amount Redeemed	Interest Rate	CUSIP No.
10/1/22	\$ 800,000	4.850%	73637R AE8
10/1/23	835,000	5.000	73637R AF5
10/1/24	880,000	5.100	73637R AG3
10/1/25	925,000	5.300	73637R AH1
10/1/29	4,245,000	5.750	73637R AJ7
10/1/36	10,095,000	5.625	73637R AK

NOTICE is hereby given that the Porterville Public Financing Authority (the "Authority") has called for redemption on October 1, 2021 (the "Redemption Date"), the outstanding Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A, described above (the "Bonds"), at a price equal to 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption (the "Redemption Price").

On the Redemption Date, the Redemption Price will become due and payable upon each Bond and interest with respect thereto shall cease to accrue from and after the Redemption Date.

Owners presenting their Bonds in person for the same day payment must surrender their Bonds by 1:00 p.m. on the Redemption Date and a check will be available for pickup after 2:00 p.m. Checks not picked up by 4:30 p.m. will be mailed to the Owner by first class mail.

Interest with respect to the principal amount designated to be redeemed shall cease to accrue on and after the Redemption Date.

If payment of the Redemption Price is to be made to the Owner, such Owner is not required to endorse the Bond to collect the Redemption Price.

Under the Economic Growth and Tax Relief Reconciliation Act of 1995 (the "Act") 28% of the Redemption Price will be withheld if tax identification number is not properly certified. The Form W-9 may be obtained from the Internal Revenue Service.

Neither the Authority nor U.S. Bank National Association, as Trustee, shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness as shown in the Redemption Notice. It is included solely for convenience of the Owners.

Dated: _____, 2021

U.S. BANK NATIONAL
ASSOCIATION, as Escrow Bank

LETTER AGREEMENT FOR PURCHASE AND RATE LOCK

November 9, 2018

City of Porterville
291 North Main Street
Porterville, CA 93257
Attention: City Manager

Re: \$_____ Installment Sale Agreement, dated as of November 1, 2018, by and between the Porterville Public Improvement Corporation and the City of Porterville, assigned to Banner Bank

Ladies and Gentlemen:

The undersigned, Banner Bank (the "Purchaser"), offers, upon the following terms, to acquire the rights, title and interest of the Porterville Public Improvement Corporation (the "Corporation") under the Installment Sale Agreement (hereinafter defined), including its rights to the Installment Payments to be made by the City of Porterville (the "City") under the Installment Sale Agreement dated as of November 1, 2018 (the "Installment Sale Agreement"), by and between the City and the Corporation, by entering into an Assignment Agreement, dated as of November 1, 2018 (the "Assignment Agreement"), with the Corporation. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Installment Sale Agreement.

1. *Purchase and Purchase Price; Terms of City's Obligations; Rate Lock.* The City agrees to execute and deliver the Installment Sale Agreement, and the Purchaser agrees to purchase the City's obligations under the Installment Sale Agreement at a purchase price of \$_____. The interest rate applicable thereto shall initially be 4.480% per annum (the "Taxable Rate"), with an option of the City to convert the interest rate applicable thereto to 3.470% per annum (the "Tax-Exempt Rate"), so long as no event or default or event of taxability shall have occurred, and certain conditions set forth in the Installment Sale Agreement are met. The schedule of Installment Payments for the Taxable Rate is attached hereto as Exhibit A-1. The schedule of Installment Payments for the Tax-Exempt Rate is attached hereto as Exhibit A-2.

The City acknowledges that:

(a) The Purchaser is acting in this transaction solely for its own account and not as a fiduciary for the City or in the capacity of broker, dealer, municipal securities underwriter, placement agent, or municipal advisor;

(b) The Purchaser has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the City (including to any financial advisor engaged by the City) with respect to the structuring of the financing or the execution and delivery of the Installment Sale Agreement;

(c) The Purchaser has no fiduciary duty pursuant to section 15B of the Securities Exchange Act of 1934, as amended, to the City with respect to the transactions relating to the

structuring of the financing or the execution and delivery of the Installment Sale Agreement and the discussions, undertakings, and procedures leading thereto;

(d) The City has sought and shall seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the financing transaction from its financial, legal, and other advisors (and not the Purchaser or its affiliates) to the extent that the City desires to, should, or needs to obtain such advice;

(e) The Purchaser has expressed no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party; and

(f) The transactions between the City and the Purchaser is an arm's length, commercial transaction in which the Purchaser is acting and has acted solely as a principal and for its own interest, and the Purchaser has not made recommendations to the City with respect to the transactions relating to the Installment Sale Agreement.

2. *Use of Funds.* The purchase price paid by the Purchaser shall be used by the City to (i) refund the outstanding Porterville Public Financing Authority Sewer Revenue Bonds, 2011 Series A (the "2011 Bonds"), and (ii) pay the costs related to the preparation, execution and delivery of the Installment Sale Agreement and the Assignment Agreement.

3. *Disposition of Proceeds.* On the Closing Date, the Purchaser shall transfer:

(a) \$_____ to U.S. Bank National Association, as escrow bank (the "Escrow Bank"), to provide for the defeasance of the 2011 Bonds, via wire transfer (wire information to be provided), and

(b) \$190,000.00 to the following recipients, for payment of the costs of the financing transaction, as follows:

(i) \$5,000.00 to the City, to be applied to the payment of the fee of the California Debt and Investment Advisory Commission, to the City's costs of the transaction or applied to the Installment Payment due on April 1, 2019,

(ii) \$75,000.00 to Quint & Thimmig LLP, as special counsel to the City,

(iii) \$65,000.00 to Wulff Hansen & Co., as municipal advisor to the City,

(iv) \$22,500.00 to Brandis Tallman LLC, as placement agent to the City,

(v) \$7,500.00 to U.S. Bank National Association, as Escrow Bank,

(vi) \$3,000.00 to Causey Demgen & Moore, P.C., as verification agent, and

(vii) \$12,000.00 to Davis Wright Tremaine LLP, as a counsel to the Purchaser.

4. *Closing.* At 10:00 a.m. Pacific Standard time, on November 20, 2018, or at such other time or on such earlier or later date as the Purchaser and the City mutually agree upon (the "Closing Date"), the City will deliver (or cause to be delivered) the Installment Sale Agreement executed by the City and the Corporation, and the Assignment Agreement executed by the Corporation and the Purchaser, and, subject to satisfaction of the conditions precedent to the

closing of the transactions contemplated by the Installment Sale Agreement set forth in Section 6 hereof, the Purchaser will pay the purchase price for the City's obligations as set forth in Section 1 hereof in federal or other immediately available funds.

5. *Representations and Warranties of the City.* The City represents and warrants to the Purchaser that:

(a) The City is a municipal corporation and chartered city organized and existing under the Constitution and the laws of the State of California (the "State"), and has all necessary power and authority to enter into and perform its duties under this Agreement and the Financing Documents

(b) Neither the execution and delivery of the Financing Documents, or the execution of this Agreement, and compliance with the provisions on the City's part contained therein, nor the consummation of any other of the transactions herein and therein contemplated, nor the fulfillment of the terms hereof and thereof, materially conflicts with or constitutes a material breach of or default under nor materially contravenes any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, installment sale agreement, lease, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, nor does any such execution, delivery, adoption or compliance result in the security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the City under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Financing Documents.

(c) The Financing Documents have been duly authorized by the City, and, assuming due authorization, execution and delivery by the other parties thereto, will constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against cities in the State of California.

(d) There is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory agency having jurisdiction over the City required for the execution and delivery of the Financing Documents or the consummation by the City of the other transactions contemplated by the Financing Documents.

(e) There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the City after reasonable investigation, threatened against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Installment Sale Agreement or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the City and the City's ability to make the Installment Payments, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Installment Sale Agreement or the Assignment Agreement or the financial condition, assets, properties or operations of the City and the City's ability to make the Installment Payments.

(f) By official action of the City prior to or concurrently with the execution hereof, the City has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in the City Documents and the consummation by it of all other transactions contemplated by this Agreement.

(g) The City is not in breach of or default under any material applicable law or administrative regulation of the State of California or the United States or any material applicable judgment or decree or any loan agreement, indenture, bond, note, installment sale agreement, lease, resolution, agreement or other instrument to which the City is a party or is otherwise subject and in connection with which the City is obligated to make payments from its own funds, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument the consequence of which could be to materially and adversely affect the performance of the City under the Financing Documents.

(h) The City will deliver all opinions, certificates, letters and other instruments and documents reasonably required by the Purchaser and this Agreement.

(i) Any certificate of the City delivered to the Purchaser shall be deemed a representation and warranty by the City to the Purchaser as to the statements made therein.

(j) As of the time of acceptance hereof, the City does not have any outstanding indebtedness which is secured by a lien on the Net Revenues, other than the 2011 Bonds and the I-Bank Agreement. As of the Closing Date the City does not have outstanding any indebtedness which is secured by a lien on the Net Revenues other than the I-Bank Agreement.

(k) The financial statements of, and other financial information regarding the City delivered to the Purchaser fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth and the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied.

(l) Between the date of this Agreement and the Closing Date, the City will not, without the prior written consent of the Purchaser, offer or issue any certificates, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, secured by a lien on Net Revenues.

6. *Conditions Precedent to the Closing.* Other conditions precedent to the closing of the transactions contemplated by the Installment Sale Agreement are:

(a) The delivery by the City of a certified copy of (i) the resolution of the City Council authorizing the execution and delivery by the City of the Financing Documents, together with an incumbency certificate of the City, (ii) the resolution of the Board of Directors of the Corporation authorizing the execution and delivery by the Corporation of the Acquisition Agreement, the Installment Sale Agreement and the Assignment Agreement, together with an incumbency certificate of the Corporation, and (iii) certified copies of the articles of incorporation and bylaw of the Corporation, as amended to date;

(b) The delivery by the City of the fully executed Financing Documents in form and substance acceptable to the Purchaser;

(c) Delivery of a legal opinion addressed to the City, with a reliance letter to the Purchaser, dated the Closing Date, of Quint & Thimmig LLP, as Special Counsel, with respect to

(i) the validity and enforceability of the Acquisition Agreement, the Installment Sale Agreement and the Assignment Agreement by and against the City and the Corporation (as applicable), and

(ii) such other matters as may be requested by the Purchaser in form and substance acceptable to the Purchaser;

(d) Delivery of an opinion addressed to the City and the Purchaser, dated the Closing Date, of the City Attorney, in form and substance acceptable to the Purchaser;

(e) The delivery of a certificate dated the Closing Date and signed by the City Manager, or such other officer of the City as the City Council may approve, to the effect that:

(i) there are no actions or proceedings against the City pending and notice of which has been served on the City or threatened that materially adversely affect the City's ability to pay the Installment Payments or to perform its obligations under the Financing Documents; and

(ii) the representations and warranties of the City contained in this Agreement and the Installment Sale Agreement are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date;

(f) The delivery of a certificate dated the Closing Date and signed by the Executive Director, or such other officer of the Corporation as the Board of Directors of the Corporation may approve, to the effect that:

(i) there are no actions or proceedings against the Corporation pending and notice of which has been served on the Corporation or threatened that materially adversely affect the Corporation's ability to perform its obligations under the Installment Sale Agreement and the Assignment Agreement, and

(ii) the representations and warranties of the Corporation contained in the Installment Sale Agreement are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date;

(g) The delivery by the Purchaser of a letter in form and substance as attached hereto as Exhibit B;

(h) Evidence that the City has satisfied the requirements of the I-Bank Agreement so that the pledge of Net Revenues to secure the Installment Sale Agreement is senior to the I-Bank Agreement.

(i) Such other documents as may be reasonably requested by the Purchaser.

7. Events Permitting the Purchaser to Terminate. The Purchaser may terminate its obligation to purchase the Corporation's rights, title and interest under the Installment Sale Agreement before the Closing Date if any of the following occurs:

(a) any legislative, executive or regulatory action (including the introduction of legislation) or any court decision that, in the judgment of the Purchaser, casts sufficient doubt on the legality of or the tax-exempt status of the interest component of obligations such as those

represented by the Installment Sale Agreement and the Installment Payments after the conversion to the Tax-Exempt Rate;

(b) any action by the Securities and Exchange Commission or a court that would require registration of the Installment Sale Agreement under the Securities Act of 1933, as amended;

(c) any event occurs or becomes known that has a material adverse effect on the financial condition of the Enterprise or on the ability of the City or the Corporation to perform under the Acquisition Agreement, the Installment Sale Agreement or the Assignment Agreement; or

(d) any of the representations or warranties of the City made in this Agreement are determined by the Purchaser to be untrue or materially inaccurate.

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Letter Agreement for Purchase by their officers thereunto duly authorized as of the day and year first above written.

BANNER BANK, as Purchaser

By _____
Bob Pedersen
Vice President
Public Finance Officer

The foregoing is hereby agreed to and
accepted as of the date first above written:

By _____
John D. Lollis
City Manager

EXHIBIT A-1

SCHEDULE OF INSTALLMENT PAYMENTS (Taxable Rate)

<u>Installment Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Installment Payment</u>
4/1/2019			
10/1/2019			
4/1/2020			
10/1/2020			
4/1/2021			
10/1/2021			
4/1/2022			
10/1/2022			
4/1/2023			
10/1/2023			
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4/1/2033			
10/1/2033			
4/1/2034			
10/1/2034			
4/1/2035			
10/1/2035			
4/1/2036			
10/1/2036			
Totals			

*The Interest component of the Installment Payments is based on the Taxable Rate of 4.480%.

EXHIBIT A-2

SCHEDULE OF INSTALLMENT PAYMENTS (Tax-Exempt Rate)

<u>Installment Payment Date</u>	<u>Principal Component</u>	<u>Interest Component*</u>	<u>Total Installment Payment</u>
4/1/2022			
10/1/2022			
4/1/2023			
10/1/2023			
4/1/2024			
10/1/2024			
4/1/2025			
10/1/2025			
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4/1/2033			
10/1/2033			
4/1/2034			
10/1/2034			
4/1/2035			
10/1/2035			
4/1/2036			
10/1/2036			
Totals			

*The Interest component of the Installment Payments is based on the Tax-Exempt Rate of 3.470%.

EXHIBIT B

FORM OF PURCHASER LETTER

City of Porterville
291 North Main Street
Porterville, CA 93257
Attention: City Manager

Re: \$_____ Installment Sale Agreement, dated as of November 1, 2018, by and between the Porterville Public Improvement Corporation and the City of Porterville, assigned to Banner Bank

Ladies and Gentlemen:

The undersigned, Banner Bank (the "Purchaser"), has agreed to acquire the rights, title and interest of the Porterville Public Improvement Corporation (the "Corporation") under the Installment Sale Agreement, dated as of November 1, 2018 (the "Installment Sale Agreement"), by and between the City of Porterville (the "City") and the Corporation, including its rights to the Installment Payments to be made by the City under the Installment Sale Agreement. In connection with such purchase, the Purchaser hereby agrees and certifies to the Corporation and the City that:

(a) the Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other obligations of a nature similar to the Installment Sale Agreement to be able to evaluate the risks and merits of the purchase of the rights, title and interest of the Corporation under the Installment Sale Agreement.

(b) the Purchaser is acquiring the rights, title and interest of the Corporation under the Installment Sale Agreement for its own account and not with a view to, or for sale in connection with, any distribution thereof or any part thereof. The Purchaser has not offered to sell, solicited offers to buy, or agreed to sell the rights, title and interest of the Corporation under the Installment Sale Agreement or any part thereof, and the Purchaser has no current intention of reselling or otherwise disposing of the rights, title and interest of the Corporation under the Installment Sale Agreement; provided, however, that such representation shall not preclude the Purchaser from transferring or selling the rights, title and interests of the Corporation under the Installment Sale Agreement assigned to the Purchaser in accordance with the Installment Sale Agreement. The Purchaser is not acting in a broker-dealer capacity in connection with its purchase of the rights, title and interest of the Corporation under the Installment Sale Agreement.

(c) the Purchaser has made its own credit inquiry and analysis with respect to the City and the Installment Sale Agreement and has made an independent credit decision based upon such inquiry and analysis and in reliance on the truth, accuracy, and completeness of the representations and warranties of the City set forth in the Installment Sale Agreement and in the information set forth in any materials submitted to the Purchaser by the City. The Purchaser acknowledges that it has reviewed information, including financial statements and other financial information, regarding the City and that the Purchaser has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the City and the Installment Sale Agreement. The Purchaser is able and willing to bear the economic risk of the

purchase and ownership of the rights, title and interest of the Corporation under the Installment Sale Agreement.

(d) the Purchaser understands that the Installment Sale Agreement has not been registered under the United States Securities Act of 1933 or under any state securities laws. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Installment Sale Agreement by it, and further acknowledges that any current exemption from registration of the Installment Sale Agreement does not affect or diminish such requirements.

(e) the Purchaser has authority to purchase the rights, title and interest of the Corporation under the Installment Sale Agreement and to execute any instruments and documents required to be executed by the Purchaser in connection with the purchase of the rights, title and interest of the Corporation under the Installment Sale Agreement. The undersigned is a duly appointed, qualified, and acting officer of the Purchaser and is authorized to cause the Purchaser to make the representations and warranties contained herein on behalf of the Purchaser.

(f) the Purchaser has been informed that the Installment Sale Agreement (i) has not been and will not be registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any jurisdiction, and (ii) will not be listed on any stock or other securities exchange.

(g) the Purchaser acknowledges that rights, title and interest of the Corporation under the Installment Sale Agreement are transferable with certain requirements, as described in the Installment Sale Agreement.

(h) the Purchaser has been informed that the Installment Sale Agreement is exempt from the requirements of Rule 15c2-12 of the Securities and Exchange Commission and that the City has not undertaken to provide any continuing disclosure with respect to the Installment Sale Agreement; provided, however, that the City has agreed to provide certain ongoing information to the Purchaser.

BANNER BANK, as Purchaser

By _____
Name _____

ASSIGNMENT AGREEMENT

For Value Received, the PORTERVILLE PUBLIC IMPROVEMENT CORPORATION (the "Corporation") without recourse does hereby sell, assign and transfer to BANNER BANK (the "Assignee"), and its successors and assigns, (i) all of its rights, title and interest in and to the Installment Sale Agreement, dated as of November 1, 2018, by and between the Corporation, as seller, and the City of Porterville (the "City"), as purchaser (said Installment Sale Agreement and any supplements, amendments, annexations, extensions or renewals thereof is referred to hereinafter as the "Installment Sale Agreement"), and (ii) all moneys, sums and amounts now due or hereinafter to become due under the Installment Sale Agreement. The Installment Sale Agreement delivered to the Assignee is a duly executed duplicate original that comprises the entire writing, obligation and agreement between the Corporation and the City respecting the obligations made thereunder and the Installment Payments made therefor.

The Corporation represents and warrants as follows:

- (1) it has made no prior sale or assignment of any interest covered hereby;
- (2) that the Installment Sale Agreement is genuine and in all respects is what it purports to be; and
- (3) that Assignee is not liable for and does not assume responsibility for the performance of any of the covenants, agreements, duties or obligations specified in the Installment Sale Agreement to be kept, paid or performed by the Corporation, with exception of such covenants, agreements, duties and obligations (if any) which are expressly made the responsibility of Assignee under the Installment Sale Agreement.

The Corporation further represents and warrants that as of the date of this Assignment Agreement, the Installment Sale Agreement is in full force and effect and the Corporation is not in default of any of the terms set forth therein.

By its acceptance of this Assignment Agreement, the Assignee represents and warrants (i) the price it has paid in consideration for assignment of the Installment Sale Agreement is \$_____; (ii) that it reasonably expects to hold the Installment Sale Agreement for its own account and does not presently expect to sell, assign, or otherwise transfer the Installment Sale Agreement, subject to the Assignee's right to dispose of or otherwise deal with its property (including the Installment Sale Agreement) as it determines to be in its best interests from time to time; and (iii) that it will treat the Installment Sale Agreement as an investment for federal income tax purposes.

This Assignment Agreement shall be construed and governed in accordance with the laws of the State of California applicable to contracts made and performed in the State of California. Any provision of this Assignment Agreement 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 Agreement.

This Assignment Agreement binds and inures to the benefit of the parties and their respective successors and assigns. In the event of litigation between the Corporation and the Assignee arising under this Assignment Agreement, the prevailing party shall be entitled to recover from the other party all costs and expenses, including attorneys' fees which may be those 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 of this Assignment Agreement.

This Assignment 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.

Dated as of November 1, 2018

PORTERVILLE PUBLIC IMPROVEMENT
CORPORATION, as Assignor

By _____
John D. Lollis
Executive Director

ACCEPTANCE OF ASSIGNMENT:

BANNER BANK, as Assignee

By _____
Bob Pedersen
Vice President
Public Finance Office

EXHIBIT A

DESCRIPTION OF THE PROJECT

The Project consists of the City's existing sewer treatment plant.

2018 Porterville Sewer Refunding (Series 2011 Sewer Revenue) Savings Analysis



November 6, 2018

Presented by:



Debt Service Savings Analysis
Porterville Public Financing Authority
2018 Sewer Refunding Bonds (2011A Sewer Revenue Bonds)

Summary of Refunding Results (Cinderella Private Placement)

SOURCES & USES

Dated Date	12/19/2018
Delivery Date	12/19/2018
Sources	
Par Amount	19,573,000
Prior Reserve Fund	1,786,931
	21,359,931
Uses	
Refunding Escrow Deposits	21,159,286
Costs of Issuance	200,000
Additional Proceeds	645
	21,359,931

Prepared by Wulff, Hansen & Co. on 9/11/2018

All figures are preliminary, estimated, and subject to change

Debt Service Savings Analysis
Porterville Public Financing Authority
2018 Sewer Refunding Bonds (2011A Sewer Revenue Bonds)

Summary of Refunding Results (Cinderella Private Placement)

SOURCES & USES (Banner Bank)

Dated Date 11/20/2018

Delivery Date 11/20/2018

Sources

Par Amount 19,327,000

Prior Reserve Fund 1,877,927

Prior Bond Fund 371

21,205,299

Uses

Refunding Escrow Deposits

Cash Deposit 1

SLGS Purchases 21,005,158

Costs of Issuance 200,000

Additional Proceeds 140

21,205,299

Estimated and subject to change, based on the Banner Bank proposal

All figures are rounded to the nearest dollar figure

Debt Service Savings Analysis

Porterville Public Financing Authority

2011A Sewer Revenue Bonds

Existing Bond Debt Service

Period Ending	Principal	Interest	Debt Service
2019	350,000	1,177,221	1,400,808
2020	660,000	1,050,808	1,710,808
2021	765,000	1,021,768	1,786,768
2022	800,000	986,386	1,786,386
2023	835,000	947,586	1,782,586
2024	880,000	905,836	1,785,836
2025	925,000	860,956	1,785,956
2026	975,000	811,931	1,786,931
2027	1,030,000	755,869	1,785,869
2028	1,090,000	696,644	1,786,644
2029	1,150,000	633,969	1,783,969
2030	1,215,000	567,844	1,782,844
2031	1,285,000	499,500	1,784,500
2032	1,355,000	427,219	1,782,219
2033	1,435,000	351,000	1,786,000
2034	1,515,000	270,281	1,785,281
2035	1,600,000	185,063	1,785,063
2036	<u>1,690,000</u>	<u>95,063</u>	<u>1,785,063</u>
Total	19,555,000	12,244,942	31,673,529

All figures are rounded to the nearest dollar figure

Debt Service Savings Analysis
Porterville Public Financing Authority
2018 Sewer Refunding Bonds (2011A Sewer Bonds)

New Bond Debt Service

Period Ending	Principal	Coupon	Interest	Debt Service
2019	587,000	4.50%	689,948	1,276,948
2020	705,000	4.50%	854,370	1,559,370
2021	806,000	4.50%	822,645	1,628,645
2022	896,000	3.65%	637,838	1,533,838
2023	928,000	3.65%	605,134	1,533,134
2024	962,000	3.65%	571,262	1,533,262
2025	997,000	3.65%	536,149	1,533,149
2026	1,034,000	3.65%	499,758	1,533,758
2027	1,072,000	3.65%	462,017	1,534,017
2028	1,111,000	3.65%	422,889	1,533,889
2029	1,151,000	3.65%	382,338	1,533,338
2030	1,193,000	3.65%	340,326	1,533,326
2031	1,237,000	3.65%	296,782	1,533,782
2032	1,282,000	3.65%	251,631	1,533,631
2033	1,329,000	3.65%	204,838	1,533,838
2034	1,377,000	3.65%	156,330	1,533,330
2035	1,427,000	3.65%	106,069	1,533,069
2036	1,479,000	3.65%	53,984	1,532,984
Total	19,573,000		7,894,304	27,467,304

All figures are rounded to the nearest dollar figure

All figures are preliminary, estimated, and subject to change

Debt Service Savings Analysis
Porterville Public Financing Authority
2018 Sewer Refunding Bonds (2011A Sewer Bonds)

New Bond Debt Service (Banner Bank)

Period Ending	Principal	Coupon	Interest	Debt Service
2019	515,000	4.48%	747,998	1,262,998
2020	700,000	4.48%	842,778	1,542,778
2021	800,000	4.48%	811,418	1,611,418
2022	899,000	4.48%	600,726	1,499,726
2023	930,000	3.47%	569,531	1,499,531
2024	963,000	3.47%	537,260	1,500,260
2025	996,000	3.47%	503,844	1,499,844
2026	1,031,000	3.47%	469,283	1,500,283
2027	1,066,000	3.47%	433,507	1,499,507
2028	1,103,000	3.47%	396,517	1,499,517
2029	1,142,000	3.47%	358,243	1,500,243
2030	1,181,000	3.47%	318,615	1,499,615
2031	1,222,000	3.47%	277,635	1,499,635
2032	1,265,000	3.47%	235,231	1,500,231
2033	1,309,000	3.47%	191,336	1,500,336
2034	1,354,000	3.47%	145,914	1,499,914
2035	1,401,000	3.47%	98,930	1,499,930
2036	1,450,000	3.47%	50,315	1,500,315
Total	19,327,000		7,589,080	26,916,080

Estimated and subject to change, based on the Banner Bank proposal

All figures are rounded to the nearest dollar figure

Debt Service Savings Analysis
Porterville Public Financing Authority
2018 Sewer Refunding Bonds (2011A Sewer Revenue Bonds)

Debt Service Savings				
Date	Existing Debt Service	Refunding Debt Service	Debt Service Savings Cash Flow	Present Value to 12/01/2018 @ 4.500762%
2019	1,400,808	1,276,948	123,859	125,610
2020	1,710,808	1,559,370	151,438	141,924
2021	1,786,768	1,628,645	158,123	141,678
2022	1,786,386	1,533,838	252,549	223,022
2023	1,782,586	1,533,134	249,453	212,449
2024	1,785,836	1,533,262	252,575	207,376
2025	1,785,956	1,533,149	252,808	200,122
2026	1,786,931	1,533,758	253,173	193,201
2027	1,785,869	1,534,017	251,852	185,254
2028	1,786,644	1,533,889	252,755	179,178
2029	1,783,969	1,533,338	250,631	171,239
2030	1,782,844	1,533,326	249,518	164,285
2031	1,784,500	1,533,782	250,719	159,062
2032	1,782,219	1,533,631	248,588	151,967
2033	1,786,000	1,533,838	252,162	148,505
2034	1,785,281	1,533,330	251,952	142,945
2035	1,785,063	1,533,069	251,994	137,716
2036	1,785,063	1,532,984	252,079	132,686
Total	31,673,529	27,467,304	4,206,225	3,018,220

PV of savings from cash flow	3,018,220
Less: Prior funds on hand	(1,786,931)
Plus: Refunding funds on hand	645
Net Present Value Savings:	1,231,934

All figures are rounded to the nearest dollar figure

All figures are preliminary, estimated, and subject to change

Debt Service Savings Analysis
Porterville Public Financing Authority
2018 Sewer Refunding Bonds (2011A Sewer Revenue Bonds)

Debt Service Savings

Date	Existing Debt Service	Refunding Debt Service	Debt Service Savings Cash Flow	Present Value to 11/20/2018 @ 3.7884808%
2019	1,400,808	1,262,998	137,810	137,270
2020	1,710,808	1,542,778	168,030	158,515
2021	1,786,768	1,611,418	175,350	159,270
2022	1,786,386	1,499,726	286,660	251,123
2023	1,782,586	1,499,531	283,055	238,810
2024	1,785,836	1,500,260	285,576	231,964
2025	1,785,956	1,499,844	286,112	223,750
2026	1,786,931	1,500,283	286,648	215,806
2027	1,785,869	1,499,507	286,362	207,513
2028	1,786,644	1,499,517	287,127	200,253
2029	1,783,969	1,500,243	283,726	190,460
2030	1,782,844	1,499,615	283,228	182,965
2031	1,784,500	1,499,635	284,865	177,076
2032	1,782,219	1,500,231	281,987	168,675
2033	1,786,000	1,500,336	285,664	164,391
2034	1,785,281	1,499,914	285,368	157,988
2035	1,785,063	1,499,930	285,133	151,851
2036	1,785,063	1,500,315	284,748	145,860
Total	31,673,529	26,916,080	4,757,449	3,363,541

PV of savings from cash flow	3,363,541
Less: Prior funds on hand	(1,878,299)
Plus: Refunding funds on hand	140
Net Present Value Savings:	1,485,383

Estimated and subject to change, based on the Banner Bank proposal

All figures are rounded to the nearest dollar figure

Debt Service Savings Analysis
Porterville Public Financing Authority
2018 Sewer Refunding Bonds (2011A Sewer Revenue Bonds)

Summary of Refunding Results (Cinderella Private Placement)
Prepared by Wulff, Hansen & Co. on 10/24/2018

REFUNDING BONDS

Escrow Requirement	21,005,158.63
Costs of Issuance	200,000.00
Prior Reserve Fund	1,877,927.26
Par Amount	19,327,000.00
Arbitrage Yield	3.79%
True Interest Cost (TIC)	3.79%
All-in TIC	3.92%
Average Life (years)	10.51
Final Maturity (October 1)	2036

AVERAGE ANNUAL NET DEBT SERVICE (1)

Average Annual Existing Debt Service	1,759,640.49
Average Annual New Debt Service	1,495,337.76
Average Annual Savings	264,302.73

TOTAL NET DEBT SERVICE (1)

Existing Debt Service	31,673,528.86
New Debt Service	26,916,079.65
Total Debt Service Cash Flow Savings	4,757,449.21
Net Present Value Savings	1,485,382.84
Savings on Refunded Bonds %	7.60%
Savings of Refunding Bonds %	7.69%

(1) Includes prior reserve fund and interest earnings thereon

Estimated and subject to change, based on the Banner Bank proposal

All figures are rounded to the nearest dollar figure

Debt Service Savings Analysis
Porterville Public Financing Authority
2018 Sewer Refunding Bonds (2011A Sewer Revenue Bonds)

Estimated Cost of Issuance

Cost of Issuance	Amount	% of Total Cost of Issuance
Issuance Expenses		
Bond Counsel - Quint & Thimmig	75,000	37.50%
Municipal Advisor - Wulff, Hansen & Co.	65,000	32.50%
Placement Agent - Brandis Tallman	22,500	11.25%
Lender's Counsel	15,000	7.50%
Escrow Agent	7,500	3.75%
Verification Agent	3,000	1.50%
Miscellaneous	12,000	6.00%
Total Cost of Issuance	200,000	100.00%

Estimated and subject to change