



CITY COUNCIL REGULAR MEETING AGENDA

Wednesday, June 11, 2025 at 6:00 PM

Kerman City Hall, 850 S. Madera Avenue, Kerman, CA 93630

LEVINE ACT DISCLOSURE. Pursuant to the Levine Act (Govt Code Section 84308), any party to a permit, license, contract, or other entitlement before the City Council is required to disclose on the record any campaign contribution, including aggregated contributions, of more than \$500 made by the party or the party's agents within the preceding 12 months to any City official. Participants and agents are requested to make this disclosure as well. The disclosure should be made when the agenda item is called and must include the name of the party, participant, or agent, and any other person making the contribution, the name of the recipient, the amount of the contribution, and the date the contribution was made. Council Members are also required to make such disclosures and recuse themselves.

CONFLICT OF INTEREST. City Council Members with a conflict of interest under the Political Reform Act are required to make disclosure of financial interest when the item is called and recuse themselves.

TELECONFERENCED MEETING. Council Member Herrera will attend the meeting via teleconference.

Teleconference Location: Hampton Inn El Centro, 598 E. Wake Avenue, El Centro, CA 92243

This agenda will be posted at the teleconference location and members of the public may address the Council from the teleconference location.

1. OPENING CEREMONIES

- A. Call to Order
- B. Roll Call
- C. Invocation
- D. Flag Salute

2. AGENDA APPROVAL/ADDITIONS/DELETIONS

To accommodate members of the public or convenience in the order of presentation, items on the agenda may not be presented or acted upon in the order listed.

3. PRESENTATIONS/CEREMONIAL MATTERS

- A. Proclamation - Small Cities Month

4. **PUBLIC FORUM** (for matters not on agenda)

This portion of the meeting is reserved for members of the public to address the Council on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the Council. Speakers shall be limited to three minutes. It is requested that no comments be made during this period on items on the Agenda. Members of the public wishing to address the Council on items on the Agenda should notify the Mayor when that Agenda item is called, and the Mayor will recognize your discussion at that time. It should be noted that the Council is prohibited by law from taking any action on matters discussed that are not on the Agenda. Speakers are asked to please use the microphone, and provide their name and address.

5. **CONSENT CALENDAR**

Matters listed under the Consent Calendar are considered routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, a member of the audience or a Council Member may request an item be removed from the Consent Calendar and it will be considered separately.

A. **SUBJECT:** Minutes - May 28, 2025

RECOMMENDATION: Council approve minutes as presented.

B. **SUBJECT:** Warrants (JA)

1. Nos.32112-32086 \$350,558.99 ACH \$287,711.58.

RECOMMENDATION: Council approve warrants and electronic bank transfers as presented.
(Pursuant to Government Code 37208)

C. **SUBJECT:** Payroll (JA)

5/11/25 to 5/24/25: \$239,908.27; Retro Pay & Other: \$0.00; Overtime: \$8,460.18; Holiday: \$0.00; Standby: \$1,977.99; Comp Time Earned: 49.50

RECOMMENDATION: Council approve payroll as presented.

D. **SUBJECT:** Contract with Spectrum Energy Solutions for Solar Performance Analysis and Optimization (JAJ)

RECOMMENDATION: Council by motion adopt resolution approving contract with Spectrum Energy Solutions in the amount of \$8,500 for Solar Performance Analysis/Optimization.

6. **PUBLIC HEARINGS**

None.

7. DEPARTMENT REPORTS

- A. **SUBJECT:** Adoption of Fiscal Year 2025/2026 Budget, Amending Fiscal Year 2024/2025 Budget, Establishing Appropriations Limit for Fiscal Year 2025/2026 and Authorizing Number of Employee Positions and Titles (JA)

RECOMMENDATION: Council by motion adopt the following:

1. Resolution approving the City of Kerman Fiscal Year 2025/2026 Operating and Capital Budgets and amending the Fiscal Year 2024/2025 budget; and
2. Resolution establishing the Appropriations Limit for Fiscal year 2025/2026; and
3. Resolution authorizing number of employee positions and titles.

- B. **SUBJECT:** Resolution Adopting the Fiscal Year 2025/2026 Kerman Public Finance Authority Budget (JA)

RECOMMENDATION: Council by motion approve resolution adopting Fiscal year 2025/2026 Kerman Public Finance Authority Budget.

- C. **SUBJECT:** Approval of Common Use of Easement with Fresno Irrigation District for Vesting Tentative Tract No. 6447 (JG)

RECOMMENDATION: Council by motion adopt resolution approving the Common Use of Easement Agreement with Fresno Irrigation District for Tract No. 6447 and authorizing the City Manager to sign the agreements.

- D. **SUBJECT:** Resolution Initiating Proceedings to Review Improvements and Establish Assessments, Pursuant to the Landscaping and Lighting Act of 1972, for the Annexation of Tract 6447 into Landscape and Lighting District No. 1, to Review the Improvements and Establish Assessments for Fiscal Year 2025-26 and to Set a Public Hearing (JG)

RECOMMENDATION: Council by motion adopt the resolution to initiate proceedings pursuant to the Landscaping and Lighting Act of 1972 for the annexation of Tract 6447 into Landscape and Lighting District No. 1, to review the improvements and establish assessments for Fiscal Year 2025-2026 (FY25-26), and to set a public hearing for a future date.

- E. **SUBJECT:** Consideration of Monthly Stipend for Members of the City Recreation Commission (JAJ)

RECOMMENDATION: Council by motion consider whether to adopt a resolution establishing a stipend per meeting for members of the Parks, Recreation, and Community Services Commission and to determine the amount of such stipend.

8. CITY MANAGER/STAFF COMMUNICATIONS

9. MAYOR/COUNCIL REPORTS/ANNOUNCEMENTS/FUTURE AGENDA ITEMS

(This portion of the meeting is reserved for the Mayor and Council Members (i) to make brief reports on boards, committees, and other public agencies, and at public events, (ii) to request updates, (iii) to initiate future agenda items at the request of a Council Member, and (iv) to take action on matters initiated under this section of the agenda items. Under this section the Council may take action only on items specifically agendaized and which meet other requirements for action.)

10. CLOSED SESSION

None.

11. ADJOURNMENT

NOTICE OF AVAILABILITY OF AGENDA MATERIALS: Any writings or documents provided to a majority of the City Council within 72 hours of the meeting regarding any item on this agenda will be made available for public inspection at the City Clerk's Office located at 850 S. Madera Ave., Kerman, CA 93630 and on the City website at www.cityofkerman.net.

ADA Compliance and Reasonable Accommodation. The Council has adopted a Reasonable Accommodation Policy, which is available on the City website at www.cityofkerman.net or upon request by emailing the City Clerk at publicmeeting@cityofkerman.org or calling (559) 550-1414. The Policy provides a procedure for receiving and resolving requests for accommodation to participate in this meeting. If you need assistance in order to attend this Council meeting or require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the Council, please contact the City Clerk at (559) 550-1414 or email at publicmeeting@cityofkerman.org so such aids or services can be arranged. Accommodations should be requested as early as possible as additional time may be required in order to provide the requested accommodation. The meeting room is accessible to persons with physical disabilities.

AGENDA POSTING CERTIFICATION

I, Dalia Santana-Zamudio, Deputy Clerk for the City of Kerman, do hereby declare under penalty of perjury that I caused the above agenda to be posted at City of Kerman Council Chambers at 850 S. Madera Ave., Kerman, CA 93630 and on the City website at www.cityofkerman.net.

Date: June 6, 2025 /s/ Dalia Santana-Zamudio, Deputy Clerk



SMALL CITIES MONTH

WHEREAS, small cities and towns under 50,000 population are home to millions of Americans and constitute the vast majority of municipalities across the United States; and

WHEREAS, small cities and towns strive to strengthen their communities through the provision of services and programs to improve the quality of life for all citizens; and

WHEREAS, the federal government is an essential partner in the success of small cities and towns, and must be encouraged to continue to support programs and legislation that strengthen small communities; and

WHEREAS, state governments are partners in the success of small cities and towns, and must be encouraged to continue to support key programs and legislation that strengthen communities; and

WHEREAS, organizations, businesses, and citizens are partners in the success of small cities and towns, and must be encouraged to continue to grow their efforts to make small communities a viable choice for people to live in; and

WHEREAS, during these challenging economic times, the need for a renewed intergovernmental partnership to support essential public services is more important than ever to ensure the safety and growth of small town America; and

WHEREAS, the National League of Cities President and the Small Cities Council of the National League of Cities have declared June 2025 as Small Cities Month;

NOW THEREFORE, BE IT PROCLAIMED, that the City Council of the City of Kerman declares June 2025, as Small Cities Month, and encourages President Trump, Congress, state governments, organizations, businesses, and all citizens to recognize this event, and to work together this month and throughout the year to invest in small cities and towns to better the lives of all citizens.

I have hereunto set my hand and caused the Official Seal of the City of Kerman to be affixed on this 11th day of June 2025.

Maria Pacheco
Mayor



CITY COUNCIL REGULAR MEETING MINUTES

Wednesday, May 28, 2025 at 6:00 PM

Kerman City Hall, 850 S. Madera Avenue, Kerman, CA 93630

1. OPENING CEREMONIES

- A. Call to Order - **6:00 p.m.**
- B. Roll Call - **All present.**
- C. Invocation - **A moment of silence was observed.**
- D. Flag Salute - **Performed.**

2. AGENDA APPROVAL/ADDITIONS/DELETIONS

Motion made by Mayor Pro Tem Yep to move Item 7.A after Item 7.C and Seconded by Councilmember Herrera.

Ayes: Yep, Herrera, Hall, Dhaliwal, Pacheco

Noes: None

Abstain: None

Absent: None

Motion passes 5-0-0-0

3. PRESENTATIONS/CEREMONIAL MATTERS - None.

4. PUBLIC FORUM - None.

5. CONSENT CALENDAR

- A. **SUBJECT:** Minutes - May 14, 2025

RECOMMENDATION: Council approve minutes as presented.

- B. **SUBJECT:** Warrants (JA)

1. Nos.31880-32062 \$1,977,262.35 ACH \$71,665.06.

RECOMMENDATION: Council approve warrants and electronic bank transfers as presented.
(Pursuant to Government Code 37208)

- C. **SUBJECT:** Payroll (JA)

4/13/25 to 4/26/25: \$249,843.53; Retro Pay & Other: \$1,067.23; Overtime: \$9,349.85;
Standby: \$1,682.03; Comp Time Earned: 36

4/27/25 to 5/10/25: \$247,192.69; Retro Pay & Other: \$12,671.05; Overtime: \$8,835.90;
Standby: \$2,248.65; Comp Time Earned: 88.88

RECOMMENDATION: Council approve payroll as presented.

D. **SUBJECT:** Monthly Investment Report

RECOMMENDATION: Council accept monthly investment report as presented.

E. **SUBJECT:** Resolution Initiating Proceedings for the Annual Levy of Assessments for Landscape and Lighting District No. 1 (JG)

RECOMMENDATION: Council by motion adopt the resolution to initiate proceedings for the annual levy of assessments for Landscape and Lighting District No. 1. - **Res. 25-30**

Motion made by Councilmember Herrera and Seconded by Councilmember Hall

Ayes: Herrera, Hall, Yep, Dhaliwal, Pacheco

Noes: None

Abstain: None

Absent: None

Motion passes 5-0-0-0

6. **PUBLIC HEARINGS - None.**

7. **DEPARTMENT REPORTS**

A. **SUBJECT:** Budget Workshop Fiscal Year 2025/2026 (JA)

RECOMMENDATION: Council to review and consider proposed draft of City of Kerman Fiscal Year 2025/2026 Operating and Capital Budgets and provide comments. - **Item 7.A presented after Item 7.C**

B. **SUBJECT:** Request from Kerman Chamber of Commerce for Donation Toward July 3rd Sky Diving Exhibition (JAJ)

RECOMMENDATION: That Council consider a contribution in an amount up to \$1,000 to the Kerman Chamber of Commerce for its annual July 3rd fireworks show and community event. - **Res. 25-31**

Denise Baronian, Executive Director Chamber of Commerce

Motion to contribute an additional \$1,500 toward event made by Councilmember Dhaliwal and Seconded by Councilmember Herrera

Ayes: Dhaliwal, Herrera, Hall, Yep, Pacheco
Noes: None
Abstain: None
Absent: None
Motion passes 5-0-0-0

C. **SUBJECT:** Harvest Festival Parade (JAJ)

RECOMMENDATION: Council receive an update about proposed changes to 2025 Harvest Festival parade route, with possible direction to Staff.

Jason Royal, Chamber of Commerce Board Member

Motion made to accept the suggested changes by Councilmember Herrera and Seconded by Councilmember Dhaliwal
Ayes: Herrera, Dhaliwal, Hall, Yep, Pacheco
Noes: None
Abstain: None
Absent: None
Motion passes 5-0-0-0

8. CITY MANAGER/STAFF COMMUNICATIONS

9. MAYOR/COUNCIL REPORTS/ANNOUNCEMENTS/FUTURE AGENDA ITEMS

- Item discussing types of trees to be planted going forward
- Bring back previously tabled item discussing Rec Commission compensation since Councilmember Dhaliwal was absent.
- City Manager to provide Council a memo with construction updates on Madera Ave (145) and Whitesbridge Ave. (180)

10. CLOSED SESSION - None.

11. ADJOURNMENT - 7:35 p.m.

MINUTES CERTIFICATION

I, Josie Camacho, City Clerk for the City of Kerman, do hereby declare under penalty of perjury that the above minutes are a true depiction of all actions taken at the City Council meeting held on the first date above written at Kerman City Hall, 850 S. Madera Ave, Kerman, CA.

Date: May 29, 2025 /s/ Josie Camacho, City Clerk

Accounts Payable

Checks by Date - Summary by Check Date

User: VSandoval
 Printed: 6/3/2025 7:57 AM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
ACH	10147	EMPLOYMENT DEVELOPMENT DEPA	05/16/2025	10,158.76
ACH	10517	FEDERAL TAXES PAYROLL	05/16/2025	60,673.48
ACH	10518	KERMAN POLICE OFFICERS ASSN	05/16/2025	962.50
ACH	10519	KERMAN MUNICIPAL EMPLOYEES AS	05/16/2025	255.00
ACH	10520	ICMA-RC	05/16/2025	4,615.08
Total for 5/16/2025:				76,664.82
32112	11493	24 / 7 PET VETS	05/21/2025	236.00
32113	10040	AT&T MOBILITY	05/21/2025	2,030.44
32114	11917	BLAIS & ASSOCIATES LLC	05/21/2025	2,559.00
32115	10054	BLUE SHIELD OF CALIFORNIA	05/21/2025	62,195.50
32116	10062	BSN SPORTS	05/21/2025	444.40
32117	10617	C A REDING CO INC	05/21/2025	61.96
32118	10078	CALIFORNIA STATE DISBURSEMENT	05/21/2025	161.53
32119	11633	FAVIOLA CARDENAS	05/21/2025	8.00
32120	10452	CITY OF FRESNO WMD	05/21/2025	141.00
32121	11498	COMCAST CABLE COMMUNICATIONS	05/21/2025	738.75
32122	10109	AUDITOR CONTROLLER/TREASURER	05/21/2025	326.38
32123	10826	CROWN SERVICES CORPORATION	05/21/2025	1,080.00
32124	11874	CSG CONSULTANTS INC	05/21/2025	9,195.50
32125	10128	DEPARTMENT OF JUSTICE	05/21/2025	473.00
32126	10571	DITCH WITCH	05/21/2025	8,549.05
32127	10144	ELBERT DISTRIBUTING INC	05/21/2025	2,147.98
32128	10157	FERGUSON ENTERPRISES INC	05/21/2025	359.32
32129	11188	FUTURE FORD	05/21/2025	203.28
32130	12379	GILL CHEVROLET	05/21/2025	42.28
32131	11358	GREAT AMERICA FINANCIAL SERVICE	05/21/2025	469.19
32132	10201	HORIZON	05/21/2025	1,012.99
32133	10514	ICAD INC	05/21/2025	1,050.00
32134	11761	JOHN JANSONS	05/21/2025	80.08
32135	10219	JENSEN & PILEGARD INC	05/21/2025	21.24
32136	10239	KERWEST INC	05/21/2025	263.75
32137	12807	KUSTOM SIGNALS INC	05/21/2025	208.14
32138	10252	LITHIA FORD OF FRESNO	05/21/2025	211.16
32139	10272	MUTUAL OF OMAHA	05/21/2025	3,289.69
32140	10282	OFFICE DEPOT	05/21/2025	226.05
32141	10289	P.G.& E.	05/21/2025	10,751.91
32142	12523	PAMOIST PET HOSPITAL	05/21/2025	199.80
32143	12808	QUADIENT FINANCE USA INC	05/21/2025	932.25
32144	12053	R & L MUSIC ENT	05/21/2025	225.00
32145	10316	R G EQUIPMENT OF FRESNO INC	05/21/2025	1,180.57
32146	12524	R&S ERECTION TRI-COUNTY INC	05/21/2025	476.25
32147	10324	RIVERSIDE NURSERY & LANDSCAPE	05/21/2025	58.31
32148	12475	SAN JOAQUIN PEST CONTROL	05/21/2025	105.00
32149	12805	MARLYNA SANDOVAL	05/21/2025	150.00
32150	12804	CHRISTOPHER SCOTT	05/21/2025	500.00

				Section 5, Item B.
Check No	Vendor No	Vendor Name	Check Date	
32151	11212	SE ELECTRIC	05/21/2025	240.00
32152	11650	SITEONE LANDSCAPE SUPPLY, LLC	05/21/2025	931.80
32153	10337	SLUMBERGER LUMBER	05/21/2025	422.91
32154	11460	SUPERIOR POOL PRODUCTS LLC	05/21/2025	1,547.22
32155	10354	T & T PAVEMENT MARKINGS	05/21/2025	277.89
32156	10357	TAYLOR MADE IRRIGATION	05/21/2025	15.52
32157	10754	THE HOME DEPOT PRO-SUPPLY WORK	05/21/2025	678.13
32158	11914	TULARE COUNTY SHERIFFS OFFICE	05/21/2025	900.00
32159	12806	AMANDA VALENCIA	05/21/2025	150.00
32160	12290	VERIZON	05/21/2025	87.06
Total for 5/21/2025:				117,615.28
ACH	10644	US BANK EQUIPMENT FINANCE	05/22/2025	710.78
Total for 5/22/2025:				710.78
32063	11493	24 / 7 PET VETS	05/29/2025	513.00
32064	12537	AMERITAS GROUP INSURANCE CORP	05/29/2025	1,545.02
32065	10271	AVENU INSIGHTS & ANALYTICS	05/29/2025	214.60
32066	12809	BALLET FOLKLORICO Y MARIMBA D	05/29/2025	200.00
32067	10617	C A REDING CO INC	05/29/2025	274.10
32068	10092	CENTRAL VALLEY TOXICOLOGY INC	05/29/2025	792.00
32069	10103	COLONIAL LIFE	05/29/2025	781.31
32070	11382	DATA TICKET INC	05/29/2025	20.81
32071	10153	FACTORY MOTOR PARTS CO	05/29/2025	379.06
32072	11358	GREAT AMERICA FINANCIAL SERVICE	05/29/2025	446.62
32073	11923	JOE A GONSALVES & SON	05/29/2025	1,250.00
32074	12522	HARMEEN KAUR	05/29/2025	243.00
32075	11891	PACE SUPPLY	05/29/2025	271.12
32076	12523	PAMOIST PET HOSPITAL	05/29/2025	28.00
32077	12026	PRECISION CIVIL ENGINEERING INC	05/29/2025	8,251.25
32078	10927	PROFESSIONAL PRINT & MAIL INC	05/29/2025	805.54
32079	10315	QUINN COMPANY	05/29/2025	6,687.95
32080	12811	REYNA RIVERA	05/29/2025	66.82
32081	12590	DALIA SANTANA ZAMUDIO	05/29/2025	90.51
32082	BP-TRI	TRI STATE GENERAL CONTRACTOR	05/29/2025	267.00
32083	10387	USA BLUE BOOK	05/29/2025	966.15
32084	10406	WEST HILLS OIL INC	05/29/2025	9,097.53
32085	10413	YAMABE & HORN ENGINEERING INC	05/29/2025	199,735.83
Total for 5/29/2025:				232,927.22
ACH	10147	EMPLOYMENT DEVELOPMENT DEPA	05/30/2025	9,287.46
ACH	10517	FEDERAL TAXES PAYROLL	05/30/2025	57,187.23
ACH	10520	ICMA-RC	05/30/2025	2,659.96
ACH	10522	CALPERS	05/30/2025	41,201.33
ACH	10522	CALPERS	05/30/2025	100,000.00
32086	UB*01951	GONZALO MALDONADO	05/30/2025	16.49
Total for 5/30/2025:				210,352.47
Report Total (84 checks):				638,270.57

CITY OF KERMAN
PAYROLL REPORT

Section 5, Item C.

PAY PERIOD: May 11, 2025 - May 24, 2025

	Salary	RETRO PAY & OTHER	OVERTIME		HOLIDAY at 1/2 TIME		STANDBY		GROSS SALARY	COMP TIME EARNED
			Hours	Amount	Hours	Amount	Hours	Amount		
Grand Total	\$239,908.27	\$ -	166.89	\$ 8,460.18	0.00	\$ -	88.00	\$ 1,977.99	\$250,346.43	49.50



STAFF REPORT

MEETING DATE: June 11, 2025

PRESENTER: John Jansons, City Manager

SUBJECT: Contract with Spectrum Energy Solutions for Solar Performance Analysis and Optimization (JAJ)

RECOMMENDATION: Council by motion adopt resolution approving contract with Spectrum Energy Solutions in the amount of \$8,500 for Solar Performance Analysis/Optimization.

EXECUTIVE SUMMARY:

The proposed resolution **Attachment 'A'** will approve a Contract with Spectrum Energy Solutions in the amount of \$8,500 to perform Solar System Performance Analysis and System Optimization recommendations.

DISCUSSION:

Spectrum Energy Solutions have systems in place and are experienced with analyzing solar system performance and identifying optimization recommendations. The goal of this work is to increase energy efficiency at City facilities (Waste-Water Treatment Plant) and to examine the current systems and propose any improvements and optimization of solar production leading to potential cost savings for the City.

The Professional Services Agreement, **Exhibit 'A'** to the resolution, is for a period of one year to perform the services described above. Approval of the resolution by the City Council will authorize the City Manager to execute the Contact.

FISCAL IMPACT:

The agreement is for a total of \$8,500 for solar performance analysis and optimization recommendations funded by the Waste-Water Operations Fund.

ATTACHMENTS:

A. Resolution w/Exhibit

Attachment 'A'

RESOLUTION NO. 25-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH SPECTRUM ENERGY SOLUTIONS IN THE AMOUNT OF \$8,500 FOR SOLAR OPTIMIZATION ANALYSIS AND RECOMMENDATIONS.

WHEREAS the City operates solar energy systems and believes it to be beneficial to examine the performance of said systems: and

WHEREAS Spectrum Energy Solutions (SES) is experienced in assessing solar system performance identifying optimization measures and identifying potential cost saving strategies, and

WHEREAS, SES has performed similar work successfully for Reedley, CA; and

WHEREAS, with the age of the current systems, it's necessary to gauge its performance and potential improvement in production; and

WHEREAS, with exponential electrical rate increases levied by Pacific Gas and Electric over the last few years, it has become increasingly imperative for Kerman to look for greater efficiencies, and cost saving opportunities.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kerman as follows:

1. The foregoing recitals are true and correct and incorporated by reference.
2. The City Council approves the Professional Service Agreement with Spectrum Energy Solutions for solar system performance analysis and optimization **Exhibit 'A'**.
3. The City Council authorizes the City Manager to execute the Agreement.
4. This resolution is effective upon adoption.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 11th day of June 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 2025 (hereinafter, the "Effective Date"), by and between the CITY OF KERMAN, a municipal corporation ("CITY") and SPECTRUM ENERGY SOLUTIONS (hereinafter, "CONSULTANT"). For the purposes of this Agreement, CITY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONSULTANT interchangeably.

RECITALS

This AGREEMENT is made and entered into with respect to the following facts:

WHEREAS, CITY has determined that it requires professional auditing and analysis of existing solar performance, optimization and equipment review services for the City; and

WHEREAS, such services benefit CITY by providing dedicated, expert services; and

WHEREAS, CONSULTANT represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals, employees, and subcontractors;

WHEREAS, CONSULTANT further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement;

WHEREAS, CONSULTANT submitted a proposal, dated April 14, 2025, in response to the City's request for professional energy auditing and consulting services; and

WHEREAS, this Agreement was approved by the Kerman City Council at its regular meeting on; the ____ day of _____, 2025.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONSULTANT agree as follows:

I. ENGAGEMENT TERMS

1.1 SCOPE OF SERVICES:

- A. Subject to the terms and conditions set forth in this Agreement and all exhibits attached and incorporated hereto, CONSULTANT agrees to perform the services and tasks set forth in **Exhibit "A"** (hereinafter referred to as the "Scope of Services").

- B. CONSULTANT further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Services.
- C. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Work."
- D. Work performed by CONSULTANT under this Agreement shall be limited to the tasks assigned to CONSULTANT pursuant to CITY's discretion and need for on-call, as- needed services.

1.2 TERM:

- A. This Agreement shall have a term commencing on the Effective Date and will expire on June 30, 2026.
- B. CONSULTANT may ask and CITY may grant an extension based on extenuating circumstances, notwithstanding provisions provided under Section 5 below.
- C. Nothing in this Subsection 1.2 shall operate to prohibit or otherwise restrict CITY's right to terminate this Agreement at any time for convenience or for cause as provided herein.

1.3 COMPENSATION:

- A. Generally, CONSULTANT shall perform all of the various services and tasks that comprise the work in accordance with the hourly compensation schedule included in **Exhibit "B."**
- B. CONSULTANT's total compensation during the Term of this Agreement shall not exceed the budgeted aggregate sum of Eight Thousand Five Hundred Dollars (\$8,500.00), (hereinafter, the "Not-to-Exceed Sum"), unless such added expenditure is first approved by the CITY. In the event CONSULTANT's charges are projected to exceed the Not-to-Exceed Sum prior to the expiration of the Term or any single extension term, CITY may suspend CONSULTANT's performance pending CITY approval of any anticipated expenditures in excess of the Not-to-Exceed Sum or any other CITY-approved amendment to the compensation terms of this Agreement.

- 1.4 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONSULTANT shall submit to CITY an itemized invoice indicating the services and tasks performed during the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred. Within thirty (30) calendar days of receipt of each invoice, CITY shall notify CONSULTANT in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar day of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.

- 1.5 ACCOUNTING RECORDS: CONSULTANT shall maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY shall have the right to access and examine such records, without charge, during normal business hours. CITY shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.
- 1.6 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services, CONSULTANT shall deliver to CITY immediately and without delay, all materials, records and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT shall only be compensated for the reasonable value of the services, tasks and other work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which CITY may incur as a result of CONSULTANT's cessation or abandonment.

II.

PERFORMANCE OF AGREEMENT

- 2.1 CITY'S REPRESENTATIVES: The CITY hereby designates the City Manager or Designee (hereinafter, the "CITY Representatives") to act as its representatives for the performance of this Agreement. The City Manager shall be the chief CITY Representative. The CITY Representatives or their designee shall act on behalf of the CITY for all purposes under this Agreement. CONSULTANT shall not accept directions or orders from any person other than the CITY Representatives or their designee.
- 2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates Michael Jennings, President/CEO, to act as its primary representative for the performance of this Agreement (hereinafter, "CONSULTANT Representative"). CONSULTANT Representative shall have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. CONSULTANT Representative or his designee shall supervise and direct the performance of the Work, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the CONSULTANT Representative shall constitute notice to CONSULTANT.
- 2.3 COORDINATION OF SERVICE: CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the Work and this Agreement and shall be available to CITY staff and the CITY Representatives at all reasonable times. All work prepared by CONSULTANT shall be subject to inspection and approval by CITY Representatives or their designees.

2.4 STANDARD OF CARE: PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges and agrees to the following:

- A. CONSULTANT shall perform all Work skillfully, competently and to the highest standards of CONSULTANT's profession; and
- B. CONSULTANT shall perform all Work in a manner reasonably satisfactory to the CITY; and
- C. CONSULTANT shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 et seq.); and
- D. CONSULTANT understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance; and
- E. All of CONSULTANT's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by CONSULTANT; and
- F. All of CONSULTANT's employees and agents (including but not limited to subcontractors and sub-consultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals shall be maintained throughout the term of this Agreement and made available to CITY for copying and inspection. The Parties acknowledge and agree that CONSULTANT shall perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONSULTANT's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and sub-consultants. Such effort by CONSULTANT to correct any errors or omissions shall be commenced immediately upon their discovery by either Party and shall be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the CITY Representatives in writing and in their sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf shall not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge and experience necessary to perform the Work skillfully, competently and to the highest standards of CONSULTANT's profession.

2.5 ASSIGNMENT: The skills, training, knowledge and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services

and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it shall not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of CONSULTANT's duties or obligations under this Agreement without the prior written assignment or transfer shall be ineffective, null and void and shall constitute a material breach of this Agreement.

2.6 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR:

The Work shall be performed by CONSULTANT or under CONSULTANT's strict supervision. CONSULTANT will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent consultant basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of CONSULTANT are not employees of CITY and shall at all times be under CONSULTANT's exclusive direction and control. CONSULTANT shall pay all wages, salaries and other amounts due such personnel and shall assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.

2.7 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or sub-consultants is determined by the CITY Representatives to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or sub-consultants fail or refuse to perform the Work in a manner acceptable to the CITY, such officer, employee, agent, contractor, sub-consultant or sub-consultant shall be promptly removed by CONSULTANT and shall not be re-assigned to perform any of the Work.

2.8 COMPLIANCE WITH LAWS: CONSULTANT shall keep itself informed of and in compliance with all applicable federal, State or local laws to the extent such laws control or otherwise govern the performance of the Work. CONSULTANT's compliance with applicable laws shall include without limitation compliance with all applicable Gal/OSHA requirements.

2.9 NON-DISCRIMINATION: In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, subcontractor, sub-consultant, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition. that CONSULTANT and all persons retained or employed by CONSULTANT are, and shall at all times remain, wholly independent contractors and are not officials, officers, employees,

departments or subdivisions of CITY. CONSULTANT shall be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and sub-consultants. CONSULTANT and all persons retained or employed by CONSULTANT shall have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

III. INSURANCE

- 3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Prior to the beginning of and throughout the duration of the Work, CONSULTANT will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT shall procure and maintain the following insurance coverage, at its own expense:
- A. Commercial General Liability Insurance: CONSULTANT shall procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability.
 - B. Automobile Liability Insurance: CONSULTANT shall procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.
 - C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both CONSULTANT and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONSULTANT in the course of carrying out the Work contemplated in this Agreement. three (3) years thereafter, CONSULTANT shall procure and maintain Errors and Omissions Liability Insurance appropriate to CONSULTANT's profession. Such coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence and shall be endorsed to include contractual liability.
- 3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance shall contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers as additional insureds.

- 3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement shall be procured from insurers admitted in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance shall be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/Employer's Liability Insurance, the CITY Representatives are authorized to authorize lower ratings than those set forth in this Section.
- 3.4 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT shall be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers shall be in excess of CONSULTANT's insurance and shall not contribute with it.
- 3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or sub-consultants from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY.
- 3.6 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is critical to safeguarding CITY's financial well-being and, indirectly, the collective well-being of the residents of the CITY. Accordingly, CONSULTANT warrants, represents and agrees that it shall furnish CITY with original certificates of insurance and endorsements evidencing the coverage required under this Article on forms satisfactory to CITY in its sole and absolute discretion. The certificates of insurance and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the CITY if requested. All certificates of insurance and endorsements shall be received and approved by CITY as a condition precedent to CONSULTANT's commencement of any work or any of the Work. Upon CITY's written request, CONSULTANT shall also provide CITY with certified copies of all required insurance policies and endorsements.

IV. INDEMNIFICATION

- 4.1 The Parties agree that CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "CITY Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the CITY Indemnitees with the fullest protection possible under the law. CONSULTANT acknowledges that CITY

would not enter into this Agreement in the absence of CONSULTANT's commitment to indemnify, defend and protect CITY as set forth herein.

- 4.2 To the fullest extent permitted by law, CONSULTANT shall indemnify, hold harmless and defend the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the CITY.
- 4.3 CITY shall have the right to offset against the amount of any compensation due CONSULTANT under this Agreement any amount due CITY from CONSULTANT as a result of CONSULTANT's failure to pay CITY promptly any indemnification arising under this Article and related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 4.4 The obligations of CONSULTANT under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers.
- 4.5 CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Article from each and every sub-consultant or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subcontractors or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.
- 4.6 CITY does not, and shall not, waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.
- 4.7 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

V. TERMINATION

5.1 TERMINATION WITHOUT CAUSE: CITY may terminate this Agreement at any time for convenience and without cause by giving CONSULTANT a minimum of five (5) calendar days prior written notice of CITY's intent to terminate this Agreement. Upon such termination for convenience, CONSULTANT shall be compensated only for those services and tasks which have been performed by CONSULTANT up to the effective date of the termination. CONSULTANT may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in Section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Work. CONSULTANT shall be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, shall operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") shall occur. For all Events of Default, the Party alleging an Event of Default shall give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which shall specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default shall be cured, which shall not be less than the applicable cure period set forth under Sections 5.2.8 and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default shall constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

B. CONSULTANT shall cure the following Events of Defaults within the following time periods:

- i. Within three (3) business days of CITY's issuance of a Default Notice for any failure of CONSULTANT to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation or work product which CONSULTANT is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 3-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 3-day cure period. The foregoing notwithstanding, CITY shall be under no obligation

to grant additional time for the cure of an Event of Default under this Section 5.2 B.i. that exceeds seven (7) calendar days from the end of the initial 3-day cure period; or

- ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period. In addition to any other failure on the part of CONSULTANT to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT shall include, but shall not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary or involuntary; (v) CONSULTANT's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (vii) CITY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

C. CITY shall cure any Event of Default asserted by CONSULTANT within forty-five (45) calendar days of CONSULTANT's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.4, above, shall be cured by CITY within five (5) calendar days from the date of CONSULTANT's Default Notice to CITY.

D. CITY, in its sole and absolute discretion, may also immediately suspend CONSULTANT's performance under this Agreement pending CONSULTANT's cure of any Event of Default by giving CONSULTANT written notice of CITY's intent to suspend CONSULTANT's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT shall be compensated only for those services and tasks which have been rendered by CONSULTANT to the reasonable satisfaction of CITY up to the effective date

of the suspension. No actual or asserted breach of this Agreement on the part of CITY shall operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.

E. No waiver of any Event of Default or breach under this Agreement shall constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

- i. Upon written notice to CONSULTANT, the CITY may immediately terminate this Agreement in whole or in part;
- ii. Upon written notice to CONSULTANT, the CITY may extend the time of performance;
- iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or
- iv. The CITY may exercise any other available and lawful right or remedy. CONSULTANT shall be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONSULTANT's sole remedy shall be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONSULTANT under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement shall constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto shall not operate to terminate any Article, Section or provision contained herein which provides that it shall survive the termination or normal expiration of this Agreement.

VI.
MISCELLANEOUS PROVISIONS

- 6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data shall be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, drawings, designs, renderings, specifications, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT shall require all subcontractors and sub-consultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY shall be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any sub-consultant or sub-consultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.
- 6.2 CONFIDENTIALITY: All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. Upon request, all CITY data shall be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT shall not use CITY's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.
- 6.3 FALSE CLAIMS ACT: CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.
- 6.4 NOTICES: All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

Continued on Next Page

CONSULTANT:

Spectrum Energy Solutions
 Attn: Michael Jennings
 President/CEO.
 1444 Fulton Street
 Fresno, CA 93721

CITY:

City of Kerman
 Attn: John Jansons
 City Manager
 850 S. Madera Ave.
 Kerman, CA 93630

Such notices shall be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

- 6.5 COOPERATION; FURTHER ACTS: The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as is reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement. 6.6 SUBCONTRACTING: CONSULTANT shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with sub-consultants), if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.
- 6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other contractors in connection with the various projects worked upon by CONSULTANT.
- 6.8 PROHIBITED INTERESTS: CONSULTANT warrants, represents and maintains that it has not employed nor retained any company or person, other than a bona fide employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of CITY, during the term of his or her service with CITY, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.
- 6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Fresno County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried

exclusively in federal court, venue, without exception, shall be in the Central District of California, legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.

- 6.12 SUCCESSORS AND ASSIGNS: This Agreement shall be binding on the successors and assigns of the Parties.
- 6.13 NO THIRD PARTY BENEFIT: There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.
- 6.14 CONSTRUCTION OF AGREEMENT: This Agreement shall not be construed in favor of, or against, either Party but shall be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.
- 6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- 6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement shall be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver shall be void and invalid.
- 6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limits, augment, or describe the scope, content, or intent of this Agreement.
- 6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement shall control.
- 6.19 ENTIRE AGREEMENT: This Agreement including all attached exhibits is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between CITY and CONSULTANT prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid or binding. No amendment, modification or supplement to this pursuant to Section 6.15, above.
- 6.20 COUNTERPARTS: This Agreement shall be executed in three (3) original counterparts each of which shall be of equal force and effect. No handwritten or typewritten amendment, modification or supplement to any one counterparts shall be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original

counterpart shall be delivered to CONSULTANT and the remaining two original counterparts shall be retained by CITY.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF KERMAN

Spectrum Energy Solutions

By: _____
John Jansons, City Manager
Date: _____

By:  _____
Name: Michael Jennings
Title: CEO/President
Date: 6/4/2025

By: _____
Name: _____
Title: _____
Date: _____

APPROVED AS TO FORM:

Hilda Cantu Montoy
City Attorney

ATTEST:

Josie Camacho
City Clerk

EXHIBIT "A"**SCOPE OF WORK**

To perform scope of work as described below and as described in Proposal dated April 14, 2025 (Attachment 1), City agrees to make available and facilitate access to all meter information and billing records in conjunction with utility providers.

PART I: SOLAR ANALYSIS AND OPTIMIZATION

Performed during Year 1.

Tasks:

- 2.1 Optimize RSBCT
- 2.2 Accounting review of PG&E payments and true-ups.
- 2.3 Review vendor contract(s) versus actual solar performance.
- 2.4 Review equipment performance with a view to optimization and provide recommendations to improve performance toward attaining system optimization.

EXHIBIT "B"**FEE SCHEDULE**

The one-year agreement is for a total of \$8,500 for solar performance analysis and optimization recommendations (Proposal Attached) as a not to exceed amount for Task 2.1 through 2.4 as described in Exhibit A above.

END

ATTACHMENT 1

Proposal dated April 14, 2025.

John Jansons
850 S. Madera Avenue
Kerman, CA 93630

April 14, 2025

RE: Professional Energy Services

John,

This will update our scope of work to provide professional energy services to the City of Kerman. Per our recent discussion, I am breaking these down into two different buckets for your consideration.

I. Energy Accounting and optimization of tariffs

- Scope**
- Energy accounting focused on utility accountability
 - PG&E tariff optimization
 - Advocacy to recover costs
 - Reduce pumping costs
 - Review all PG&E new business project files
 - Review natural gas cost and optimize
 - Introduce demand response opportunities

Fees: \$1,200 per month plus 30% of bona fide energy cost reduction

Term: Two years

II. Solar Analysis and Optimization

- Optimize RSBCT
- Accounting review of PG&E payments and true-ups
- Review vendor contract versus actual solar performance
- Review equipment performance with a view to optimization

Fees: \$8,500

Our Spectrum team is pleased to provide you with this proposal and look forward to your questions and comments.

Best Regards,

Michael Jennings

President/CEO

1444 Fulton St.
Fresno, CA 93721
www.spectrum-nrg.com



STAFF REPORT

MEETING DATE: June 11, 2025

PRESENTER: Josefina Alvarez, Finance Director

SUBJECT: Adoption of Fiscal Year 2025/2026 Budget, Amending Fiscal Year 2024/2025 Budget, Establishing Appropriations Limit for Fiscal Year 2025/2026 and Authorizing Number of Employee Positions and Titles (JA)

RECOMMENDATION: Council by motion adopt the following:

1. Resolution approving the City of Kerman Fiscal Year 2025/2026 Operating and Capital Budgets and amending the Fiscal Year 2024/2025 budget; and
2. Resolution establishing the Appropriations Limit for Fiscal year 2025/2026; and
3. Resolution authorizing number of employee positions and titles

EXECUTIVE SUMMARY:

The preliminary City of Kerman budget was presented to the City Council on May 28, 2025 at the budget workshop. The budget showed an estimated deficit of \$4,901,214 with revenues at \$11,865,997 and expenditures at 16,767,210. Both revenues and expenditures remained the same for the General Fund since the budget workshop.

The Enterprise Fund revenues and expenditures remained the same with a total overall deficit of \$326,850. The Internal Service Fund expenditures also remained the same at a deficit of \$32,465.

Thus, the proposed Fiscal Year 2025/2026 budget and amended 2024/2025 budget is presented herein for final adoption.

The total City-wide expenditures proposed for Fiscal Year 2025/2026 are about \$53.4 million and include the following:

Description	Budget 2025/2026
General Fund	\$16,767,210
Enterprise Funds	\$8,602,920
Internal Service Funds	\$1,358,766
Special Revenue Funds	\$3,020,569
Capital Projects	\$23,703,520
Total	\$53,452,986

The total City-wide revenues proposed for Fiscal Year 2025/2026 include the following:

Description	Budget 2025/2026
General Fund	\$11,865,997
Enterprise Funds	\$8,276,069
Internal Service Funds	\$1,326,300
Special Revenue Funds	\$21,975,555
Total	\$43,443,922

General Fund

The General Fund is the largest individual fund and accounts for most services associated with municipal government including parks, recreation, police, building and planning services. The General Fund is primarily funded from general tax revenues, such as sales and property tax revenues and vehicle license fees.

The proposed General Fund budget expenditures are \$16.7 million, with projected revenues at \$11.8 million and an estimated deficit of \$4,901,214. It is important to note that \$4,325,420 is allocated under Measure M for the construction of Hart Ranch Park. Reserves will be used to fund this much-anticipated project which is expected to be completed Summer 2026 or soon thereafter.

Enterprise Funds

The Enterprise Funds include Water, Wastewater, Solid Waste and Storm Drain funds. These funds are funded primarily from user fees and other charges. The City has conducted a Water, Wastewater and Storm Drain Rate Study to adopt new rates through December 2028. The Water, Wastewater and Storm Drain rates will increase in January 2026 and the Solid Waste rates will increase in July 2025.

The proposed Enterprise Fund budget revenues of \$8.27 million is approximately \$326,850 more than projected expenses of \$8.60 million.

The proposed revenues for the Enterprise Funds are as follows:

Description	Budget 2025/2026
Water Fund	\$3,262,751
Sewer Fund	\$2,369,774
Solid Waste Fund	\$2,536,535
Storm Drain Fund	\$107,009
Total	\$8,276,069

The proposed expenditures for the Enterprise Funds are as follows:

Description	Budget 2025/2026
Water Fund	\$3,363,689
Sewer Fund	\$2,620,682
Solid Waste Fund	\$2,407,308
Storm Drain Fund	\$211,241
Total	\$8,602,920

Capital Projects

The Capital Project funds include local, state and federal revenues to fund infrastructure projects throughout the City. The capital projects reflect the City's ongoing commitment to maintaining, improving and expanding City facilities, parks, streets and other major infrastructure throughout the City. A summary of City-wide capital projects is detailed in **Attachment 'C'**.

Fiscal Year 2024/2025 Amendments

The resolution approving the Fiscal Year 2025/2026 budget includes some adjustments that were made to the Fiscal Year 2024/2025 budget which are reflected on all of the budgets under the "Estimated Year-End" column. These budget amendments were deemed necessary due to unforeseen operational and capital outlay expenditures that were made throughout the year and were presented in the Mid-Year Budget Presentation.

An overview of the General Fund budget can be found on **Attachment 'A'** and a complete summary of City-wide expenditures is shown in **Exhibit 'B'** under the resolution enclosed herein as **Attachment 'D'**.

FISCAL IMPACT: The adoption of the proposed City of Kerman Fiscal Year 2025/2026 budget sets forth the appropriations for the delivery of municipal services.

ATTACHMENTS:

- A. General Fund Summary
- B. Enterprise Fund Summary
- C. City-wide Capital Projects
- D. Resolution Adopting the City of Kerman Fiscal Year 2025/2026 Budget and Approving Adjustments to the Fiscal Year 2024/2025 Budget w/Exhibits A & B
- E. Resolution Establishing the Appropriations Limit for Fiscal Year 2025/2026 (GAAN Limit) w/Exhibit A
- F. Resolution Authorizing Number of Employee Positions and Titles

Attachment 'A'

General Fund Summary

Activity Description	Audited	Audited	Adopted	Estimated	Budget	Estimated vs. Proposed \$	Exp % of Total GF	Incr.Dec (-)
	2022-2023	2023-2024	2023-2024	Year- End 2024-2025	2024-2025	- Change	Revenue	23/24 vs. 24/25 Budget
LEGISLATIVE & GEN. GOVT.								
6001 City Council	\$32,401	\$34,802	\$40,991	\$64,388	\$63,753	(\$635)		-1.0%
6003 City Legal Services	220,170	117,613	195,000	195,000	200,000	5,000		2.6%
1002 General Administration	478,084	795,424	614,759	616,794	653,880	37,086		6.0%
5005 Administrative Services	125,121	153,127	147,444	147,582	156,327	8,745		5.9%
5006 Debt Service (Gateway Villa DIF)	95,339	95,339	95,339	95,339	0	(95,339)		-100.0%
6004 City Clerk	84,751	128,193	156,489	168,248	176,479	8,231		4.9%
7001 Measure M	725,162	1,455,209	4,784,844	4,809,511	6,247,575	1,438,064		29.9%
TOTAL LEGISLATIVE & GEN. GOVT.	1,761,027	2,779,707	6,034,864	6,096,861	7,498,013	1,401,152	63.2%	23.0%
COMMUNITY DEVELOPMENT								
1008 Planning	254,997	270,142	391,624	428,124	499,789	71,664		16.7%
1009 Code Compliance	0	165,543	194,473	195,223	212,559	17,336		8.9%
1009 Transfer from Measure M (Code Compliance)	0	(165,665)	(194,473)	(194,473)	(212,559)	(18,086)		9.3%
1010 Engineering	160,835	309,796	260,000	310,000	350,000	40,000		12.9%
1042 Building	231,135	284,727	422,717	423,717	441,357	17,640		4.2%
TOTAL PLANNING & DEVELOPMENT	646,967	864,543	1,074,341	1,162,591	1,291,146	128,554	10.9%	11.1%
RECREATION/COMMUNITY SERVICES								
2002 Recreation Administration	190,745	407,955	443,807	444,490	556,852	112,361		25.3%
2010 Building Maintenance	519,310	629,749	771,039	778,051	828,670	50,619		6.5%
2044 Senior Center Services	168,361	147,619	169,074	169,704	216,249	46,545		27.4%
2047 Aquatics Program	46,325	48,893	82,564	83,694	86,750	3,055		3.7%
2062 Planned Recreation	56,848	0	0	0	0	0		0.0%
2065 Youth and Teen Services	57,440	0	0	0	0	0		0.0%
2069 Community Teen Center	151,336	164,603	183,007	187,011	222,679	35,669		19.1%
TOTAL RECREATION/SOCIAL SERVICES	1,190,364	1,398,818	1,649,492	1,662,951	1,911,199	248,248	16.1%	14.9%
POLICE OPERATIONS								
3011 Police Operations (Including ACT & SRO)	3,788,746	4,292,889	5,336,239	5,455,056	6,004,855	549,798		10.1%
3011 Transfer From Measure M	(251,131)	(247,568)	(388,422)	(388,422)	(390,099)	(1,677)		0.4%
3041 Animal Control	98,860	161,730	165,143	175,343	161,296	(14,047)		-8.0%
TOTAL POLICE OPERATIONS	3,636,476	4,207,051	5,112,959	5,241,977	5,776,051	534,074	48.7%	10.2%
PUBLIC WORKS								
4010 Parks Landscape Maintenance	203,531	236,221	269,843	272,335	290,802	18,466		6.8%
TOTAL PUBLIC WORKS	203,531	236,221	269,843	272,335	290,802	18,466	2.5%	6.8%
TOTAL GENERAL FUND OPERATION EXPENSES	7,438,365	9,486,339	14,141,500	14,436,715	16,767,210	2,330,496		16.1%
TOTAL GENERAL FUND REVENUE	11,040,815	11,391,779	10,654,943	11,295,036	11,865,997	570,961		5.1%
EXCESS (DEFICIT) REVENUE OVER EXPENDITURES	3,602,450	1,905,441	(3,486,557)	(3,141,679)	(4,901,214)			
EXCESS (DEFICIT) PERCENTAGE OF TOTAL G/F REVENUE	32.63%	16.73%	-32.72%	-27.81%	-41.30%			

GENERAL FUND CAPITAL IMPROVEMENTS ARE DETAILED SEPARATELY UNDER THE CAPITAL IMPROVEMENT PROJECT BUDGET

Attachment 'B'

Enterprise Fund Summary

ACTIVITY	Description	Audited 2022-2023	Audited 2023-2024	Adopted 2024-2025	Estimated Year- End	Budget 2025-2026	Adopted vs. Proposed % Change	Adopted vs. Proposed \$ Change
WATER FUND (410)								
	Total Water Fund Revenues	\$5,645,707	\$3,125,754	\$2,714,184	\$3,193,914	\$3,262,751	20.2%	548,567
5005	Water Administration & Accounting	603,879	541,718	574,207	600,582	666,552	16.1%	92,345
5006	Water - Debt Service	165,000	165,000	165,000	165,000	165,000	0.0%	0
4041	Water Operations	1,369,484	1,654,048	1,844,376	2,155,726	2,532,138	37.3%	687,761
	Total Water Fund Operations	2,138,364	2,360,765	2,583,583	2,921,309	3,363,689		
	Revenue in Excess of Expenditures	3,507,343	764,988	130,600	272,605	(100,939)		
SEWER FUND (420)								
	Total Sewer Fund Revenues	2,050,026	2,231,785	1,969,897	2,386,251	2,369,774	20.3%	399,878
5005	Sewer Administration & Accounting	493,054	440,546	479,541	508,060	549,822	14.7%	70,281
5006	Sewer - Debt Service	151,743	151,743	151,743	151,743	151,743	0.0%	0
4042	Sewer Operations	1,285,025	1,352,865	1,623,680	1,634,306	1,919,117	18.2%	295,436
	Total Sewer Fund Operations	1,929,822	1,945,153	2,254,964	2,294,109	2,620,682		
	Revenue in Excess of Expenditures	120,204	286,631	(285,067)	92,141	(250,907)		
SOLID WASTE (430)								
	Total Solid Waste Fund Revenues	2,142,744	2,420,424	2,401,948	2,515,954	2,536,535	5.6%	134,588
5005	Solid Waste Administration & Accounting	2,042,373	2,126,577	2,245,668	2,250,155	2,407,308	7.2%	161,639
	Total Solid Waste Fund Operations	2,042,373	2,126,577	2,245,668	2,250,155	2,407,308		
	Revenue & Transfer in Excess of Expenditures	100,370	293,847	156,279	265,799	129,228		
STORM DRAIN OPERATIONS FUND (470)								
	Total Storm Drain Operation Revenues	86,259	97,694	85,224	116,080	107,009	25.6%	21,785
4047	Storm Drain Maintenance & Operations	101,076	122,117	168,781	168,781	211,241	25.2%	42,460
	Total Storm Drain Fund Operations	101,076	122,117	168,781	168,781	211,241		
	Revenue in Excess of Expenditures	(14,817)	(24,423)	(83,557)	(52,701)	(104,232)		
	TOTAL ENTERPRISE FUND REVENUE	9,924,735	7,875,657	7,171,252	8,212,198	8,276,069	15.4%	1,104,818
	TOTAL ENTERPRISE FUND EXPENDITURES	6,211,635	6,554,613	7,252,997	7,634,353	8,602,920	18.6%	1,349,923
	EXCESS (DEFICIT) REVENUE	\$3,713,100	1,321,044	(\$81,745)	\$577,845	(\$326,850)		

CAPITAL IMPROVEMENTS ARE DETAILED SEPARATELY UNDER THE (CIP) BUDGET

Attachment 'C'

CAPITAL IMPROVEMENT PROJECTS		
Fiscal Year 2025/2026		
Project	Funding Source	Estimated Cost
Streets		
Kerman ST ADA Transition Plan	Local Street Funds/Grants	25,000
FY25/26 Street Rehabilitation Project - Various Streets	Local Street Funds	1,067,813
High Visibility Crosswalk Striping	Local Street Funds	90,000
Concrete Repair Project	Local Street Funds	40,000
Street Sealing Project (24/25)	Local Street Funds	71,900
FY 24/25 Street Rehabilitation Project - Various Streets	Local Street Funds	1,355,700
FY25/26 Street Sealing Project - Various Streets	Local Street Funds	457,000
Annual Streets Lights Installation (1st Phase)	Local Street Funds	70,800
RSTP - Vineland Ave Widening (North) (025)	Local Street Funds/Grants	450,700
CMAQ - California Ave Sidewalk 9th to Vineland	Local Street Funds/Grants	230,100
HSIP Kearney Blvd Ped Crossing Improvements	Local Street Funds/Grants	266,900
Siskiyou Rehab - Kearney to California	Local Street Funds/Grants	934,800
Kearney Rehab - 16th to Goldenrod	Local Street Funds/Grants	18,700
Goldenrod Rehab - Stanislaus to Kearney	Local Street Funds/Grants	42,700
HSIP Cycle 12 Pedestrian Crossing Improvements	Local Street Funds/Grants	39,000
Total Street Capital Projects		5,161,113
Water		
Capital Imp-Well 9A Emergency Repairs	Water Fund	132,000
Water Tank Painting	Water Fund	200,000
Fixed Network Metering	Water Fund	50,000
Pipeline /Service Replacement	Water Fund	50,000
Well No 33	Water Fund	778,000
Water Storage Tanks Maintenance	Water Fund	200,000
Water Meter Installation Project (City Facilities/Commercial)	Water Fund	383,000
Well No 15 Rehabilitation	Water Fund	75,000
Well No 18 (DWSRF)	State Grant Funding	1,700,000
Hexavalent Chromium Feasibility Study	DIF	457,500
Basin C Groundwater Recharge Project	DIF	80,000
Total Water Capital Projects		4,105,500
Sewer		
Blower at WWTP	Sewer Fund	35,000
10 Valves at WWTP	Sewer Fund	50,000
Sewer Camera System	Sewer Fund	18,600
2 New Hoists at Headworks	Sewer Fund	25,300
Seepex Progressive Cavity Pump	Sewer Fund	64,200
Sludge Removal at Drying Beds	Sewer Fund	45,000
Fixed Network Metering	Sewer Fund	50,000
Pipeline /Service Replacement	Sewer Fund	50,000
WWTP Office Expansion	Sewer Fund	50,000
WWTP Animal Shelter Demo/Shop Expansion	Sewer Fund	50,000
Goldenrod Lift Station Rehabilitation	Sewer Fund	43,000
Total Sewer Capital Projects		481,100

CAPITAL IMPROVEMENT PROJECTS Fiscal Year 2025/2026		
Project	Funding Source	Estimated Cost
Solid Waste		
Capital Outlay-Carts-New Residential Development	Solid Waste	28,000
	Total Solid Waste Capital Projects	28,000
Storm Drain		
Basin J Expansion	Sewer Fund	120,000
	Total Storm Drain Capital Projects	120,000
Landscape and Lighting District		0
Reconstruct/Renovate Mow Strips	Solid Waste	35,000
	Total L&L Capital Projects	35,000
Parks & Facilities		
Northwest Park	GF- Measure M	67,200
Multigenerational Center (Resiliency Center)	GF- Measure M/Grant	7,577,660
Police Station	GF- Measure M/Grant	542,296
Eastside Community Park (25 Acres-Hart Ranch)	GF- Measure M/Grant	11,209,469
Downtown Revitalization Program	GF- Measure M/Grant	209,336
Coleman Grand Stand Replacement & Paint	General Fund	65,000
Rotary Park Ballfield Lighting Upgrade	General Fund	40,000
Philip Gallegos Play Park Lighting	General Fund	30,000
Rain Gutter Replacement 942 S Madera Ave	General Fund	25,000
Contingency Kerman Veteran Plaza Park Restrooms Remodel	General Fund /Grant	205,200
Community Center Improvements	General Fund	70,000
Annual Streets Lights Installation (1st Phase)	General Fund	20,200
	Total Parks & Other Facilities	20,061,360
Vehicle/Equipment Replacement		
PW, Parks & Rec Fleet Vehicles	Vehicle and Equipment Fund	167,200
	Total Vehicles & Equipment	167,200
	Total Major Capital Expenditures	30,159,272
	Total Minor Capital Expenditures	577,868
	Total Capital Expenditures	\$30,737,141

Attachment ‘D’

RESOLUTION NO. 25-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN ADOPTING THE FISCAL YEAR 2025/2026 BUDGET AND APPROVING ADJUSTMENTS TO THE FISCAL YEAR 2024/2025 BUDGET

WHEREAS, the City Council has reviewed the proposed City of Kerman Fiscal Year 2025/2026 Budget (‘Proposed Budget’) attached hereto as **Exhibit ‘A’** at a duly noticed public meeting; and

WHEREAS, the Proposed Budget is based upon appropriate estimates and financial planning for the City’s operations, services and capital improvements, including adjustments to the Fiscal Year 2024/2025 Budget; and

WHEREAS, the Proposed Budget provides continued services at current levels to the community; and

WHEREAS, all procedural requirements for adopting the City’s Budget were fulfilled and the City Council was fully informed regarding the City’s current finances, projected revenue and financial obligations; and

WHEREAS, it is in the public interest for the City Council to adopt the Budget as proposed by the City Manager.

NOW THEREFORE, the City Council of the City of Kerman resolves as follows:

SECTION 1: ADOPTION. The Fiscal Year 2025/2026 Budget as presented, and set forth in **Exhibit ‘A’** is approved and adopted subject only to the authorizations set forth below. Such approval and adoption includes, without limitation, adjustments to the Fiscal Year 2024/2025 Budget.

SECTION 2: BUDGET APPROPRIATIONS. The Fiscal Year 2025/2026 Budget appropriation totals \$53,356,013 as shown in **Exhibit ‘B’**. The City Manager, or designee, is authorized to implement the appropriations as detailed in the Budget for City Departments.

SECTION 3: BUDGET ADJUSTMENTS. The Budget may be subsequently adjusted as follows:

- A. By majority vote of the City Council;
- B. By the City Manager, or designee, for all appropriation transfers between departments and activities and line items within a City fund;
- C. By Department Directors for appropriation transfers between activities and line items within a department;

- D. Line item expenditures within activities and departments are not restricted so long as funding is available in the City fund as a whole.

The Fiscal Year 2024/2025 City of Kerman Budget is hereby adjusted and those adjustments become a part of the 2024/2025 City of Kerman Amended Budget.

SECTION 4: This resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 5: The foregoing resolution was introduced at a regular meeting of the City Council of the City of Kerman, held on the 11th day of June 2025, and adopted at said meeting by the following vote:

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 10th day of July 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk

Exhibit 'A' to Resolution

<https://www.cityofkerman.net/DocumentCenter/View/1694/FY-2526-Budget>

Exhibit 'B' to Resolution

CITY WIDE EXPENDITURES SUMMARY (INCLUDING CAPITAL PROJECTS)

Fund	Activity	Description	Personnel	M & O	Sub-Total Operations	Debt Service/ Capital	Total
General Fund							
100	6001	City Council	\$38,846	\$24,906	\$63,753	\$0	\$63,753
100	6003	Legal Services	0	200,000	200,000	0	200,000
100	1002	City Manager	150,457	503,423	653,880	0	653,880
100	5005	Administrative Services	51,625	104,702	156,327	0	156,327
100	5006	Debt Service to DIF	0	0	0	0	0
100	6004	City Clerk	110,442	66,037	176,479	0	176,479
100	7001	Measure M	10,301	807,659	817,959	5,429,616	6,247,575
100	1008	Planning	366,456	128,333	494,789	5,000	499,789
100	1009	Code Compliance	173,483	39,076	212,559	0	212,559
100	1009	Transfer from Measure M (Code Compliance)	(173,483)	(39,076)	(212,559)	0	(212,559)
100	1010	Engineering	0	350,000	350,000	0	350,000
100	1042	Building	238,957	197,400	436,357	5,000	441,357
100	2002	Recreation & Comm Services Admin.	442,963	113,888	556,852	0	556,852
100	2010	Building Maintenance	643,791	184,879	828,670	0	828,670
100	2044	Senior Center Services	153,205	63,044	216,249	0	216,249
100	2047	Aquatics Program	69,090	17,660	86,750	0	86,750
100	2062	Planned Recreation	0	0	0	0	0
100	2065	Youth Service Bureau	0	0	0	0	0
100	2069	Community Teen Center	139,589	81,890	221,479	1,200	222,679
100	3011	Police Operations	4,715,729	1,272,375	5,988,105	16,750	6,004,855
100	3011	Transfer from Measure M (New Police Office)	(390,099)	0	(390,099)	0	(390,099)
100	3041	Animal Control	95,962	65,333	161,296	0	161,296
100	4010	Park Landscape Maintenance	190,494	100,307	290,802	0	290,802
Sub-Total General Fund			7,027,808	4,281,837	11,309,645	5,457,566	16,767,210
Enterprise Funds							
410	5005	Water	289,838	376,713	666,552	0	666,552
410	5006	Water	0	0	0	165,000	165,000
410	4041	Water Operations	762,614	1,422,524	2,185,138	347,000	2,532,138
420	5005	Sewer	217,048	332,774	549,822	0	549,822
420	5006	Sewer	0	0	0	151,743	151,743
420	4042	Sewer Collection & Operations	691,153	978,863	1,670,017	249,100	1,919,117
430	5005	Solid Waste (Refuse)	311,429	2,095,879	2,407,308	0	2,407,308
470	4047	Storm Drain Maintenance & Operations	98,656	98,585	197,241	14,000	211,241
Sub-Total Enterprise Funds			2,370,738	5,305,338	7,676,077	926,843	8,602,920
Internal Service Funds							
500	4050	Vehicle/Equipment Mtnc & Replacement	289,063	743,298	1,032,361	194,700	1,227,061
510	5051	Technology Maintenance & Replacement	41,812	69,893	111,705	20,000	131,705
Sub-Total Internal Service Funds			330,874	813,192	1,144,066	214,700	1,358,766
Special Revenue Funds							
100	3050	SLESF Grant	100,073	0	100,073	0	100,073
100	3999	Safety Grants, Contracts and Projects	62,455	26,545	89,000	4,000	93,000
110	1011	CIP Administration	0	0	0	0	0
170	1007	General Plan Updates	0	20,000	20,000	0	20,000
730	2046	Senior Nutrition Site Management	44,734	3,250	47,984	0	47,984
740	2045	National Rec. & Park Assoc.(NRPA)	0	0	0	0	0
750	4075	Lighting & Landscaping District 1	458,195	145,065	603,260	35,000	638,260
780	8000	Grants-Planning & Development	0	0	0	0	0
800-850, 870	408x	Street Maintenance, TDA and Other	197,478	483,506	680,984	281,938	962,922
880	4088	Measure C - Flex	323,306	121,243	444,549	115,000	559,549
881	4088	Measure C - ADA	0	0	0	10,043	10,043
882	4088	Measure C - Streets	279,143	53,658	332,800	255,938	588,738
Sub-Total Special Revenue Funds			1,465,384	853,267	2,318,651	701,918	3,020,569
Capital Project Funds							
100	8000	Parks, Facilities & Equipment	0	0	0	374,900	374,900
120	8000	CDBG Construction	0	0	0	175,000	175,000
140	8000	Facilities Construction	0	0	0	50,304	50,304
410, 520-540	8000	Water Construction	0	0	0	3,798,300	3,798,300
420, 550-570	8000	Sewer Facilities Construction	0	0	0	370,000	370,000
480, 490	8000	Storm Drain	0	0	0	171,871	171,871
580, 590	8000	Parks Construction	0	0	0	46,563	46,563
780	8000	Parks Construction	0	0	0	12,148,991	12,148,991
800, 830, 880-920, 95	8000	Street Construction	0	0	0	6,567,591	6,567,591
Sub-Total Capital Project Funds			0	0	0	23,703,520	23,703,520
Grand Total All Funds			\$11,194,804	\$11,253,634	\$22,448,439	\$31,004,547	\$53,452,986

Attachment ‘E’

RESOLUTION NO. 25-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN ESTABLISHING THE APPROPRIATIONS LIMIT FOR THE 2025/2026 FISCAL YEAR PURSUANT TO ARTICLE XIII B OF THE CONSTITUTION OF CALIFORNIA

WHEREAS, Article XIII B of the California Constitution requires the City to set its appropriations limit on an annual basis; and

WHEREAS, the City’s appropriations limit is to be adjusted annually, based upon inflation and population growth; and

WHEREAS, the City Council may choose the method of calculating adjustments to the City’s appropriations limit on annual basis. For inflation, pursuant to Article XII B, section 8(e)(2), adjustments to the appropriations limit may be calculated using the percentage change in per capita personal income from the preceding year because of local nonresidential new construction. For population growth, pursuant to Government Code section 7901 (b), the City may use the percentage growth in its jurisdiction; and

WHEREAS, pursuant to Article XIII B of the California Constitution, and those Government Code sections adopted pursuant to Article XIII B, section 8(f), the City Council chooses to adjust the City’s appropriation limit by calculation inflation using the percentage change in per capita personal income from the preceding year and calculating population growth by using the percentage change in population in the City of Kerman; and

WHEREAS, as a result of the adjustments made to the City’s appropriation limit as shown in **Exhibit ‘A’**, the City Council sets the appropriations limit for Fiscal Year 2025/2026 at \$26,209,057.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERMAN that the appropriations limit for the 2025/2026 Fiscal Year for the City of Kerman is established at \$26,209,057, as set forth on **Exhibit ‘A’** attached hereto and made a part hereof by this reference.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 11th day of June 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk

EXHIBIT 'A'

GANN REVENUE LIMIT

The original Article XIII and its implementing legislation Chapter 1205/80 were modified by proposition III and SB 88 (Chapter 60/90). Beginning with the 1990/91 Appropriations Limit, the annual adjustment Factors were changed. Instead of using the lesser of California Per Capita Income or U.S.C.P.I to measure Inflation, each City may choose:

- The growth in California Per Capita Income or
- The growth in the non-residential assessed valuation due to new construction within the City

2024/2025 REVENUE LIMIT - \$ 24,437,956
Per City of Kerman, City Council Resolution No.24-47

2025/2026 REVENUE LIMIT FACTORS

POPULATION:*			
January 1, 2025	17,535	January 1, 2024	17,403 0.76% increase
LOCAL ASSESSMENT ROLL ***		Secured	Unsecured
2023/2024 Gross Assessed Value		1,134,506,432	47,616,108
CHANGE IN PER CAPITA PERSONAL INCOME*			
2025/2026	6.44%		

CHANGE FACTOR

Population Change x Change in Per Capita Personal Income
 $1.0644 \times 1.0076 = 1.0725$

TOTAL 2025/2026 ESTIMATED REVENUE

PROCEEDS OF TAXES	15,160,191
NON-PROCEED OF TAXES	25,535,407
TOTAL APPROPRIATIONS 2025/2026	\$ 40,695,598
TOTAL 2025/2026 ESTIMATED REVENUE	
EXEMPT FROM LIMIT	15,160,191
2025/2026 REVENUE LIMIT	\$ 26,209,057
2025/2026 REVENUE SUBJECT TO LIMIT	15,160,191
AMOUNT OF UNSPENT AUTHORIZED APPROPRIATIONS	\$ 11,048,866

* Data provided by State of California, Department of Finance
***Data provided by Fresno County Assessor's Office

Attachment 'F'

RESOLUTION NO. 25-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN AUTHORIZING NUMBER OF
EMPLOYEE POSITIONS AND TITLES

WHEREAS, a change in the number of employee positions and titles may only be made by Council resolution and as authorized in the City budget; and

WHEREAS, for purposes of efficiency and organization, there is a need to amend the number of positions.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN hereby resolves as follows:

Section 1. The following titles and number of positions for each title are hereby authorized:

Permanent Full-Time

City Manager	1
Executive Assistant to City Manager/City Clerk	1
Human Resource Officer	1
Human Resource Specialist	1
*Human Resource Technician	0
Administrative Assistant	1
Total for Management Services	5

Finance Director	1
Senior Accountant	1
*Junior Accountant	0
Payroll Specialist	1
Account Clerk II	2
Account Clerk I	2
Administrative Analyst	1
Total for Administrative Services	8

Community Services Director	1
Assistant Director	1
Building & Facility Supervisor	1
*Parks Maintenance Specialist	0
Parks Maintenance Worker II	2
Parks Maintenance Worker	2
*Recreation Supervisor	0
Recreation Coordinator	2
Senior Services Coordinator	1

Administrative Assistant	1
Total for Community Services	11
Community Development Director	1
Code Enforcement Official	1
*Associate Planner	0
Assistant Planner	1
*Building Official	0
*Permit Tech II	0
Permit Tech I	1
*Community Development Coordinator	0
Administrative Assistant	1
Total for Community Development	5
Chief of Police	1
Lieutenant	1
Sergeant	5
Police Officer	20
Community Service Officer	4
Administrative Assistant	1
Animal Control	1
*Animal Shelter Attendant	0
Records Manager	1
Records Clerk	2
Total for Police Department	36
Director of Public Works	1
Administrative Assistant	2
*Building Permit Clerk	0
Fleet Services Supervisor	1
*Fleet Mechanic I	0
Fleet Mechanic II	1
PW Maintenance Worker III-Specialist	2
PW Maintenance Worker II	4
PW Maintenance Worker I	5
PW Lead Supervisor	2
PW Operations Coordinator	1
*Water Distribution/Waste Water Manager	0
WWTP Lead Supervisor	1
WWTP Water Operator Grade I	3
WWTP Water Operator Grade II	1
*WWTP Maintenance Worker III-Specialist	0
WWTP Maintenance Worker I	1
*WWTP Maintenance Worker II	0
*Water Conservation Specialist	0
Admin Analyst	1

Total for Public Works	26
Grand Total	91

**Positions are vacant and not included in the current budget*

Section 2. The City Manager may adjust the number of permanent full-time positions allocated by class provided that the total number of permanent positions authorized does not change and that there are sufficient unspent appropriations as verified by the Finance Director available to provide funds for the adjustment.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 11th day of June 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk



STAFF REPORT

MEETING DATE: June 11, 2025

PRESENTER: Josefina Alvarez, Finance Director

SUBJECT: Resolution Adopting the Fiscal Year 2025/2026 Kerman Public Finance Authority Budget (JA)

RECOMMENDATION: Council by motion approve resolution adopting Fiscal year 2025/2026 Kerman Public Finance Authority Budget.

EXECUTIVE SUMMARY:

In October 2007 the Kerman Public Finance Authority (PFA) issued Lease Revenue Bonds in the amount of \$3,930,000 for improvements to City Hall, purchase of the building at 942 S Madera Avenue and acreage for Hart Ranch Park.

In September 2020, the Kerman Public Financing Authority refinanced the 2007 Bond achieving a reduction on interest rate from 4.75% to 2.31% with the same lease terms. The 2020 Lease revenue Bond amounts to \$3,041,000. The principal payments are made on October 1st beginning in 2022 and ending in 2037. The interest is to be paid semi-annually on April 1st and October 1st through 2037. The outstanding balance as of June 30, 2024 is \$2,836,000.

The PFA activity consists of the collection of lease payments form the City of Kerman and the redistribution of these funds to bondholders. For Fiscal Year 2025/2026 these annual payments total \$239,344.

FISCAL IMPACT:

The PFA collects lease payments and bi-annually debt service payments are paid to Webster Bank, the lender.

ATTACHMENTS:

A. Resolution w/Exhibit

Attachment ‘A’

RESOLUTION NO. 25-__

RESOLUTION OF THE KERMAN PUBLIC FINANCING AUTHORITY ADOPTING THE FISCAL
YEAR 2025/2026 BUDGET

The Board of Directors of the Kerman Public Finance Authority does resolve as follows:

SECTION 1: The Board of Directors finds and declares as follows:

The Board of Directors has reviewed the proposed final Kerman Public Finance Authority Budget (“Budget”) for Fiscal Year 2025/2026 and determines as follows:

- A. The Budget is based upon annual debt service payments and administrative fees;
- B. All procedural requirements for adopting the Budget were fulfilled and the Board of Directors was fully informed regarding the Authority’s current finances, projected revenue and financial obligations; and
- C. It is in the public interest for the Board of Directors to adopt the Public Finance Authority Budget as proposed by the Executive Director.

SECTION 2: ADOPTION The Budget attached to this resolution, and incorporated by reference, in **Exhibit ‘A’** is approved and adopted subject only to the authorizations set forth below.

SECTION 3: BUDGET APPROPRIATIONS Based upon the Budget, the total Fiscal Year 2025/2026 appropriation for the Public Finance Authority is \$239,344. The Executive Director, or designee, is authorized to implement the appropriations as detailed in the Budget.

SECTION 4: BUDGET ADJUSTMENTS The Budget may be subsequently adjusted as follows:

- A. By majority vote of the Board of Directors;
- B. By the Executive Director, or designee, for all appropriation transfers between line items within the Authority’s fund.

SECTION 5: This resolution will become effective immediately upon adoption and will remain effective unless amended, repealed or superseded.

(Certification on Next Page)

The foregoing resolution was adopted by the Kerman Public Finance Authority, at a regular meeting held on the 11th day of June, 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk

Exhibit 'A'

						Audited	Audited	Adopted	Estimated	Budget
Description						2022/2023	2023/2024	2024/2025	Year/ End	2025/2026
130	0000	361	02	00	Lease Income	\$101,878	\$240,510	\$240,467	\$240,467	\$239,344
						\$101,878	\$240,510	\$240,467	\$240,467	\$239,344

Budget Highlights:

Lease Income is collected from various City funds to service their portion of the debt. The breakdown of those cost allocations can be seen on PFA Annual Lease Payment. In September 10, 2020 the City of Kerman refinanced the 2007 Lease Revenue Bonds and entered into a new lease agreement with the Kerman Public Finance Authority (PFA) for the amount of \$3,041,000. With the refinance the City of Kerman was able to generate some savings by reducing the interest rate. The principal payments are made every October 1, beginning in 2022 and terminating in 2037. Interest is paid semi-annually each April and October, the new interest rate is 2.31%

City of Kerman Public Financing Authority Fiscal Year 2025/2026 Budget

Description										Audited 2022/2023	Audited 2023/2024	Adopted 2024/2025	Estimated Year- End	Budget 2025/2026
Acquisition														
130	8000	600	01	96	Community Park		\$0	\$0	\$0	\$0	\$0			
Sub-Total							0	0	0	0	0			
Maintenance and Operations														
130	5005	510	10	00	Professional Services-Admin Fee		-	-	-	-	0			
Sub-Total							75,607	1,500	1,500	-	0			
Debt Service														
130	5005	700	01	00	Debt Service - Principal		32,000	173,000	177,000	177,000	180,000			
130	5005	700	02	00	Debt Service - Interest		69,878	67,510	63,467	63,467	59,344			
Sub-Total							101,878	240,510	240,467	240,467	239,344			
Total Expenditures							\$177,485	\$240,510	\$240,467	\$240,467	\$239,344			

Budget Highlights:

Bond 2007 was refinanced in FY 20/21, therefore through the financial transaction the debt was paid off with the issued funds of 2020 Revenue Bond



STAFF REPORT

MEETING DATE: June 11, 2025

PRESENTER: Jesus A. Gonzalez, City Engineer

SUBJECT: Approval of Common Use of Easement with Fresno Irrigation District for Vesting Tentative Tract No. 6447 (JG)

RECOMMENDATION: Council by motion adopt resolution approving the Common Use of Easement Agreement with Fresno Irrigation District for Tract No. 6447 and authorizing the City Manager to sign the agreements.

EXECUTIVE SUMMARY:

Joseph Crown Construction and Development, Inc. (Crown), submitted Vesting Tentative Tract Map No. 6447 (TM 6447), proposing to subdivide approximately 29 acres located on the north side of Kearney Boulevard, approximately 1,000 feet west of Siskiyou Avenue. TM 6447 consists of one hundred and sixty-three (163) single-family residential lots and one (1) outlet for future development of a domestic water well. TM 6447 was approved by the Planning Commission on July 15, 2024 and City Council on September 25, 2024.

In the time since approval of TM 6447, Crown has submitted Final Map No. 6447 (FM 6447) improvement plans, and required technical documents for the subdivision as well as has undergone the Fresno Local Agency Formation Commission's annexation process for expanding the City limits to encompass the development. The final map and plans are currently undergoing a review process after which, Staff will bring before Council the final map approval and acceptance of dedications for public use as a future item.

Fresno Irrigation District (FID) owns, operates, and maintains existing 42" diameter Siskiyou Lateral No. 146 pipeline within an existing easement along the north side of Kearney Boulevard, at the southern boundary of FM 6447. As a Condition of Approval imposed by FID, the subdivision is limited to sidewalk, landscape and irrigation improvements and a one-foot streetlight foundations encroachment within FID's easement. In order for FID to allow these improvements, the City must enter into an Agreement for Common Use of Easement (CUA) with FID. The CUA is applicable to the land area that will be of "common use" to both the City and FID, as described and shown on **Exhibits 'A' and 'B'** of the CUA, **Exhibit '1'**. The primary purpose of the CUA is to establish the responsibilities and liabilities of each party for the common use area. The CUA will allow the developer to construct the pedestrian sidewalks/pathways, landscaping, irrigation and streetlight facilities within the common use area, as required by the City. In accordance with the CUA, upon City acceptance of the improvements, the City assumes responsibility for repair to any damage caused to the FID pipeline.

Approval of the CUA will allow FID to approve the improvement plans prior to the City's FM approval and acceptance of dedications thereby eliminating future delays affecting the recordation of necessary development documents.

FISCAL IMPACT:

There is no fiscal impact resulting from execution of the Agreement for Common Use of Easement.

ATTACHMENTS:

A. Resolution

Attachment 'A'

RESOLUTION NO. 25-____**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN, CALIFORNIA,
APPROVING COMMON USE OF EASEMENT AGREEMENT WITH FRESNO IRRIGATION FOR
TRACT NO. 6447**

WHEREAS, Vesting Tentative Tract Map No. 6447, was approved by the Planning Commission on July 15, 2024 and the City Council on September 25, 2024; and

WHEREAS, Joseph Crown Construction and Development, Inc. has submitted an application for a Final Map for Tract No. 6447; and

WHEREAS, the City Council has considered the application for Final Map for Tract No. 6447 under the Subdivision Map Act, Subdivision Ordinance of the City of Kerman, and proofs and evidence offered including the recommendations of the City Engineer, the City Surveyor, the City Planner, and the City Planning Commission; and

WHEREAS, City of Kerman, as a condition of approval, requires Final Tract No. 6447 to construct improvements on the north side of Kearney Boulevard, along the southern boundary of the development; and

WHEREAS, Fresno Irrigation District (FID) owns, operates and maintains existing 42" diameter Siskiyou Lateral No. 146 within an existing easement along the north side of Kearney Boulevard, at the southern boundary of Tract No. 6447; and

WHEREAS, FID, as a condition of approval, limits the improvements within its existing easement to sidewalk, landscape, irrigation improvements and one-foot streetlight foundations encroachment; and

WHEREAS, in order for FID to allow the improvements within its existing easement, the City must enter into an Agreement for Common Use of Easement (CUA) with FID for establishing responsibilities and liabilities of each party with the common use area.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN DOES RESOLVE AND ORDER AS FOLLOWS:

1. The foregoing recitals are true and correct and incorporated by reference as if fully set forth.
2. The Common Use of Easement Agreement between the City of Kerman and FID and Development, Inc., a copy of which is attached hereto as **Exhibit '1'**, is hereby approved.
3. This resolution is effective upon adoption.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 11th day of June, 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk

FREE RECORDING IN ACCORDANCE
WITH CALIFORNIA GOVERNMENT
CODE SECTION 6130 AND 27383

Documentary Transfer Tax - \$ 0.00

RECORDING REQUESTED BY

**AND WHEN RECORDED MAIL TO
FOR THE BENEFIT OF**

**FRESNO IRRIGATION DISTRICT
2907 SOUTH MAPLE
FRESNO, CA 93725-2218**

Recording Information

LOCATION: N/W KEARNEY And SISKIYOU AVENUES
APN: 020-140-22S and 23S _____
CANAL: SISKIYOU No. 146
PROJECT: TRACT 6447

AGREEMENT FOR COMMON USE OF EASEMENTS

This Agreement is made effective as of _____, 20____, by and between (i) the Fresno Irrigation District, a California irrigation district ("District") and (ii) the City of Kerman, a municipal corporation ("City"), with respect to the following facts:

A. District is the owner of those easement(s) and right(s)-of-way, as described in that certain Agreement recorded June 1, 1984, as Document No. 84053051, Official Records of Fresno County, and Agreement recorded November 4, 2005, as Document No. 2005-0262346, Official Records of Fresno County ("District's Easement"), for its use in connection with the construction, maintenance, operation, and use of an irrigation pipeline and incidental appurtenances, known as the Siskiyou No. 146 (the District's Pipeline").

B. City has or will acquire a fee title to a portion of the same property which is burdened by and subject to the District's Easement(s), and City intends to use this portion of that same property for the purpose of constructing, maintaining, and operating certain City Improvements. Said City Improvements shall include improvements of concrete walkway, street light footing, and landscaping (small shrubs, trees, irrigation facilities) in the District's Easement granted under Document 2005-0262346, depicted herein as Area A of **Exhibit "B"**, of the Area of Common Use. City also intends to use a portion of that same property for the purposes of constructing, maintaining, and operating additional certain City Improvements. Said City Improvements shall include improvements of: street light footing, wet and dry utilities, small shrubs, trees, irrigation facilities in the District's Easement and landscaping as Area B of **Exhibit "B"**, of the Area of Common Use, collectively ("City Improvements" or "Improvements"). All trees shall be shallow-rooted variety and located a minimum of 5 feet away from the outside edges of the District's Pipeline. Sprinkler main(s), and controllers shall all be located a minimum of 8 feet away from the outside edges of the District's Pipeline.

C. The City's Improvements overlap District's Easement, which overlapping portion is more specifically described in **Exhibit "A"** and shown on the attached **Exhibit "B"**; and, such overlapping area is hereby designated as the "Area of Common Use".

D. In order to facilitate the developer's Tract 6447, the developer must install certain City Improvements through the District Easement, to accommodate the new development. The Districts Easement and Districts Pipeline and related facilities are collectively hereinafter referred to as "Districts Facilities".

E. The District's Facilities will be located within a portion of the City's real property upon which the City intends to locate surface and underground City Improvements, and therefore, City has a need and desire to install and maintain improvements.

F. City and District desire to clarify their respective rights and obligations with respect to the City Improvements, the District Facilities, the Area of Common Use, and how they shall be used as well as located.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, and the parties' adoption of the recitals above as part of their agreement, the parties agree as follows:

1. Area of Common Use.

(a) District hereby consents to the use by City of the Area of Common Use for purposes of constructing, maintaining, and operating City Improvements that do not unreasonably interfere with the District's use of its own District Facilities or the District Easement. The City's use of the Area of Common Use shall be subject to District Easement and to the terms and conditions herein contained, including the District's use of and access to its District Facilities. The District does not by this Agreement subordinate any rights it may have in the Area of Common Use to any use which City shall make use of the land. The District does not by this Agreement agree to any third-party utility or other third-party uses within Area A of the Area of Common Use which the City shall make use of the land without the express advance written consent first had and obtained from the District. Furthermore, neither City nor any third party shall make any other use of Area A of the Area of Common Use or District's Facilities without the expressed advanced written consent first had and obtained from District. City acknowledges that by this Agreement, the District is making no representation or warranty regarding the existence or non-existence of any third parties claiming a right, title or interest in the Area of Common Use.

(b) City shall, at its own cost and with the District's prior approval, locate, construct, and maintain the City Improvements in the Area of Common Use in such a manner and of such material as may be required so that it will not at any time be a source of danger to or interference with the present or future uses of the District, the District's Facilities. City is specifically required to coordinate the construction of all future improvements so that such improvements do not interfere with the District's water delivery and maintenance schedules or the District's operation and use of the Area of Common Use or the District's Facilities.

(c) The right of the District to approve such construction details is solely for the benefit of the District and is not intended to assign to the District any responsibility for the safe and proper construction of the Improvements, such responsibility, and liability being entirely assigned to the City. Approval by the District of construction details shall not result in an

assumption of liability for the Improvements, their design, adequacy, uses, performance or structural integrity.

(d) All of the Improvements constructed or installed pursuant to this Agreement shall be the property of City, and all appurtenances and facilities installed by the District or existing in the Area of Common Use which are related to the District's Facilities shall be the property of District. Except as herein otherwise provided, neither District nor City shall have any right, title, or control over the other's property. In the event that the City ever vacates or abandons its Improvements, or in the event that the District ever vacates or abandons its appurtenances and facilities existing or installed by the District, the vacating/abandoning party shall record a document acknowledging the ongoing uses of the other party in the Area of Common Use previously shared by the parties so as not to work an abandonment or vacation of the interests of the other party.

(e) Except as expressly set forth herein, this Agreement shall not in any way alter, modify, or terminate the District Facilities in the Area of Common Use. Both District and City shall use the Area of Common Use in such a manner as not to unreasonably interfere with the rights of one another and nothing herein shall be construed as a release or waiver of any claim for compensation or damages which District or City may now have, or may hereafter acquire, resulting from the construction or alteration of existing facilities or the construction or alteration of additional facilities by either District or City which causes damage to or unreasonable interference with the use of the Area of Common Use by the other party.

(f) City shall be responsible to pay, and shall reimburse District upon demand, for any reasonable cost incurred by District for Work performed by District that is caused by or required by City's construction, maintenance or use of the Improvements, including the City's (or the developer's) work in the Area of Common Use. District shall provide reasonable advance written notice of the necessity of such work prior to commencement.

(h) Except as described above, District and City shall be responsible for the maintenance, repair, alteration, improvement or relocation of their respective facilities; and, as between the parties, the City shall be responsible for any maintenance, repair alteration or relocation of any third-party facilities the City permits, allows or provides for within the Area of Common Use.

(i) Nothing in this Agreement shall relieve the parties from any responsibility toward the other for damage to the other's property located outside of the Area of Common Use. District shall not be responsible for any damage to or for the costs of replacement or repair of any City or third-party facilities or Improvements located in the Area of Common Use, and City shall indemnify and hold District harmless for any cost and/or damages except for any such claims arising out of the willful misconduct or sole negligence of District or its directors, officers, employees or authorized volunteers.

(j) To the fullest extent permitted by law, the City agrees to be solely responsible for any and all injuries, damages, and claims to persons or property arising out of its use of the Area of Common Use, except for any such claims arising out of the willful misconduct or sole negligence or those of District or its directors, officers, employees or authorized volunteers, or those claims which violate the City's sovereign immunities. City agrees to defend, hold harmless, and indemnify District, its directors, officers, employees or authorized volunteers against any and all such injuries, damages, and claims. This indemnification agreement shall not be restricted to any insurance proceeds.

(k) Except in the event of an emergency, or as necessary to maintain the flow of water in the District's Facilities, each party shall give the other reasonable notice before performing or permitting any work affecting the other's facilities in the Area of Common Use, and shall furnish the other party with plans and specifications describing the work to be done beforehand. The reviewing party shall have the right to specify reasonable conditions on, or changes in, the proposed work and schedule when necessary to prevent damage to its facilities or interference with its operations in the Area of Common Use. Where such changes shall result in additional expense, such expense shall be borne by City. Neither party shall permit installation of facilities by others in the Area of Common Use without the written consent of the other party. Each party agrees to repair any damage to the other party's facilities caused by work directed or performed by it within the Area of Common Use, except that where City's facilities within the Area of Common Use must necessarily be damaged, destroyed or removed by District to accommodate repair, maintenance, modification or replacement of District's facilities, District shall have no obligation to restore City's affected facilities. In the event of an emergency, no such notice shall be required and either party may proceed to do what is reasonably necessary to prevent serious loss or damage and to protect the public health and safety. An emergency shall be deemed to exist if immediate action is reasonably required to prevent serious loss or damage to life or property, or to protect the public health and safety.

(l) Violation of any term of this Agreement shall be cause of termination of the Agreement, and in such an event, the aggrieved party shall have all remedies available at law or equity, including the right to enforce District's right to the unimpeded use of the Area of Common Use. No termination of this Agreement shall release the other party from liability hereunder, whether of indemnity or otherwise.

2. Maintenance. City agrees that the District's Facilities constructed upon and within Area A of the Area of Common Use as described in **Exhibit "A"** and shown on **Exhibit "B"**, shall be maintained by City at City's sole expense. District shall notify City of root maintenance requirements, and City shall be responsible to hire a contractor to perform such maintenance that has appropriate experience with root intrusion in concrete pipe, as determined by District in its reasonable discretion. If City's choice of contractor is not acceptable to District, District shall hire a contractor to perform such maintenance or repairs at City's expense. City shall not otherwise perform, or cause to be performed, any maintenance or repairs of the pipeline without the express written consent of the District. Any such root intrusion removal/pipe maintenance or repair/replacement work by the District on its pipeline required to be performed by the City, the City's contractor or any contractor hired by District to work on its pipeline for the City's work, as noted above, does not result in any warranty, guarantee or obligation of District for such work performed under the City's maintenance obligation set forth above.

The parties shall cooperate in connection with the maintenance of District Facilities and shall meet and confer regarding the purported maintenance work required. Should City fail to maintain said District pipeline and appurtenant facilities upon written demand from District, within Area A of the Area of Common Use, District shall have the right, but shall not be required, to do said maintenance, make any such repairs or replacements, and City agrees to repay to District the actual cost of work required plus any additional reasonable precautions and actions that will be necessary in order to access District facilities without affecting City Improvements, with interest at the rate of 10% per annum, within 30 days after written demand is made from District.

3. Further Assurances. From time to time and at any time after the execution and delivery hereof, each of the parties, at its own expense, shall execute, acknowledge and deliver

any further instruments, documents and other assurances reasonably requested by the other party, and shall take any other action consistent with the terms of this Agreement that may reasonably be requested by the other party, to evidence or carry out the intent of this Agreement.

4. Time and Computation of Time. Time is of the essence of this Agreement and each and all of its provisions. The parties agree that the time for performance of any action permitted or required under this Agreement shall be computed as if such action were "an act provided by law" within the meaning of California Civil Code §10, which provides: "The time in which any act provided by law to be done is computed by excluding the first day and including the last, unless the last day is a holiday, and then it is also excluded.

5. Entire Agreement. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all of the parties hereto.

6. Waiver. Waiver of any breach of this Agreement by any party hereto shall not constitute a continuing waiver or a waiver of any breach of the same or another provision of this Agreement.

7. Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart shall be deemed to be an original instrument, all of which together shall constitute one and the same instrument.

8. Binding Effect. This Agreement shall "run with the land" and be binding upon and inure to the benefit of the heirs, executors, administrators, assigns, and successors of the parties hereto.

9. Interpretation. It is agreed and acknowledged by the parties that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

10. Professionals' Fees. Should any action or proceeding be commenced between the parties hereto concerning this Agreement, or the rights and duties of any party in relation thereto, the party prevailing in such action or proceeding shall be entitled, in addition to such other relief as may be granted, to recover from the losing party a reasonable sum for its attorneys', paralegals', accountants', and other professional fees and costs incurred in connection with such action or proceeding.

11. Parties in Interest. Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies on any persons other than the parties hereto and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over and against any party to this Agreement.

12. Survival. Each of the terms, provisions, representations, warranties, and covenants of the parties shall be continuous and shall survive the consummation of the transactions contemplated in this Agreement.

13. Notices. All notices and other communications required under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of service if sent by telecopier, provided the original is concurrently sent by first class mail, and provided that notices received by telecopier after 5:00 p.m. shall be deemed given on the next business day, (iii) on the next business day after deposit with a recognized overnight delivery service, or (iv) or on the third (3rd) day after mailing, if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage-prepaid, and properly addressed as follows:

To District: Fresno Irrigation District
 2907 South Maple
 Fresno, CA 93725-2218
 Attn: General Manager

To City: City of Kerman
 850 S. Madera Avenue
 Kerman, CA 93630
 Attn: City Manager

A party may change its address for notices by providing notice to the other parties as provided above.

14. Termination. This Agreement may be terminated by a mutually executed Notice of Termination approved by both parties and recorded by District.

{remainder intentionally left blank}

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first above written.

“District”

The Fresno Irrigation District, a California irrigation district

By _____
Ryan Jacobsen, President

By _____
Bill Stretch, Secretary

“City”

The City of Kerman, a municipal corporation

By _____
John Jansons, City Manager

ATTEST:
Josie Camacho, City Clerk

By:

APPROVED AS TO FORM:
Hilda Cantu Montoy, City Attorney

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, _____
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____

Number of Pages: _____

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, _____
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____

Number of Pages: _____

EXHIBIT A

Legal Description

A portion of Lot 8 of the Fresno Irrigated Farms Company Tract, recorded in Book 8, Page 1 of Record of Surveys, Fresno County Records, within the Northeast Quarter of Section 11, Township 14 South, Range 17 East, Mount Diablo Base and Meridian, described as follows:

Area A

COMMENCING at the East Quarter corner of said Section 11; thence South 89°52'32" West, along the South line of said Northeast Quarter, a distance of 659.78 feet; thence North 0°07'28" West, a distance of 20.00 feet to the South line of said Lot 8, thence North 0°43'19" East, along the west line of the east 630.00 feet of said Lot 8, a distance of 15.00 feet to the **TRUE POINT OF BEGINNING**; thence South 89°52'32" West, parallel with and 35.00 feet North of the South line of said Northeast Quarter, a distance of 561.31 feet; thence South 0°07'28" East, a distance of 15.00 feet to the South line of said Lot 8; thence South 89°52'32" West, along said South line, a distance of 26.00 feet; thence North 0°07'28" West, a distance of 35.00 feet; thence along a line parallel with and 55.00 feet North of the South line of said Northeast Quarter, a distance of 587.60 feet to the intersection with the West line of the East 630.00 feet of said Lot 8; thence South 0°43'19" West, along said West line, a distance of 20.00 feet to the **TRUE POINT OF BEGINNING**.

Area B

COMMENCING at the East Quarter corner of said Section 11; thence South 89°52'32" West, along the South line of said Northeast Quarter, a distance of 659.78 feet; thence North 0°07'28" West, a distance of 20.00 feet to the **TRUE POINT OF BEGINNING**; thence South 89°52'32" West, parallel with and 20.00 feet North of the South line of said Northeast Quarter, a distance of 561.08 feet; thence North 0°07'28" West, a distance of 15.00 feet; thence North 89°52'32" East, along a line parallel with and 35.00 feet North of the South line of said Northeast Quarter, a distance of 561.31 feet to the intersection with the West line of the East 630.00 feet of said Lot 8; thence South 0°43'19" West, along said West line, a distance of 15.00 feet to the **TRUE POINT OF BEGINNING**.

Contains an area of **0.47** acres more or less.

End of description.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Dated: February 13, 2025



Ruben Aparicio III



LINE TABLE

LINE #	LENGTH	BEARING
L1	659.78'	S89° 52' 32"W
L2	20.00'	N0° 07' 28"W
L3	35.00'	S0° 43' 19"W
L4	587.60'	N89° 52' 32"E
L5	35.00'	N0° 07' 28"W
L6	587.08'	S89° 52' 32"W
L7	20.00'	N0° 43' 19"E
L8	26.00'	N89° 52' 32"E

LINE TABLE

LINE #	LENGTH	BEARING
L9	15.00'	N0° 07' 28"W
L10	561.31'	N89° 52' 32"E
L11	15.00'	S0° 43' 19"W
L12	561.08'	S89° 52' 32"W
L13	1988.97'	S89° 52' 32"W

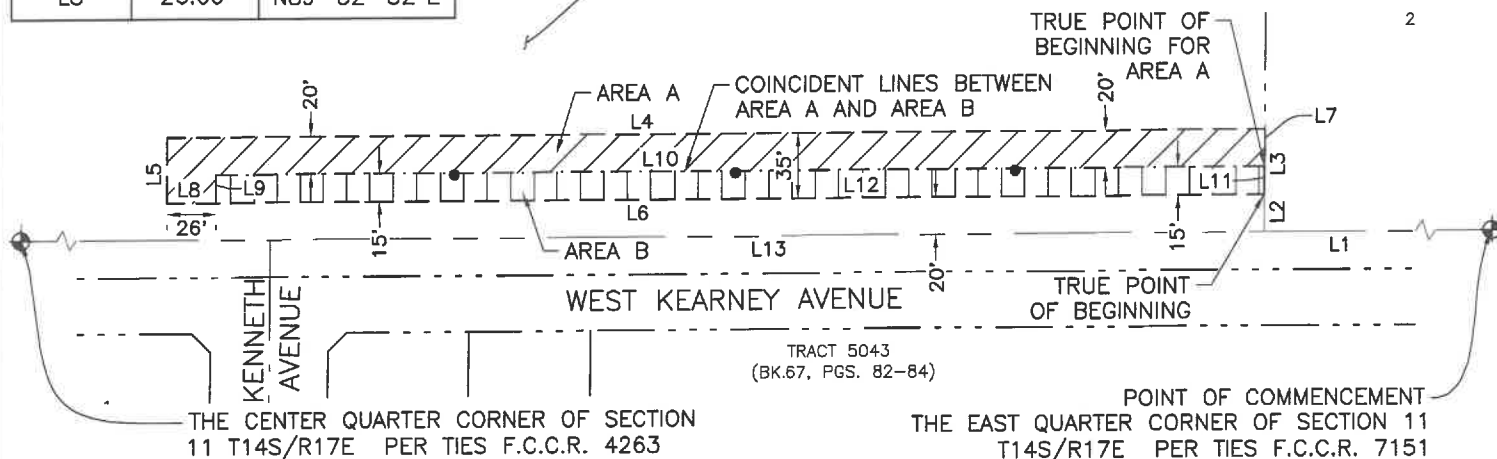
SCALE: 1"=100'

SCALE IN FEET

THE WEST LINE OF THE EAST
630 FEET OF SAID LOT 8

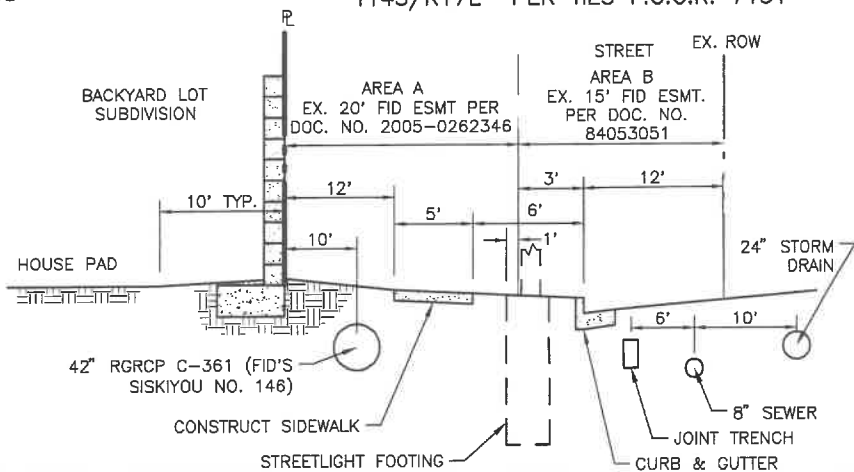
TRACT 5480
(BK. 75, PGS. 1,2)
FRESNO COUNTY RECORDS

APN:
020-140-23S



LEGEND

- AREA OF COMMON USE BETWEEN FRESNO IRRIGATION DISTRICT AND CITY OF Kerman.
- AREA = ±20,557 SQ.FT. (0.47 AC.)
- AREA A PORTION OF EXISTING FRESNO IRRIGATION DISTRICT EASEMENT PER DOCUMENT NO. 2005-0262346 O.R.F.C
- AREA B PORTION OF EXISTING FRESNO IRRIGATION DISTRICT EASEMENT PER DOCUMENT NO. 84053051 O.R.F.C
- STREET LIGHT FOOTING LOCATIONS PER TRACT 6447 IMPROVEMENT PLANS
- F.C.C.R. FRESNO COUNTY CORNER RECORDS
- O.R.F.C. OFFICIAL RECORDS FRESNO COUNTY



DETAIL 1

NOT TO SCALE

* NOTE: DETAIL 1 IS BEING FURNISHED AS AN AID IN LOCATING THE HEREIN DESCRIBED COMMON USE AGREEMENT AREA IN RELATION TO PROPOSED ADJOINING IMPROVEMENTS. IT IS NOT INTENDED TO BE USED FOR DESIGN OR CONSTRUCTION PURPOSES OR TO REPRESENT AS-BUILT CONDITIONS. PLEASE REFER TO THE APPROVED IMPROVEMENT PLANS FOR TRACT 6447 FOR ACTUAL IMPROVEMENT LOCATIONS.



FRESNO IRRIGATION DISTRICT - CITY OF Kerman AREA OF COMMON USE

EXHIBIT "B"

DR. BY: A.C.

CH. BY: J.L.

SCALE: 1" = 100'

DATE: 02/12/2025

SHEET NO:

SHEET 1 OF



STAFF REPORT

MEETING DATE: June 11, 2025

PRESENTER: Jesus A. Gonzalez, City Engineer

SUBJECT: Resolution Initiating Proceedings to Review Improvements and Establish Assessments, Pursuant to the Landscaping and Lighting Act of 1972, for the Annexation of Tract 6447 into Landscape and Lighting District No. 1, to Review the Improvements and Establish Assessments for Fiscal Year 2025-26 and to Set a Public Hearing (JG)

RECOMMENDATION: Council by motion adopt the resolution to initiate proceedings pursuant to the Landscaping and Lighting Act of 1972 for the annexation of Tract 6447 into Landscape and Lighting District No. 1, to review the improvements and establish assessments for Fiscal Year 2025-2026 (FY25-26), and to set a public hearing for a future date.

EXECUTIVE SUMMARY:

The Landscape and Lighting District (LLD) No. 1 maintains public landscaping in median islands and landscape strips along major streets. The revenue from the LLD also pays for street lighting costs for areas within it. All new developments are annexed into the LLD and charged an annual assessment that is collected with property taxes. There are currently 14 sub-areas within the LLD.

Joseph Crown Construction and Development, Inc. ("Applicant") is currently seeking to develop a 163-lot subdivision located on the north side of Kearney Boulevard, approximately 1,000 feet west of Siskiyou Avenue. The Applicant is in the process of submitting a final map for Tract 6447, for approval by the City Council, which will be considered as a separate agenda item at a future meeting. A condition of approval for Tract 6447 requires that Applicant request annexation to the City's LLD. Consistent with that requirement, the Applicant has submitted a petition and waiver to the City, requesting annexation into LLD No. 1 and agreeing to the initial assessment to be established for FY25-26. Thereafter, the property would be subject to the annual levy amounts approved by Council for LLD No. 1 for each fiscal year.

The Applicant has also (i) waived certain resolutions, report, notices of hearing, and right of majority protest, and consented to a public hearing and adoption of a resolution by the City Council ordering annexation and levy of the Property; and (ii) expressly waived any requirement to have a ballot and majority protest proceeding per Government Code Section 53753 or as may be permitted by the Act. As a result of this waiver, the annexation process can be expedited as no report by the City Engineer is required to be prepared and filed with the City Clerk, nor is a ballot and majority protest required.

This is the first of two actions by Council. Approving the resolution does not annex the property or implement the assessment; it only starts the process and allows for further discussion. The Council will make a final decision on this matter at the public hearing set by the Council.

FISCAL IMPACT:

Each lot that is annexed will pay the assessment rate to be established. Thereafter, the City Council will approve assessment amounts for Area 15 of the LLD No. 1, which may be adjusted to reflect increases based on the consumer price index.

ATTACHMENTS:

- A. Resolution w/Exhibits
- B. Petition and Waiver

RESOLUTION NO. 25-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN,
CALIFORNIA INITIATING PROCEEDINGS PURSUANT TO THE LANDSCAPING AND LIGHTING ACT
OF 1972 FOR THE ANNEXATION OF TRACT 6447 INTO LANDSCAPING AND LIGHTING DISTRICT
NO. 1, AREA 15, TO REVIEW THE IMPROVEMENTS AND ESTABLISH ASSESSMENTS AND TO SET
A PUBLIC HEARING.**

WHEREAS, the Landscaping and Lighting Act of 1972 ("Act") provides and establishes procedures for annexing properties to an existing Landscaping and Lighting Assessment District; and

WHEREAS, on September 7, 1993 the Kerman City Council established the "Kerman Landscape and Lighting District No. 1" ("LLD No. 1") to levy and collect assessments to cover the cost of maintaining landscaping, irrigation systems and streetlights within the LLD No. 1 public right-of-way; and

WHEREAS, the City Council has determined that, to finance the installation, operation, and maintenance of landscaping, irrigation and lighting improvements which benefit the aforementioned tract and public lands, it should be annexed into the District; and

WHEREAS, not only will annexing this new development into the existing district ensure that all benefitting parcels share equally in the costs to maintain the improvements, but consolidating the benefitting developments into a single assessment district will facilitate their management by the City; and

WHEREAS, the proceedings for the annexation of the aforementioned tract and public lands to the District are authorized by and will be conducted pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code; and

WHEREAS, pursuant to Streets and Highways Code section 22608, resolutions, reports, notices of hearing, and the right of majority protest may be waived with the written consent of all landowners of the territory to be annexed; and

WHEREAS, Joseph Crown Construction and Development, Inc., is the landowner of the property proposed for annexation and generally located on the northside of Kearney Boulevard approximately 1,000 west of Siskiyou Avenue, and which is also known as Tract 6447 whose final map is being concurrently considered by the City Council, as further described or depicted on **Exhibit 'A'** ("Subject Property"); and

WHEREAS, Joseph Crown Construction and Development, Inc., has provided a petition for annexation and written consent to waiver of resolutions, reports, notices of hearing, and the

right of majority protest regarding the Subject Property, as well as consenting to the amount of the proposed levy for the 2025-26 fiscal year; and

WHEREAS, as a result, no report by the City Engineer is required to be prepared and filed with the City Clerk which outlines the land to be annexed, etc.; and

WHEREAS, this City Council now desires to proceed to adopt this Resolution of Intention to declare its intent to annex the Subject Property into LLD No. 1, and to set and specify the levy and collection of assessments, and to set a time and place for a public hearing relating to the annexation of the subject property into LLD No. 1, Area 15.

NOW, THEREFORE, the City Council of the City of Kerman resolves as follows:

1. The City Council proposes to annex the property into Area 15 of Kerman Landscaping And Lighting District No. 1 pursuant to the Landscaping and Lighting Act of 1972 (Section 22500 and following, Streets and Highways Code). The property proposed to be annexed is identified on **Exhibit 'A'**.
2. The property proposed to be annexed and to be specifically charged for the improvements shall include all of the land identified on **Exhibits 'A' and 'B'** (excluding Outlot "A" of Tract 6447) and shall be designated "Kerman Landscaping & Lighting District No. 1, Area 15."
3. The improvements which are provided for the properties within Kerman Landscaping & Lighting District No. 1, and which shall be provided for the property within Kerman Landscaping & Lighting District No. 1, Area 15, and through the assessments levied annually thereon shall include the following:
 - (a) The installation or planting of landscaping, including, but not limited to, street trees, parkways, and median islands;
 - (b) The installation or construction of irrigation systems;
 - (c) The installation or construction of public lighting, facilities, including, but not limited to, street lights;
 - (d) The maintenance and servicing of any of the foregoing.
4. The City Engineer of the City of Kerman is hereby designated the engineer for the annexation proceedings. The City Council finds that the landowner has presented a written consent, and that the engineer is not required to prepare and file with the City Clerk a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972 for the annexation proceedings, consistent with the Landscaping and Lighting Act of 1972.
5. NOTICE IS HEREBY GIVEN that a public hearing is set for the regular meeting of the City Council on June 25, 2025, at 6:00 p.m., in the Council Chamber of City Hall, 850

S. Madera Avenue, Kerman, California 93630, All interested persons shall be heard on the question of the levy and collection of the proposed assessments. Written protests may be filed with the City Clerk at any time prior to the conclusion of the hearing. A written protest shall state all grounds of objection and shall contain a description sufficient to identify the property owned by the protesting person or persons.

6. This resolution shall be effective upon adoption.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on June 11, 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk

Exhibit 'A'

**Proposed Boundaries to Kerman Landscaping & Lighting District No. 1, Area 15, City of
Kerman, Fresno County, California**

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

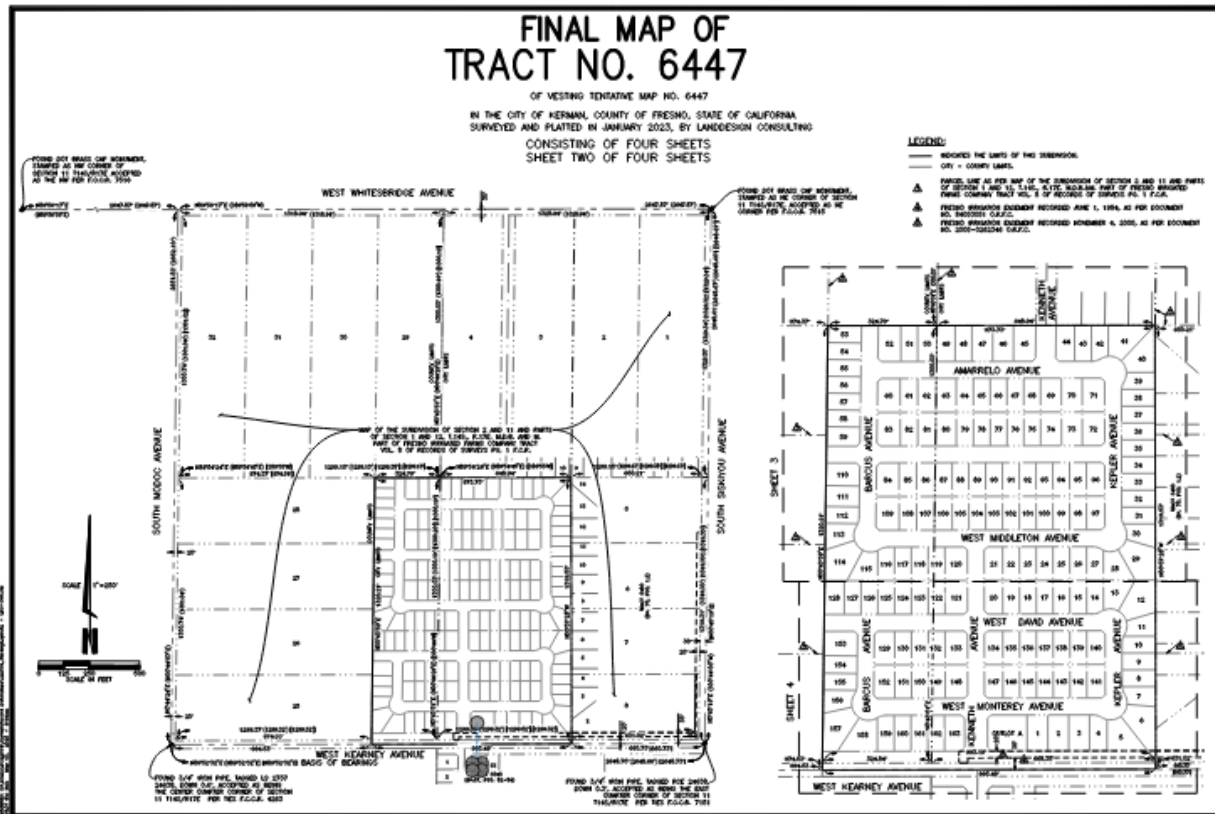
Lots 5, 6, 7, 8, and the East Quarter of Lots 25, 26, 27, and 28 of the Fresno Irrigated Farms Company Tract, recorded in Book 8, Page 1 of Record of Surveys, Fresno County Records, also being within the Northeast Quarter of Section 11, Township 14 South, Range 17 East, Mount Diablo Base and Meridian:

Excepting therefrom that portion lying east of the following described line:

COMMENCING at the East Quarter corner of said Section 11; thence South 89°52'32" West, along the South line of said Northeast Quarter, a distance of 660.73 feet; thence North 0°07'28" West, a distance of 20.00 feet to the South line of said Lot 8 and the Point of Beginning; thence continuing North 0°07'28" West, a distance of 1299.53 feet to a point on the North line of said Lot 5 said point being 680.22 feet westerly along said North line and prolongation thereof from the East line of said Northeast Quarter of Section 11, and also being the Point of Termination.

The property is subject to a pending map for Tract 6447, whose final map is being considered by the City Council. The boundaries of the annexation shall be comprised of lots 1-163, of the Tract 6447, and shall not include Outlot A. The boundaries of Tract 6447 are depicted as follows:

Exhibit 'B'



[DEVELOPER LETTERHEAD]

**RE: Petition (Including Consent And Waiver) Requesting Annexation To
Kerman Landscape and Lighting District No. 1 (Vesting Tentative Tract Map
No. 6447)**

Dear City Council of the City of Kerman:

The undersigned landowner does hereby certify under penalty of perjury that the following statements are all true and correct:

1. The undersigned is authorized to represent the landowner identified below and is its designated representative to request and petition the City Council (the "Council") of the City of Kerman (the "City") for annexation to Kerman Landscape and Lighting District No. 1 ("District No. 1") pursuant to the provisions of Landscaping and Lighting Act of 1972 ("Act"), commencing at California Streets and Highways Code section 22500 *et seq.*, and to authorize certain other consents and waivers contained herein. The boundaries of the territory to be annexed are described on Exhibit "A" hereto and by this reference incorporated herein.

2. The landowner hereby certifies that as of the date indicated opposite of the undersigned's signature, the landowner listed herein is the owner of the property within the proposed annexation boundary of District No. 1, (the "Property"), which Property's boundary is further described in Exhibit "A" hereto.

3. The landowner, pursuant to Sections 22607 and 22585 *et seq.* of the Act, hereby requests that proceedings be commenced:

(a) To annex the Property to District No. 1 for the purposes including the following:

- The installation or construction of public lighting, facilities, including, but not limited to, street lights;
- The installation or planting of landscaping, including, but not limited to, street trees, parkways, and median islands;
- The installation or construction of irrigation systems;
- The maintenance and servicing of any of the foregoing.

(b) To authorize the levy of assessments on the Property in accordance with the rate and method of apportionment of District No. 1 to finance the above-mentioned services, incidental expenses and fees; and

(c) To authorize the issuance of bonds for District No. 1 if applicable.

4. In accordance with the provisions of the Act, and specifically Section 22608 for annexation proceedings, resolutions, report, notices of hearing, and right of majority protest shall be waived with written consent of the owners of property within the territory to be annexed, the landowner (i) expressly waives the resolutions, report, notices of hearing, and right of majority protest, and consents to a public hearing and adoption of a Resolution by the City Council ordering annexation and levy of the Property; and (ii) expressly waives any requirement to have a ballot and majority protest proceeding per Government Code Section 53753 or as may be permitted by the Act.

5. The landowner expressly waives all applicable waiting periods for the election and waives the requirement for analysis, engineer's report, etc., and consents to not having such materials provided to the landowner, and expressly waives any requirements as to the form of the ballot.

6. The landowner acknowledges that the last levy for annexation into LLD No. 1 was in the amount of \$369.84 and the assessment process for this annexation maybe in an approximate similar amount and that the levy may be adjusted by the City annually consistent with the Act.

7. The undersigned warrants it is the owner of one hundred percent (100%) of the Property. The undersigned warrants that there are no liens or encumbrances on the Property in the favor of any lender, including but not limited to any deeds of trust, mortgages, leases, or liens of a similar nature.

8. The undersigned agrees to execute such additional or supplemental agreements as may be required by the City to provide for any actions and conditions under this petition, including any amount of cash deposit required to pay for the City's costs related to annexing into District No. 1.

9. The undersigned agrees to cooperate with the City, its attorneys and consultants and provide all information and disclosures required by the City regarding the assessment to purchasers of the Property or any part of it.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, I hereunto set my hand this ____ day of June 2025.

OWNER:

Joseph Crown Construction and
Development, Inc.,
a California Corporation

By: _____
Joseph Donald Crown
President

The address of the above owner for receiving notices is:

To: Joseph Crown Construction and
Development, Inc.
5320 E. Pine Avenue
Fresno, CA 93727
Attention: Joseph Donald Crown
Phone: (559) 840-7971
E-mail: jcrown@crownliving.com

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF Kerman THIS
____ DAY OF JUNE 2025.

Josie Camacho, City Clerk

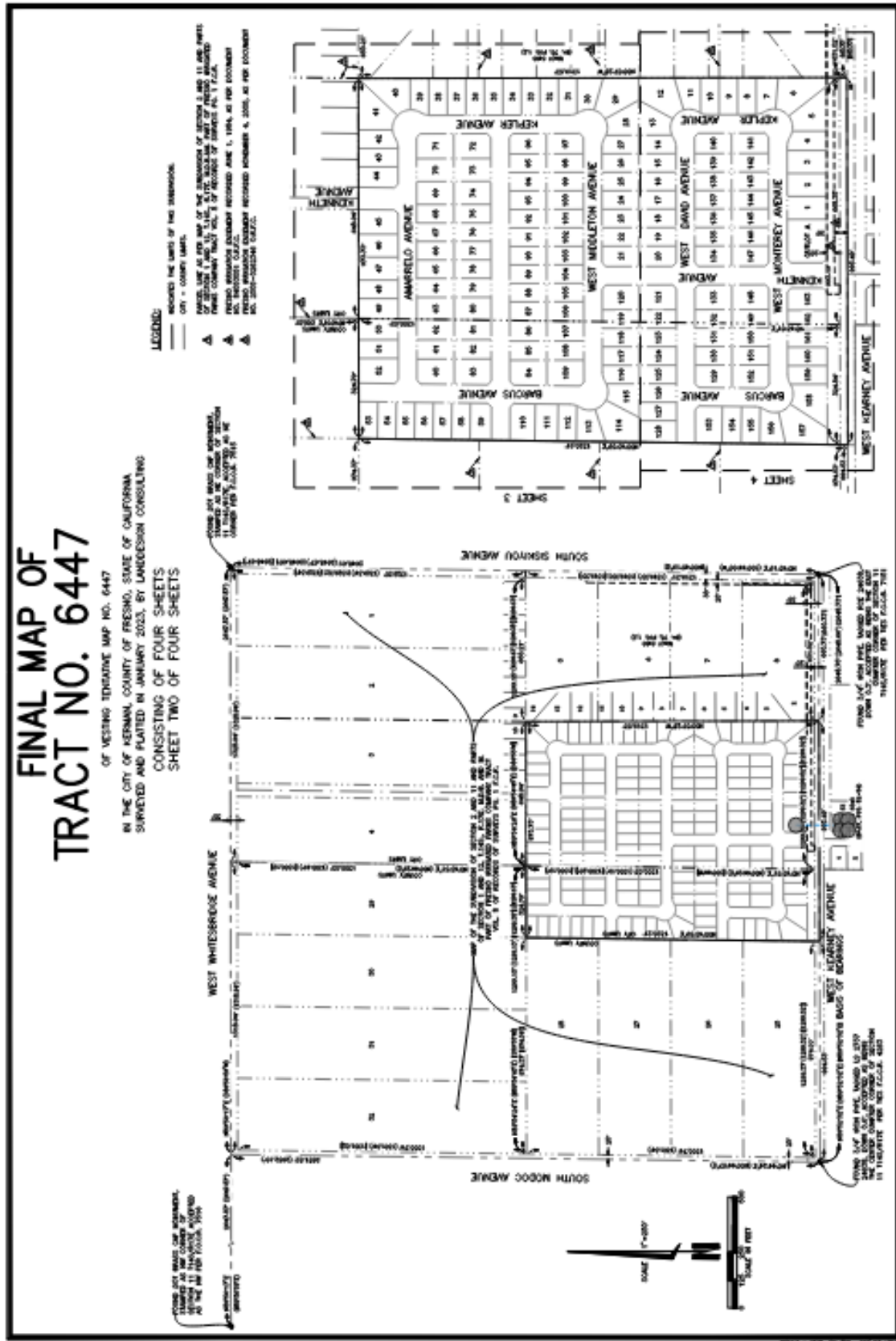
EXHIBIT A

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

Lots 5, 6, 7, 8, and the East Quarter of Lots 25, 26, 27, and 28 of the Fresno Irrigated Farms Company Tract, recorded in Book 8, Page 1 of Record of Surveys, Fresno County Records, also being within the Northeast Quarter of Section 11, Township 14 South, Range 17 East, Mount Diablo Base and Meridian:

Excepting therefrom that portion lying east of the following described line:

COMMENCING at the East Quarter corner of said Section 11; thence South 89°52'32" West, along the South line of said Northeast Quarter, a distance of 660.73 feet; thence North 0°07'28" West, a distance of 20.00 feet to the South line of said Lot 8 and the Point of Beginning; thence continuing North 0°07'28" West, a distance of 1299.53 feet to a point on the North line of said Lot 5 said point being 680.22 feet westerly along said North line and prolongation thereof from the East line of said Northeast Quarter of Section 11, and also being the Point of Termination.





STAFF REPORT

MEETING DATE: June 11, 2025

PRESENTER: John Jansons, City Manager

SUBJECT: Consideration of Monthly Stipend for Members of the City Recreation Commission (JAJ)

RECOMMENDATION: Council by motion consider whether to adopt a resolution establishing a stipend per meeting for members of the Parks, Recreation, and Community Services Commission and to determine the amount of such stipend.

DISCUSSION:

This agenda item is presented from a request of Mayor Pro Tem Yep at the January 8, 2025 Council Meeting.

This matter was considered by Council on February 26, 2025 with no decision other than to “table this matter to a future date” when the full Council would be present.

Chapter 2.26 of the Kerman Municipal Code (KMC) governs the operation of City Boards and Commissions; and Chapter 2.32 governs the Parks, Recreation, and Community Services Commission (“Recreation Commission”).

KMC Section 2.26.070 provides: “Members of city boards and commissions shall serve without compensation for their service unless otherwise provided by resolution of the city council.” Unlike Resolution Number 15-60 which established a per-meeting stipend for Planning Commissioners in the amount of \$75 per meeting with a maximum of two meetings per month as needed, the City does not have a resolution addressing compensation for members of the Recreation Commission.

A brief survey of California cities reveals that payments to Commissioners varies greatly, with many paying nothing as Commission members are resident volunteers, to upwards of \$350 per meeting for Planning Commissioners, with other advisory committees receiving \$25 or \$50 per meeting. It is noted that the Recreation Commission is an advisory body whereas the Planning Commission does have action authority under the KMC and state law.

The amount determined by Council would be paid per meeting for what is historically one meeting per month. Adoption of the attached resolution would authorize the proposed change effective July, 2025.

On May 28, 2025, Councilmember Herrera requested this matter be brought back to the City Council for further consideration.

FISCAL IMPACT:

The annual Recreation Commission cost would increase by the amount as established by the Council as per the table below assuming a full Commission of five members meeting once monthly.

5 Commissioners	Stipend per Meeting	12 meetings	Annual Cost
	\$25.00 per meeting		\$1,500
	\$50.00 per meeting		\$3,000
	\$75.00 Per meeting		\$4,500

ATTACHMENTS:

A. Draft Resolution

Attachment 'A'

RESOLUTION NO. 25-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN ESTABLISHING A MONTHLY
PAYMENT TO MEMBERS OF THE PARKS, RECREATION, AND COMMUNITY SERVICES
COMMISSION IN THE AMOUNT OF \$__ PER MEETING**

WHEREAS, Chapter 2.26 of the Kerman Municipal Code (KMC) governs the operation of City Boards and Commissions; and

WHEREAS, Chapter 2.32 governs the Parks, Recreation, and Community Services Commission ("Recreation Commission"); and

WHEREAS, Section 2.26.070 provides: "Members of city boards and commissions shall serve without compensation for their service unless otherwise provided by resolution of the City Council"; and

WHEREAS, City Council has determined that it is in interest of the City to pay a per-meeting stipend to members of the Recreation Commission; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kerman:

1. The foregoing recitals are true and correct and incorporated by reference.
2. The City Council approves a \$__ stipend for each meeting up to two meetings per month to members of the City Parks, Recreation, and Community Services Commission.
3. The City Council directs the Director of Finance to amend the Fiscal Year 2025-20265 Budget to include Commission payments beginning July 2025 and to include such expenditures in future budget years unless this resolution is rescinded or amended.
4. This resolution is effective upon adoption.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 11th day of June, 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk