



**City Council  
Successor Redevelopment Agency  
Financing Authority  
Housing Authority**

**AGENDA**

**Wednesday**

**Regular**

**Closed Session 5:30 p.m.  
Regular Session 6:00 p.m.**

**September 21, 2016**

**City Hall  
100 West California Avenue  
Ridgecrest CA 93555**

**(760) 499-5000**

**Peggy Breeden, Mayor  
James Sanders, Mayor Pro Tempore  
Lori Acton, Vice Mayor  
Eddie B. Thomas, Council Member  
Mike Mower, Council Member**

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CITY OF RIDGECREST  
Telephone 760 499-5000  
FAX 499-1500

100 West California Avenue, Ridgecrest, California 93555-4054

**NOTICE AND CALL OF SPECIAL CLOSED SESSION MEETING OF THE  
RIDGECREST CITY COUNCIL / SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AGENCY**

**TO THE MEMBERS OF THE RIDGECREST CITY COUNCIL / SUCCESSOR REDEVELOPMENT  
AGENCY/FINANCING AUTHORITY / HOUSING AGENCY AND CITY CLERK:**

**PUBLIC NOTICE** that a **SPECIAL CLOSED SESSION MEETING** of the Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Agency is hereby called to be held on **Wednesday, September 21, 2016, at 5:30 p.m.**, in the **Council Chambers Conference Room**, 100 W. California Avenue, Ridgecrest, California.

Said **SPECIAL CLOSED SESSION MEETING** shall be for the purpose of:

- |                 |  |
|-----------------|--|
| GC54956.9       | Conference With Legal Counsel – Potential Litigation – Public Disclosure Of Potential Litigants Would Prejudice The City Of Ridgecrest |
| GC54956.9(d)(4) | Conference With Legal Counsel – Potential Litigation – City Of Ridgecrest v. Southern California Edison                                |
| GC54956.9(d)(4) | Conference With Legal Counsel – Potential Litigation – City Of Ridgecrest v. County Of Kern  |

Dated: September 15, 2016

Peggy Breeden, Mayor / Chair

**PUBLIC NOTICE** that a **SPECIAL CLOSED SESSION MEETING** of the Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Agency is hereby called to be held on **Wednesday, September 21, 2016, at 5:30 p.m.**, in the **Council Chambers Conference Room**, 100 W. California Avenue, Ridgecrest, California.

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| GC54956.9(d)(4) | Conference With Legal Counsel – Potential Litigation – City Of Ridgecrest v. Southern California Edison                                |
| GC54956.9(d)(4) | Conference With Legal Counsel – Potential Litigation – City Of Ridgecrest v. County Of Kern  |

Dated: September 15, 2016

Rachel J. Ford, CMC, City Clerk

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LAST ORDINANCE NO. 16-01  
LAST RESOLUTION CITY COUNCIL NO. 16-103

## **CITY OF RIDGECREST**

### **CITY COUNCIL REDEVELOPMENT SUCCESSOR AGENCY HOUSING AUTHORITY FINANCING AUTHORITY**

#### **AGENDA**

Regular Council  
Wednesday September 21, 2016

#### **CITY COUNCIL CHAMBERS CITY HALL**

100 West California Avenue  
Ridgecrest, CA 93555

**Closed Session – 5:30 p.m.**  
**Regular Session – 6:00 p.m.**

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the City Clerk (499-5002) five working days in advance of the meeting.

In compliance with SB 343. City Council Agenda and corresponding writings of open session items are available for public inspection at the following locations:

1. City of Ridgecrest City Hall, 100 W. California Ave., Ridgecrest, CA 93555
2. Kern County Library – Ridgecrest Branch, 131 E. Las Flores Avenue, Ridgecrest, CA 93555
3. City of Ridgecrest official website at <http://ci.ridgecrest.ca.us>

**CALL TO ORDER**

**ROLL CALL**

**APPROVAL OF AGENDA**

**PUBLIC COMMENT – CLOSED SESSION**

## CLOSED SESSION

- GC54956.9 Conference With Legal Counsel – Potential Litigation – Public Disclosure Of Potential Litigants Would Prejudice The City Of Ridgecrest
- GC54956.9 (d) (4) Conference With Legal Counsel – Potential Litigation – City Of Ridgecrest v. Southern California Edison
- GC54956.9 (d) (4) Conference With Legal Counsel – Potential Litigation – City Of Ridgecrest v. County Of Kern

## REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

## CITY ATTORNEY REPORT

- Closed Session
- Other

## PRESENTATIONS

1. Presentation Of An Informational Report To The Community By Rear Admiral Brian Corey Of The United States Navy Breeden
2. Presentation Of A Proclamation For Constitution Week To Representatives Of The Daughters Of The American Revolution Ford
3. Presentation By City Manager Dennis Speer Of An Overview Of Strategic Planning Process Speer

## PUBLIC COMMENT

## COUNCIL ANNOUNCEMENTS

## CONSENT CALENDAR

4. Proposed Action To Approve A Resolution Of The City Of Ridgecrest Ridgerunner Transit Authorizing Federal Funding Under Federal Transit Administration (FTA) Section 5339 With The California Department Of Transportation; Authorizing The Matching Funds Of Twenty Thousand Six Hundred Fifty-Three Dollars (\$20,653.00); And Authorize The City Manager, Dennis Speer Or His Designee To Execute All Documents To Obtain FTA 5339 Funding Speer

5. Proposed Action To Approve A Resolution To Accept Funding From The Transit System Safety, Security, And Disaster Response Account Under The California Transit Security Grant Program (CTSGP) For The City Hall Security Fencing Project and Authorize the City Manager, Dennis Speer or His Designee to Execute all Documents to Obtain CTSGP Funding Speer
6. Proposed Action To Approve A Resolution Authorizing The City Manager To Sign The Notice Of Completion On The Corporate Yard Site Improvements, Authorizing The City Clerk To File The Notice Of Completion And Authorizing The Release Of Retention In The Amount Of Forty-Six Thousand Nine Hundred Forty Dollars And Thirteen Cents (\$46,940.13) Thirty-Five Days After Recordation Of The Notice Of Completion Speer
7. Proposed Action To Approve A Resolution Authorizing A Memorandum Of Understanding With The Humane Society For The Construction Of A Cat Room And The Ridgecrest Animal Shelter Strand
8. Proposed Action To Approve Draft Minutes Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Meeting Dated September 7, 2016 Ford

#### DISCUSSION AND OTHER ACTION ITEMS

9. Proposed Action To Cure Or Correct Closed Session Agenda Language And Inform The Public In Writing Lemieux
10. Proposed Action To Approve A Resolution Of The Ridgecrest City Council Acting As The Ridgecrest Redevelopment Agency Successor Agency Approving The Sale Of Property Within The Ridgecrest Business Park To The Ridgecrest Regional Hospital Parsons
11. Discussion and Council Direction Regarding Setting A Public Hearing of The Indian Wells Valley Groundwater Authority Relating To Their Application To The Department of Water Resources To Form A Groundwater Sustainability Authority (GSA) Breeden
12. Discussion Of Policy For Waiving Or Reducing User Facility Fees For Non-Profit Organizations Breeden
13. Discussion Of Formation Of Ad Hoc Committees Sanders

## COMMITTEE REPORTS

*(Committee Meeting dates are subject to change and will be announced on the City website)*

### **City Organization and Services Committee**

Members: Lori Acton; Mike Mower  
Meeting: 4<sup>th</sup> Wednesday each month at 5:00 p.m. as needed  
Location: Council Conference Room B

### **Infrastructure Committee**

Members: Jim Sanders; Mike Mower  
Meeting: 4<sup>th</sup> Thursday each month at 5:00 p.m. as needed  
Location: Council Conference Room B

### **Parks, Recreation, and Quality of Life Committee**

Members: Eddie Thomas; Lori Acton  
Meeting: 1<sup>st</sup> Tuesday each month at 12:00 p.m. as needed  
Location: Kerr-McGee Center Meeting Rooms

### **❖ Ad Hoc Youth Advisory Council**

Members: Eddie Thomas  
Meeting: 2<sup>nd</sup> Wednesday of each month, 12:00 p.m. as needed  
Location: Kerr-McGee Center Meeting Rooms

### **Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)**

Members: Eddie Thomas; Lori Acton  
Meeting: Biannually 3<sup>rd</sup> Tuesday of the month at 4:00 p.m. as needed  
Location: Kerr McGee Center Meeting Rooms

### **Ridgecrest Area Convention And Visitors Bureau (RACVB)**

Members: Lori Acton and Eddie Thomas  
Meetings: 1<sup>st</sup> Wednesday Of The Month, 8:00 A.M.  
Next Meeting: To Be Announced

## OTHER COMMITTEES, BOARDS, OR COMMISSIONS

## CITY MANAGER REPORT

## FUTURE AGENDA ITEMS

## MAYOR AND COUNCIL COMMENTS

## ADJOURNMENT



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**A PROCLAMATION OF  
THE CITY OF RIDGECREST, CALIFORNIA**

**CONSTITUTION WEEK 2016**

**WHEREAS:** September 17, 2016, marks the two hundred twenty-ninth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

**WHEREAS:** It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary; and to the patriotic celebrations which will commemorate the occasion; and

**WHEREAS:** Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

**NOW, THEREFORE BE IT PROCLAIMED**

We, the City Council of the City of Ridgecrest in the State of California do hereby proclaim the week of September 17 through 23 as **CONSTITUTION WEEK** and ask our citizens to reaffirm the ideals of the Framers of the constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

**Proclaimed this 21<sup>st</sup> Day of September 2016**



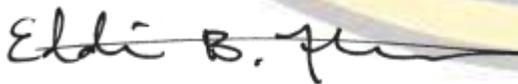
**Peggy Breeden, Mayor**



**James Sanders  
Mayor Pro Tem**



**Lori Acton  
Vice Mayor**



**Eddie B. Thomas  
Council Member**



**Mike Mower  
Council Member**

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT: Strategic Planning Overview

PRESENTED BY:

Dennis Speer, City Manager

SUMMARY:

Staff will present the strategic planning process, review previous Council actions, and discuss approach alternatives that will allow the completion of a strategic plan.

FISCAL IMPACT:

Reviewed by Finance Director

ACTION REQUESTED:

Direction for future action.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested.

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:** A Resolution Of The City Of Ridgecrest Ridgerunner Transit Authorizing Federal Funding Under Federal Transit Administration (FTA) Section 5339 With The California Department Of Transportation; Authorizing The Matching Funds Of Twenty Thousand Six Hundred Fifty-Three Dollars (\$20,653.00); and Authorize the City Manager, Dennis Speer Or His Designee To Execute All Documents To Obtain FTA 5339 Funding

**PRESENTED BY:**

Dennis Speer, Public Works Director

**SUMMARY:**

the U. S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration to support capital projects for non- urbanized public transportation systems under 49 U.S.C. Section 5339 / MAP-21 Section 20029.

The California Department of Transportation (Department) has been designated by the Governor of the State of California to administer the Federal Transit Administration (FTA) Section 5339 grants for transportation projects for bus and bus facilities in small rural areas.

The City of Ridgecrest Ridgerunner Transit is an eligible recipient of FTA Section 5339 funds. As an eligible recipient the City of Ridgecrest Ridgerunner Transit, will receive funding from the FTA in the amount of One Hundred Seventeen Thousand Thirty-One Dollars (\$117,031.00) to replace a bus that is ten (10) years old. The total bus supplement is a cost of One Hundred Thirty-Seven Thousand Six Hundred Eighty-Four Dollars (\$137,684.00). The City must contribute a fifteen percent matching funds in the amount of Twenty Thousand Six Hundred Fifty-Three Dollars (\$20,653.00). These funds will come from the Transportation Development Act (TDA) and have been budgeted in this Fiscal Year of 2016/2017.

The City of Ridgecrest Ridgerunner Transit has by the rules of the funding has maximized the extent feasibility by coordinating with other transportation providers and users in the region (including social service agencies).

**FISCAL IMPACT:** \$20,653.00

Reviewed by Finance Director

**ACTION REQUESTED:** Adopt A Resolution Of The City Of Ridgecrest Ridgerunner Transit Authorizing Federal Funding Under Federal Transit Administration (FTA) Section 5339 With The California Department Of Transportation; Authorizing The Matching Funds Of Twenty Thousand Six Hundred Fifty-Three Dollars (\$20,653.00); and Authorize the City Manager, Dennis Speer Or His Designee To Execute All Documents To Obtain FTA 5339 Funding

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

Submitted by: Starla Thomas  
(Rev. 02/13/12)

Action Date: September 21, 2016

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## RESOLUTION NO. 16-XX

**A RESOLUTION OF THE CITY OF RIDGECREST RIDGERUNNER TRANSIT AUTHORIZING FEDERAL FUNDING UNDER FEDERAL TRANSIT ADMINISTRATION (FTA) SECTION 5339 WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION; AUTHORIZING THE MATCHING FUNDS OF TWENTY THOUSAND SIX HUNDRED FIFTY-THREE DOLLARS (\$20,653.00); AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER OR HIS DESIGNEE TO EXECUTE ALL DOCUMENTS TO OBTAIN FTA 5339 FUNDING**

**WHEREAS**, The U. S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration to support capital projects for non-urbanized public transportation systems under 49 U.S.C. Section 5339 / MAP-21 Section 20029; and

**WHEREAS**, The California Department of Transportation (Department) has been designated by the Governor of the State of California to administer the Federal Transit Administration (FTA) Section 5339 grants for transportation projects for bus and bus facilities in small urbanized areas; and

**WHEREAS**, The City of Ridgecrest Ridgerunner Transit is an eligible recipient of FTA Section 5339 funds; and

**WHEREAS**, As an eligible recipient the City of Ridgecrest Ridgerunner Transit, will receive funding from the FTA in the amount of One Hundred Seventeen Thousand Thirty-One Dollars (\$117,031.00) to replace a bus that is ten (10) years old; and

**WHEREAS**, The total bus supplement is a cost of One Hundred Thirty-Seven Thousand Six Hundred Eighty-Four Dollars (\$137,684.00); and

**WHEREAS**, The City must contribute a fifteen percent matching funds in the amount of Twenty Thousand Six Hundred Fifty-Three Dollars (\$20,653.00); and

**WHEREAS**, These funds will come from the Transportation Development Act (TDA) and have been budgeted in this Fiscal Year of 2016/2017; and

**WHEREAS**, the City Of Ridgecrest Ridgerunner Transit has to the maximum extent feasible, coordinated with other transportation providers and users in the region (including social service agencies).

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Ridgecrest

- 1) Authorizes the City Manager or his designee, to file and execute applications on behalf of City Of Ridgecrest *Ridgerunner* Transit with the Department to aid in the financing of capital assistance projects pursuant to FTA Section 5339; as amended.
- 2) Authorizes the City Manager or his designee to file all certifications of assurance, contracts or agreements, or any other document required by the Department.
- 3) Authorizes the City Manager or his designee, to provide additional information as the Department may require in connection with the application for the Section 5339 projects.
- 4) Authorizes the City Manager, or his designee, to approve and submit requests for reimbursement of funds from the Department for the Section 5339 project(s).

**APPROVED AND ADOPTED** this 21<sup>st</sup> day of September 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Peggy Breeden, Mayor

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Rachel J. Ford, CMC  
City Clerk



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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:** A Resolution To Accept Funding From The Transit System Safety, Security, And Disaster Response Account Under The California Transit Security Grant Program (CTSGP) For The City Hall Security Fencing Project and Authorize the City Manager, Dennis Speer or His Designee to Execute all Documents to Obtain CTSGP Funding

**PRESENTED BY:**  
Dennis Speer, Public Works Director

**SUMMARY:**  
The Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006 authorizes general bond obligation for specified purposes to make funding available for capital projects that provide increased protection against security and safety threats. These capital projects are for transit operators to develop disaster response transportation systems.

The California Governor's Office of Emergency Services (Cal OES) administers such funds and deposits them in the Transit System Safety, Security, and Disaster Response Account under the California Transit Security Grant Program (CTSGP).

The City of Ridgecrest has received eligible funds for the Fiscal Year of 15/16 in the amount of \$21,565.00. Staff has reviewed capital improvement projects and is making the recommendation to place security fencing at City Hall. This will provide an enhancement of security and safety at City Hall where the transit system's transfer center is located. The fencing is to be a deterrent from vandalism and theft.

When the funds are received from the State of California a project number along with a capital improvement line item will be established.

Cal OES requires that the City of Ridgecrest complete and submit a Resolution identifying the agents authorized to act on behalf of the City of Ridgecrest to execute actions necessary to obtain CTSGP funds and ensure continued compliance with Cal OES CTSGP assurances and state and federal laws.

**FISCAL IMPACT:** \$21,565.00

Reviewed by Finance Director

**ACTION REQUESTED:** A Resolution To Accept Funding From The Transit System Safety, Security, And Disaster Response Account Under The California Transit Security Grant Program (CTSGP) For The City Hall Security Fencing Project and Authorize the City Manager, Dennis Speer or His Designee to Execute all Documents to Obtain CTSGP Funding

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

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## RESOLUTION NO. 16-XX

### **A RESOLUTION TO ACCEPT FUNDING FROM THE TRANSIT SYSTEM SAFETY, SECURITY, AND DISASTER RESPONSE ACCOUNT UNDER THE CALIFORNIA TRANSIT SECURITY GRANT PROGRAM (CTSGP) FOR THE CITY HALL SECURITY FENCING PROJECT AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER OR HIS DESIGNEE TO EXECUTE ALL DOCUMENTS TO OBTAIN CTSGP FUNDING**

**WHEREAS**, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 authorizes the issuance of general obligation bonds for specified purposes, including, but not limited to, funding made available for capital projects that provide increased protection against security and safety threats, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems; and

**WHEREAS**, the California Governor's Office of Emergency Services (Cal OES) administers such funds deposited in the Transit System Safety, Security, and Disaster Response Account under the California Transit Security Grant Program (CTSGP); and

**WHEREAS**, the City of Ridgecrest is eligible to receive CTSGP funds; and

**WHEREAS**, the City of Ridgecrest will apply for Fiscal Year 15/16 CTSGP funds in an amount up to \$21,565.00 for the City Hall Security Fencing Project to avoid safety threats, vandalism and theft; and

**WHEREAS**, When the funds are received from the State of California a project number along with a capital improvement line item will be established; and

**WHEREAS**, the City of Ridgecrest recognizes that it is responsible for compliance with all Cal OES CTSGP grant assurances, and state and federal laws, including, but not limited to, laws governing the use of bond funds; and

**WHEREAS**, Cal OES requires the City of Ridgecrest to complete and submit a Governing Body Resolution for the purposes of identifying the agents authorized to act on behalf of the City of Ridgecrest to execute actions necessary to obtain CTSGP funds from Cal OES and ensure continued compliance with Cal OES CTSGP assurances, and state and federal laws.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Ridgecrest City Accepts Funding From The Transit System Safety, Security, And Disaster Response Account Under The California Transit Security Grant Program (CTSGP) For The City Hall Security Fencing Project And Authorizes The City Manager, Dennis Speer Or His Designee To Execute All Documents To Obtain CTSGP Funding

**APPROVED AND ADOPTED** this 21<sup>st</sup> day of September 2016, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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Peggy Breeden, Mayor

**ATTEST:**

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Rachel J. Ford, CMC  
City Clerk



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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT: A Resolution Authorizing The City Manager To Sign The Notice Of Completion On the Corporate Yard Site Improvements, Authorizing The City Clerk To File The Notice Of Completion And Authorizing The Release Of Retention In The Amount of Forty-Six Thousand Nine Hundred Forty Dollars And Thirteen Cents (\$46,940.13) Thirty-Five Days After Recordation Of The Notice Of Completion

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

The Contractor, CS Legacy Construction Inc. has finished the project that consisted of on-site improvements to the City Corporate Yard.

With the work being completed and, with the exception of retention in the amount of Forty-Six Thousand Nine Hundred Forty Dollars And Thirteen Cents (\$46,940.13) the contractor, CS Legacy Construction Inc., has been paid in full.

This construction project was funded by the Tax Allocation Bond Funds (TAB) and the project was completed on April 5, 2016

The City will authorize release of retention thirty-five days from the filing of the Notice of Completion as long as no claims have been filed against the retained funds.

FISCAL IMPACT: \$46,940.13

Reviewed by Finance Director

ACTION REQUESTED:

Adopt A Resolution Authorizing The City Manager To Sign The Notice Of Completion On the Corporate Yard Site Improvements, Authorizing The City Clerk To File The Notice Of Completion And Authorizing The Release Of Retention In The Amount of Forty-Six Thousand Nine Hundred Forty Dollars And Thirteen Cents (\$46,940.13) Thirty-Five Days After Recordation Of The Notice Of Completion

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Karen Harker  
(Rev. 02/13/12)

Action Date: September 21, 2016

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**RESOLUTION NO. 16-XX**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN THE NOTICE OF COMPLETION ON THE CORPORATE YARD SITE IMPROVEMENT PROJECT, AUTHORIZING THE CITY CLERK TO FILE THE NOTICE OF COMPLETION AND AUTHORIZING THE RELEASE OF RETENTION IN THE AMOUNT OF FORTY-SIX THOUSAND NINE HUNDRED FORTY DOLLARS AND THIRTEEN CENTS (\$46,940.13) THIRTY-FIVE DAYS AFTER RECORDATION OF THE NOTICE OF COMPLETION**

**WHEREAS**, The Contractor, CS Legacy Construction Inc. has finished the project that consisted of on- site improvements to the City Corporate Yard; and

**WHEREAS**, With the work being completed and with the exception of retention in the amount of Forty-Six Thousand Nine Hundred Forty Dollars And Thirteen Cents (\$46,940.13) the contractor, CS Legacy Construction Inc., has been paid in full; and

**WHEREAS**, This construction project was funded by the Tax Allocation Bond Funds (TAB) and the project was completed on April 5, 2016; and

**WHEREAS**, The City will authorize release of retention thirty-five days from the filing of the Notice of Completion as long as no claims have been filed against the retained funds and the City of Ridgecrest has accepted all work.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Ridgecrest hereby:

- 1) Authorizes the City Manager to sign the Notice of Completion.
- 2) Authorizes the City Clerk to file the notice of completion for recordation on the Corporation Yard Site Improvement Project.
- 3) Authorizes City Staff to release the retained funds in the amount of Forty-Six Thousand Nine Hundred Forty Dollars And Thirteen Cents (\$46,940.13) thirty-five (35) days after recordation of the notice of completion providing no claims have been filed against said retained funds.

**APPROVED AND ADOPTED** this 21<sup>st</sup> day of September 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Peggy Breeden, Mayor

ATTEST:

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Rachel J. Ford, *CMC*, City Clerk

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**Recording Requested By:**

CITY OF RIDGECREST

**When Recorded Mail to:**

City of Ridgecrest  
City Clerk  
100 West California Avenue  
Ridgecrest, CA 93555

**NOTICE OF COMPLETION**

**NOTICE IS HEREBY GIVEN THAT:**

- 1. The undersigned is **OWNER** or Agent of the **OWNER** of the interest or estate stated below in the property hereinafter described.
- 2. The **FULL NAME** of the **OWNER** is City of Ridgecrest
- 3. The **FULL ADDRESS** of the **OWNER** is 100 West California Avenue, Ridgecrest, CA 93555
- 4. The **NATURE OF THE INTEREST** or **ESTATE** of the undersigned is: In Fee.

(if other than fee, Strike "In Fee" and insert, for example, "Purchaser under contract of purchase," or "Lessee.")

- 5. The **FULL NAMES** and **FULL ADDRESSES** of **ALL PERSONS**, if any, **WHO HOLD SUCH INTEREST** or **ESTATE** with the undersigned as **JOINT TENANTS IN COMMON** are:

Names

Addresses

- 6. The full names and full addresses of the predecessors in interest of the undersigned if the property was transferred subsequent to the commencement of the work of improvement herein referred to:

Names

Addresses

- 7. A work of improvement on the property hereinafter described was **COMPLETED** April 5, 2016

- 8. The work of improvement completed is described as follows: Corporate Yard Site Improvements

- 9. The **NAME OF THE ORIGINAL CONTRACTOR**, if any, for such work of improvement is: CS Legacy Construction, Inc.

- 10. The street address of said property is: 636 Ridgecrest Blvd

- 11. The property on which said work of improvement was completed is in the City of Ridgecrest County of Kern, State of California, and is described as follows:

City of Ridgecrest Corporation Yard

Date

Dennis Speer, City Manager

Verification for **INDIVIDUAL** owner

I, the undersigned, declare under penalty of perjury under the laws of the State of California that I am the owner of the aforesaid interest or estate in the property described in the above notice; that I have said notice, that I know and understand the contents thereof, and that the facts stated therein are true and correct.

Date and Place

Signature of Owner named in paragraph 2

Verification for **NON-INDIVIDUAL** owner: I, the undersigned, declare under penalty of perjury under the laws of the State of California that I am the **City Manager** of the aforesaid interest or estate in the property described in the above notice; that I have read the said notice, that I know and understand the contents thereof, and that the facts stated therein are true and correct.

Date and Place

Dennis Speer, City Manager

**SUBSCRIBED AND SWORN TO** before me on

Rachel Ford, City Clerk

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**RIDGECREST CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

A Resolution of the Ridgecrest City Council Authorizing the City Manager to enter into a MOU with the Indian Wells Valley Humane Society to expand and improve the cat room at the Ridgecrest Animal Shelter.

**PRESENTED BY:** Ron Strand, Chief of Police

**SUMMARY:**

The City of Ridgecrest and Indian Wells Valley (I WV) Humane Society are requesting to enter into a MOU to expand and improve the cat room at the Ridgecrest Animal Shelter located at 411 S. San Bernardino Blvd.

The City and the I WV Humane Society believe that the expansion and improvement of the current cat room at the shelter will lead to better care of the cats that come into the custody of the shelter and will provide an environment that will enhance the shelter's ability to adopt out cats to our community and surrounding areas.

The City will be responsible to provide construction designs and plans for the cat room expansion, which is estimated to be approximate 862 sq. ft. The funding for the plans has already been approved in the FY17 budget and was funding donated back to the City at the conclusion of the Animal Shelter Solar Project in 2016.

Upon approval of the designs and plans, the I WV Humane Society will fund the improvement and expansion of the cat room up to \$150,000. Any amounts above this will need prior approval from the I WV Humane Society.

The MOU was approved to form by City Attorney Michael Silander and is attached as Attachment A.

**FISCAL IMPACT:**

Expenditure of FY17 budgeted funds of \$8270 for design plans.

Revenue and expenditures of up to \$150,000 from the I WV Humane Society for the construction and improvements of the cat room.

Reviewed by Administrative Services Director

**ACTION REQUESTED:**

Approval of Resolution

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

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**RESOLUTION NO. 16-XX**

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO A MOU WITH THE INDIAN WELLS VALLEY HUMANE SOCIETY TO EXPAND AND IMPROVE THE CAT ROOM AT THE RIDGECREST ANIMAL SHELTER**

**WHEREAS**, the City of Ridgecrest (“City”) and Indian Wells Valley Humane Society (“Society”) desire to enter into a MOU to expand and improve the cat room at the Ridgecrest Animal Shelter located at 411 S. San Bernardino Blvd., and;

**WHEREAS**, the City shall, at its own and sole expense, provide the construction designs and plans for the cat room expansion and improvement project, and;

**WHEREAS**, upon Society’s review and approval of the designs and plans, Society shall, at its own and sole expense, fund construction of the improvements for the benefit of the City on a schedule determined by the City in accordance with the funding requirements, and;

**WHEREAS**, the Society has agreed to fund this improvement project up to \$150,000, and;

**WHEREAS**, all costs over this amount will need prior approval from the Society, and;

**WHEREAS**, the City shall provide any and all insurance needed for the construction of the improvements.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Ridgecrest authorizes the City Manager, or his designee, to enter into a MOU with Indian Wells Valley Humane Society to expand and improve the cat room at the Ridgecrest Animal Shelter.

**APPROVED AND ADOPTED THIS** 21<sup>st</sup> day of September, 2016, by the following vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Peggy Breeden, Mayor

ATTEST:

\_\_\_\_\_  
Rachel J. Ford, CMC, City Clerk

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# **MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (hereinafter "MOU" or "Agreement") is entered into this 21st day of September, 2016, between the Indian Wells Valley Humane Society, a California 501(c)(3.) non-profit corporation (hereinafter "Society"), and the City of Ridgecrest, a municipal corporation (hereinafter "City"). Society and City are hereinafter collectively referred to as "Parties."

## **1. Purpose and Terms of Agreement**

This Agreement involves the improvements of premises located at 411 San Bernardino Blvd., Ridgecrest, CA 93555, known as the Ridgecrest Animal Shelter (hereinafter "Premises"). The Premises are owned and operated by the City. The Parties jointly seek to improve upon the Premises' ability to house and care for cats in the custody of the City by expanding and improving the Premises' cat room. In furtherance of that purpose, this Agreement sets forth each Party's rights and obligations as follows:

- City shall, at its own and sole expense, provide the construction designs and plans for the Premises' improvements;
- Upon Society's review and approval of the designs and plans, Society shall, at its own and sole expense, fund construction of the improvements for the benefit of the City on a schedule determined by the City in accordance with the funding requirements;
- Society has agreed to fund this improvement project up to \$150,000;
- All costs over this amount will need prior approval from the Society;
- City shall provide any and all insurance needed for the construction of the improvements; and,
- City currently operates, and shall continue to operate on its own and sole expense, the Ridgecrest Animal Shelter during construction and after completion of the improvements.

This Agreement takes effect when an authorized individual for each party signs and dates a master copy of this Agreement.

## **2. Consideration**

The above-listed obligations shall constitute the full and sole consideration between the Parties under this Agreement.

## **3. Indemnification**

Society and City shall defend, indemnify, and hold harmless each other, and each other's officers, employees, and agents, from and against loss, injury, liability, or

damages arising from any act or omission to act, including any negligent act or omission to act by Society or City or each party's officers, employees, and agents.

**4. Miscellaneous**

Notices shall be deemed received when deposited in the U.S. Mail with postage prepaid and registered or certified addressed as follows unless advising in writing to the contrary:

City of Ridgecrest ATTN: City Manager 100 W. California Ave. Ridgecrest, CA 93555-4054	Indian Wells Valley Humane Society PO Box 1414 Ridgecrest, CA 93555 ATTN: President
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If an action at law or in equity is brought to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs.

**5. Integration**

This Agreement represents the entire understanding of the Parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

**7. Governing Law**

This Agreement shall be interpreted and construed under, and the rights of the parties will be governed by the laws of the State of California.

**IN WITNESS WHEREOF**, the parties hereby have caused this Agreement to be executed the date first above written.

APPROVED:  
**City of Ridgecrest**

APPROVED:  
**Indian Wells Valley Humane Society**

By: \_\_\_\_\_  
Dennis Speer, City Manager

By: \_\_\_\_\_  
Larry Trowsdale, President

Attest:

By: \_\_\_\_\_  
Rachel Ford, City Clerk



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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
HOUSING AUTHORITY/FINANCING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of September 7, 2016

**PRESENTED BY:**

Rachel J. Ford, City Clerk

**SUMMARY:**

Draft Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of September 7, 2016

**FISCAL IMPACT:**

None

Reviewed by Finance Director:

**ACTION REQUESTED:**

Approve minutes

**CITY MANAGER 'S RECOMMENDATION:**

Action as requested: Approve Draft Minutes

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**MINUTES OF THE REGULAR MEETING OF THE  
RIDGECREST CITY SUCCESSOR AGENCY,  
FINANCING AUTHORITY, AND HOUSING AUTHORITY**

**City Council Chambers  
100 West California Avenue  
Ridgecrest, California 93555**

**September 7, 2016  
5:00 p.m.**

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by City Council/Redevelopment Agency. Meetings are recorded solely for the purpose of preparation of minutes.

**CALL TO ORDER – 5:00 p.m.**

**ROLL CALL**

Council Present: Mayor Peggy Breeden; Mayor Pro Tempore James Sanders; Vice Mayor Lori Acton; Council Members Eddie B. Thomas, and Mike Mower

Council Absent: None

Staff Present: City Manager Dennis Speer; City Clerk Rachel J. Ford; City Attorney Keith Lemieux, and other staff

**APPROVAL OF AGENDA**

Reorder items on the agenda as follow:

- Move Item No. 9 to be heard after Service Award Presentation.
- Jim Sanders asked that item no. 12 be heard prior to item no. 9
- Lori Acton suggested combining the two items and City Attorney concurred this was acceptable.

Mike Neel

- Protested the point of order of Item No. 9 and the intent of ambiguity and transparency.

Ron Porter

- Clarified intent of Brown Act.

Mayor Breeden

- Read speaker rules and spoke on sign up cards to be used for Item No. 9 discussion.

Jim Sanders

- Requested clarification of procedure.

Keith Lemieux

- Noted the procedure enables everyone the opportunity to speak.

Lori Acton

- Clarified this limits speakers to one time.

Eddie Thomas

- Questioned if speakers can ask multiple questions.

Keith Lemieux

- Absolutely and noted there are multiple legal staff present to assist with answering questions.

Ron Porter

- Protested the legality of requiring sign-up as Brown Act Violation

Shawn King

- Requested rules be read again at beginning of meeting.

*Motion To Approve Agenda As Amended Made By Council Member Acton, Second By Council Member Mower. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

#### **PUBLIC COMMENT** (*Closed Session*)

Ron Porter

- Protested the legality of closed session descriptions

#### **CLOSED SESSION**

GC54956.8

Local Agency Real Property Negotiations – Negotiation For Sale – 2.05 Acres Parcel No. APN 033-070-16, 1132 Chelsea Street Lot, To the Ridgecrest Regional Hospital – Agency Negotiators Economic Development Program Manager Gary Parsons And City Manager Dennis Speer

- GC54956.9(d)(4) Conference With Legal Counsel – Potential Litigation – City Of Ridgecrest v. County Of Kern
- GC54956.9(d)(4) Conference With Legal Counsel – Potential Litigation – City Of Ridgecrest v. Southern California Edison
- GC54956.9(d)(4) Conference With Legal Counsel – Existing Litigation – City Of Ridgecrest v. Cohen

### **REGULAR SESSION – 6:00 p.m.**

- Pledge Of Allegiance
- Invocation

### **CITY ATTORNEY REPORT**

- Closed Session
  - Land sale negotiation, no action taken, staff to place on future agenda for action
  - Each litigation item listed on the agenda, Council received reports and no reportable action taken.
- Other
  - None

### **PRESENTATIONS**

#### **2. Presentation Of Employee Service Awards**

**Ford**

- Council presented service awards to employees reaching certain milestones.

*Motion To Move General Public Comment Before Land Sale Agreement Made By Council Member Mower, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent*

#### **1. Presentation To Council By HLA On The Revised Parks Rehabilitation And Improvement Plan**

**Patin**

Jason Patin

- Presented staff report and introduced Greg Houser of HLA.

Greg Houser

- Gave a PowerPoint presentation to Council of the Parks & Facility Renovation projects at Kerr McGee Youth Sports Complex, Upjohn Park, and Pearson Park.
- Reviewed the construction process and timelines.

Jason Patin

- Discussed proposed modifications, safety issues, and smart water system.

Lori Acton

- Questioned uses for sod being removed.
- Questioned possibility of solar panels for the lights.
- Commented approval for additional shade.

Jim Sanders

- Clarified the updates to existing lighting.
- Commented the parking lot is open to the street and questioned if the entryways would be revamped.

Mike Mower

- Proposed adjusting lighting when the Downs streets utilities are undergrounded so will need to budget in future.

Dave Matthews

- Commented on the lights at Leroy Jackson Park and ballfields need replaced as too bright and threatened lawsuit.

Mike Neel

- Questioned the budget reduction from \$2.5 and urged City staff to keep costs as low as possible.

### **PUBLIC COMMENT** (*Regular Session*)

Christina Witt

- Remembering the Fallen traveling wall is back in Ridgecrest. Available for viewing at Kerr McGee Center until September 17.
- Thanked Kerr McGee Center for use of facility and thanked Council for their participation.

Mick Gleeson

- Kern County Supervisor introduced representatives from Public Health to discuss 3 ordinances and programs coming for possible Council adoption and implementation.
  - Food Safety Education Program and Ordinance.
  - SPICE Prevention Ordinance.
  - Tobacco permit program ordinance
- Asking these ordinances be put on the agenda for possible adoption.
- Dennis Speer suggested these be moved to City Organization Committee for discussion.

Shawn King

- Commented on minutes missing from website.

Judy Decker

- Spoke on Groundwater Sustainability Agency (GSA) and growth taking water and increasing the present shortfall.

Solomon Rajaratnam

- Spoke on support for Measure V and impacts for Police Department. Encouraged public to vote 'Yes' on Measure V.

Ronald Porter

- Commented Item 9 was not on agenda properly and sited violations of assigning negotiators before public meeting.

Mike Neel

- Commented on newspaper articles and read email from Nigel White regarding meeting with two Council members and asked Council if they attended. Council responded as to which 2 Council members attended the meeting.
  - Peggy Breeden – clarified members did not attend as there is a negotiator.

**9. Discussion And Proposed Action To Approve Sale Of Real Property In The  
Ridgecrest Business Park To The Timbisha Shoshone Tribal Development  
Or Modify The Existing Municipal Services Agreement Attachment 1 To  
Reflect Alternative Site Selection** Lemieux

Peggy Breeden

- Requested explanation of Sovereign Immunity
- Requested explanation of MSA components that can be incorporated to sale of other property.

Gary Parsons and Keith Lemieux introduced legal staff Mark Hirsch, author of sale agreement and Jack Duran, tribal expert who consulted on the MSA.

Jack Duran

- Explained Sovereign Immunity and recourse for litigation when the tribe waives their immunity.
- Gave examples of unfulfilled obligations that are affected by a waiver of sovereign immunity.

Jack Duran responded to questions from Council Members.

Mike Mower

- Questioned if the MSA can be cancelled if tribe leader changes.
- Questioned if another tribe claims the land as their territory, can they take the casino away from this tribe.
- Questioned if litigation between City and Tribe, will Department of Justice defend the tribe.
- Questioned if tribe purchases land for member housing, will the land become Federal land and what are City rights regarding providing utilities.

Eddie Thomas

- Questioned what could cause the tribe to petition litigation as a result of City not holding up our side of the agreement.

Lori Acton

- Commented on fear of tribe sinking wells and draining off the water.
- Questioned what happens to the land if the business fails.

Jim Sanders

- Stated tribes do not inherently receive water rights with the land purchase. Only what rights are currently on the land.
- Questioned water rights being expanded if they do not meet the tribe's needs.
- Questioned application process for taking land into trust and input levels for each agency.

Peggy Breeden

- Questioned prohibited activities that are not addressed in the MSA.

Mark Hirsch responded to questions from Council Members

Jim Sanders

- Requested history of the CC&R's of the land and questioned obligations.
- Questioned the environmental requirements thru NEPA and not CEQUA

Mike Mower

- Questioned rights to the streets.

Unidentified Speaker

- Questioned military influence area

Gary Parsons

- Provided presentation of benefits to City for land sale, what happens if land does not sell, and other site considerations.

Peggy Breeden

- Requested clarification of the distribution of the \$2.7 million based on dissolution laws for redevelopment agencies.

Mike Mower

- Questioned the ability of providing benefits to the taxing agencies versus a cash output.

Lori Acton

- Requested clarification of the percentages to taxing agencies being equal to current property tax divisions or negotiable.

#### PUBLIC COMMENT – Item No. 9

Don Decker

- Spoke on water concerns and presented a letter for record. *(Attachment A)*

Dell Hledik

- Spoke against the sale and water concerns.

Dan Wright

- Spoke on opportunities with the sale and net revenue for the town which is needed.

Jennifer Slayton

- Spoke in favor of the land sale and development.

Gene Schneider

- Spoke in favor of the casino and against the land location.

Ralph Mueller

- Spoke against sale of property and expressed concerns for the community.

Nigel White

- Spoke as the developer and the actions proposed for the meeting. Clarified points in the MSA.

Scott Leahy

- Thanked Council, employees, Council, opposition, tribe, supporters. Spoke in favor of Council making a decision.

Devin O'Neill

- Spoke on community's participation level will impact the business. In favor of the land sale and economic growth.

Mike Neel

- Spoke on protocol for public comment.
- Spoke on the land sale numbers, arbitration, other properties, promissory note from previous sale, cost sharing with taxing agencies, china lake properties.

Shawn King

- Spoke on social costs to the community and against the casino.

Renee Westalusk

- Asked Council to vote no on the land sale and cited reasons including location to base and water.

Beth Sumners

- Read Statement about due diligence, a portion of litigation in Hesperia, and spoke against the sale requesting additional investigation.

Tom Rafalski

- Questioned zoning of CS on the property and the need to rezone the property, original business park plan.

Solomon Rajaratnam

- In favor of jobs and growth but has concerns about the project including economic study, location, property ownership, sustainability, global investment operating agreement, base mission impacts.

Dave Matthews

- Confused about who owns the property. Opposed to casino and land sale. Spoke on diversification of economic revenues, inability of elderly to come to meetings and speak.

Wallace Martin

- Requested delay for a month to complete economic study, survey results, website development, water use study, requested MSA revision.

Larry Lewis

- Commented on all new businesses and housing should be denied if this is the logic, revenue importance to the city, jobs, and encouraged Council to vote yes

Eric Bruen

- Clarified Statements in the newspaper and apologized to Gary Parsons regarding Statements made about solar initiative and request for land by Desert Valley Bank. No formal offer to purchase land was made. Open to future discussion. Credit union is neutral and no one has asked opinion of the credit union as the next neighbor to the proposed project.

Lindsey Stephens

- Questioned if this is land swap two part determination and will full EIS be completed. If undesirable impact is found can City back out without financial liability? In 292CFR addresses reasonable commuting distance and for tribal headquarters within 25 miles for 2 years. Why sell land in pieces as development happens. Spoke on number of people on welfare using EBT cards at ATM machines and suggested restricting these on the property. Thanked staff and Council for their efforts.

Marilyn Neel

- Thanked Council for their time. Agree with speakers who have asked Council to stop, look, and listen before moving forward with the project. Commented on the negative effects of the casino. Commented on exaggerated claims and urged Council to take the time to consider what has been heard tonight. Asked Council to vote no on land sale.

Ron Porter

- Commented on not being a land sale but an option to buy. Questions for attorneys include as sovereign land and an injury occurs what recourse does the injured have; if it fails and becomes blighted how do we get it back; regarding authority of MSA is the jurisdiction Federal or State courts in the event of a dispute; RDA costs for initial investments and development is the breakdown on gross or net.

Frances DeRosa

- Not against casino but is against the location. Why build with 3 schools within walking distance and have other locations been considered.

Eleanor Jackson

- Tribal member and have listened to insults from members of the City. Spoke on tribe's position to do the development. Spoke on the tribe's interest to have Economic Development in this City and how the tribe spends money locally because there are no opportunities where they live.

Jack Duran, Mark Hirsch, and Gary Parsons

- Responded to questions raised during public comment.

## COUNCIL DISCUSSION

Lori Acton

- Responded to statements made by speakers regarding due diligence, investigations, and suggested land locations.

#### Ron Strand

- Reviewed investigation and due diligence performed on the part of the Police Department regarding crime, cooperation with the tribe, and overall feedback from police agencies with local casino's in their jurisdiction.

#### Jim Sanders

- Responded to comments regarding interest to the property.
- Commented on sovereign nation ability to own casino not being the same as other businesses and is not a free market business.
- Troubled about statements that tribe has had bad things said about them.
- Comments made have been because people do not want a casino, has nothing to do with the tribe.
- Regarding land sale, many comments received that the location is a bad choice.
- Known as a patriotic, family oriented community and in favor of a different location.
- Commented on casino not fitting into commercial zoning. Need to do the analysis on the type of businesses that are attracted to a casino and the impact to the property.
- Within the military influence area and planning commission needs to approve the development.
- Valid point on the element of entertainment however it would deter a family friendly town.
- Not in favor of the land sale, suggested moving to another location

#### Mike Mower

- Have 3 families in town (children), one is in favor, one is against, and the third could care less. You get the same thing at a movie theatre as a casino, entertainment. Related story of friend overhearing conversation in favor of casino, another person from Tehachapi excited to come here for the casino. In favor of casino and the location.

#### Eddie Thomas

- Have experience friendship dissolved because of entertaining the MSA. Have experienced reduced attendance. When Jim said we have not done a disservice to the tribe I disagree, we have done a grave injustice to the tribe in the way we have talked about them. When you say 'those people' we are discriminating. I have heard us say it and have heard us be vicious and degrading. Either way I believe I will lose friends and wish we were better than that. I have a pastor friend who won't talk to me now.

Lori Acton

- My children were asked to sign something against their mother by their grandfather. I understand. We keep talking about this wonderful property that has been vacant for years. A few years ago the base built large office buildings and rent them out to contractors at a low rate and that is why our business park sits empty. Hear people say water then we should not build another building, home, hospital, school and in the next BRAC the base will move their functions out because we don't have water. I respect your opinion to not have a casino for religious or moral reason, but my opinions should be respected also. Attended the ICSC west coast conference and many retail, restaurants, and hotels are excited that we are getting a casino. I do want an attractive building, a hotel, spa, restaurants, and a 5000 seat entertainment venue next to the base. Lastly, it takes money to pay police, staff, pave streets, and keep parks and recreation going. I want tourists and there are a lot of people who like Indian gaming and this location requires they drive thru town and see our other businesses. I am in favor.

Peggy Breeden

- I am embarrassed by the way this community has been divided and has judged each other at this level when it is not our place to judge. I have heard the tribe accused of many things and we have many forms of gambling locally such as raffles, lottery, cards, and bingo. I want to see the casino come here but not at that property. I have looked for other locations and we have read numerous studies and surveys so have not done this blind. We have 180 jobs that can come here and they will make a significant amount of money. We don't have enough jobs for those who aren't rocket scientists. We have very few ways to grow without sacrificing some of the things we have. Spoke on the community. Asked staff to find a way to divide the sale up into 3 phases. Spoke on working together to find a way to make this happen. Not ready to vote yes on the sale unless we can do some of these things.

Council held discussion on feasibility of putting the land into trust in phases and impact if the developer goes to another site.

Jim Sanders

- Requested the economic impact analysis.
- Spoke on discretion and nothing wrong with waiting and getting the study done.

*Motion To Approve Land Sale Agreement Made By Council Member Acton, Second By Council Member Mower. Motion Carried By Roll Call Vote Of 3 Ayes (Mayor Breeden, Council Members Acton And Mower) 2 Noes (Council Members Sanders And Thomas); 0 Abstain; 0 Absent.*

*Item No. 10 moved in front of Consent Calendar*

**10. Discussion And Proposed Action To Waive By Minute Motion The Rental Fees Associated With Kerr McGee Community Center Banquet Hall Rental For The International Community Day As In-Kind Service** Breeden

Peggy Breeden

- Requested we develop a policy for non-profits.

Tyrell Staheli

- We have a fee structure for non-profits.

Jason Patin

- If it was a city sponsored event with City participation then we would waive fees.

Matthew Alexander

- Spoke on the International Community Day. Reviewed sponsorships and the event details.

Donations

- Warren Cox
- Mike Mower
- Peggy Breeden

Mike Mower

- Commented on election and signs being stolen. This is childish and asked community to be more adult.

**CONSENT CALENDAR**

**3. Proposed Action to Approve A Resolution Approving A Community Development Block Grant (CDBG) Activity Agreement (CD# 17.12.1) With The Kern Planning And Natural Resources Department For CDBG Grant Funding For The Construction Of "Handicap Ramps At Various Locations" In The City Of Ridgecrest; Acceptance Of The Terms Of The Receipt Of CDBG Funds And Authorization For The City Manager, Dennis Speer, To Sign The Agreement** Speer

**4. Proposed Action to Approve A Resolution To Amend The Professional Services Agreement In The Amount Of Fifty-Eight Thousand Eight Hundred Ten Dollars (\$58,810.00) With The Engineer Of Record, Willdan Engineering, For Additional Construction Management Services On The Phase 1 Sewer System Rehabilitation Project, And Authorizes The City Manager, Dennis Speer, To Execute The Amended Agreement** Speer

- 5. Proposed Action To Approve A Resolution Authorizing The City Manager To Sign The Negative Declaration For The Kerr McGee Youth Sports Complex Renovation Project** Patin
- 6. Proposed Action To Approve A Resolution Of The Ridgecrest City Council Authorizing The Destruction Of Certain Records As Prescribed By The Secretary Of State’s Local Government Records Program** Staheli
- 7. Proposed Action To Approve A Resolution Of The Ridgecrest City Council Approving Budget Amendment #16-01 Increasing Appropriations In The Annual Budget** Staheli
- 8. Approve Draft Minutes Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Meeting Dated August 17, 2016** Ford

Items Pulled From Consent Calendar:

Item Nos. 4 and 5

*Motion To Approve Consent Calendar Item Nos. 3, 6, 7, And 8 Made By Council Member Thomas, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

Item No. 4 Discussion

Mike Mower

- Questioned the term of the contract and staff clarified an error in the staff report.

Eddie Thomas

- Requested clarification of the asphalt paving, timeline, and funds availability

Ron Porter

- Questioned if this was the same party that drew up the original plan and what changed to increase the fund requirements.
  - Loren Culp and Dennis Speer reviewed the schedule change.

*Motion To Approve Consent Calendar Item No. 4 Made By Council Member Mower, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 4 Ayes (Council Members Sanders, Acton, Thomas, And Mower); 1 Noes (Mayor Breeden); 0 Abstain; And 0 Absent.*

Item No. 5 Discussion

Jason Patin

- Nothing in the project needs to be mitigated.

Jim Sanders

- No problem moving forward, providing the documents are given to Council and public.

Mike Mower

- Requested cost out of redoing lights to dark skies.

*Motion To Approve Consent Calendar Item No. 5 Made By Council Member Sanders, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breedon, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

**11. Discussion To Identify Specific Purposes Suitable To The Formation Of Ad Hoc Committee(s)** Sanders

- Item moved to the next regular Council meeting of September 21, 2016

**MAYOR AND COUNCIL COMMENTS**

Jim Sanders

- Requested policy for putting items on the agenda

Eddie Thomas

- Announced Reverend Hearn passed away

**ADJOURNMENT at 12:19 a.m.**

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Rachel J. Ford, CMC  
City Clerk

9/7/2016

**From:** Administrative Committee of the IWV Domestic Well Owners Association

**To:** 1) Mayor and Council, City of Ridgecrest

2) Board of Directors of the IWV Water District

3) Kern County Supervisor Gleason

**Subj:** Conflicts of interest apparent in the IWV GSA Board and the approval of new water consuming projects outside of GSA approval

The State of California has declared the Indian Wells Valley groundwater basin to be in critical overdraft. This valid finding directly impacts all residents in the Valley, who are sharing this invaluable and seriously declining resource. The State has further demanded that the Valley groundwater extraction be managed by a "Groundwater Sustainability Agency" (GSA) that will have a Board made up of elected representatives from the Counties of Kern, San Bernardino and Inyo, the City of Ridgecrest (City) and the Indian Wells Valley Water District (WD).

The obvious problem created by the State mandate is that the very agencies in this Valley that ignored the overdraft for so long are now charged with putting in place the solutions to bring our water supply into a sustainable balance. The near term solutions will include severe restrictions on pumping and of course consumption. These conflicts of interest have recently been emphasized with stunning clarity by several actions by the City and the WD themselves. Even as these agencies are by law required to balance our critically overdrafted (abused) water supply they are going forward with several new projects that will have obvious substantial water requirements. No analysis of impacts are discussed or required.

Although there have been public protests about the additional water that these projects would use the City and WD appear to simply deny their fundamental responsibilities to the citizens that support them. Instead they attempt to move ahead in a "business as usual" mode, approving new projects that they see as new revenue. It is invariably argued that the new projects are of benefit to the community and are therefore justifiable. However, if the WD customers fully realized that the water they saved by tearing out their lawns and landscaping in a conservation effort will now be given to these new projects, a totally different perspective would be exposed. In this light how will the existing customer/citizen base view the community value of a huge casino complex and two different apartment complexes (400 units total)?

The City and WD are working in a direction which is completely counterproductive to the efforts being put forth by the County and State to lead to a sustainable future water supply. This City and WD negligence must be condemned and replaced with a new responsibility for the future if we are going to continue to exist here. If the promoters of these projects are convinced they are good investments they need to look into the future as well. Many projects in limited water supply areas have been required to bring forth a specific water supply for their project. What is often done is find an additional outside supply.

The City and WD must follow the guidance given by the State and the County or step aside. Business as usual never was and is certainly not now the basis for smart decisions. Our water supply shortfall is so severe that conservation and reclamation alone cannot make up the deficit. To maintain anything like our current economic activity we will require a source of imported water directly. What are those who moan about lack of growth in the Valley going to do to assure a future water supply for those citizens already here?

Signed, Don Decker    Judie Decker    Lyle Fisher    Dell Hledik    West Katzenstein

Cc: Theresa Goldner, Kern County Counsel, Alan Christensen, Kern County Water Resources Committee Admin Officer, Keith Lemieux, City of Ridgecrest Counsel, Jim Worth, IWVWD

Counsel, David Guitierrez, Department of Water Resources, Erik Ekdahl, State Water Quality Control Board, Tony Rossmann, consulting attorney to Kern County, Jean Fuller State Senator, Shannon Grove, Assemblywoman.



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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY**  
**FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Proposed Action To Cure Or Correct Closed Session Agenda Language And Inform The Public In Writing

**PRESENTED BY:**

Keith Lemieux – City Attorney

**SUMMARY:**

Members of the public have identified an issue related to a past closed session agenda item that contained insufficient information to be in substantial compliance with section 54956.8 of the Government Code. The members were correct. While no action was taken on the item, City Council is requested to take remedial measures to bring City in compliance with this particular closed session language requirement.

To this end, the City Council is requested to cure or correct this issue, pursuant to Government Code section 54960.1, by directing the City Manager to amend City's practice going forward so that closed session agenda items pertaining to real property negotiations under Government Code section 54956.8 contain (1) property identification in the form of a street address, APN, or other unique reference; (2) the names of the real property negotiators; (3) the negotiating parties; and (4) whether the property price, terms of payment, or both are under negotiation.

The City Council is also requested to direct the City Manager to inform the members of the public of City's actions to cure or correct this issue in writing.

**FISCAL IMPACT:**

None

Reviewed by Finance Director

**ACTION REQUESTED:**

Direction to City Manager to amend closed session agenda titles to include all components as listed in the code AND written notification to the public of actions taken to cure or correct the issue.

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

Submitted by: Keith Lemieux  
(Rev. 6/12/09)

Action Date: September 21, 2016

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY**  
**FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Sale of 2.05 Acers Parcel No. APN 033-070-16, 1132 Chelsea Street to the Ridgecrest Regional Hospital

**PRESENTED BY:**

Gary Parsons – Economic Development Program Manager

**SUMMARY:**

The Ridgecrest Regional Hospital wishes to purchase 2.05 acers APN 033-070-16 within the former Ridgecrest business park for a purchase price of \$400,000.00 the City Council acting as the Successor Agency.

The land is currently planned be utilized for the establishment of a crisis clinic. This is an all cash offer wish closing to occur as soon as possible

**FISCAL IMPACT:**

Provide \$200,000.00 to the successor agency  
Reviewed by Finance Director

**ACTION REQUESTED:**

Approval of sale of Successor agency properties APN's 033-070-16 authorized the city manager to execute the land sale and escrow agreements

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested: Recommend the approval of resolution authorizing the sale and signing of the land sale and escrow agreement for the amount of \$400,000.00

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**RESOLUTION NO. 16-XX**

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL ACTING AS THE RIDGECREST REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE SALE OF PROPERTY WITHIN THE RIDGECREST BUSINESS PARK TO THE RIDGECREST REGIONAL HOSPITAL**

**WHEREAS**, Ridgecrest Regional Hospital has requested to purchase said parcel of land located within the Ridgecrest Business Park for the development of new facilities; and,

**WHEREAS**, the parcel is identified as APN 033-070-16 and,

**WHEREAS**, the offer to purchase the parcel is for the total amount of \$400,000.

**NOW, THEREFORE, BE IT RESOLVED**, the City Council acting as the Ridgecrest successor agency hereby approves the sale of APN's 033-070-16 to The Ridgecrest Regional Hospital in the amount of \$400,000.

**APPROVED AND ADOPTED** this 21<sup>st</sup> day of September, 2016 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Peggy Breeden, Mayor

ATTEST:

\_\_\_\_\_  
Rachel J. Ford, CMC  
City Clerk

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# **PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS**

**SELLER:** Successor Agency to the Ridgecrest  
Redevelopment Agency

**BUYER:** Ridgecrest Regional Hospital, a California  
nonprofit public benefit corporation

**DATED:** September 21, 2016

**(Approximately 2.05 acres in Ridgecrest Business Park)**

## **BASIC TERMS**

Buyer: Ridgecrest Regional Hospital, a California nonprofit public benefit corporation

Buyer's Address: Ridgecrest Regional Hospital, a California nonprofit public benefit corporation  
Attention: [Buyer Representative]  
1081 North China Lake Boulevard  
Ridgecrest, CA 93555  
Tel. (760) 446-3551, Ext. \_\_\_\_  
Fax: (\_\_\_\_) \_\_\_\_-\_\_\_\_

City: The City of Ridgecrest

Closing Contingency Date: October 13, 2017

Closing Date (or Closing): Estimated to occur by October 21, 2016, but not later than the Outside Date

Deed: A grant deed in the form of Exhibit B hereto

Effective Date: September 21, 2016

Escrow Holder: Placer Title Insurance Company  
860 N. China Lake Blvd., Ste. C  
Ridgecrest, CA 93555  
Tel: (760) 375-4444  
Attention: Terry Springstead, Escrow Officer  
(direct: (760) 375-4444; email: tspringstead@placertitle.com)  
(or another escrow holder mutually acceptable to Buyer and Seller)

Independent Consideration Amount: Two Hundred Dollars (\$200.00)

Outside Date: November 21, 2017

Purchase Price: Four Hundred Thousand Dollars (\$400,000.00)

Real Property: That property described in Exhibit A hereto; the subject property is sometimes referred to as APN 033-070-16

Seller: Successor Agency to the Ridgecrest Redevelopment Agency

Seller's Address: 100 W. California Avenue  
Ridgecrest, California 93555-4054  
Attention: Gary Parsons  
Tel. (760) 499-5061  
Fax: (760) 499-1580

Soil and Title Contingency  
Date: Email: gparsons@ci.ridgecrest.ca.us  
October 13, 2016

Title Company: Placer Title Insurance Company  
860 N. China Lake Blvd., Ste. C  
Ridgecrest, CA 93555  
Tel: (760) 375-4444  
Attention: Terry Springstead, Title Officer  
(direct: (760) 375-4444; email: tspringstead@placertitle.com)  
(or another title insurer mutually acceptable to Buyer and Seller)

**PURCHASE AND SALE AGREEMENT  
AND  
JOINT ESCROW INSTRUCTIONS**

This **PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS** (“Agreement”) is made and entered into as of September 21, 2016 (the “Effective Date”) by and between Seller and Buyer.

**RECITALS**

**A.** Seller is the fee owner of the Real Property. The Real Property is unimproved.

**B.** Seller has offered to sell to Buyer the Real Property described herein for the price and subject to the terms set forth below. Buyer has considered the offer by Seller and agrees to buy from Seller the Real Property, as more specifically described below.

**C.** In addition to the Purchase Price, material considerations to Seller in agreeing to enter into this Agreement, Buyer has agreed to pay to Seller the Independent Consideration Amount.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

**1. Purchase and Sale.** Seller hereby agrees to sell the Real Property to Buyer, and Buyer hereby agrees to purchase the Real Property from Seller, on the terms and conditions set forth in this Agreement. The term Real Property is defined collectively as the following:

(a) The fee interest in the Real Property to be conveyed by a grant deed in the form of the Deed; and

(b) All personal property, equipment, supplies, and fixtures owned by Seller and located at the Real Property.

**2. Payment of Consideration.** As consideration for the sale of the Real Property from Seller to Buyer, Buyer shall, at the Closing (as defined below), pay to Seller the Purchase Price for the Real Property. Upon receipt of the Purchase Price (less any adjustments made to clear liens and to defray Seller’s share of closing costs), Seller may use such moneys for any purpose of its choosing.

**3. Escrow and Independent Consideration.**

(a) Opening of Escrow. For the purposes of this Agreement, the escrow (“Escrow”) shall be deemed opened (“Opening of Escrow”) on the date that Escrow Holder receives a copy of this Agreement fully executed by Buyer and Seller. Buyer and Seller shall use their best efforts to cause the Opening of Escrow to occur on or before five (5) business days after the Effective Date. Escrow Holder shall promptly notify Buyer and Seller in writing of the date of the Opening of Escrow. Buyer and Seller agree to execute, deliver and be bound by any reasonable or

customary supplemental escrow instructions or other instruments reasonably required by Escrow Holder to consummate the transaction contemplated by this Agreement; provided, however, that no such instruments shall be inconsistent or in conflict with, amend or supersede any portion of this Agreement. If there is any conflict or inconsistency between the terms of such instruments and the terms of this Agreement, then the terms of this Agreement shall control. Without limiting the generality of the foregoing, no such instruments shall extinguish any obligations imposed by this Agreement or any other agreement between Seller and Buyer.

(b) Independent Consideration. Within two (2) days after the Effective Date, Buyer shall pay to Seller the Independent Consideration Amount to be retained by Seller as non-refundable independent consideration. The Independent Consideration Amount has been bargained for and agreed to as consideration for Seller's execution and delivery of this Agreement and Buyer holding the Real Property off the market for a period commencing as of the Effective Date and continuing until the Outside Date and for the rights and privileges granted to Buyer herein, including any and all rights granted to Buyer to terminate this Agreement under the circumstances provided for herein. Notwithstanding anything to the contrary contained in this Agreement, the Independent Consideration Amount shall be non-refundable in all events, except for Seller's default hereunder. If Buyer proceeds to purchase the Real Property as provided herein, a credit will be applied to the Purchase Price based upon the Independent Consideration Amount.

(c) Closing. For purposes of this Agreement, the "Closing" or "Closing Date" shall be the date the Deed (as defined below) is recorded pursuant to applicable law in the county in which the Real Property is located. Unless changed in writing by Buyer and Seller, the Closing shall occur on the Closing Date, or as soon thereafter as the conditions precedent to closing are satisfied pursuant to Sections 6 and 7 of this Agreement. If the Closing has not, for any reason, occurred by the Closing Date, then either Buyer or Seller may terminate this Agreement by delivering written notice to the other at any time after the outside Closing Date; provided, however, that if either party is in default under this Agreement at the time of such termination, then such termination shall not affect the rights and remedies of the non-defaulting party against the defaulting party.

**4. Seller's Delivery of Real Property and Formation Documents**. Within ten (10) days after the Effective Date, Seller shall deliver to Buyer the following items (collectively, the Property Documents"):

(a) Copies of tax bills.

(b) Such proof of Sellers' authority and authorization to enter into this Agreement and to consummate this transaction as may be reasonably requested by Buyer and the Title Company consistent with the terms of this Agreement.

In addition, Seller shall cause Escrow Holder to obtain and deliver to Buyer a Natural Hazard Report as provided for under Sections 1102 and 1103 of the California Civil Code (the "Natural Hazard Report") on or before the Soil and Title Contingency Date.

**5. Buyer's Right of Entry**. From and after the Opening of Escrow through the earlier to occur of the termination of this Agreement or the Soil and Title Contingency Date, or as otherwise agreed in writing by Seller prior to entry is effected, Buyer and Buyer's employees,

agents, consultants and contractors shall have the right to enter upon the Real Property during normal business hours, provided reasonable prior notice has been given to Seller.

(a) Investigation of the Real Property. In addition to the foregoing, the Buyer shall have the right, at its sole cost and expense, prior to the Soil and Title Contingency Date, to engage its own environmental consultant (the "Environmental Consultant") to make such investigations as Buyer deems necessary or appropriate, including any "Phase 1" or "Phase 2" investigations of the Real Property. If, based upon such evaluation, inspections, tests or investigation, Buyer determines that it, in its discretion, does not wish to proceed with purchase of the Real Property based upon the condition of the Real Property, Buyer may cancel this Agreement by giving written notice of termination to Seller on or before the Soil and Title Contingency Date which specifically references this Section 5. If Buyer does not cancel this Agreement by the time allowed under this Section 5, Buyer shall be deemed to have approved the evaluation, inspections and tests as provided herein and to have elected to proceed with this transaction on the terms and conditions of this Agreement. Buyer shall be provided a copy of all reports and test results provided by Buyer's Environmental Consultant promptly after receipt by the Buyer of any such reports and test results.

Buyer shall bear all costs, if any, associated with restoring the Real Property to the condition prior to its testing by or on behalf of Buyer if requested to so do by Seller. Buyer is a sophisticated party and is familiar with the acquisition and use of property, including for commercial uses.

Buyer shall bear all costs, if any, associated with restoring the Real Property to substantially the same condition prior to its testing by or on behalf of Buyer if requested to so do by Seller but excluding any latent defects or Hazardous Materials (as defined below) discovered by Buyer during its investigation of the Real Property. Buyer agrees to indemnify, protect, defend (with counsel satisfactory to Seller) and hold Seller and the Real Property free and harmless from and against all costs, claims, losses, liabilities, damages, judgments, actions, demands, attorneys' fees or mechanic's liens arising out of or resulting from any entry or activities on the Real Property by Buyer, Buyer's agents, contractors or subcontractors and the contractors and subcontractors of such agents, but in no event shall the indemnity of this Section include the discovery of pre-existing conditions by Buyer or any such liabilities, costs, etc. arising from the negligence or willful misconduct of Seller and/or its consultants. The indemnity obligations of Buyer set forth in this Section 5(a) shall survive any termination of this Agreement or the Close of Escrow.

"Hazardous Materials" means any substance, material, or waste which is or becomes regulated by any local governmental authority, the County, the State of California, regional governmental authority, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) friable asbestos, (vii)

polychlorinated biphenyls, (viii) listed under Article 9 or defined as “hazardous” or “extremely hazardous” pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (ix) designated as “hazardous substances” pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317), (x) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903) or (xi) defined as “hazardous substances” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §6901 et seq.

(b) No Warranties as To the Real Property. The physical condition and possession of the Real Property, is and shall be delivered from Seller to Buyer in an “as is” condition, with no warranty expressed or implied by Seller, including without limitation, the presence of Hazardous Materials or the condition of the soil, its geology, the presence of known or unknown seismic faults, or the suitability of the Real Property for development purposes. In addition, Seller makes no representations, warranties or assurances concerning the Real Property, its suitability for any particular use or with regard to the approval process for entitlements as to the Real Property.

(c) Buyer Precautions after Closing. Upon and after the Closing, Buyer shall take all necessary precautions to prevent the release into the environment of any Hazardous Materials which are located in, on or under the Real Property. Such precautions shall include compliance with all laws, ordinances, statutes, codes, rules, regulations, orders, and decrees of the United States, the state, the County, the City, or any other political subdivision in which the Real Property is located, and of any other political subdivision, agency, or instrumentality exercising jurisdiction over the Real Property (“Governmental Requirements”) with respect to Hazardous Materials.

## **6. Buyer’s Conditions Precedent and Termination Right.**

(a) Conditions Precedent. The Closing and Buyer’s obligation to consummate the purchase of the Real Property under this Agreement are subject to the timely satisfaction or written waiver of the following conditions precedent (collectively, “Buyer’s Contingencies”), which are for Buyer’s benefit only.

(i) Title Review. Within twenty (20) calendar days after the Opening of Escrow, Seller shall cause the Title Company to deliver to Buyer a preliminary title report (the “Report”) describing the title to the Real Property, together with copies of the plotted easements and the exceptions (the “Exceptions”) set forth in the Report; provided that the cost of the Report shall be borne by Seller. Seller acknowledges that the Report shall include an endorsement against the effect of any mechanics’ liens; Seller will provide such indemnity or other assurances as necessary to induce the Title Company to provide such endorsement. On or before the Soil and Title Contingency Date, Buyer shall have approved in writing, in Buyer’s sole discretion, any matters of title disclosed by the following (collectively, the “Title Documents”): (i) the Report; (ii) the Exceptions; (iii) the legal description of the Real Property and (iv) any survey Buyer desires to obtain at Buyer’s sole cost and expense. Buyer shall have the same rights to approve or disapprove any exceptions to title that are not created by Buyer and that come into existence after issuance of the Report but prior to Closing. Seller shall, on or before the Closing, remove all deeds of trust, mortgages and delinquent taxes (but not the lien for any real property taxes or assessments not yet delinquent).

(ii) Buyer's Title Policy. On or before the Closing, the Title Company shall, upon payment (by Buyer) of the Title Company's premium, have agreed to issue to Buyer, a standard ALTA owner's policy of title insurance insuring only as to matters of record title ("Standard Buyer's Title Policy") in the amount of the Purchase Price showing fee title to the Real Property vested solely in Buyer and subject only to the (i) the standard, preprinted exceptions to Buyer's Title Policy; (ii) liens to secure payment of real estate taxes or assessments not yet delinquent; (iii) matters affecting the Real Property created by or with the written consent of Buyer; and (iv) those matters specifically approved in writing by Buyer. Buyer shall have the right, at its sole cost and expense, to obtain coverage beyond that offered by a Standard Buyer's Title Policy; provided, however, that Buyer's ability to obtain such extended coverage shall not be a Buyer's Contingency and Buyer's obligations hereunder shall in no way be conditioned or contingent upon obtaining such extended coverage. Buyer shall have sole responsibility for obtaining, and bearing the cost of, any endorsements and for any survey or other matters required by the Title Company for such extended coverage.

In the event Buyer enters into a loan agreement to generate moneys to purchase the Real Property from Seller under this Agreement, Buyer and not Seller shall be responsible for the title insurance, closing costs and any other costs, fees or expenses in relation to Buyer obtaining such loaned moneys. The sale shall be all cash to Seller.

(iii) Physical and Legal Inspections and Studies. On or before Soil and Title the Contingency Date, Buyer shall have approved in writing, in Buyer's sole and absolute discretion, the results of any physical and legal (but not feasibility or economic) inspections, investigations, tests and studies Buyer elects to make or obtain, including, but not limited to, investigations with regard to zoning, building codes and other governmental regulations; engineering tests; soils, seismic and geologic reports; environmental audits, inspections and studies; environmental investigation or other invasive or subsurface testing; and any other physical or legal inspections and/or investigations as Buyer may elect to make or obtain.

(iv) Natural Hazard Report. Seller shall cause the Escrow Holder to provide to Buyer prior to the Soil and Title Contingency Date the Natural Hazard Report described at Section 8(a)(iii) of this Agreement; provided that Buyer shall bear the cost to prepare such Natural Hazard Report.

(v) Property and Formation Documents. On or before the Soil and Title Contingency Date, Buyer shall have approved in writing, in Buyer's reasonable discretion, the terms, conditions and status of all of the Property Documents.

(vi) Delivery of Documents. Seller's delivery of all documents described in Section 8, below.

(vii) Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be materially true and correct as of the date made and as of the Closing.

(viii) Title Company Confirmation. The Title Company shall have confirmed that it is prepared to issue the Buyer's Title Policy consistent with the provisions of this Agreement.

(ix) No Default. As of the Closing, Seller shall not be in default in the performance of any material covenant or agreement to be performed by Seller under this Agreement.

(b) Termination Right. Each of (i), (ii) and (iii) shall operate independently and each shall entitle Seller to terminate this Agreement, as follows:

(i) If the Independent Consideration Amount is not paid by Buyer to Seller by the Initial by the time set forth therefor in Section 3(b)(i) of this Agreement, then this Agreement shall terminate upon Seller giving notice thereof to Buyer;

(ii) If any of Buyer's Contingencies not be met by the Outside Date, and Seller so informs Seller, Buyer may, by written notice to Seller, terminate this Agreement.

If this Agreement so terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer, unless Seller is in default hereunder, in which case Seller shall pay all such fees. If the Agreement has not been terminated pursuant to (i) or (ii) of this Section 6(b) and Buyer has neither terminated this Agreement in writing ("Termination Notice") on or before 5:00 p.m. on the Monday preceding the scheduled Closing ("Termination Notice Deadline"), then all such Buyer's Contingencies shall be deemed to have been satisfied and this Agreement shall continue pursuant to its terms. If Buyer has not delivered a Termination Notice as the items set forth in Sections 6(a)(i)-(xi) inclusive, prior to the Termination Notice Deadline, such Buyer's Contingencies shall be deemed to have been satisfied.

If this Agreement is terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer, unless Seller is in default hereunder, in which case Seller shall pay all such fees.

(c) Seller's Cure Right. Buyer shall notify Seller, in Buyer's Termination Notice, of Buyer's disapproval or conditional approval of any Title Documents. Seller shall then have the right, but not the obligation, to (i) remove from title any disapproved or conditionally approved Exception(s) (or cure such other title matters that are the basis of Buyer's disapproval or conditional approval of the Title Documents) within five (5) business days after Seller's receipt of Buyer's Termination Notice, or (ii) provide assurances reasonably satisfactory to Buyer that such Exception(s) will be removed (or other matters cured) on or before the Closing. With respect to any such Exception, it shall be sufficient for purposes hereof for Seller to commit in writing, within the applicable period, to remove such Exception at or before the Closing. Seller's failure to remove such Exception after committing to do so shall be a default hereunder. An Exception shall be deemed removed or cured if Seller furnishes Buyer with evidence that the Title Company will issue the Buyer's Title Policy, as defined herein, at the Closing deleting such Exception or providing an endorsement (at Seller's expense) reasonably satisfactory to Buyer concerning such Exception. If Seller cannot or does not remove or agree to remove any of the disapproved Exception(s) (or cure other matters) within such five (5) business day period, Buyer shall have three (3) business days after the expiration of such five (5) business day period to give Seller written notice that Buyer elects to proceed with the purchase of the Real Property subject to the disapproved Title Document(s), it being understood that Buyer shall have no further recourse against Seller for such disapproved Title Exception(s).

7. **Seller's Conditions Precedent and Termination Right.** The Closing and Seller's obligations with respect to the transaction contemplated by this Agreement are subject to the timely satisfaction or written waiver of the following condition precedent ("Seller's Contingencies"), which are for Seller's benefit only:

(a) **Completion of Title Review.** Seller shall have received written confirmation from Buyer on or before the Soil and Title Contingency Date that Buyer has completed its review of title and that the condition of title satisfactory.

(b) **Confirmation Concerning Site.** Seller shall have received written confirmation from Buyer on or before the Soil Contingency Date that Buyer has reviewed the condition of the Real Property, including without limitation concerning Hazardous Materials, zoning and suitability, and approves the condition of the Real Property.

(c) **Confirmation Regarding Buyer's Title Policy.** Seller shall have received written confirmation from Buyer on or before the Soil and Title Contingency Date that Buyer has approved a pro forma title policy.

(d) **Liens.** Seller shall have obtained the consent of any lien holder to the release of such liens prior to or concurrent with closing.

(e) **Delivery of Documents.** Buyer's delivery of all documents described in Section 9(a), below.

Should any of Buyer's Contingencies not be met by the respective times set forth for the satisfaction for such contingency (and without regard to whether all such contingencies have been removed or satisfied) and Buyer has so informed Seller, Seller may, by written notice to Buyer, terminate this Agreement; such termination rights shall be in addition to those termination rights of Seller as set forth in Section 6. If this Agreement is so terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer.

8. **Seller's Deliveries to Escrow Holder.**

(a) **Seller's Delivered Documents.** At least one (1) business day prior to the Closing Date, Seller shall deposit or cause to be deposited with Escrow Holder the following items, duly executed and, where appropriate, acknowledged ("Seller's Delivered Items"):

(i) **Deed.** The Deed.

(ii) **FIRPTA/Tax Exemption Forms.** The Transferor's Certification of Non-Foreign Status in the form attached hereto as Exhibit C (the "FIRPTA Certificate"), together with any necessary tax withholding forms, and a duly executed California Form 593-C, as applicable (the "California Exemption Certificate").

(iii) **Hazard Disclosure Report.** Unless earlier delivered to Buyer, Seller shall cause Escrow Holder to obtain and deliver to Buyer, at Seller's cost, a Natural Hazard Report as provided for under Sections 1102 and 1103 of the California Civil Code (the "Natural Hazard Report") before the Closing.

(iv) Possession of Real Property. Possession of the Real Property free of any tenancies or occupancy.

(v) Authority. A resolution by Seller authorizing entering into this Agreement.

(vi) Further Documents or Items. Any other documents or items reasonably required to close the transaction contemplated by this Agreement as determined by the Title Company which are consistent with the terms of this Agreement.

(b) Failure to Deliver. Should any of Seller's Delivered Items not be timely delivered to Escrow, Buyer may, by written notice to Seller, terminate this Agreement; provided, however, that Buyer may (but shall not be obligated to) in such notice provide Seller with five (5) business days to deliver all of Seller's Delivered Items. If Buyer's notice provides Seller such five (5) business days to deliver Seller's Delivered Items, and if Seller's Delivered Items are not delivered within such period, then this Agreement shall automatically terminate without further action or notice. In the event of any such termination, any cash deposited by Buyer shall immediately be returned to Buyer. Under no circumstances shall Buyer have any responsibility to or duty to pay consultants or real estate brokers retained by Seller, Seller being solely responsible in connection with any such contractual arrangements of Seller.

**9. Buyer's Deliveries to Escrow**. At least one (1) business day prior to the Closing Date, Buyer shall deposit or cause to be deposited with Escrow Holder the following, each duly executed and acknowledged, by Buyer as appropriate ("Buyer's Delivered Items"):

(a) Purchase Price. The Purchase Price, less amounts which Seller confirms in writing to Escrow Holder were theretofore paid to Seller as the Independent Consideration Amount, together with additional funds necessary to pay Buyer's closing costs set forth in Section 10(b) herein. In the event Seller does not qualify for an exemption from California withholding tax under Section 18662 of the California Revenue and Taxation Code, as evidenced by the delivery at Closing of the California Exemption Certificate duly executed by Seller, Title Company shall withhold three and one-third percent (3-1/3%) of the Purchase Price on behalf of Buyer for payment to the California Franchise Tax Board in accordance with Section 11(b) hereof. In the event Seller is not exempt from such withholding or does not otherwise deliver the California Exemption Certificate at Closing, Buyer shall execute and deliver three (3) originals of California Form 593 to Title Company at or immediately after Closing.

(b) Change of Ownership Report. One (1) original Preliminary Change of Ownership Report.

(c) Final Escrow Instructions. Buyer's final written escrow instructions to close escrow in accordance with the terms of this Agreement.

(d) Authority. Such proof of Buyer's authority and authorization to enter into this Agreement and to consummate the transaction contemplated hereby as may be reasonably requested by Seller or the Title Company.

(e) Further Documents or Items. Any other documents or items reasonably required to close the transaction contemplated by this Agreement as determined by the Title Company.

#### **10. Costs and Expenses**

(a) Seller's Costs. If the transaction contemplated by this Agreement is consummated, then Seller shall be debited for and bear the following costs: (i) costs and charges associated with the removal of encumbrances; (ii) Seller's share of prorations; (iii) the premium for a Standard Buyer's Title Policy with coverage in the amount of the Purchase Price; (iv) documentary recording fees, if any; (v) documentary transfer tax, if any; (vi) one half of the escrow charges; and (vii) costs, if any, allocable to Seller under this Agreement and costs for such services as Seller may additionally request that Escrow perform on its behalf (which foregoing items collectively constitute "Seller's Costs and Debited Amounts").

(b) Buyer's Costs. If the transaction contemplated by this Agreement is consummated, then Buyer shall bear the following costs and expenses: (i) the Escrow Holder's fee; (ii) Buyer's share of prorations, (iii) the premium for title insurance other than or in excess of a Standard Buyer's Title Policy based on the Purchase Price, and, if applicable, the cost for any survey required in connection with the delivery of an ALTA owner's extended coverage policy of title insurance; (iv) one half of escrow charges; (v) recording and other costs of closing; (vi) costs, if any, for such services as Buyer may additionally request that Escrow perform on its behalf; and (vii) any costs associated with Buyer borrowing money in order to pay to Seller the Purchase Price (collectively, "Buyer's Costs and Debited Amounts").

(c) Generally. Each party shall bear the costs of its own attorneys, consultants, and real estate brokers in connection with the negotiation and preparation of this Agreement and the consummation of the transaction contemplated hereby. Buyer represents to Seller that Buyer has not engaged the services of any consultants, finders or real estate brokers in connection with the purchase of the Real Property from the Seller. Seller represents to Buyer that Seller has not engaged the services of any consultants, finders or real estate brokers in connection with the sale of the Real Property to the Buyer.

#### **11. Prorations; Withholding**

(a) All revenues (if any) and expenses relating to the Real Property (including, but not limited to, property taxes, utility costs and expenses, water charges and sewer rents and refuse collection charges) shall be prorated as of the Closing Date; provided that all delinquent taxes shall be satisfied at the expense of Seller. Not less than five (5) business days prior to the Closing, Seller shall deliver to Buyer a tentative schedule of prorations for Buyer's approval (the "Proration and Expense Schedule"). If any prorations made under this Section shall require final adjustment after the Closing, then the parties shall make the appropriate adjustments promptly when accurate information becomes available and either party hereto shall be entitled to an adjustment to correct the same. Any corrected or adjustment proration shall be paid promptly in cash to the party entitled thereto.

(b) In the event Seller does not qualify for an exemption from California withholding tax under Section 18662 of the California Revenue and Taxation Code (the "Tax Code") as evidenced by the delivery to Buyer at Closing of the California Exemption Certificate

duly executed by Seller, (i) Title Company shall withhold three and one-third percent (3-1/3%) of the Purchase Price on behalf of Buyer at Closing for payment to the California Franchise Tax Board in accordance with the Tax Code, (ii) Buyer shall deliver three (3) duly executed copies of California Form 593 to Title Company at or immediately after Closing, (iii) two (2) copies of California Form 593 shall be delivered by Title Company to Seller, and (iv) on or before the 20<sup>th</sup> day of the month following the month title to the Real Property is transferred to Buyer (as evidenced by the recording of the Grant Deed), Title Company shall remit such funds withheld from the Purchase Price, together with one (1) copy of California Form 593 to the California Franchise Tax Board on behalf of Buyer. Buyer and Seller hereby appoint Title Company as a reporting entity under the Tax Code, authorized to withhold and remit the withholding tax contemplated under the Tax Code, together with such other documents required by the Tax Code (including, without limitation, California Form 593), to the California Franchise Tax Board.

**12. Closing Procedure.** When the Title Company is ready to issue the Buyer's Title Policy and all required documents and funds have been deposited with Escrow Holder, Escrow Holder shall immediately close Escrow in the manner and order provided below.

(a) Recording. Escrow Holder shall cause the Deed to be recorded pursuant to applicable law in the county in which the Real Property is located and obtain conformed copies thereof for distribution to Buyer and Seller.

(b) Disburse Funds. Escrow Holder shall debit or credit (as provided herein) all Buyer's Costs and Debited Amounts, Seller's Costs and Debited Amounts and General Expenses, prorate matters and withhold funds as provided herein. The Purchase Price, less any applicable debits or credits (including any liens as to which such liens and the amount to satisfy such liens shall have been confirmed in writing by Seller to Escrow Holder) shall be distributed by check payable to Seller unless Escrow Holder is instructed otherwise in writing signed by Seller (and, in such event, in accordance with such instructions). Seller authorizes Escrow Holder to request demands for payment and to make such payments from the Purchase Price (or such other funds, if any, as are advanced by Seller) to defray the cost of removing deeds of trust, liens and other encumbrances (but not for obligations of Buyer).

(c) Documents to Seller. Escrow Holder shall deliver to Seller a conformed copy of the Deed, and documents, if any, recorded on behalf of any lender, as duly recorded among the official land records of the County of Kern, and a copy of each other document (or copies thereof) deposited into Escrow by Buyer pursuant hereto.

(d) Documents to Buyer. Escrow Holder shall deliver to Buyer the original FIRPTA Certificate, the original California Exemption Certificate (as applicable), and a conformed copy of each of the Deed as duly recorded among the official land records of the County of Kern, the Natural Hazard Report, and each other document (or copies thereof) deposited into Escrow by Seller pursuant hereto, including, without limitation, those documents referenced in Section 8.

(e) Title Company. Escrow Holder shall cause the Title Company to issue the Buyer's Title Policy to Buyer.

(f) Closing Statement. Escrow Holder shall forward to both Buyer and Seller a separate accounting of all funds received and disbursed for each party.

(g) Informational Reports. Escrow Holder shall file any information reports required by Internal Revenue Code Section 6045(e), as amended.

(h) Possession. Possession of the Real Property shall be delivered to Buyer at the Closing.

### **13. Representations and Warranties.**

(a) Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Real Property, Seller makes the following representations and warranties as of the Effective Date and as of the Closing, each of which is material and is being relied upon by Buyer (and the truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder), and all of which are material inducements to Buyer to enter into this Agreement (and but for which Buyer would not have entered into this Agreement) and shall survive Closing; provided that each of the representations and warranties of Seller is based upon the information and belief of the Executive Director of the Authority:

(i) Seller believes that it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated.

(ii) Seller believes that all requisite action (corporate, trust, partnership or otherwise) has been taken by Seller in connection with entering into this Agreement and the instruments referenced herein; and, by the Closing, all such necessary action will have been taken to authorize the consummation of the transaction contemplated hereby.

(iii) The individual executing this Agreement and the instruments referenced herein on behalf of Seller has the legal power, right and actual authority to bind Seller to the terms and conditions hereof and thereof.

(iv) Seller believes that neither the execution or delivery of this Agreement or the documents or instruments referenced herein, nor incurring the obligations set forth herein, nor the consummation of the transaction contemplated herein, nor compliance with the terms of this Agreement or the documents or instruments referenced herein or therein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, lease or other agreement or instrument to which Seller is a party or that affect the Real Property, including, but not limited to, any of the Title Documents or the Property Documents.

(v) There is no pending litigation nor, to the best of Seller's knowledge, threatened litigation, which does or will adversely affect the right of Seller to convey the Real Property. There are no claims which have been received by Seller that have not been disclosed to Buyer.

(vi) Seller has made no written or oral commitments to or agreements with any governmental authority or agency materially and adversely affecting the Real Property, or any part hereof, or any interest therein, which will survive the Closing.

(vii) There are no leases or rental agreements in effect as to the Real Property.

(viii) Seller is not in default of its obligations under any contract, agreement or instrument to which Seller is a party pertaining to the Real Property.

(ix) There are no mechanics', materialmen's or similar claims or liens presently claimed or which will be claimed against the Real Property for work performed or commenced for Seller or on Seller's behalf prior to the date of this Agreement.

(x) There are no undisclosed contracts, licenses, commitments, undertakings or other written or oral agreements for services, supplies or materials concerning the use, operation, maintenance, or management of the Real Property that will be binding upon Buyer or the Real Property after the Closing. There are no oral contracts or other oral agreements for services, supplies or materials, affecting the use, operation, maintenance or management of the Real Property.

(xi) There are not as of the Effective Date, nor will there be as of the Closing, any written or oral leases or contractual right or option to lease, purchase, or otherwise enjoy possession, rights or interest of any nature in and to the Real Property or any part thereof, and no person other than Buyer shall have any right of possession to the Real Property or any part thereof as of the Closing.

(xii) No person, excepting Seller, has possession or any rights to possession of the Real Property or portion thereof.

(b) Subsequent Changes to Seller's Representations and Warranties. If, prior to the Closing, Buyer or Seller should learn, discover or become aware of any existing or new item, fact or circumstance which renders a representation or warranty of Seller set forth herein incorrect or untrue in any respect (collectively, the "Seller Representation Matter"), then the party who has learned, discovered or become aware of such Representation Matter shall promptly give written notice thereof to the other party and Seller's representations and warranties shall be automatically limited to account for the Representation Matter. Buyer shall have the right to approve or disapprove any such change and to terminate this Agreement by written notice to Seller if Buyer reasonably disapproves any such change. If Buyer does not elect to terminate this Agreement, Seller's representation shall be qualified by such Seller Representation Matter and Seller shall have no obligation to Buyer for such Seller Representation Matter.

(c) Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Real Property, Buyer makes the following representations and warranties as of the date hereof and at and as of the Closing, each of which is material and is being relied upon by Seller (and the truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder), and all of which shall survive Closing:

(i) Buyer has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated hereby.

(ii) All requisite action has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein; and, by the Closing, all such necessary action will have been taken to authorize the consummation of the transaction contemplated hereby.

(iii) The individuals executing this Agreement and the instruments referenced herein on behalf of Buyer have the legal power, right and actual authority to bind Buyer to the terms and conditions hereof and thereof.

(iv) Neither the execution and delivery of this Agreement and the documents and instruments referenced herein, nor incurring the obligations set forth herein, nor the consummation of the transaction contemplated herein, nor compliance with the terms of this Agreement and the documents and instruments referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreement or instrument to which Buyer is a party or by which any of Buyer's properties are bound.

(d) Subsequent Changes to Buyer's Representations and Warranties. If, prior to the Closing, Seller or Buyer should learn, discover or become aware of any existing or new item, fact or circumstance which renders a representation or warranty of Buyer set forth herein incorrect or untrue in any respect (collectively, the "Buyer's Representation Matter"), then the party who has learned, discovered or become aware of such Buyer's Representation Matter shall promptly give written notice thereof to the other party and Buyer's representations and warranties shall be automatically limited to account for the Buyer's Representation Matter. Seller shall have the right to approve or disapprove any such change and to terminate this Agreement by written notice to Buyer if Seller reasonably disapproves any such change. If Seller does not elect to terminate this Agreement, Buyer's representation shall be qualified by such Buyer's Representation Matter and Buyer shall have no obligation to Seller for such Buyer's Representation Matter.

**14. Fair Value Price.** Each of Buyer and Seller believe that the Purchase Price represents a fair value price for the Real Property. At such time as Buyer makes improvements to the Real Property, the costs for planning, designing, and constructing such improvements shall be borne exclusively by the Buyer and the Buyer shall construct or cause to be constructed such improvements in compliance with all the zoning, planning and design review requirements of the Ridgcrest Municipal Code, and all nondiscrimination, labor standard, and wage rate requirements to the extent such labor and wage requirements are applicable.

Buyer, including but not limited to its contractors and subcontractors, shall be responsible to comply with Labor Code Section 1720, et seq., and its implementing regulations, regarding the payment of prevailing wages (the "State Prevailing Wage Law") and, if applicable, federal prevailing wage law ("Federal Prevailing Wage Law" and, together with State Prevailing Wage Law, "Prevailing Wage Laws") with regard to the construction of improvements to the Real Property, but only if and to the extent such sections are applicable to the development of the Real Property. Insofar as the parties believe that Buyer is paying a fair market price for the Real Property, the parties believe that the payment of prevailing wages will not be required. In any event, Buyer shall be solely responsible for determining and effectuating compliance with the Prevailing Wage Laws, neither the Seller nor the City makes any final representation as to the applicability or non-applicability of the Prevailing Wage Laws to improvements to the Real Property, or any part

thereof. Buyer hereby releases from liability, and agrees to indemnify, defend, assume all responsibility for and hold each of the Seller and the City, and their respective officers, employees, agents and representatives, harmless from any and all claims, demands, actions, suits, proceedings, fines, penalties, damages, expenses resulting from, arising out of, or based upon Buyer's acts or omissions pertaining to the compliance with the Prevailing Wage Laws as to the Real Property. This Section 14 shall survive Closing.

**15. General Provisions.**

(a) Condemnation. If any material portion of the Real Property shall be taken or appropriated by a public or quasi-public authority exercising the power of eminent domain, Buyer shall have the right, at its option, to (i) terminate this Agreement or (ii) proceed with the purchase of the Real Property and receive all of the award or payment made in connection with such taking.

(b) Notices. All notices, demands, requests or other communications required or permitted hereunder (collectively, "Notices") shall be in writing, shall be addressed to the receiving party as provided in the Basic Terms section above, and shall be personally delivered, sent by overnight mail (Federal Express or another carrier that provides receipts for all deliveries), sent by certified mail, postage prepaid, return receipt requested, or sent by facsimile transmission (provided that a successful transmission report is received). All Notices shall be effective upon receipt at the appropriate address. Notice of change of address shall be given by written notice in the manner detailed in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no Notice in accordance with this Section was given shall be deemed to constitute receipt of such Notice. The providing of copies of Notices to the parties' respective counsels is for information only, is not required for valid Notice and does not alone constitute Notice hereunder.

(c) Brokers. Seller assumes sole responsibility for any consultants or brokers ("Seller's Agents") it may have retained in connection with the sale of the Real Property (and Buyer shall have no responsibility in connection with such matters). Seller represents to Buyer that Seller has engaged no private parties as consultants, finders or real estate brokers in connection with the sale of the Real Property to the Buyer, and there are no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with this Agreement. Seller agrees to and does hereby indemnify and hold the Buyer free and harmless from and against any and all costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the Seller in connection with this Agreement. Buyer assumes sole responsibility for any consultants or brokers ("Buyer's Agents") it may have retained in connection with the purchase of the Real Property (and Seller shall have no responsibility in connection with such matters). Buyer represents to Seller that Buyer has engaged no consultants, finders or real estate brokers in connection with the sale of the Real Property to the Buyer, and there are no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with this Agreement. Buyer agrees to and does hereby indemnify and hold the Seller free and harmless from and against any and all costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the Buyer in connection with this Agreement.

(d) Waiver, Consent and Remedies. Each provision of this Agreement to be performed by Buyer and Seller shall be deemed both a covenant and a condition and shall be a

material consideration for Seller's and Buyer's performance hereunder, as appropriate, and any breach thereof by Buyer or Seller shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party's breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.

(e) Cooperation. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use all reasonable efforts to accomplish the Closing in accordance with the provisions hereof and, following Closing.

(f) Remedies. Without limitation as to the availability of other remedies, this Agreement may be enforced by an action for specific enforcement.

(g) Time. Time is of the essence of every provision herein contained. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which said period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period shall be deemed to run until 5:00 p.m. of the next day that is not a Saturday, Sunday, or legal holiday. Except as otherwise expressly provided herein, all time periods expiring on a specified date or period herein shall be deemed to expire at 5:00 p.m. on such specified date or period.

(h) Counterparts; Facsimile Signatures. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. A facsimile signature shall be deemed an original signature.

(i) Captions. Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

(j) Obligations to Third Parties. City shall be deemed to be a third party beneficiary of this Agreement. Excepting only for the City, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties to this Agreement to, any person or entity other than the parties hereto.

(k) Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

(l) Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

(m) Applicable Law. This Agreement shall be governed by and construed in accordance with the local law of the State of California.

(n) Exhibits and Schedules. The exhibits and schedules attached hereto are incorporated herein by this reference for all purposes.

(o) Entire Agreement. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between, and the final expression of, Buyer and Seller with respect to the subject matter hereof. The parties hereto expressly agree and confirm that this Agreement is executed without reliance on any oral or written statements, representations or promises of any kind which are not expressly contained in this Agreement. No subsequent agreement, representation or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

(p) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the permitted successors and assigns of the parties hereto.

(q) Assignment. Neither party may assign its rights under this Agreement without the prior consent of the other party.

[signatures begin on the following page]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first written above.

**“SELLER”**

**SUCCESSOR AGENCY TO THE RIDGECREST REDEVELOPMENT AGENCY**, a public entity, corporate and politic

By: \_\_\_\_\_  
Dennis Speer  
Executive Director

**“BUYER”**

**RIDGECREST REGIONAL HOSPITAL**, a California nonprofit public benefit corporation

By: \_\_\_\_\_  
Name:  
Its:

Acceptance by Escrow Holder:

Placer Title Company hereby acknowledges that it has received a fully executed copy of the foregoing Purchase and Sale Agreement and Joint Escrow Instructions by and between the Successor Agency to the Ridgecrest Redevelopment Agency, a public entity, corporate and politic (“Seller”), and Ridgecrest Regional Hospital, a California nonprofit public benefit corporation (“Buyer”) and agrees to act as Escrow Holder thereunder and to be bound by and strictly perform the terms thereof as such terms apply to Escrow Holder.

Dated: \_\_\_\_\_, 201\_

PLACER TITLE COMPANY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT A**

**LEGAL DESCRIPTION**

The land referred to herein is situated in the State of California, County of Kern, described as follows:

[legal description: to come].

APN: 033-070-16

**EXHIBIT B**

**DEED**

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

Ridgecrest Regional Hospital, a  
California nonprofit public benefit  
corporation  
1081 North China Lake Boulevard  
Ridgecrest, CA 93555  
Attn:

APN: 033-070-16

[Space above for recorder.]

**DOCUMENTARY TRANSFER TAX**

\$ \_\_\_\_\_

\_\_\_\_\_ computed on the consideration or value of  
property conveyed; OR

\_\_\_\_\_ computed on the consideration or value less  
liens or encumbrances remaining at time of sale.

\_\_\_\_\_  
Signature of Declarant or Agent determining tax - Firm  
Name

**GRANT DEED**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Successor Agency to the Ridgecrest Redevelopment Agency, a public entity, corporate and politic (“Grantor”), hereby grants to Ridgecrest Regional Hospital, a California nonprofit public benefit corporation (“Grantee”), that certain real property located in the County of Kern, State of California, more particularly described on **Attachment No. 1** attached hereto and incorporated herein by this reference (the “Property”), subject to existing easements, restrictions and covenants of record and further subject to Section 14 of that certain unrecorded instrument entitled “Purchase and Sale Agreement” between Grantor and Grantee, dated as of September 21, 2016, a copy of which is on file with Grantor as a public record.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of \_\_\_\_\_, 201\_\_.

**SUCCESSOR AGENCY TO THE RIDGECREST  
REDEVELOPMENT AGENCY**

By: \_\_\_\_\_

Name: Dennis Speer

Its: Executive Director

**ATTACHMENT NO. 1 TO GRANT DEED**

**LEGAL DESCRIPTION**

The land referred to herein is situated in the State of California, County of Kern, described as follows:

[legal description: to come].

APN: 033-070-16

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

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public,  
(Print Name of Notary Public)

personally appeared \_\_\_\_\_

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

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

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

**OPTIONAL**

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

**CAPACITY CLAIMED BY SIGNER**

**DESCRIPTION OF ATTACHED DOCUMENT**

- Individual
- Corporate Officer

\_\_\_\_\_  
Title(s)

- Partner(s)       Limited       General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

\_\_\_\_\_  
Title Or Type Of Document

\_\_\_\_\_  
Number Of Pages

Signer is representing:  
Name Of Person(s) Or Entity(ies)

\_\_\_\_\_  
Date Of Documents

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signer(s) Other Than Named Above

**EXHIBIT C**

**FIRPTA CERTIFICATE**

**TRANSFEROR’S CERTIFICATE OF NON-FOREIGN STATUS**

To inform Ridgecrest Regional Hospital, a California nonprofit public benefit corporation (“Transferee”), that withholding of tax under Section 1445 of the Internal Revenue Code of 1986, as amended (“Code”) will not be required upon the transfer of certain real property to the Transferee by the Successor Agency to the Ridgecrest Redevelopment Agency (the, “Transferor”), the undersigned hereby certifies the following:

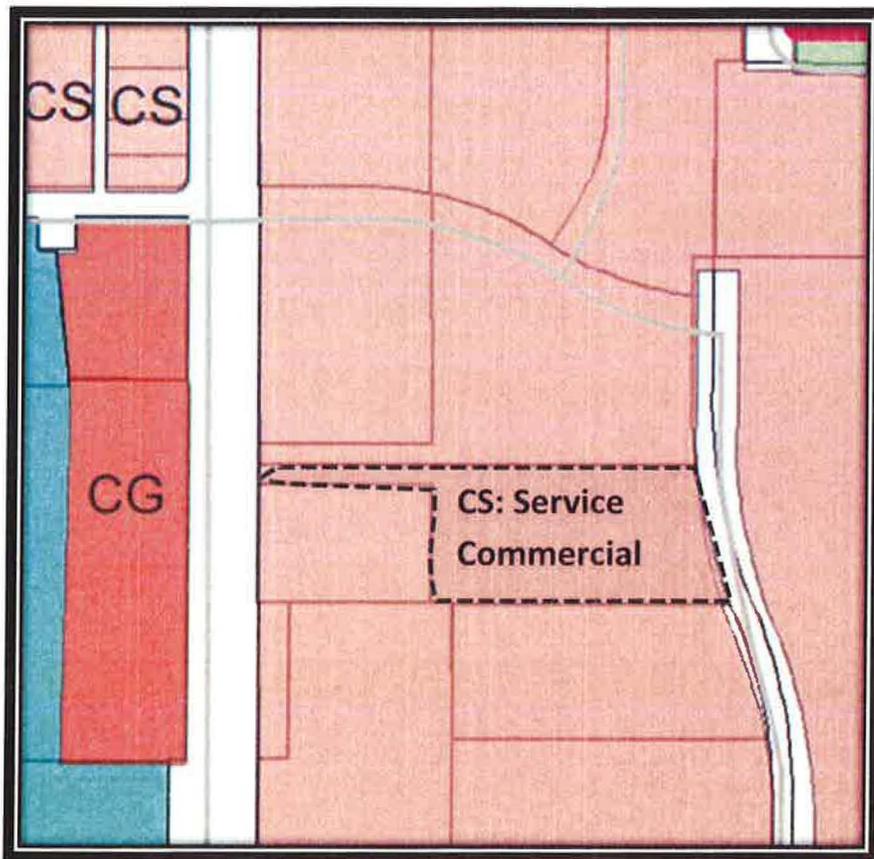
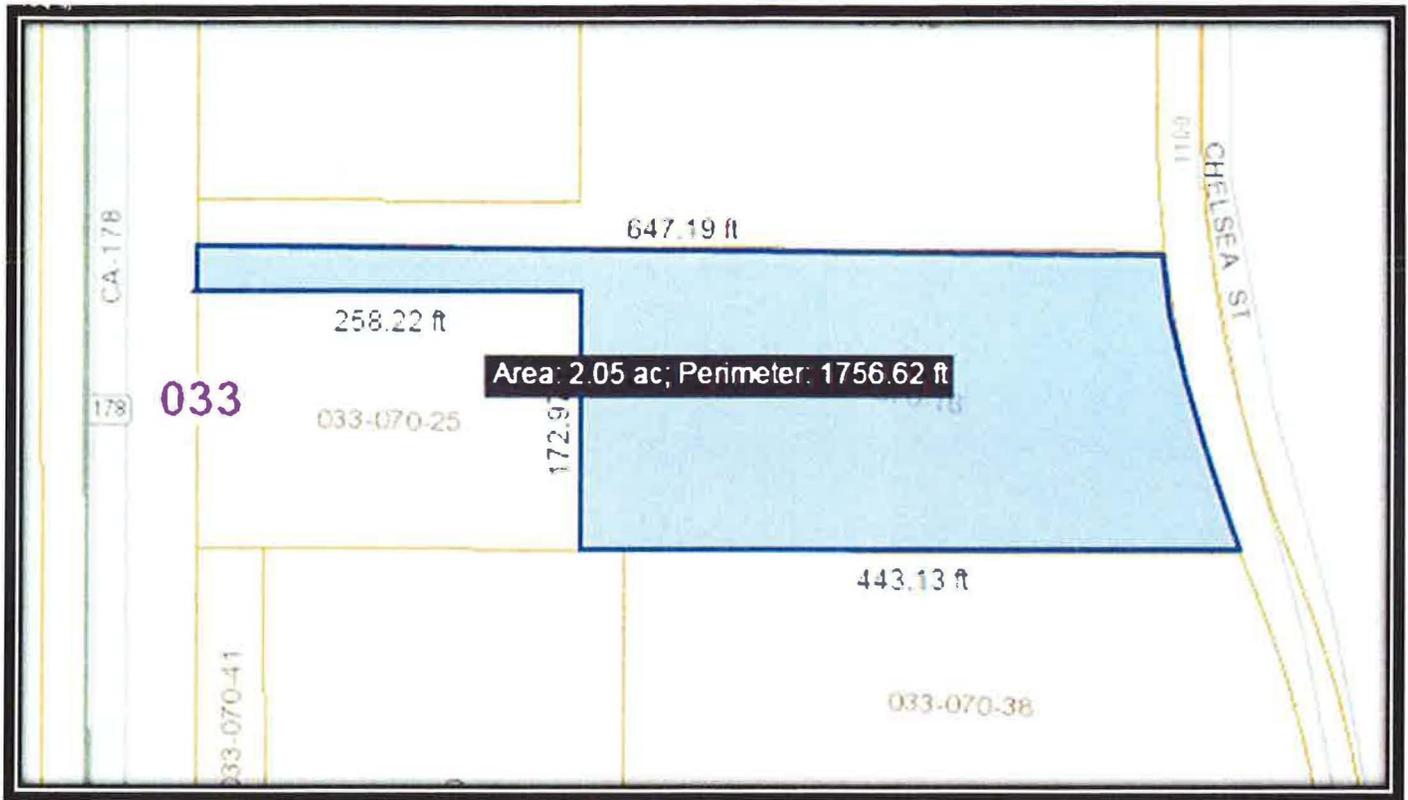
1. The Transferor is not a foreign person or citizen, foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder);
2. The Transferor’s social security number or U.S. employer identification number is as follows: \_\_\_\_\_.
3. The Transferor’s home or office address is:

\_\_\_\_\_  
\_\_\_\_\_

The Transferor understands that this certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment or both. Under penalty of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document.

\_\_\_\_\_  
Successor Agency to the Ridgecrest  
Redevelopment Agency

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## Chelsea St. Clinic:

**Zoned CS: Service Commercial**

**2.05 acres**

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY**  
**FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Discussion And Proposed Action To Provide Direction To The City Of Ridgecrest Representative On The Board Of The Indian Wells Valley Groundwater Authority, Regarding Setting A Public Hearing For The Purpose Of Receiving Comments On An Application To The Department Of Water Resources To Form A Groundwater Sustainability Agency For The IWV Basin.

**PRESENTED BY:**

Peggy Breeden - Mayor

**SUMMARY:**

Following the approval of a Joint Powers Authority agreement forming the Indian Wells Valley Groundwater Authority (IWVGA), the next major objective is for the IWVGA to apply to the Department of Water Resources (DWR) of the intent to form a Groundwater Sustainability Agency (GSA) for the basin. The Sustainable Groundwater Management Act (SGMA) requires agencies intending to file to be a GSA to notice a public hearing for the purpose of receiving input on such an application. If directed by the IWVGA Board to do so, staff would set a public hearing for the next IWVGA regular meeting on October 20, 2016.

At that meeting, staff recommendation is to hold a public hearing and vote on a resolution to apply to DWR to be the GSA for the Indian Wells Valley Basin. The meeting and Public Hearing would be noticed in a local newspaper at least two weeks prior to the hearing date.

**FISCAL IMPACT:**

None

Reviewed by Finance Director

**ACTION REQUESTED:**

Discussion and provide input to Mayor Breeden as the City's representative on the IWVGA board regarding setting a public hearing pertaining to their application to the DWR to form a groundwater sustainability agency.

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

Submitted by: Rachel J. Ford  
(Rev. 6/12/09)

Action Date: September 21, 2016

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# IWVGA ADMINISTRATIVE OFFICE

MEMORANDUM

Agenda Item 10

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**TO:** IWVGA Board Members **DATE:** September 15, 2016

**FROM:** Alan Christensen

**SUBJECT:** Approval to File Notice with Department of Water Resources of Intention to Form a Groundwater Sustainability Agency (GSA) for the Indian Wells Valley Groundwater Basin (Fiscal Impact: none)

## DISCUSSION

With approval of a Joint Powers Authority agreement forming the Indian Wells Valley Groundwater Authority, the next major objective is to apply to the Department of Water Resources (DWR) of intent to form a GSA for the basin. Staff is proposing that action to take place in October 2016. The SGMA requires agencies intending to file to be a GSA to notice a public hearing to receive input on such an application. If directed by the Board to do so, staff would set a public hearing for the next IWVGA regular meeting on October 20, 2016. At that meeting, staff recommends we hold the public hearing and vote on a resolution to apply to DWR to be the GSA for the Indian Wells Valley Basin.

That meeting would be noticed in a newspaper at least two weeks prior to the hearing date. All interested parties and media would be notified of the meeting. This action would be a first major step for the IWVGA, thus opening the door to enhanced groundwater management of the IWV Groundwater Basin by a cooperative GSA. The IWVGA would be the exclusive GSA in the basin if no GSA-eligible public agency files a overlapping application to be a GSA within 90 days of the application being deemed complete by DWR.

For your information, statewide statistics on GSA filings with DWR as of September 12, 2016, are as follows:

- A total of 207 GSA formation notifications have been filed with DWR.
- 96 GSA applications have been named "exclusive" by DWR, meaning the 90-day period after posting has expired and DWR considers the GSA filing final for that area.

In addition to the proposed DWR filing, there are other actions that need to take place in the coming months. A list of major milestones that lay ahead for the IWVGA are as follows:

Approve JPA Bylaws	October 2016
Public Hearing to form GSA	October 2016
Approve Resolution to form GSA	October 2016
Engage Rate Study Consultant	November 2016
Approve Conflict of Interest Code	November 2016
Approve Budget for FY 2017	November 2016
Report from Rate Consultant on Pump/Parcel Tax	January 2017
Engage GSP Technical Consultant/Firm	January 2017

## RECOMMENDATION

Staff recommends set the public hearing and prepare formation materials to file for GSA with DWR.

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY**  
**FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Discussion Of Developing A Policy Pertaining To Waiving User Fees To Non-Profit Organizations

**PRESENTED BY:**

Peggy Breeden - Mayor

**SUMMARY:**

At the suggestion of Mayor Breeden, this item is brought before Council to discuss the possibility of developing a policy regarding the City waiving or reducing certain facility user fees for non-profit organization.

**FISCAL IMPACT:**

None

Reviewed by Finance Director

**ACTION REQUESTED:**

Discussion and potential direction to staff to develop a policy reducing or waiving certain facility use fees.

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

Submitted by: Rachel J. Ford  
(Rev. 6/12/09)

Action Date: September 21, 2016

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY**  
**FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Discussion to identify specific purposes suitable to the Formation Of Ad Hoc Committee(s)

**PRESENTED BY:**

Jim Sanders – Mayor Pro Tempore

**SUMMARY:**

At the request of Mayor Pro Tempore Jim Sanders, this item is brought before Council for discussion and identification of specific purposes Council may consider for the formation of an Ad Hoc Committee.

**FISCAL IMPACT:**

None

Reviewed by Finance Director

**ACTION REQUESTED:**

Discussion Item

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

Submitted by: Rachel J. Ford  
(Rev. 6/12/09)

Action Date: September 21, 2016

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