

**CORCORAN CITY COUNCIL,
JOINT POWERS FINANCE AUTHORITY,
SUCCESSOR AGENCY FOR CORCORAN RDA,
& HOUSING AUTHORITY
AGENDA**

**City Council Chambers
1015 Chittenden Avenue
Corcoran, CA 93212**

**Tuesday, January 11, 2022
5:30 P.M**

Public Inspection: A detailed City Council packet is available for review at the City Clerk's Office, located at Corcoran City Hall, 832 Whitley Avenue.

Notice of ADA Compliance: In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the City Clerk's Office at (559) 992-2151.

ROLL CALL

Mayor:	Patricia Nolen
Vice Mayor:	Jeanette Zamora-Bragg
Council Member:	Greg Ojeda
Council Member:	Sidonio "Sid" Palmerin
Council Member:	Jerry Robertson

INVOCATION

FLAG SALUTE

1. PUBLIC DISCUSSION

Members of the audience may address the Council on non-agenda items; however, in accordance with government code section 54954.2, the Council may not (except in very specific instances) take action on an item not appearing on the posted agenda.

This is the time for members of the public to comment on any matter within the jurisdiction of the Corcoran City Council. This is also the public's opportunity to request that a Consent Calendar item be removed from that section and made a regular agenda item. The councilmembers ask that you keep your comments brief and positive. Creative criticism, presented with appropriate courtesy, is welcome.

After receiving recognition from the chair, speakers shall state their name and address and proceed with comments. Each speaker will be limited to five (5) minutes.

RECONVENE AS THE CORCORAN CITY COUNCIL

8. MATTERS FOR MAYOR AND COUNCIL

- 8-A. Information Items
- 8-B. Staff Referral Items - *Items of Interest (Non-action items the Council may wish to discuss)*
- 8-C. Committee Reports

9. CLOSED SESSION

9-A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR(S)

With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.8: It is the intent of this governing body to meet in closed-session to confer with its real property negotiator concerning the purchase, sale, exchange, or lease of real property by or for this local agency as follows:

Property: 1049 Chittenden Ave

Agency negotiator: City Manager

Negotiating parties: _____

Under negotiation: Price/Terms

9-B. CONFERENCE WITH REAL PROPERTY NEGOTIATOR(S)

With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.8: It is the intent of this governing body to meet in closed-session to confer with its real property negotiator concerning the purchase, sale, exchange, or lease of real property by or for this local agency as follows:

Property: Vacant Industrial Property (APN: 034-209-011)

Agency negotiator: City Manager

Negotiating parties: _____

Under negotiation: Price/Terms

**MINUTES
CORCORAN CITY COUNCIL,
JOINT POWERS FINANCE AUTHORITY,
SUCCESSOR AGENCY FOR CORCORAN RDA,
& HOUSING AUTHORITY REGULAR MEETING**

Tuesday, December 14, 2021

The regular session of the Corcoran City Council was called to order by Vice-Mayor Nolen, in the City Council Chambers, 1015 Chittenden Avenue, Corcoran, CA at 5:30 P.M.

ROLL CALL

Councilmembers present: Greg Ojeda, Sidonio Palmerin, and Jeanette Zamora-Bragg

Councilmembers absent: Pat Nolen and Jerry Robertson

Staff present: Joseph Faulkner, Greg Gatzka, Leticia Guzman, Soledad Ruiz-Nuñez, Reuben Shortnacy, Marlene Spain and Kevin Tromborg

Press present: None

INVOCATION - Invocation was led by Councilmember Palmerin

FLAG SALUTE – Flag salute was led by Councilmember Ojeda

Councilman Robertson arrived at 5:32 p.m.

1. **PUBLIC DISCUSSION** – None

2. **CONSENT CALENDAR** (VV)

Following Council discussion, a **motion** was made by Robertson and seconded by Ojeda to approve the Consent Calendar. Motion carried by the following vote:

AYES: Ojeda, Palmerin, Robertson and Robertson
NOES:
ABSENT: Nolen

2-A. Approval of minutes of the meeting of the City Council on November 9, 2021.

2-B. Authorization to read ordinances and resolutions by title only.

3. **APPROPRIATIONS** (VV)

Following Council discussion, a **motion** was made by Robertson and seconded by Zamora-Bragg to approve warrant register dated November 23, 2021, 2021. Motion carried by the following vote:

State Water Resources Control Board Agreement No. D2101001 on behalf of the City. Motion carried by the following vote:

AYES: Ojeda, Palmerin, Robertson and Robertson
NOES:
ABSENT: Nolen

- 7-B.** Following Council discussion a **motion** was made by Ojeda and seconded by Robertson to authorize the City of Corcoran to participate in both California Opioid Settlement Agreements. Motion carried by the following vote:

AYES: Ojeda, Palmerin, Robertson and Robertson
NOES:
ABSENT: Nolen

- 7-C.** Following Council discussion a **motion** was made by Robertson and seconded by Ojeda to appoint Jason Mustain to the Corcoran Planning Commission and to accept the application submitted by Katlyn Smith after the deadline and appoint her to the Planning Commission as an alternate. Motion carried by the following vote:

AYES: Ojeda, Palmerin, Robertson and Robertson
NOES:
ABSENT: Nolen

8. MATTERS FOR MAYOR AND COUNCIL

- 8-A.** Council received information items.
- 8-B.** Staff received referral items.
- 8-C.** Committee reports.

CLOSED SESSION

The City Council convened in closed session at 6:51 p.m.

- 9-A. THREAT TO PUBLIC SERVICES OR FACILITIES** (Government Code § 54957(a)). Consultation with City Manager, Chief of Police and Deputy Chief specify name of law enforcement agency and title of officer, or name of applicable agency representative and title).

The regular meeting was reconvened at 7:05 p.m.

City of

CORCORAN

FOUNDED 1914

A MUNICIPAL CORPORATION

STAFF REPORT
ITEM #: 3

MEMORANDUM

TO: City Council

FROM: Soledad Ruiz-Nunez, Finance Director

DATE: January 11, 2022

MEETING DATE: January 11, 2022

SUBJECT: Warrant Register

Recommendation:

Consider approval of the warrant register(s).

Discussion:

The attached appropriations are for services and supplies utilized by City Departments in order to maintain services for the community. The warrant register(s) will be reviewed at the upcoming meeting and staff can address any questions from Council Members.

Budget Impact:

The warrant register includes expenses approved in the Fiscal Year 2021/2022 Budget and may include items which will be addressed through Budget Amendments.

Attachments:

- Warrant Register #1 for warrant request date: **12/14/2021 FY22**
- Warrant Register #2 for warrant request date: **12/20/2021 FY22**
- Warrant Register #3 for warrant request date: **12/30/2021 FY22**

Accounts Payable

Blanket Voucher Approval Document



User: spineda
 Printed: 12/14/2021 - 2:10PM
 Warrant Request Date: 12/14/2021
 DAC Fund:

Batch: 00502.12.2021 - Wrnt Rgstr 12/14/21 FY202

Line	Claimant	Amount
1	A & M Consulting Engineers	8,297.50
2	AKEL Engineering Group, Inc.	7,310.00
3	American Office Solutions, LLC	1,921.36
4	American Office Solutions, LLC	25.32
5	American Office Solutions, LLC	300.00
6	American Office Solutions, LLC	1,200.00
7	American Office Solutions, LLC	500.00
8	American Office Solutions, LLC	950.00
9	American Office Solutions, LLC	3,234.23
10	American Office Solutions, LLC	2,200.00
11	American Office Solutions, LLC	800.00
12	American Office Solutions, LLC	400.00
13	Asbury Environmental Services	55.00
14	ASI	4,935.93
15	AT&T Mobility	42.67
16	Auto Zone, Inc.	41.48
17	Avison Construction Inc.	695,581.95
18	Az Auto Parts	467.32
19	BC Laboratories, Inc	130.00
20	Best Deal Food Co Inc.	10.61
21	BSK Associates	1,227.50
22	Caves & Associates	525.00
23	Central Valley Sweeping LLC	5,800.00
24	City of Corcoran	135.06
25	City of Corcoran	21.97
26	Corcoran Hardware	2,128.50
27	Corcoran Heating & Air	128.00
28	Courtney Stauffer	129.74
29	Curtis Blue Line	2,456.50
30	Direct Distributing, Inc.	999.45
31	Ditch Witch Central California	432.58
32	E & B Bulk Transportation	900.01
33	Ewing Irrigation Products, Inc	114.04
34	Farley Law Firm	3,105.00
35	FedEx	35.39
36	Frontier Communications	287.99
37	Frontier Communications	152.75
38	Frontier Communications	299.21
39	Frontier Communications	132.29
40	Frontier Communications	118.43
41	Frontier Communications	46.25
42	Galindo Farms Discing	550.00
43	Gary V. Burrows Inc.	3,564.01
44	GMS, Inc.	2,508.00
45	Gonzalez Lawn Service	70.00
46	Hayes Garage Doors	1,400.00

Page Total: \$0.00

Grand Total: \$1,220,812.09

12/14/2021	American Office Solutions, LLC	CALOES FY 16/17 11/16/21 WORKED ON FTP SERVER	145-410-300-200	175.00
12/14/2021	American Office Solutions, LLC	CALOES FY 16/17 11/16/21 SECURITY & AUTHENTICATION IS	145-410-300-200	250.00
12/14/2021	American Office Solutions, LLC	CALOESFY16/17 11/18/21 ISSUES W/CONNECTION DATA NT G	145-410-300-200	200.00
12/14/2021	American Office Solutions, LLC	CALOESFY16/17 11/1/21 PORT ISSUES BAT FILE WILL WORK	145-410-300-200	325.00
12/14/2021	American Office Solutions, LLC	TROUBLE SHOT JOHN MAROOT CAMERA	104-412-300-200	25.32
12/14/2021	Asbury Environmental Services	USED OIL FILTERS PICK UP	104-433-300-200	55.00
12/14/2021	ASI	FSA MED PLAN YEAR CONT SHORT 2021	303-610-300-200	6,890.11
12/14/2021	ASI	FSA DEP PLAN YEAR CONT SHORT 2021	303-610-300-200	-586.10
12/14/2021	ASI	FSA MED PLAN YEAR CONT SHORT 2021	303-610-300-200	-1,368.08
12/14/2021	AT&T Mobility	ACCT 834605440 WWTP DUTY MAN CELL	120-435-300-220	42.67
12/14/2021	Auto Zone, Inc.	OIL FILTER FOR SVC 258	104-421-300-260	3.89
12/14/2021	Auto Zone, Inc.	FILTERS FOR SVC 228	104-421-300-260	22.93
12/14/2021	Auto Zone, Inc.	OIL FILTER FOR SVC 280	104-421-300-260	3.89
12/14/2021	Auto Zone, Inc.	BATTERY FOR 256	104-421-300-260	162.13
12/14/2021	Auto Zone, Inc.	WARRANTY ON BATTERY 256	104-421-300-260	-158.38
12/14/2021	Auto Zone, Inc.	OIL FILTERS 275	104-421-300-260	3.89
12/14/2021	Auto Zone, Inc.	FRONT BRAKE PADS UNIT 156	120-435-300-260	35.50
12/14/2021	Auto Zone, Inc.	WARRENTY ON BRAKE PADS UNIT 156	120-435-300-260	-35.50
12/14/2021	Auto Zone, Inc.	OIL FILTER FOR SVC 216	145-410-300-140	3.13
12/14/2021	Auto Zone, Inc.	REAR BRAKE PADS	145-410-300-260	37.88
12/14/2021	Auto Zone, Inc.	WARRANTY REAR BRAKE PADS	145-410-300-260	-37.88
12/14/2021	Avison Construction Inc.	SB-1 MICROSURFACING & STREET IMPROVEMENTS/VARIOU	110-434-300-200	643,410.86
12/14/2021	Avison Construction Inc.	SB-1 MICROSURFACING & STREET IMPROVEMENTS/VARIOU	110-434-300-200	52,171.09
12/14/2021	Az Auto Parts	AIR FILTER UNIT 256	104-421-300-260	15.30
12/14/2021	Az Auto Parts	WATER SUPPLIES	105-437-300-210	50.14
12/14/2021	Az Auto Parts	FUEL CAP FOR 156	121-439-300-260	7.46
12/14/2021	Az Auto Parts	PAINT FOR TOOLBOX 202	109-434-300-260	8.31
12/14/2021	Az Auto Parts	AIR COUPLER FOR SHOP USE	104-433-300-210	17.43
12/14/2021	Az Auto Parts	BATTERY FOR UNIT 183 FORK LIFT	120-435-300-140	235.08
12/14/2021	Az Auto Parts	WINDSHIELD TABS FOR VEHICLES	104-433-300-210	29.23
12/14/2021	Az Auto Parts	WATER DEPT UNIT 285	105-437-300-260	43.14
12/14/2021	Az Auto Parts	CHRISTMAS REINDEER	104-412-300-210	7.69
12/14/2021	Az Auto Parts	WATER DEPT SUPPLIES	105-437-300-210	52.54
12/14/2021	Az Auto Parts	FINANCE CHARGE	105-437-300-210	1.00
12/14/2021	BC Laboratories, Inc	MONTHLY ARSENIC TESTING SAMPLES NOV 2021	120-435-300-200	130.00
12/14/2021	Best Deal Food Co Inc.	SUPPLIES	120-435-300-210	10.61
12/14/2021	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	99.50
12/14/2021	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	99.50
12/14/2021	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	74.25
12/14/2021	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	74.25
12/14/2021	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	120.25
12/14/2021	BSK Associates	QUANTI TRAY TOTAL COLIFORM AND ECOLI	105-437-300-200	186.75
12/14/2021	BSK Associates	PLANT INF EFF LAGOON	120-435-300-200	312.00
12/14/2021	BSK Associates	QUANTI TRAY TOTAL COLIFORM AND ECOLI	105-437-300-200	186.75

12/14/2021	Gary V. Burrows Inc.	FUEL STATEMENT	120-435-300-250	527.22
12/14/2021	Gary V. Burrows Inc.	FUEL STATEMENT	105-437-300-250	260.42
12/14/2021	GMS, Inc.	ANNUAL LIC & WRNTY, SVC, & SUPPORT	178-441-300-200	2,508.00
12/14/2021	Gonzalez Lawn Service	LAWN SVC 11116 SHERMAN	301-430-300-200	35.00
12/14/2021	Gonzalez Lawn Service	LAWN SVC 11116 SHERMAN	301-430-300-200	35.00
12/14/2021	Hayes Garage Doors	MEASURE A RAC POOL BATHROOM DOOR	138-413-300-140	740.00
12/14/2021	Hayes Garage Doors	CALOES FY 16-17 REPLC OF DOOR KNOBS	145-410-300-145	660.00
12/14/2021	Hinderliter, deLJames & Assoc	CONTRACT SEV -SALES TAX OCT TO DEC 2021	104-405-300-200	1,050.00
12/14/2021	Hinderliter, deLJames & Assoc	HDL AUDIT SVCS	104-405-300-200	643.99
12/14/2021	Jones Electric	MEASURE A DOWNTOWN TREE LIGHTS	138-413-300-200	130.00
12/14/2021	Jorgensen & Company	ANNUAL SERVICE VETS HALL	104-432-320-200	217.53
12/14/2021	Kings Waste & Recycling	GREEN WASTE 232.43 UNITS/TONS	112-436-300-192	9,297.20
12/14/2021	Kings Waste & Recycling	BLUE CANS 75.70 UNITS/TONS	112-436-300-192	3,028.00
12/14/2021	Kings Waste & Recycling	MISC COMMM 578.5 UNITS/TONS	112-436-300-192	33,495.00
12/14/2021	Linde Inc.	CHEMICALS	105-437-300-219	5,263.84
12/14/2021	Linde Inc.	CHEMICALS	105-437-300-219	92.01
12/14/2021	Lowe's	STREET'S TOOL SUPPLY	109-434-300-210	100.87
12/14/2021	Magellan Litigation Support Services, Inc.	TRANSFER OF CLIENT DRIVE	104-403-300-200	750.00
12/14/2021	Martin Lopez	CALOES FY 16-17 PAINTING OF DEPOT OFFICE AND PURCHA	145-410-300-145	412.50
12/14/2021	Martin Lopez	WALL BUILT HOURS	104-421-300-210	750.00
12/14/2021	Martin Lopez	WALL BUILT SUPPLIES	104-421-300-210	201.71
12/14/2021	Navia Benefit Solutions	COBRA ADMIN NOV 2021	104-402-300-200	110.00
12/14/2021	New Life Tabernacle	REFUND VETS HALL RENTAL FEE 12/10/21	104-000-362-085	100.00
12/14/2021	Nutrien AG Solutions, Inc.	GALIGAN WEED SPRAY	105-437-300-210	313.71
12/14/2021	Office Depot	INK CARTRIDGES	104-406-300-210	901.95
12/14/2021	Office Depot	LABELS	104-406-300-210	59.71
12/14/2021	Office Depot	SUPPLIES	145-410-300-210	171.55
12/14/2021	Office Depot	MASKS	145-410-300-210	32.44
12/14/2021	Office Depot	LYSOL	145-410-300-210	35.83
12/14/2021	Office Depot	SUPPLIES	104-432-300-150	213.74
12/14/2021	Office Depot	COPY PAPER	104-432-300-150	19.13
12/14/2021	Office Depot	COPY PAPER	104-432-300-150	16.21
12/14/2021	PACE Supply	OTIS WATERLINE 12" RING GASKET & BOLTS SETS	105-437-300-210	77.52
12/14/2021	PACE Supply	BRASS PARTS & CLAMPS FOR STOCK	105-437-300-210	1,176.13
12/14/2021	PACE Supply	BRASS PARTS & CLAMPS FOR STOCK	105-437-300-210	1,160.47
12/14/2021	PACE Supply	REPAIR CLAMP & REPLC BRASS PARTS	105-437-300-140	547.58
12/14/2021	PACE Supply	PROBES & B16 LIDS FOR STOCK	105-437-300-210	965.46
12/14/2021	PACE Supply	B16 LIDS	105-437-300-210	471.02
12/14/2021	PACE Supply	4" BRUSHING & 4: FLANGE TO REPLCE TANK FLANGE	105-437-300-210	48.23
12/14/2021	PACE Supply	2 PROBES	105-437-300-210	135.31
12/14/2021	PACE Supply	4" SCHO40 PIPE	105-437-300-210	139.91
12/14/2021	PG&E	ACCT#99497000756.9	111-601-300-240	9.53
12/14/2021	PG&E	ACCT#99497000756.9	145-410-300-240	671.57
12/14/2021	PG&E	ACCT#99497000756.9	138-413-300-200	2,456.22

12/14/2021	Springbrook Holding Company LLC	NOV 2021 ONLINE PAYMENT	105-437-300-200	836.24
12/14/2021	Springbrook Holding Company LLC	NOV 2021 ONLINE PAYMENT	112-436-300-200	418.13
12/14/2021	Springbrook Holding Company LLC	NOV 2021 ONLINE PAYMENT	120-435-300-200	250.88
12/14/2021	Springbrook Holding Company LLC	NOV 2021 ONLINE PAYMENT	121-439-300-200	167.25
12/14/2021	T&T Valve and Instruments, Inc.	3 REPLC BRAY PNEUMATIC ACUATORS FOR FILTER STATIO	105-437-300-140	2,382.49
12/14/2021	T&T Valve and Instruments, Inc.	REPLC ACTUATOR FOR RECLAIM TANK 2 OUTLET VALVE	105-437-300-140	4,170.47
12/14/2021	TACFIRE	MICALISTER-FIREARMS/TACTICAL	104-421-300-270	750.00
12/14/2021	Telstar Instruments	ANNUAL CALIBRATION AT WWTP	120-435-300-200	1,227.25
12/14/2021	Tesco Controls, Inc	2 SEWER STATION CONTROL PANEL	120-435-300-210	750.00
12/14/2021	The Gas Company	ACCT#11484795064	138-413-300-200	14.79
12/14/2021	The Gas Company	ACCT#12602978541	104-432-300-242	16.27
12/14/2021	The Gas Company	ACCT#00888349024	145-410-300-242	243.18
12/14/2021	The Gas Company	ACCT#06301527005	120-435-300-242	180.69
12/14/2021	The Gas Company	ACCT#11971525008	104-432-300-242	353.70
12/14/2021	The Gas Company	ACCT#05463252576	104-432-300-242	156.72
12/14/2021	The Lawnmower Man	SERVICE POLE SAW	120-435-300-140	201.85
12/14/2021	The Printer	#10 WINDOW ENVELOPES	104-432-300-150	236.44
12/14/2021	The Printer	#10 WINDOW ENVELOPES	104-432-300-150	472.88
12/14/2021	Tires 4 Less	TIRE REPAIR 249	120-435-300-260	20.00
12/14/2021	Trans Union LLC	PROF SVC BACKGROUNDS NOV 2021	104-421-300-200	55.00
12/14/2021	TSA Consulting Group, Inc.	NOV 2021 SVC FEE -401 A PLAN ADMIN	104-405-300-200	50.00
12/14/2021	Tule Trash Company	CONTRACT	112-436-300-200	112,898.13
12/14/2021	Tule Trash Company	FRANCHISE FEE 12.73%	104-000-316-024	-14,371.93
12/14/2021	Tule Trash Company	FRANCHISE FEE NOV 2021	112-436-300-200	-1,755.47
12/14/2021	Tule Trash Company	FRANCHISE FEE NOV 2021 COMMERCIAL TEMP	104-000-316-024	-30.58
12/14/2021	Tule Trash Company	DUMP FEE	112-436-300-192	192.56
12/14/2021	Tule Trash Company	PULL FEE	112-436-300-200	1,316.20
12/14/2021	Tule Trash Company	DUMP FEE PRISON1	112-436-300-192	231.54
12/14/2021	Tule Trash Company	PULL FEE PRISON1	112-436-300-200	1,059.80
12/14/2021	Tule Trash Company	DUMP FEE PRISON2	112-436-300-192	746.36
12/14/2021	Tule Trash Company	PULL FEE PRISON2	112-436-300-200	2,102.50
12/14/2021	Turnupseed Electric Svc Inc	BY PASS PANEL FOR PUMPS	120-435-300-140	1,689.71
12/14/2021	Turnupseed Electric Svc Inc	SEWER STATION #4 REPAIR	120-435-300-140	763.75
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X5	105-437-200-125	198.86
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X80%	120-435-200-125	89.78
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X20%	121-439-200-125	22.44
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X80%	120-435-200-125	112.95
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X2.0%	121-439-200-125	28.24
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X2	104-412-200-125	59.96
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X2	109-434-200-125	67.68
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X1	104-432-200-125	28.75
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X1	104-412-200-125	55.96
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X1	104-432-200-125	42.50
12/14/2021	UNIFIRST Corporation	UNIFORMS COST X1	105-437-200-125	28.19



Accounts Payable

Blanket Voucher Approval Document

User: spineda
Printed: 12/20/2021 - 5:27PM
Warrant Request Date: 12/20/2021
DAC Fund:

Batch: 00503.12.2021 - Wrnt Rgstr 12/14/21 FY202

Line	Claimant	Amount
1	A-1 National Fence	12,128.50
2	American Office Solutions, LLC	9,800.00
3	American Office Solutions, LLC	18,206.45
4	American Office Solutions, LLC	52,128.00
5	American Office Solutions, LLC	249.08
6	Auto Zone, Inc.	277.30
7	Az Auto Parts	509.58
8	Bogie's Pump Systems	7,278.51
9	BSK Associates	727.50
10	Business Card- Bank of America Credit Cards	30,450.97
11	CalACT	500.00
12	California Cartridge Company	387.10
13	California Surveying Draft Supply	259.80
14	Cannon Financial Services, Inc.	161.93
15	Cathy Chavez	200.00
16	Corcoran Publishing Company	300.00
17	Courtney Stauffer	259.49
18	Creative Forms & Concepts	1,888.88
19	CSJVRMA	57,982.00
20	Dept of Justice	228.00
21	Doctors Occupational Testing Solutions	135.00
22	El Rico GSA	8,750.00
23	Felder Communications	779.50
24	Fresno City College	123.00
25	Global CTI Group, Inc.	4,529.51
26	Hanford Chrysler Dodge Jeep	23.25
27	Hinderliter, deLlames & Assoc	300.00
28	HUB International	791.99
29	Kayle Coelho	304.36
30	Kings Industrial Occ. Med. Ctr., Inc.	95.00
31	Manny's Mobile Locksmith	270.00
32	Matson Alarm Co. Inc.	126.50
33	Modern Marketing	241.26
34	Nacho's Automotive	370.67
35	O'Reilly	38.97
36	PACE Supply	2,421.74
37	Performance Industrial Controls	1,760.00
38	Price, Paige & Company	8,743.00
39	Prime Towing & Transport, Inc.	315.00
40	Quinn Company	62.98
41	Radius Tire Co.	87.13
42	Richard's Chevrolet	141.29
43	Robinson's Sheet Metal	572.12
44	Shyam Bhaskar, MD	120.00
45	State Water Res Control Board	23,783.00
46	State Water Res Control Board	3,326.00

Accounts Payable Voucher Approval List

User: spineda
 Printed: 12/20/2021 - 5:31PM
 Batch: 00503.12.2021 - Writ Rgstr 12/14/21 FY2022



Warrant Date	Vendor	Description	Account Number	Amount
12/20/2021	A-1 National Fence	FINAL PMT TEAR DOWN & REPL STATION2 W/PRIVACY FF	105-437-300-200	12,128.50
12/20/2021	American Office Solutions, LLC	PTMIESEA: COMM UPDGRDS COUNCIL CHMBR#AAAQ1289	145-410-300-200	9,800.00
12/20/2021	American Office Solutions, LLC	GRAPHIC CARD, KJT MONITOR	104-406-300-200	249.08
12/20/2021	American Office Solutions, LLC	PTMIESEA: COMM UPDGRDS COUNCIL CHMBR#AAAQ1289	145-410-300-200	52,128.00
12/20/2021	American Office Solutions, LLC	PTMIESEA: COMM UPDGRDS COUNCIL CHMBR#AAAQ1289	145-410-300-200	18,206.45
12/20/2021	Auto Zone, Inc.	FILTERS FOR SVC UNIT 229	104-421-300-260	26.39
12/20/2021	Auto Zone, Inc.	REAR BRKE PADS UNIT 252	104-421-300-260	37.88
12/20/2021	Auto Zone, Inc.	FRONT BRAKE PADS UNIT 252	104-421-300-260	36.90
12/20/2021	Auto Zone, Inc.	FULL WARRANTY: FRONT BRAKE PADS UNIT 252	104-421-300-260	-36.90
12/20/2021	Auto Zone, Inc.	BATTERY FOR UNIT 232	104-421-300-260	196.49
12/20/2021	Auto Zone, Inc.	FLITERS FOR SVC UNIT 265	104-421-300-260	16.54
12/20/2021	Az Auto Parts	BULBS FOR SHOP USE	104-433-300-210	64.30
12/20/2021	Az Auto Parts	ENGINE MOUNT FOR UNIT 229	104-421-300-260	193.35
12/20/2021	Az Auto Parts	WIPER BLADE UNIT 247	104-421-300-260	11.49
12/20/2021	Az Auto Parts	FILTERS FOR SERV UNIT 252	104-421-300-260	78.71
12/20/2021	Az Auto Parts	WIRE FOR REPAIRS UNIT 252	104-421-300-260	51.19
12/20/2021	Az Auto Parts	2X BELTS FOR UNIT 169	145-410-300-260	34.92
12/20/2021	Az Auto Parts	OIL FILTERS UNIT 240	104-412-300-140	6.79
12/20/2021	Az Auto Parts	BATTERY BOLTS FOR SHOP	104-433-300-210	12.99
12/20/2021	Az Auto Parts	FILTERS FOR SVC UNIT 241	104-412-300-140	55.84
12/20/2021	Bogge's Pump Systems	ARPA BACK UP RECIRCULATION PUMP	120-435-500-540	7,278.51
12/20/2021	BSK Associates	PLANT INF EFF LAGOON	120-435-300-200	312.00
12/20/2021	BSK Associates	QUANTI TRAY TOTAL COLIFORME COLI	105-437-300-200	186.75
12/20/2021	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	99.50
12/20/2021	BSK Associates	QUANTI TRAY TOTAL COLIFORM & ECOLI	105-437-300-200	129.25
12/20/2021	Business Card- Bank of America Credit Cards	COSTLESS: COFFEE SUPPLY	104-431-300-210	11.96
12/20/2021	Business Card- Bank of America Credit Cards	AMAZON COUNCIL CHAMBER CLOCK	104-432-300-210	39.83
12/20/2021	Business Card- Bank of America Credit Cards	CARDS MEASURE A: ACTION LIGHTING XMAS WREATH LIGHTS DC	138-428-300-210	116.95
12/20/2021	Business Card- Bank of America Credit Cards	CARDS MEASURE A: CHRISTMAS DESIGNERS DOWNTOWN LIGHTS	138-428-300-210	1,611.58
12/20/2021	Business Card- Bank of America Credit Cards	AM CONSTRUCTION SUPPLY CONCRETE SAW BLADE	105-437-300-210	324.74
12/20/2021	Business Card- Bank of America Credit Cards	AMAZON COFFEE URN	104-431-300-210	77.89
12/20/2021	Business Card- Bank of America Credit Cards	AMAZON DUFFLE BAGS	104-431-300-210	108.20
12/20/2021	Business Card- Bank of America Credit Cards	AMAZON DUFFLE BAGS	104-431-300-210	432.80
12/20/2021	Business Card- Bank of America Credit Cards	CARDS MEASURE A: AMAZON XMAS CANDY CANE IN STREET	138-428-300-210	93.00
12/20/2021	Business Card- Bank of America Credit Cards	HOBBY LOBBY SUPPLIES CHRISTMAS	104-431-300-210	57.33
12/20/2021	Business Card- Bank of America Credit Cards	WALL GUARD.COM WALL GUARDS FOR CPD	104-421-300-210	110.27

12/20/2021	Business Card- Bank of America Credit Cards TRAINING EXEC ASST	104-421-300-270	455.00
12/20/2021	Business Card- Bank of America Credit Cards DISP FURNITURE PATIO	104-421-300-210	411.34
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPL TAPE	104-421-300-150	10.27
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPL TOASTER	104-421-300-150	24.89
12/20/2021	Business Card- Bank of America Credit Cards DISP FURNITURE PATIO	104-421-300-210	37.54
12/20/2021	Business Card- Bank of America Credit Cards LAST DAY : CAKE	114-414-300-210	25.99
12/20/2021	Business Card- Bank of America Credit Cards PATROL SUPPLIES: RULERS AND SHARPIES	104-421-300-210	36.90
12/20/2021	Business Card- Bank of America Credit Cards PATROL SUPPLIES: RULERS AND SHARPIES	104-421-300-210	29.19
12/20/2021	Business Card- Bank of America Credit Cards EVIDENCE PHOTO MARKERS	104-432-300-210	557.68
12/20/2021	Business Card- Bank of America Credit Cards TRAINING PFARR	104-421-300-270	895.00
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES: FLY SWATTER	104-421-300-150	9.73
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES: FOLDERS	104-421-300-150	124.40
12/20/2021	Business Card- Bank of America Credit Cards CPOA MEMBERSHIP	104-421-300-170	125.00
12/20/2021	Business Card- Bank of America Credit Cards EMPLOYEE APPREC PLAQUE-CITY	104-401-300-215	49.99
12/20/2021	Business Card- Bank of America Credit Cards FUEL TRAINING VEHICLE	104-421-300-250	10.73
12/20/2021	Business Card- Bank of America Credit Cards DISP FURNITURE PATION	104-421-300-210	48.69
12/20/2021	Business Card- Bank of America Credit Cards CRAYONS	114-414-300-210	30.73
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES, COFFEE, POST ITS	104-421-300-150	65.19
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES; PLATES	104-421-300-150	21.17
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES; SUGAR	104-421-300-150	30.98
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES; POST ITS	104-421-300-150	10.81
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES; PAPER	104-421-300-150	32.46
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES: RULERS	104-421-300-150	19.46
12/20/2021	Business Card- Bank of America Credit Cards COIN DISPLAY	114-414-300-210	6.47
12/20/2021	Business Card- Bank of America Credit Cards EXTENSION CORD	104-421-300-260	37.87
12/20/2021	Business Card- Bank of America Credit Cards SPIT HOODS	104-421-300-148	72.93
12/20/2021	Business Card- Bank of America Credit Cards EVIDENCE TOTE ENVELOPES	104-421-300-210	137.78
12/20/2021	Business Card- Bank of America Credit Cards GLOVES	104-421-300-148	419.78
12/20/2021	Business Card- Bank of America Credit Cards EVIDENCE: ENVELOPES	104-421-300-210	61.84
12/20/2021	Business Card- Bank of America Credit Cards TELEPHONE ACCESSORIES	104-421-300-220	18.39
12/20/2021	Business Card- Bank of America Credit Cards TELEPHONE ACCESSORIES	104-421-300-220	34.38
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES: POST ITS, BATTERIES	104-421-300-150	56.27
12/20/2021	Business Card- Bank of America Credit Cards EVIDENCE TAPE	104-421-300-210	95.39
12/20/2021	Business Card- Bank of America Credit Cards EVIDENCE PRINTER TAPE	104-421-300-210	140.43
12/20/2021	Business Card- Bank of America Credit Cards FLASH DRIVES, ETX MEMORY	104-421-300-150	90.75
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPPLIES: CARDS	104-421-300-150	28.98
12/20/2021	Business Card- Bank of America Credit Cards USB SPLITTER	104-421-300-150	22.61
12/20/2021	Business Card- Bank of America Credit Cards OFFICE SUPL: TONER	104-421-300-150	80.15
12/20/2021	Business Card- Bank of America Credit Cards PROF SVCS: APBNET ANNUAL	104-421-300-200	100.00
12/20/2021	Business Card- Bank of America Credit Cards MIRANDA CARDS PATROL	104-421-300-210	45.99
12/20/2021	Business Card- Bank of America Credit Cards CLOTHING SOFT BADGES	104-421-300-230	461.13
12/20/2021	Business Card- Bank of America Credit Cards CHRISTMAS CARDS	104-421-300-150	92.22
12/20/2021	Business Card- Bank of America Credit Cards MAILING SUPPLIES	104-432-300-152	17.14
12/20/2021	Business Card- Bank of America Credit Cards OFFICES SUPPLIES: STAMPS	104-421-300-150	10.79
12/20/2021	Business Card- Bank of America Credit Cards POSTAGE	104-432-300-152	16.31

12/20/2021	CSJVRMA	LIABILITY PROGRAM	136-415-300-130	3,151.25
12/20/2021	Dept of Justice	LIVE SCAN FEE NOV 2021	104-421-300-148	228.00
12/20/2021	Doctors Occupational Testing Solutions	RANDOM DRUG TEST-D LUPIAN	104-406-300-200	25.00
12/20/2021	Doctors Occupational Testing Solutions	RANDOM DRUG TEST-R ADAMS	109-434-300-200	55.00
12/20/2021	Doctors Occupational Testing Solutions	RANDOM DRUG TEST-T GOMEZ	109-434-300-200	55.00
12/20/2021	El Rico GSA	4TH QTR ASSESSMENT	105-437-300-200	8,750.00
12/20/2021	Felder Communications	RADIO MAINT & REPAIR	145-410-300-141	51.50
12/20/2021	Felder Communications	RADIO MAINT & REPAIR	104-412-300-141	34.00
12/20/2021	Felder Communications	RADIO MAINT & REPAIR	104-421-300-141	490.00
12/20/2021	Felder Communications	RADIO MAINT & REPAIR	104-431-300-141	42.50
12/20/2021	Felder Communications	RADIO MAINT & REPAIR	109-434-300-141	51.00
12/20/2021	Felder Communications	RADIO MAINT & REPAIR	120-435-300-141	34.00
12/20/2021	Felder Communications	RADIO MAINT & REPAIR	105-437-300-141	59.50
12/20/2021	Felder Communications	RADIO MAINT & REPAIR	121-439-300-141	17.00
12/20/2021	Fresno City College	TRAINING: CARRASCO F.	104-421-300-270	123.00
12/20/2021	Global CTI Group, Inc.	PANIC BUTTON X 3 MATERIALS & HANDLING	104-432-300-200	2,532.47
12/20/2021	Global CTI Group, Inc.	INSTALL LOBBY PHONE CPD	104-421-300-220	1,997.04
12/20/2021	Hanford Chrysler Dodge Jeep	BREAK PEDAL SENSOR UNIT 267	104-421-300-260	23.25
12/20/2021	Hinderliter, deLJames & Assoc	CONTRACT SVCS SALES TAX OCT TO DEC 2021	104-405-300-200	300.00
12/20/2021	HUB International	CERT LIABILITY CHRISTMAS PARADE 12/2/21	104-000-362-085	791.99
12/20/2021	Kayle Coelho	HOLIDAY DINNER PLATES, PIES, CORN	331-425-300-210	304.36
12/20/2021	Kings Industrial Occ. Med. Ctr., Inc.	PHYSICAL EXAM DOT L JONES	145-410-300-200	95.00
12/20/2021	Manny's Mobile Locksmith	CALLOUT FOR REPAIR CITY HALL BACK GATE DOOR	104-432-300-200	270.00
12/20/2021	Matson Alarm Co. Inc.	RAO ALARM SYSTEM MONITORING & SVC	104-432-300-200	126.50
12/20/2021	Modern Marketing	BOOK MARKERS FOR KIDS	104-421-300-154	120.63
12/20/2021	Modern Marketing	BOOKMARKERS FOR KIDS	104-421-300-154	120.63
12/20/2021	Nacho's Automotive	REPAIRS ON UNIT#267	104-421-300-260	370.67
12/20/2021	O'Reilly	WIPER BLADES UNIT 247	104-421-300-260	12.67
12/20/2021	O'Reilly	TIE ROD END UNIT 265	104-421-300-260	26.30
12/20/2021	PACE Supply	BRASS PARTS FOR INVENTORY	105-437-300-210	287.47
12/20/2021	PACE Supply	BRASS PARTS FOR INVENTORY	105-437-300-210	177.41
12/20/2021	PACE Supply	B36 FIBERLYTE LID FOR STOCK	105-437-300-210	354.11
12/20/2021	PACE Supply	B16 FIBERLYTE LID FOR STOCK	105-437-300-210	1,602.75
12/20/2021	Performance Industrial Controls	WTP SCADA PROGRAMMING	105-437-300-200	1,760.00
12/20/2021	Price, Paige & Company	CITY FINANCIAL STATEMENTS	104-405-300-200	2,000.00
12/20/2021	Price, Paige & Company	CONSULTANT WORK 2021	104-405-300-200	4,500.00
12/20/2021	Price, Paige & Company	CONSULTANT WORK 2022	104-405-300-200	2,243.00
12/20/2021	Prime Towing & Transport, Inc.	TOWING/CPD UNIT 221	104-421-300-280	315.00
12/20/2021	Quinn Company	CAT BACKHOE NEW AIR FILTER	105-437-300-140	62.98
12/20/2021	Radius Tire Co.	TIRE REPAIR UNIT 240 REMAINING AMOUNT	105-437-300-260	15.13
12/20/2021	Radius Tire Co.	BALANCE DISMOUNT 2 TIRES UNIT 228	104-421-300-260	72.00
12/20/2021	Richard's Chevrolet	DOOR LATCH UNIT 229	104-421-300-260	141.29
12/20/2021	Robinson's Sheet Metal	WALL BUILT SUPPLIES	104-421-300-210	572.12
12/20/2021	Shyam Bhasakar, MD	PRE EMPLOYMENT PHYSICAL FOR M RAMOS	104-412-300-200	120.00
12/20/2021	State Water Res Control Board	ANNUAL PERMIT FEES JULY 2021 TO JUNE 2022 FACILITY II 120-435-300-160		3,326.00

Accounts Payable

Blanket Voucher Approval Document



User: spineda
Printed: 12/30/2021 - 3:23PM
Warrant Request Date: 12/30/2021
DAC Fund:

Batch: 00501.01.2022 - Wrnt Rgstr 01/14/2022 FY2

Line	Claimant	Amount
1	American Office Solutions, LLC	3,695.24
2	Auto Zone, Inc.	223.06
3	Az Auto Parts	103.70
4	BB Screen Printing	487.13
5	C. A. Reding Company, Inc	53.70
6	Cannon Financial Services, Inc.	94.18
7	Chemical Waste Management Inc	465.00
8	Corcoran Hardware	125.40
9	Corcoran Publishing Company	283.00
10	Direct Distributing, Inc.	249.81
11	Farley Law Firm	1,794.00
12	Hach Company	690.58
13	I2C Technologies	5,194.00
14	JT2 Inc.	157,993.93
15	Law & Associates Investigations	600.00
16	LexisNexis Risk Data Management, Inc.	150.00
17	Modern Marketing	120.63
18	National Auto Fleet Group	43,687.96
19	Nutrien AG Solutions, Inc.	116.63
20	Office Depot	579.95
21	O'Reilly	463.27
22	Prime Towing & Transport, Inc.	525.00
23	Quinn Company	227.05
24	Richard's Chevrolet	321.49
25	Safety-Kleen Systems, Inc	168.88
26	Sherwin Williams Co	48.39
27	State Water Res Control Board	20,232.54
28	Tesco Controls, Inc	2,435.63
29	Tulare County Jail-Industries Engraving Program	323.25
30	Turnupseed Electric Svc Inc	536.27
31	Vanir Construction Management, Inc.	3,683.60
	Page Total:	\$245,673.27
	Grand Total:	\$245,673.27

Page Total: \$245,673.27

12/30/2021	Office Depot	OFFICE SUPPLIES FACE MASKS	104-431-300-216	10.81
12/30/2021	O'Reilly	2 NEW BATTERIES UNIT 169	145-410-300-260	463.27
12/30/2021	Prime Towing & Transport, Inc.	TOWING C2101953 7Z6W260	104-421-300-210	262.50
12/30/2021	Prime Towing & Transport, Inc.	TOWING C2101953 L563MO	104-421-300-210	262.50
12/30/2021	Quinn Company	BACKHOE REPLC TEETH UNIT 211	105-437-300-140	227.05
12/30/2021	Richard's Chevrolet	RIGHT SIDE OF MIRROR UNIT 202	109-434-300-260	321.49
12/30/2021	Safety-Kleen Systems, Inc	SAFETY CLEAN PARTS CLEANER	104-433-300-210	168.88
12/30/2021	Sherwin Williams Co	PAINT NEW WALL	104-421-300-200	48.39
12/30/2021	State Water Res Control Board	CONNECTION FEE	105-437-300-160	20,232.54
12/30/2021	Tesco Controls, Inc	BACK CONTROLLER FOR SEWER STATIONS	120-435-300-210	2,435.63
12/30/2021	Tulare County Jail-Industries Engraving Progre Jr	OFFICE STICKERS	104-421-300-299	323.25
12/30/2021	Turnupseed Electric Svc Inc	STADIUM STORM STATION FLOAT REPAIR	121-439-300-140	536.27
12/30/2021	Vanir Construction Management, Inc.	PROP 68 PARK GRANT CONSTRUCTION MNGT SVCS NOV 202307-449-500-530		3,683.60
Warrant Total:				245,673.27

**STAFF REPORT
ITEM #: 7-A**

MEMO

TO: Corcoran City Council

FROM: Greg Gatzka, City Manager

DATE: January 6, 2022

MEETING DATE: January 11, 2022

SUBJECT: Recission of KWRA Notice of Withdrawal

Summary:

Review and revisit the City of Corcoran's Notice of Withdrawal from the Kings Waste and Recycling Authority (KWRA).

Recommendation:

Consider rescinding the Notice of Withdrawal from KWRA, and direct the City Manager to send a letter to the KWRA Board informing them of this action.

Budget impact:

None with this action. The cost benefit of member agency participation in KWRA for solid waste disposal will remain in place.

Background:

On May 2, 2018, the City of Corcoran sent a Notice of Withdrawal from KWRA. This notice served to initiate the two-year notification requirement for the City to withdraw from the KWRA Joint Powers Authority. Over the past three years, considerable analysis and evaluation of KWRA finances and operations occurred that provided the KWRA Board of Directors with recommendations and essential feedback for enhanced fiscal and operational effectiveness. The R3 Study along with thorough privatization considerations have all lead to increased KWRA cost and operational efficiencies that better serves the member agencies and their constituents. Based upon these recent changes and input from our Council Member representative on the KWRA Board of Directors, this agenda item is presented for the Council to discuss and consider rescinding the Notice of Withdrawal from KWRA.

Attachments:

City Manager letter to KWRA Board of Directors

City of

CORCORAN

A MUNICIPAL CORPORATION

FOUNDED 1914

January 11, 2022

Kings Waste and Recycling Authority
Board of Directors
7803 Hanford Armona Road
Hanford, CA 93230
Attn: Nicole Pena

Re: Rescission of City of Corcoran's Notice of Withdrawal

Dear Board of Directors:

On May 2, 2018, the City of Corcoran submitted a Notice of Withdrawal from the Kings Waste and Recycling Authority (KWRA) primarily due to our City's concerns over KWRA operational effectiveness and uncertain cost increases that directly affect all our local residential and business refuse rate payers. Over the past two years, the KWRA Board has made great strides towards proactively evaluating the fiscal and operational performance of KWRA. As a result, the tonnage rate is now significantly reduced from the projected rate of \$75/ton to \$58/ton, and operational cost efficiencies are now more thoroughly evaluated and acted upon. Together, this all demonstrates that KWRA operational effectiveness and cost savings can be achieved.

The KWRA Joint Powers Authority was originally established in 1989 and intended to support member agency cost efficiencies in the processing and disposing of solid waste. Although recent corrective changes have made enhancements to KWRA cost effectiveness, the City of Corcoran strongly encourages the KWRA Board of Directors to remain diligent in its ongoing review and oversight of all KWRA staff and operational effectiveness. This will ensure KWRA remains justifiable and continues to serve for the benefit of participating member agencies.

At a regularly scheduled meeting of the Corcoran City Council on January 11, 2022, the Council discussed and revisited their KWRA Notice of Withdrawal. Based upon recent KWRA operational enhancements, the Corcoran City Council took action to rescind the City's Notice of Withdrawal. This letter serves to notify the KWRA Board of Directors of this action.

Sincerely,

Greg Gatzka, City Manager

STAFF REPORT
ITEM #: 7 B

MEMORANDUM

TO: City Council

FROM: Soledad Ruiz-Nuñez, Finance Director

DATE: January 5, 2022

MEETING DATE: January 11, 2022

SUBJECT: Pension Funding Policy

Summary:

The Pension Funding Policy helps us identify the various methods the City may use in order to address pension liability.

Discussion:

The City has been experiencing an increasing pension cost due to the CalPERS Unfunded liability. This policy is formalizing the steps the City started taking in 2017 in order to address the unfunded liability problem.

In order to maintain fiscal sustainability and attack the CalPERS Unfunded liability the City:

- Negotiated for employees to pay their full employee share of CalPERS.
- Negotiated for employees to pay 3% of the employer share of CalPERS.
- Pay the Unfunded Accrued Liability payment in July in order to save 3.5% in interest.
- Established and funds the Section 115 Pension Trust with PARS.
- Reviews strategies in order to address pension cost.

Attachments:

Resolution No. 3113 and Pension Funding Policy

RESOLUTION NO. 3113

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN

APPROVING THE PENSION FUNDING POLICY

WHEREAS, the City of Corcoran seeks to maintain fiscal sustainability; and

WHEREAS, the City has taken several steps to address the CalPERS Unfunded Liability; and,

WHEREAS, it is important for the City to identify the numerous actions it has taken in order to address CalPERS Unfunded Liability and to continue to seek options.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Corcoran that the Pension Funding Policy be approved to provide guidance.

The foregoing Resolution was approved and adopted at a regular meeting of the City Council of the City of Corcoran held on the 11^h day of January 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____

Patricia Nolen, Mayor
City of Corcoran

ATTEST: _____

Marlene Spain, City Clerk

CITY OF CORCORAN
PENSION FUNDING POLICY

The City of Corcoran is committed to fiscal sustainability. The City is also committed to honoring its pension obligations. One of the biggest threats to the City's ongoing fiscal sustainability is its rising pension costs. The development and maintenance of sensible pension policies enables the City to address the growing liability that are outside of the City's control, including CalPERS investments and the discount rate factors.

PURPOSE AND GOALS

Funded Status

The City's target funded status is 100 percent of the Actuarial Accrued Liability related to the City's pension plans. The City's goal is to accumulate sufficient assets to fund all projected benefit retirement payments.

Financial Sustainability

Financial sustainability is the overarching principle in the City's financial operations. Within the context of pension funding, this principle expresses that the City provides and fund benefits to its employees within available means while proactively taking measures to build and preserve its ability to continue providing those benefits in the long-term.

FUNDING PENSION COST AND LIABILITIES

Required Employee Contributions and Cost Share

In accordance with PEPRAs guidelines and compatible with other local agencies, City employees pay their full share of employee contributions depending on the employee's specific CalPERS benefit plan. Additionally, employees cost share 3% of the required employer contribution (CalPERS contract amendment in May 2021).

Required Employer Contribution

CalPERS actuarial annually determine the required employer contributions for subsequent fiscal years. The employer contribution of normal pension cost and the minimum required Unfunded Accrued Liability will be charged as a percentage of payroll as calculated by CalPERS in the annual actuarial report consistent with the employee's specific CalPERS benefit plan minus the employee 3% cost share (CalPERS contract amendment in May of 2021).

Prepayment of Unfunded Accrued Liability

CalPERS provides an incentive (or discount) for the City to pay the full year of Unfunded Accrued Liability contribution in July at the beginning of the fiscal year rather than remitting the

STAFF REPORT**ITEM #: 7-C****MEMORANDUM****TO:** City Council**FROM:** Soledad Ruiz-Nunez, Finance Director**DATE:** January 6, 2022**MEETING DATE:** January 11, 2022**SUBJECT:** CalPERS UAL Restructuring – Approval of 2022 Taxable Lease Revenue Bonds**Recommendation:**

Consider approval of Resolution No. 3114 to authorize the execution and delivery of a Lease Agreement related to two City properties (APN 030-213-006 and 030-201-007) in an aggregate principal amount not to exceed \$6,225,000 for the purpose of refunding the City's unfunded accrued liability, and authorizing the execution of necessary documents and certificates and related actions. By approval, this action will request the Corcoran Joint Powers Finance Authority to approve the related Lease Agreement and associated documents.

Summary:

On December 14, 2022, City Council (1) Appointed the financing team of NHA Advisors (Municipal Advisor), Bond Counsel (Stradling) and Placement Agent (Hilltop Securities); (2) Delegated the City Manager with authority to proceed with a private placement and sign a bank term sheet; and (3) Approved a Debt Management Policy. Since that time, the City and its financing team have been able to secure an extremely low 2.99% interest rate from First Foundation Bank for a 20-year term. By approving this Resolution and necessary financing documents, the City will be in position to close this financing on January 26, 2022 and pay off a large majority of its Unfunded Accrued Liability to CalPERS on that day.

Discussion:

Over the past 5 months, NHA Advisors has been assisting the City in evaluating strategies (Prepayment, Additional Discretionary Payments, Section 115 Trust, UAL Restructuring) to address the rising cost associated with the Unfunded Accrued Liability. We refer to "Unfunded Liability" as the gap between assets and what is needed to meet obligations to retirees. Numerous reasons have hurt the retirement system assets, a few key ones are: CalPERS investment losses due to the dot.com bubble burst in 2000, the collapse of the housing market in 2008, and other CalPERS assumption changes. The City of Corcoran has a

As shown in the chart on the previous page and the chart below, total present value savings from the restructuring is estimated at \$1.6 million. Over the next 15 years, savings is expected to be \$3.4 million, or about \$225,000 per year.

Metrics	20-Year PP
Estimated UAL Funded (\$)	\$6,219,719
% UAL Funded (Current Asset Valuations)	63%
Funded Ratio (Current Asset Valuations)	89%
% UAL Funded (Projected After FY 2021 Returns & 6.8% Discount Rate)	89%
Funded Ratio (Projected After FY 2021 Returns & 6.8% Discount Rate)	98%
Maturity	20 Years
Average Life	12.9 Years
All-In Interest Rate	3.22%
PV Savings (%)	26.06%
PV Savings (\$)	\$1,620,676
Cumulative Savings	\$1,330,468
Savings (2023-2037)	\$3,398,743
Average Savings (2023-2037)	\$226,583

Note: Figures shown are preliminary estimates for illustration. Assumes CalPERS earns 6.8% investment earnings.

In accordance with California Government Code Section 5852.1, good faith estimates have also been provided as an attachment to this Staff Report that details the estimated financing amount and costs. Assuming approval of tonight’s resolution, the City intends to close the financing on January 26, 2022 and pay off approximately \$6.1 million of its UAL.

A brief summary of the attached financing documents are below:

- 1) Site Lease - the document whereby the Authority leases the Leased Property from the City. In exchange, the Authority pays to the City the amount being financed, which amount the Authority receives from First Foundation under the Assignment Agreement.
- 2) Lease Agreement - the document whereby the City subleases the Leased Property back from the Authority in exchange for Lease Payments.
- 3) Assignment Agreement - the document whereby the Authority assigns its right to receive the City’s Lease Payments to First Foundation in exchange for the financing amount.

Attachments

- City Resolution No. 3114
- CJPFA Resolution No. 2022-01 with related Site Lease, Lease Agreement, and Assignment Agreement

RESOLUTION NO. 3114

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,225,000 FOR THE PURPOSE OF REFUNDING SOME OR ALL OF THE CITY'S UNFUNDED ACCRUED LIABILITY, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, the City of Corcoran (the "City") has previously adopted a retirement plan pursuant to the Public Employees' Retirement Law, commencing with Section 20000 of the Government Code of the State of California, as amended (the "Retirement Law") and elected to become a contracting member of the California Public Employees' Retirement System ("PERS"); and

WHEREAS, the Retirement Law and the contract (the "PERS Contract") effective July 1, 1948, between the Board of Administration of PERS and the City Council of the City (the "City Council") obligate the City to (i) make contributions to PERS to fund pension benefits for certain City employees, (ii) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (iii) appropriate funds for the foregoing purposes; and

WHEREAS, this City Council of the City desires to refund all or a portion of the City's obligation to PERS evidenced by the PERS Contract by entering into a lease transaction with the Corcoran Joint Powers Finance Authority (the "Authority"); and

WHEREAS, the lease transaction will consist of the City and the Authority entering into a Site Lease (the "Site Lease"), pursuant to which the City will lease to the Authority the real property and improvements that are described therein, consisting generally of the City's Regional Accounting Office and the offices located at 1031 and 1033 Chittenden Avenue, Corcoran, subject to adjustment as described in Section 2 below (collectively, the "Leased Property"), and a Lease Agreement (the "Lease"), pursuant to which the Authority will sublease the Leased Property back to the City in exchange for certain lease payments (the "Lease Payments"); and

WHEREAS, in consideration for the provision of funds to refund all or a portion of the City's obligation to PERS evidenced by the PERS Contract, the Authority will pledge the Lease Payments to First Foundation Public Finance ("First Foundation"), pursuant to an Assignment Agreement (the "Assignment Agreement"), by and between First Foundation and the Authority; and

WHEREAS, the City has determined that the refunding contemplated herein in the manner described above will result in a lower cost overall to the City than a public sale of bonds or other similar financing; and

WHEREAS, upon the execution of the Site Lease, the Lease and the Assignment Agreement, the City will cause to be recorded in the Official Records of the County of Kings copies of such documents or memoranda thereof; and

WHEREAS, good faith estimates of certain information relating to the lease transaction are set forth in the staff report submitted to the City Council herewith as required by California

Section 6. The Authorized Officers are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which each may deem necessary or advisable to assist the City with the financing and the payment of costs of issuance approved by the Authorized Officers in order to consummate the refunding of all or a portion of the City's obligation to PERS evidenced by the PERS Contract and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Site Lease, the Lease and the Assignment Agreement, including but not limited to, purchasing a title insurance policy with respect to the Leased Property, executing a rate lock agreement and/or term sheet with First Foundation and causing the recording of the documents, or memoranda thereof, that are described herein. Such actions heretofore taken by such officers or designees are hereby ratified, confirmed and approved.

Section 7. In accordance with the requirements of Government Code Section 5852.1, there has been presented to the City Council of the City and disclosed at the meeting at which this resolution is being adopted the information required by Government Code Section 5852(a)(1).

Section 8. This Resolution shall take effect from and after its date of adoption.

APPROVED and **PASSED** this 11th day of January, 2022.

City of Corcoran, California

APPROVED:

By: _____

Patricia Nolen, Mayor

ATTEST:

Marlene Spain, City Clerk

**CORCORAN JOINT POWERS FINANCE AUTHORITY
RESOLUTION NO. 2022-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CORCORAN
JOINT POWERS FINANCE AUTHORITY APPROVING A LEASE
AGREEMENT AND CERTAIN OTHER DOCUMENTS FOR THE BENEFIT
OF THE CITY OF CORCORAN, AND AUTHORIZING THE EXECUTION OF
NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED
ACTIONS**

WHEREAS, the Corcoran Joint Powers Finance Authority (the “Authority”), is a joint exercise of powers entity that is organized and existing under the laws of the State of California; and

WHEREAS, the City of Corcoran (the “City”) desires to refund all or a portion of the City’s obligation to the California Public Employees’ Retirement System by authorizing the execution and delivery of certain documents as described herein; and

WHEREAS, the City and the Authority desire to enter into a Site Lease (the “Site Lease”), pursuant to which the City will lease certain real property and the improvements thereon (the “Leased Premises”), as more particularly described in the Site Lease, to the Authority, and the City and the Authority desire to enter into a Lease Agreement (the “Lease Agreement”), pursuant to which the City will agree to sublease the Leased Property from the Authority in exchange for certain Lease Payments (as defined in the Lease Agreement); and

WHEREAS, the forms of both the Site Lease and the Lease Agreement have been presented to this Board of Directors at the meeting at which this Resolution is being considered; and

WHEREAS, the Authority desires to assign its right to receive such Lease Payments from the City to First Foundation Public Finance (“First Foundation”) pursuant to an Assignment Agreement by and between the Authority and First Foundation (the “Assignment Agreement”), the form of which has been presented to this Board of Directors at the meeting at which this Resolution is being considered; and

WHEREAS, all acts, conditions and things that are required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the refunding authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such refunding for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE CORCORAN JOINT POWERS FINANCE AUTHORITY DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals and Findings. Each of the above recitals is true and correct and the Board so finds.

CERTIFICATION

I, _____, Treasurer/Secretary of the Corcoran Joint Powers Finance Authority, do hereby certify that Resolution No. 3115 was duly adopted by the Board of Directors of the Corcoran Joint Powers Finance Authority at a regular meeting held on the 11th day of January, 2022, by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:

Dated: _____, 2022

Treasurer/Secretary

RECORDING REQUESTED BY:)
 City of Corcoran)
)
AND WHEN RECORDED MAIL TO:)
 Stradling Yocca Carlson & Rauth)
 660 Newport Center Drive, Suite 1600)
 Newport Beach, California 92660)
 Attn: Reed Glycer, Esq.)

SPACE ABOVE FOR RECORDER'S USE ONLY

SITE LEASE

This SITE LEASE (this “Site Lease”), dated as of January 1, 2022, is entered into by and between the CITY OF CORCORAN, a municipal corporation and general law city that is duly organized and existing under and by virtue of the Constitution and laws of the State of California (the “City”), as lessor, and the CORCORAN JOINT POWERS FINANCE AUTHORITY, a joint exercise of powers entity that is organized and existing under and by virtue of the laws of the State of California (the “Authority”), as lessee.

RECITALS

A. In order to refund all or a portion of the City’s obligation to the California Public Employees’ Retirement System (“PERS”), the City has agreed to lease the real property that consists of the land and the improvements that are described in Appendix A (the “Leased Property”), to the Authority by entering into this Site Lease.

B. The Authority has agreed to assist the City with such refunding by entering into a Lease Agreement dated as of the date hereof (the “Lease”), pursuant to which the Authority will sublease the Leased Property back to the City and the City will be obligated to make payments (the “Lease Payments”) to the Authority.

C. The City and the Authority have determined that it would be in the best interests of the City and the Authority to assign the Lease Payments to First Foundation Public Finance (the “Bank”) in consideration for the Bank’s provision of funds to refund the City’s obligation to PERS.

D. Accordingly, all rights to receive the Lease Payments are being assigned without recourse by the Authority to the Bank pursuant to an Assignment Agreement, dated as of the date hereof (the “Assignment Agreement”), by and between the Authority and the Bank.

E. The City is authorized to enter into a lease-leaseback arrangement with the Authority to refund the City’s obligation to PERS under applicable State law.

AGREEMENT

In consideration of the foregoing and the material covenants herein, the City and the Authority covenant, agree and bind themselves as follows:

Notwithstanding the foregoing, so long as the Lease remains in effect, the City shall continue to pay the Lease Payments as and when due under the Lease to the Bank in accordance with the Assignment Agreement.

Section 10. Amendments. The Authority and the City may at any time amend or modify any of the provisions of this Site Lease, but only with the prior written consent of the Bank.

Section 11. Quiet Enjoyment. The Authority at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Leased Property, subject to the provisions of the Lease and Permitted Encumbrances.

Section 12. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Authority are solely corporate liabilities of the Authority, and the City hereby releases each and every member and officer of the Authority of and from any personal or individual liability under this Site Lease. No member or officer of the Authority or its governing board is at any time or under any circumstances individually or personally liable under this Site Lease for anything done or omitted to be done by the Authority hereunder.

Section 13. Taxes. The City will pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, that are levied or assessed upon the Leased Property and any improvements thereon.

Section 14. Eminent Domain. If the whole or any part of the Leased Property, or any improvements thereon, are taken by eminent domain proceedings, the interest of the Authority will be the aggregate amount of the then-unpaid principal components of the Lease Payments that are payable under the Lease and the balance of the award, if any, will be paid to the City. The City hereby waives any and all rights that it has or may hereafter have to acquire the interest of the Authority in and to the Leased Property through the eminent domain powers of the City. The City hereby agrees, to the extent permitted by law, that the compensation to be paid in any condemnation proceedings brought by or on behalf of the City with respect to the Leased Property or any improvement thereon shall be in an amount that is not less than the total unpaid principal components of Lease Payments plus the interest component of Lease Payments accrued to the date of payment of all Lease Payments under the Lease.

Section 15. Notices. Any notice, request, complaint, demand or other communication under this Site Lease must 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 will 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 City, the Authority and the Bank may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the City: City of Corcoran
 832 Whitley Avenue
 Corcoran, California 93212
 Attn: City Manager

If to the Authority: Corcoran Joint Power Finance Authority

IN WITNESS WHEREOF, the City and the Authority have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF CORCORAN,
as Lessor

By: _____

ATTEST:

City Clerk

CORCORAN JOINT POWERS FINANCE
AUTHORITY
as Lessee

By: _____

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 _____

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

CERTIFICATE OF ACCEPTANCE OF SITE LEASE

This is to certify that the interest in real property conveyed by the Site Lease, dated as of January 1, 2022, by and between City of Corcoran, as lessor, and Corcoran Joint Powers Finance Authority, as lessee (the "Authority"), is hereby accepted by the undersigned officer on behalf of the Authority pursuant to a resolution adopted by the Board of Directors of the Authority on January 11, 2022, and the Authority consents to recordation thereof by its duly authorized officer.

Dated: January __, 2022

CORCORAN JOINT POWERS FINANCE
AUTHORITY

By: _____

LEASE AGREEMENT

Dated as of January 1, 2022

By and Between

CORCORAN JOINT POWERS FINANCE AUTHORITY

And

CITY OF CORCORAN

Relating to

\$ _____
2022 LEASE AGREEMENT
(TAXABLE PENSION LIABILITY REFUNDING)

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“Applicable Law” means (a) all applicable common law and principles of equity and (b) all applicable provisions of all (i) constitutions, statutes, rules, regulations and orders of all Governmental authorities, (ii) Applicable Environmental Laws, (iii) applicable seismic building code requirements at the time of construction, and (iv) orders, decisions, judgments, writs, injunctions and decrees of all courts (whether at law or in equity) and arbitrators.

“Applicable Environmental Laws” means all California and federal environmental laws (including common laws), including, but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 USC Section 9601 *et seq.*; the Resource Conservation and Recovery Act, 42 USC Section 6901 *et seq.*; the Clean Air Act, 42 USC Section 7401 *et seq.*, the Occupational Health and Safety Act, 29 USC Section 654 *et seq.*; the California Hazardous Waste Control Law, California Health & Safety Code Section 25100 *et seq.*; the Hazardous Substance Account Act, California Health & Safety Code Section 25300 *et seq.*; the Porter-Cologne Water Quality Control Act, California Water Code Section 1300 *et seq.*; the Air Resources Act, California Health & Safety Code Section 3900 *et seq.*; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Section 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 human health, safety or the environment from Hazardous Substances or spilled, deposited, or otherwise emplaced contamination; (c) the control of hazardous wastes; or (d) the management, use, generation, transport, treatment, removal, or recovery of or exposure to, Hazardous Substances, including building materials.

“Assigned Rights” means all of the Authority’s rights under this Lease as lessor of the Leased Property (excepting only the Authority’s rights under Section 7.3 of this Lease and its rights to notice under the Site Lease and this Lease), including, but not limited to the right to receive and enforce payment of the Lease Payments to be made by the City hereunder, and as lessee of the Leased Property under the Site Lease, as more particularly described in the Assignment Agreement, that are assigned and transferred by the Authority to the Bank pursuant to the Assignment Agreement.

“Assignment Agreement” means the Assignment Agreement, dated as of January 1, 2022, by and between the Authority, as assignor, and the Bank, as assignee, as originally executed or as thereafter amended under any duly authorized and executed amendments thereto.

“Authority” means the Corcoran Joint Powers Finance Authority, a joint exercise of powers entity that is organized and existing under and by virtue of the laws of the State of California.

“Bank” means First Foundation Public Finance, and its successors and assigns.

“Bond Counsel” means Stradling Yocca Carlson & Rauth, or any other attorney or firm of attorneys of nationally recognized expertise and acceptable to the Bank 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 of California.

“City” means the City of Corcoran, a municipal corporation and general law city that is duly organized and existing under and by virtue of the Constitution and laws of the State of California.

the City, (b) the ability of the City to carry out its business in the manner conducted as of the date of this Lease Agreement or to meet or perform its obligations under this Lease Agreement on a timely basis, or (c) the validity or enforceability of this Lease Agreement.

“**Maximum Lease Term**” has the meaning that is set forth in Section 4.3.

“**Net Proceeds**” means amounts that are derived from any policy of property insurance or title insurance with respect to the Leased Property, or the proceeds of any taking of the Leased Property or any portion thereof in eminent domain proceedings (including sale under threat of such proceedings), to the extent remaining after payment therefrom of all expenses incurred in the collection and administration thereof.

“**Permitted Encumbrances**” means, as of any time: (a) liens for general *ad valorem* taxes and assessments, if any, which are not then delinquent, or which the City may permit to remain unpaid under Section 5.1 of this Lease; (b) the Site Lease, this Lease 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 that are disclosed in the title insurance policy which is required by Section 5.7 with respect to the Leased 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 Leased Property for its intended purposes and will not materially impair the security granted to the Bank by the Assignment Agreement.

“**Rental Period**” means the period from the Closing Date through October 1, 2022 and, thereafter, the twelve-month period commencing on October 2 of each year during the Term of this Lease.

“**Site Lease**” means the Site Lease, dated as of January 1, 2022, by and between the City and the Authority.

“**Term of this Lease**” or “**Term**” means the time during which this Lease is in effect, as provided in Section 4.3.

“**Termination Date**” means April 1, 2042, unless extended or sooner terminated as provided in Section 4.3.

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 includes all genders, 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 Lease; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or subdivision hereof.

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 that are contemplated by the Site Lease or this Lease, or the financial condition, assets, properties or operations of the City.

(g) Essential Purpose. The Leased Property and the refunding of the City's obligation to PERS pursuant to this Lease serve an essential governmental function of the City and are in the best interests of the City.

(h) Budget. The obligations of the City under this Lease, including without limitation the obligation to make Lease Payments, are obligations that are payable from lawfully available funds of the City, including available amounts in the City's General Fund.

(i) Available Funds. The City has funds available for the payment of Lease Payments due during the current Fiscal Year and reasonably believes that sufficient funds can be obtained to make all Lease Payments and payments of other amounts required to be paid hereunder.

(j) Financial Statements. The City's audited financial statements for the period ended June 30, 2020, present fairly the financial condition of the City as of the date thereof and the results of operation for the period covered thereby. Except as has been disclosed to the Bank, there has been no change in the financial condition of the City since June 30, 2020, that will in the reasonable opinion of the City materially impair its ability to perform its obligations under this Lease Agreement.

(k) Information. All information, reports and other papers and data furnished by the City to the Bank were, at the time the same were so furnished, complete and accurate in all material respects and insofar as necessary to give the Bank a true and accurate knowledge of the subject matter and were provided in expectation of the Bank's reliance thereon in entering into the transactions contemplated by this Lease Agreement. No fact is known to the City which has had or, so far as the City can now reasonably foresee, may in the future have a Material Adverse Effect, which has not been set forth in the financial statements previously furnished to the Bank or in other such information, reports, papers and data or otherwise disclosed in writing to the Bank prior to the Closing Date. Any financial, budget and other projections furnished to the Bank by the City or its or their agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent the City's best estimate of its future financial performance. No document furnished nor any representation, warranty or other written statement made to the Bank in connection with the negotiation, preparation or execution of this Lease Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state (as of the date made or furnished) any material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were or will be made, not misleading.

(l) Leased Property. The Leased Property complies with all applicable restrictive covenants, zoning ordinances, building laws and other Applicable Laws (including without limitation, the Americans with Disabilities Act, as amended). The City is the owner in fee of title to the Leased Property. No lien or encumbrance on the Leased Property materially impairs the City's use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held.

Lease or the Assignment Agreement or the financial condition, assets, properties or operations of the Authority.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the Authority, 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 by the Authority of the Site Lease, this Lease or the Assignment Agreement, or the consummation of any transaction that is contemplated herein or therein, except as have been obtained or made and as are in full force and effect, or except as would not materially adversely affect the transactions that are contemplated hereby.

(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 Authority after reasonable investigation, threatened against or affecting the Authority or the assets, properties or operations of the Authority which, if determined adversely to the Authority or its interests, would have a material and adverse effect upon the consummation of the transactions that are contemplated by or the validity of the Site Lease, this Lease or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the Authority, and the Authority 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 that are contemplated by the Site Lease, this Lease or the Assignment Agreement or the financial condition, assets, properties or operations of the Authority.

Section 2.3 No Financial Advisory or Fiduciary Relationship.

(a) Inasmuch as this Lease represents a negotiated transaction, each of the Authority and the City understands, and hereby confirms, that the Bank is not acting as a fiduciary of the Authority or the City, but rather is acting solely in its capacity as purchaser of the Lease, for its own account. Each of Authority and the City acknowledges and agrees that: (i) the transaction that is contemplated herein is an arm's length commercial transaction among the Authority, the City and the Bank and its affiliates; (ii) in connection with such transaction, the Banks and its affiliates are acting solely as principals and not as advisors including, without limitation, "Municipal Advisors" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "**Municipal Advisor Rules**"); (iii) the Bank and its affiliates are relying on the bank exemption in the Municipal Advisor Rules; (iv) the Bank and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the Authority or the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Bank, or any affiliate thereof, has provided other services or advised, or is currently providing other services or advising the Authority or the City on other matters); (v) the Bank and its affiliates have financial and other interests that differ from those of the Authority and the City; and (vi) each of the Authority and the City has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent that it deemed appropriate.

components shall be applied by the Authority as prepayment to the remaining unpaid principal components of the Lease Payments owing hereunder and the remaining Lease Payments will be reduced on a pro rata basis.

(c) Rate on Overdue Payments. Upon the occurrence and continuation of an Event of Default hereunder, the unpaid principal portion of the Lease Payments shall bear interest at the Default Rate, to the extent such increased rate is permitted by law. The Default Rate shall remain in effect until such time as the applicable Event of Default is cured to the reasonable satisfaction of the Bank. Any unpaid interest on the Lease Payments, including Default Rate interest, shall accrue until paid.

(d) Fair Rental Value. The Lease Payments coming due and payable during each Rental Period constitute the total rental for the Leased Property for such Rental Period, and will be paid by the City in each Rental Period for and in consideration of the right of the use and occupancy, and the continued quiet use and enjoyment, of the Leased Property during each Rental Period. The parties hereto have agreed and determined that the total Lease Payments that are due in each Rental Period are not in excess of the fair rental value of the Leased Property in the corresponding Rental Period. In making this determination, consideration has been given to the estimated fair market value of the Leased Property, the replacement costs of the Leased Property, other obligations of the Authority and the City under this Lease, the uses and purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the City and the general public.

(e) Source of Payments; Budget and Appropriation. The Lease Payments are payable from any source of legally available funds of the City, subject to the provisions of Sections 6.3 and 9.1. The City covenants to take such action as may be necessary to include all Lease Payments in each of its annual budgets during the Term of this Lease and to make the necessary annual appropriations for all such Lease Payments. The covenants on the part of the City herein contained constitute duties imposed by law and it is the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Lease agreed to be carried out and performed by the City.

Section 4.5 Quiet Enjoyment. Throughout the Term of this Lease, the Authority will provide the City with quiet use and enjoyment of the Leased Property and the City will peaceably and quietly have, hold and enjoy the Leased Property, without suit, trouble or hindrance from the Authority, except as expressly set forth in this Lease. The Authority will, at the request of the City and at the City's cost, join in any legal action in which the City asserts its right to such possession and enjoyment to the extent that the Authority may lawfully do so. Notwithstanding the foregoing, the Authority has the right to inspect the Leased Property as provided in Section 7.2.

Section 4.6 Title. At all times during the Term of this Lease, the Authority shall hold leasehold title to the Leased Property, including all additions which comprise fixtures, repairs, replacements or modifications thereto, subject to Permitted Encumbrances and the provisions of Section 8.2.

Upon the termination of this Lease (other than under Section 8.2(b)), all right, title and interest of the Authority in and to the Leased Property shall be transferred to and vested in the City. Upon the payment in full of all Lease Payments allocable to the Leased Property, or upon the deposit by the City of security for such Lease Payments as provided in Section 9.1, all right, title and interest of the Authority in and to the Leased Property shall be transferred to and vested in the City. The Authority

(a) The City has certified to the Authority and the Bank that no Event of Default has occurred and is continuing.

(b) The City has filed with the Authority and the Bank, and caused to be recorded in the Office of the Kings County Recorder, sufficient memorialization of an amendment hereof which removes the Released Property from this Lease.

(c) The City has certified in writing to the Authority and the Bank that the value of the property which remains subject to this Lease following such release is at least equal to outstanding aggregate principal amount of the Lease Payments that remain unpaid as of the release date. If requested by the Bank, the City will deliver to the Bank valuations that are prepared or confirmed by an independent third party, which might include, without limitation, an appraisal or a valuation by an insurance company.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Released Property. The City is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release. The Authority and the City shall execute, deliver and cause to be recorded all documents that are required to discharge the Site Lease, this Lease and the Assignment Agreement of record against the Released Property.

ARTICLE V

MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS

Section 5.1 Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Lease, as part of the consideration for the rental of the Leased Property, all improvement, repair and maintenance of the Leased Property are the sole responsibility of the City, and the City will pay for or otherwise arrange for the payment of all utility services that are supplied to the Leased Property, 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 Leased Property resulting from ordinary wear and tear or want of care on the part of the City or any assignee or sublessee thereof on the part of the City or any assignee. In exchange for the Lease Payments, the Authority agrees to provide only the Leased Property, as hereinbefore more specifically set forth. The City waives the benefits of Sections 1932(1), 1932(2), 1933(4), 1941 and 1942 of the California Civil Code, but such waiver does not limit any of the rights of the City under the terms of this Lease.

The City shall not use, operate, or maintain the Leased Property (or cause the Leased Property to be used, operated or maintained) improperly, carelessly, in violation of any applicable laws or in a manner which is contrary to that contemplated hereby. The City shall provide all permits and licenses, if any, which are necessary for the Leased Property. In addition, the City agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative, or judicial body, including, without limitation, all anti-money laundering laws and regulations; provided that the City may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of the Authority, adversely affect the interest of the Authority in and to the Leased Property or its interest or rights hereunder.

The City will pay or cause to be paid all taxes and assessments of any type or nature, if any, that are charged to the Authority or the City which affect the Leased Property or the respective interests

Section 5.4 Property Insurance; Flood Coverage.

(a) Requirement to Maintain Property Insurance. The City will procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, property insurance against loss or damage to the Facilities by fire and lightning, with extended coverage insurance, vandalism and malicious mischief insurance and sprinkler system leakage insurance. Said extended coverage insurance shall cover loss or damage by fire, explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, including earthquake coverage if such coverage is available at commercially reasonable cost from a reputable insurer in the reasonable determination of the City. Such insurance shall be in an amount at least equal to the greater of: (i) the replacement value of the insured Facilities; or (ii) the aggregate unpaid principal components of the Lease Payments, and may be subject to such deductibles as the City deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage that is carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers authority or other program of pooled insurance. The City will apply the Net Proceeds of such insurance as provided in Article VI.

(b) Flood Insurance. If at any time and for so long as the Leased Property is located in a 100 year flood area as shown on a Flood Insurance Rate Map published by the Federal Emergency Management Agency, the policy or policies of property insurance that are provided under this Section 5.4 shall include insurance against loss or damage to the Facilities due to flooding. If the City obtains an exception or waiver to the designation of the Facilities as being within a 100 year flood area from the Federal Emergency Management Agency, the City shall not be required to provide flood insurance as set forth in this subsection (b).

(c) Federal or State Disaster Aid. Should the Facilities be damaged or destroyed as a result of an event for which federal or State of California disaster aid is available, the Authority and/or the City shall promptly apply for disaster aid. Any disaster aid proceeds which are received shall be used to repair, reconstruct, restore or replace the damaged or destroyed portions of the Facilities, or, at the option of the City and the Authority, to prepay the Lease Payments if permitted under the disaster aid program and the law.

(d) Self-Insurance. As an alternative to providing the insurance required by this Section, the City may provide a self-insurance method or plan of protection if and to the extent that such self-insurance method or plan of protection: (i) affords reasonable coverage for the risks that are required to be insured against, in light of all circumstances, giving consideration to cost, availability and similar plans or methods of protection adopted by public entities in the State of California other than the City; and (ii) has been approved in writing by the Bank. After the Closing Date and before a different self-insurance method or plan may be provided by the City, there shall be filed with the Authority and the Bank a certificate of an actuary, insurance consultant or other qualified person (who may be an employee of the City), stating that, in the opinion of the signer, the substitute method or plan of protection is in accordance with the requirements of this Section and, when effective, would afford reasonable coverage for the risks that are required to be insured against and is sufficiently funded to afford such coverage. There shall also be filed a certificate of the City which sets forth the details of such substitute method or plan. In the event of a loss that is covered by any such self-insurance method, the liability of the City hereunder shall be limited to the amounts in the self-insurance reserve fund or funds created under such method.

unpaid portion of the purchase price thereof, provided that no such lien or security interest may attach to any part of the Leased Property.

Section 5.10 Liens. The City will not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, other than Permitted Encumbrances and such other encumbrances as the City certifies in writing to the Authority do not materially and adversely affect the leasehold estate in the Leased Property hereunder and which the Bank approves in writing, which approval may not be unreasonably withheld or delayed. Except as expressly provided in this Article V, the City will promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The City will reimburse the Authority for any expense that is incurred by the Authority in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 5.11 Advances. If the City fails to perform any of its obligations under this Article V, the Authority may take such action as may be necessary to cure such failure, including the advancement of money, and the City shall be obligated to repay all such advances as Additional Payments hereunder, with interest at the Default Rate.

ARTICLE VI

DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF PROCEEDS; ABATEMENT OF LEASE PAYMENTS

Section 6.1 Deposit of Net Proceeds. The Net Proceeds of any taking of the Leased Property or any portion thereof in eminent domain proceedings, and the Net Proceeds of any policy of insurance that is maintained under Sections 5.4, shall be paid to the City to be applied as set forth in Section 6.2. The Net Proceeds of any policy of insurance that is maintained under Section 5.5 shall be paid to the City to be applied as set forth in Section 5.5.

Section 6.2 Application of Net Proceeds. If the Leased Property is taken in eminent domain proceedings at any time during the Term of this Lease, or if the Leased Property is damaged because of an insured casualty which is covered by a policy of insurance or a program of self-insurance that is maintained under Section 5.4, the City shall as soon as practicable after such event, with the prior written consent of the Bank, apply the Net Proceeds resulting therefrom to one of the following:

- (a) repair the Leased Property to full use;
- (b) replace the Leased Property, at the City's sole cost and expense, with property of equal or greater value to the Leased Property immediately prior to the time of such destruction or damage, such replacement Leased Property to be subject to the Bank's reasonable approval, whereupon such replacement shall be substituted in this Lease by appropriate endorsement;
- (c) substitute additional property as provided in Section 4.7; or
- (d) prepay the Lease Payments in accordance with Section 9.3.

The City will notify the Authority and the Bank of which course of action it has elected to take within a reasonable time not to exceed 60 days after the occurrence of such eminent domain

consideration for the use and occupancy of the remaining usable portions of the affected Leased Property. The abatement period shall end upon the earlier of restoration of beneficial use and enjoyment to the City of the Leased Property, replacement or substitution thereof or prepayment of Lease Payments as provided herein. The City shall apply Net Proceeds in accordance with Sections 6.2 and 6.3.

ARTICLE VII

OTHER COVENANTS OF THE CITY

Section 7.1 Disclaimer of Warranties. THE AUTHORITY MAKES NO AGREEMENT, 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 THAT IS CONTEMPLATED BY THE CITY OF THE LEASED PROPERTY OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY OR ANY PORTION THEREOF. THE CITY ACKNOWLEDGES THAT THE AUTHORITY IS NOT A MANUFACTURER OF ANY PORTION OF THE LEASED PROPERTY OR A DEALER THEREIN AND THAT THE CITY LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE CITY. In no event will the Authority be liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease for the existence, furnishing, functioning or use of the Leased Property by the City.

Section 7.2 Access to the Leased Property. The City agrees that the Authority, and the Authority's successors or assigns, have the right at all reasonable times, following at least 48 hours written notice provided to the City, to enter upon and to examine and inspect the Leased Property or any part thereof. The City further agrees that the Authority, and the Authority's successors or assigns, shall have such rights of access to the Leased Property or any component thereof, following at least 48 hours written notice provided to the City, as may be reasonably necessary to cause the proper maintenance of the Leased Property if the City fails to perform its obligations hereunder. Neither the City nor any of its assigns has any obligation to cause such proper maintenance.

Section 7.3 Release and Indemnification Covenants. The City hereby agrees, to the extent not prohibited by applicable law, to indemnify and defend the Authority, the Bank and their respective directors, officers, employees, agents, successors and assigns 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 Leased Property by the City; (b) any breach or default on the part of the City in the performance of any of its obligations under this Lease; (c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Leased Property; (d) any intentional misconduct or negligence of any sublessee of the City with respect to the Leased Property; (e) the acquisition, construction, improvement and equipping of the Leased Property; (f) the generation, use, presence, storage, disposal, abatement, management or clean-up of, or exposure to, any Hazardous Substances or toxic wastes at, on, in or from the Leased Property; or (g) the City's failure to comply with any Applicable Environmental Laws with respect to the Leased Property; provided, however, that in no event may such payments result in Lease Payments in any Rental Period which exceed the fair rental value of the Leased Property in such Rental Period. No indemnification is made under this Section or elsewhere in this Lease for willful misconduct or gross negligence under this Lease by the Authority, the Bank or their respective officers, agents, employees, successors or assigns.

- (a) This Lease and the obligation of the City to make Lease Payments hereunder shall remain obligations of the City.
- (b) The City shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Authority and the Bank a true and complete copy of such sublease.
- (c) Any sublease shall be expressly subject and subordinate to this Lease.
- (d) No such sublease by the City may cause the Leased Property to be used for a purpose other than an essential government function and as may be authorized under the provisions of the laws of the State of California.

Section 7.6 Amendment Hereof. This Lease may be amended by a written amendment that is executed by the parties hereto with the prior written consent of the Bank.

Section 7.7 Notification of Material Adverse Effect. The City shall timely inform the Bank of any Material Adverse Effect upon learning of the existence of such an effect.

Section 7.8 Environmental Covenants.

- (a) Compliance with Laws; No Hazardous Substances. The City will comply with all Applicable Environmental Laws with respect to the Leased Property and will not allow the presence of, or otherwise use, store, generate, treat, transport or dispose of any Hazardous Substance thereon except: (i) in strict compliance with all Applicable Environmental Laws; and (ii) in a manner that would not cause any Hazardous Substance to flow, migrate, leak, leach, be released at or otherwise come to rest on or in the Leased Property.
- (b) Notification of Bank. The City will transmit copies of all notices, orders or statements received from any governmental entity or any third party concerning violations or asserted violations of Applicable Environmental Laws with respect to the Leased Property and any operations conducted thereon or any conditions existing thereon to the Bank, and the City will notify the Bank in writing immediately of any release, discharge, spill or deposit of any Hazardous Substances that has occurred or is occurring that in any way affects or threatens to affect the Leased Property, or the people, structures, or other property thereon, provided that no such notifications shall create any liability or obligation on the part of the Bank.
- (c) Access for Inspection. Subject to the notice requirements that are applicable to the Authority as set forth in Section 7.2, the City shall permit the Bank, its agents, or any experts designated by the Bank to have full access to the Leased Property during reasonable business hours for purposes of such independent investigation of compliance with all Applicable Environmental Laws, provided that the Bank has no obligation to do so, or any liability for any failure to do so, or any liability should it do so.

Section 7.9 Financial Statements; Budgets. Within 270 days following the end of each Fiscal Year of the City during the Term of this Lease, the City shall provide the Bank with: (i) a copy of its audited financial statements for such Fiscal Year; and (ii) a certification that the City is not aware of any default or Event of Default hereunder or otherwise in connection with this Lease. Such audited financial statements shall include a balance sheet, a statement of revenues, expenses and changes in fund balances for budget and actual, a statement of cash flows, notes, schedules and any attachments

provided that no termination of this Lease shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. Upon the occurrence and during the continuance of any Event of Default, the Authority may exercise any one or more of the following remedies:

(a) Enforcement of Payments Without Termination. If the Authority does not elect to terminate this Lease in the manner hereinafter provided for in subparagraph (b), the City agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein, and the Authority may take whatever action at law or in equity that may appear necessary or desirable to collect each Lease Payment as it becomes due hereunder. The City shall reimburse the Authority for any deficiency arising out of the re-leasing of the Leased Property, or, if the Authority is unable to re-lease the Leased Property, then for the full amount of all Lease Payments to the end of the Term of this Lease, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Leased Property or the exercise of any other remedy by the Authority. The City hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the City to enter upon and re-lease the Leased Property upon the occurrence and continuation of an Event of Default, to remove all personal property whatsoever situated upon the Leased Property and to place such property in storage or other suitable place located in the County of Kings for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Leased Property and the removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein. The City agrees that the terms of this Lease constitute full and sufficient notice of the right of the Authority to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Lease, and further agrees that no acts of the Authority in effecting such re-leasing shall constitute a surrender or termination of this Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the City, the right to terminate this Lease shall vest in the Authority to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (b). The City agrees to surrender and quit possession of the Leased Property upon demand of the Authority for the purpose of enabling the Leased Property to be re-let under this paragraph. Any rental obtained by the Authority in excess of all Lease Payments and Additional Payments due hereunder shall be paid to the City.

(b) Termination of Lease. If an Event of Default occurs and is continuing hereunder, the Authority at its option may terminate this Lease and re-lease all or any portion of the Leased Property. If the Authority terminates this Lease at its option and in the manner that is provided herein because of a default by the City (and notwithstanding any re-entry upon the Leased Property by the Authority in any manner whatsoever or the re-leasing of the Leased Property), the City nevertheless agrees to pay to the Authority all costs, loss or damages howsoever arising or occurring that are payable at the same time and in the same manner as is provided herein in the case of payment of Lease Payments and Additional Payments. Any surplus received by the Authority from such re-leasing shall be applied by the Authority to Lease Payments due under this Lease and, upon full payment of all Lease Payments and Additional Payments due hereunder, any such surplus shall be paid to the City as stated in paragraph (a) hereof. Neither notice to pay rent or to deliver up possession of the premises given under law nor any proceeding in unlawful detainer taken by the Authority shall of itself operate to terminate this Lease, and no termination of this Lease on account of default by the City shall be or become effective by operation of law, or otherwise, unless and until the Authority shall have given written

pay such Lease Payments, when due under Section 4.4 or when due on any optional prepayment date under Section 9.2 as the City instructs at the time of said deposit. If the City posts a security deposit under this Section with respect to all unpaid Lease Payments, and notwithstanding the provisions of Section 4.3: (i) the Term of this Lease will continue; (ii) all obligations of the City under this Lease, and all security provided by this Lease for said obligations, will thereupon cease and terminate, excepting only the obligation of the City to make, or cause to be made, all of the Lease Payments from such security deposit and its obligation provided in the next succeeding paragraph; and (iii) the Authority's leasehold interest in the Leased Property will terminate on the date of said deposit automatically and without further action by the City or the Authority. The City hereby grants a first priority security interest in and the lien on said security deposit and all proceeds thereof in favor of the Bank. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of Lease Payments in accordance with the provisions of this Lease.

Notwithstanding anything in this Lease to the contrary, if the amount held in such security deposit shall at any time be insufficient (for whatever reason) to pay Lease Payments when due in full as provided in clause (a) or (b), as applicable, of the first paragraph of this Section, the City shall immediately pay to the Bank on the applicable due date or due dates the amount of any such shortfall from funds legally available for such purpose.

Section 9.2 Optional Prepayment.

(a) The Lease Payments are subject to optional prepayment prior to maturity on any Lease Payment Date, in whole or in part, in a manner determined by the City and specified to the Authority in writing by the City, at a prepayment price equal to the following prepayment prices plus accrued interest to the date fixed for redemption:

<u>Prepayment Period</u> <u>(Both Dates Inclusive)</u>	<u>Redemption Price</u>
Through April 1, 2024	103%
October 1, 2024 and April 1, 2025	102%
October 1, 2025 through April 1, 2027	101%
October 1, 2027 and thereafter	100%

(b) In order to optionally prepay the Lease Payments in accordance with section (a) above, the City shall, at least thirty (30) days prior to the date for prepayment, notify the Bank in writing of its intention to so prepay the Lease Payments.

Section 9.3 Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain.

The City may prepay the unpaid principal components of the Lease Payments in whole or in part on any date, from and to the extent of any Net Proceeds to be used for such purpose under Sections 5.4 and 6.2, and shall so prepay to the extent the City does not elect to act under Section 6.2(a), (b) or (c) above, by paying a prepayment price equal to the principal components of the Lease Payments to be prepaid, together with the interest accrued to such prepayment date, without premium. The City shall give the Authority notice of its intention to exercise its option to prepay the Lease Payments under this Section not less than 60 days in advance of the date of exercise, or such shorter period of time as is acceptable to the Authority and the Bank.

Section 10.7 Applicable Law. This Lease is governed by and construed in accordance with the laws of the State of California.

Section 10.8 Captions. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease.

Section 10.9 No Merger. It is the express intention of the Authority and the City that this Lease and the obligations of the parties hereunder are separate and distinct from the Site Lease and the obligations of the parties thereunder, and that during the term of the Site Lease and this Lease no merger of title or interest may occur or be deemed to occur as a result of the respective positions of the Authority and the City thereunder and hereunder.

Section 10.10 Third Party Beneficiary. The Bank is made a beneficiary hereunder with all rights of a third party beneficiary.

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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 _____

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

All that certain real property situated in the City of Corcoran, County of Kings, State of California, more particularly described as follows:

[TO COME]

APN: _____

APPENDIX C

FORM OF INVESTOR LETTER

City of Corcoran
832 Whitley Avenue
Corcoran, California 93212
Attn: City Manager

Corcoran Joint Power Finance Authority_
832 Whitley Avenue
Corcoran, California 93212
Attn: Executive Director

Re: City of Corcoran 2022 Lease Agreement (Taxable Pension Liability Refunding)

The undersigned, a duly authorized representative of _____, and its successors, assigns and transferees (the “**Purchaser**”), hereby certifies to the City of Corcoran (the “**City**”) and the Corcoran Joint Powers Finance Authority (the “**Authority**”), as follows:

(i) The Purchaser has purchased on the date hereof all of the Authority’s right, title and interest in the Lease Agreement, dated as of January 1, 2022 (the “**Lease**”), by and between the City and the Authority, which Lease Agreement evidences payments in the aggregate principal amount of \$_____. Capitalized terms that are used herein and not defined have the meanings that are set forth in the Lease.

(ii) The Lease is being acquired by the Purchaser for its own loan account and not with a present intent for any resale or distribution thereof, in whole or in part, to others; provided, however, that the Purchaser shall not be precluded from transferring, participating or assigning its interest in the Lease in accordance with the terms and conditions set forth in Section 7.4 of the Lease. The Purchaser agrees that it is bound by and will abide by such provisions of the Lease relating to transfer and this letter. The Purchaser also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Lease by the Purchaser. The Purchaser is not participating, directly or indirectly, in a distribution of the Lease and will not take, or cause to be taken, any action that would cause the Purchaser to be deemed an “underwriter” of such Lease as defined in Section 2(11) of the Securities Act of 1933, as amended (the “**Securities Act**”). The Purchaser understands that it may need to bear the risks of the Lease for an indefinite period of time, since a sale of the Lease, or any portion thereof, prior to maturity may not be possible. The Purchaser understands that the City has no obligation to register the Lease for resale under the Securities Act or otherwise qualify the Lease for sale under the “Blue Sky” laws and regulations of any state. The Purchaser further understands that the Lease is being sold in a transaction that is exempt from the registration requirements of the Securities Act. The Purchaser acknowledges that: (i) the City will not be entering into a continuing disclosure undertaking pursuant to Section 15c2-12 of the Securities Exchange Act of 1934, as amended; provided, however, that the City has agreed to provide certain ongoing information to the Purchaser; (ii) the Lease has not been rated by any credit rating agency; and (iii) neither the City nor the Authority has provided any offering or other disclosure document with respect to the Lease.

(xii) The Purchaser acknowledges and agrees that the City and the Authority take no responsibility for, and make no representation to the Purchaser, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Lease in violation of the provisions hereof, or any securities law or income tax law consequences thereof. The Purchaser also acknowledges that, with respect to the Purchaser's obligations and liabilities, the Purchaser is solely responsible for compliance with the sales restrictions on the Lease in connection with any subsequent transfer of the Lease made by the Purchaser.

(xiii) The Purchaser acknowledges that the sale of the Lease to the Purchaser is made in reliance upon the certifications, representations and warranties herein by the addressees hereto.

(xiv) The interpretation of the provisions hereof shall be governed and construed in accordance with California law without regard to principles of conflicts of laws.

Dated: _____, as Purchaser

By: _____
Name:
Title:

RECORDING REQUESTED BY:)
 City of Corcoran)
)
AND WHEN RECORDED MAIL TO:)
 Stradling Yocca Carlson & Rauth)
 660 Newport Center Drive, Suite 1600)
 Newport Beach, California 92660)
 Attn: Reed Glycer, Esq.)

SPACE ABOVE FOR RECORDER'S USE ONLY

ASSIGNMENT AGREEMENT

This ASSIGNMENT AGREEMENT, dated as of January 1, 2022 (this “Assignment”), is entered into by and between the CORCORAN JOINT POWERS FINANCE AUTHORITY, a joint exercise of powers entity that is organized and existing under and by virtue of the laws of the State of California (the “Authority”), and FIRST FOUNDATION PUBLIC FINANCE, a _____ that is organized and existing under the laws of the United States, including its successors and assigns (the “Bank”).

RECITALS

- A. The City of Corcoran (the “City”) and the Authority desire to refund all or a portion of the City’s obligation to the California Public Employees’ Retirement System (“PERS”).
- B. In order to refund the obligation to PERS, the City will lease certain real property and the improvements located thereon (the “Property”) to the Authority pursuant to a Site Lease, dated as of the date hereof (the “Site Lease”), and the City will sublease the Property back from the Authority pursuant to a Lease Agreement, dated as of the date hereof (the “Lease Agreement”).
- C. The Property is more particularly described in Exhibit A.
- D. Under the Lease Agreement, the City is obligated to make Lease Payments (as such term is defined in the Lease Agreement) to the Authority.
- E. The Authority desires to assign without recourse certain of its rights in the Site Lease and the Lease Agreement, including its right to receive the Lease Payments, to the Bank in consideration for the Bank’s delivery of funds to refund the obligation to PERS.
- F. All acts, conditions and things that are required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Assignment Agreement;

In consideration of the premises and of the mutual agreements and covenants herein and for other valuable consideration, the parties hereto do hereby agree as follows:

Section 1. Assignment. The Authority, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign and transfer to the Bank, irrevocably and absolutely,

IN WITNESS WHEREOF, the parties have executed this Assignment Agreement by their duly authorized officers as of the day and year first written above.

CORCORAN JOINT POWERS FINANCE
AUTHORITY

By: _____

Executive Director

[SIGNATURES CONTINUED ON NEXT PAGE.]

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 _____

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

All that certain real property situated in the City of Corcoran, County of Kings, State of California, more particularly described as follows:

[TO COME]

APN: _____

City of

CORCORAN

A MUNICIPAL CORPORATION

FOUNDED 1914

MATTERS FOR MAYOR AND COUNCIL

ITEM #: 8

MEMORANDUM

MEETING DATE: January 11, 2022
TO: Corcoran City Council
FROM: Greg Gatzka, City Manager
SUBJECT: Matters for Mayor and Council

UPCOMING EVENTS / MEETINGS

- January 25, 2022 (Tuesday) City Council Meeting – 5:30 PM
- January 17, 2021 (Monday) City Offices Closed in Observance of Martin Luther King Jr. Day
- February 8, 2022 (Tuesday) City Council Meeting – 5:30 PM
- February 22, 2022 (Tuesday) City Council Meeting – 5:30 PM

- A. City Manager's Report:
- B. Council Comments – *This is the time for council members to comment on matters of interest.*
 - 1. Staff Referral Items
- C. Committee Reports
 - 1. Kings Waste and Recycling Agency (KWRA)
 - 2. Kings County Association of Governments (KCAG)
 - 3. Kings Community Action Organization

City Offices



**COUNCIL REQUESTS OR REFERRAL ITEMS
PENDING FURTHER ACTION or RESOLUTION BY STAFF**

DATE Sent to Council/ Request made	REQUEST	STATUS	DEPARTMENT RESPONSIBLE Dept/Division
01/20/21	Staff has been in contact with several members of the Corcoran Cemetery District Board. Effort is being made to coordinate a time for the requested meeting.	In progress	City Manager
09/06/20	Council requested informal meeting with two members of the Corcoran Cemetery District Board.		
06/13/20	Council directed Staff to begin preparing a public nuisance ordinance.	In progress	Community Development/Police Department
03/12/19	Council requested that Staff prepare ordinance specifically prohibiting smoking in public parks. It was recommended that the City also consider an ordinance prohibiting dogs in public parks.	In progress	Community Development