

RESOLUTION NO. 2070

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
AUTHORIZING THE EXECUTION OF A REVENUE SHARING
AGREEMENT WITH THE CITY OF GONZALES

BE IT RESOLVED by the City Council of the City of Soledad that the City Manager be, and is hereby, authorized and directed to execute a REVENUE SHARING AGREEMENT with the CITY OF GONZALES in the form of the document hereunto attached, marked "Exhibit A," and by reference made a part hereof.

PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting held on the 27th day of February, 1991, by the following vote:

AYES, and in favor thereof, Councilmembers: Fabian Barrera, Ben Jimenez, Jr., Fred Ledesma, Mayor Pro Tem John Holguin, Mayor Joe Ledesma

NOES, Councilmembers: None

ABSENT, Councilmembers. None


MAYOR OF THE CITY OF SOLEDAD

ATTEST.

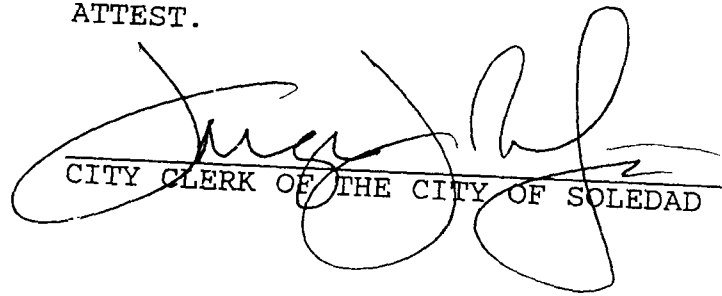

CITY CLERK OF THE CITY OF SOLEDAD

EXHIBIT A

REVENUE-SHARING AGREEMENT

This REVENUE-SHARING AGREEMENT (this "Agreement") is entered into as of the first day of July, 1990 by and between CITY OF SOLEDAD, a general law city and a public body, corporate and politic ("Soledad") and the CITY OF GONZALES, a general law city and a public body, corporate and politic ("Gonzales").

R E C I T A L S

A. Soledad has recently completed the annexation of that certain property shown on the attached Exhibit A (the "Property"), which property is largely comprised as the site of the California Training Facility (the "Prison"), which annexation was authorized pursuant to special legislative enactment.

B. The inclusion of the Property within the jurisdiction of Soledad has resulted in an increase in the population attributable to Soledad and an increase in the vehicle license fees, cigarette taxes, vehicle fuel license taxes allocated to Soledad by the State of California on a per capita basis.

C. Soledad and Gonzales desire to provide for the provision of such services within the Prison and its facilities as are customary for cities having correctional facilities within their jurisdictions.

D. In consideration thereof, Soledad and Gonzales further desire to allocate between themselves the Defined Revenues (as hereinafter defined) attributable to the inclusion of the inmates and other free residents of the Prison in the population of Soledad.

NOW, THEREFORE, the parties hereto, in consideration of the promises set forth herein, hereby agree as follows:

Section 1. Defined Revenues. The term "Defined Revenues" shall mean, for all purposes of this Agreement, (a) "cigarette tax" payable to Soledad on a population ratio pursuant to Section 30462 of the Revenue and Taxation Code, (b) all "motor vehicle license fees" allocated to Soledad and derived from appropriations by the State of California from the State Motor Vehicle License Fee Fund from vehicular registration fees pursuant to Section 9250 of the Vehicle Code, and (c) amounts apportioned to Soledad from the Highway Users Tax Account of the State Transportation Tax Fund derived from "motor vehicle fuel license tax" pursuant to Section 2107 of the California Revenue and Taxation Code, but (d) excluding any amount apportioned annually to Soledad for city street

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engineering costs and administrative expenses from the State Highway Users Tax Account under Section 2107.5 of the California Revenue and Taxation Code. For purposes of this agreement, Defined Revenues are solely attributable to the inclusion of the inmates and other residents of the California Correctional Training Facility (the "Prison") in the population of Soledad and not to any other segment of the City's population outside of the Prison's boundaries. "Defined Revenues" for purposes of this Agreement shall not be deemed to include any interest earnings of Soledad on the described license fees and taxes after their receipt from the State and prior to any payment of such amounts to Gonzales as provided for herein, which interest earnings shall accrue to and solely for the benefit of Soledad. Defined Revenues shall also take into account any future payment of State Subventions allocated to Soledad on a per capita basis and attributable to the Prison population.

Section 2. Allocation of Defined Revenues. The Defined Revenues shall be allocated between Soledad and Gonzales on the following basis: 61% of the Defined Revenues shall be allocated to and retained by Soledad and up to 39% of the Defined Revenues shall be allocated to and paid by Soledad to Gonzales. Provided, however, that in no event shall Soledad's share of Defined Revenues generated by the inclusion of the Prison in the population of Soledad be less than the total per capita amounts of Defined Revenues attributable to the equivalent of 2,847 persons counted in the Prison Population. Soledad and Gonzales acknowledge that the foregoing allocation is based upon the relative size of each such city, the public perception attached to Soledad from inclusion of the Prison property within the jurisdictional boundaries of Soledad as well as the historic common use of the name of Soledad in referring to the Prison, and the efforts of Soledad to implement the annexation of the Prison. In any fiscal year, the allocable share of the Defined Revenues owed to Gonzales pursuant to this Agreement shall be payable by Soledad on a quarterly basis commencing October 1st, 1990, with respect to the Defined Revenues received by Soledad during the preceding quarter.

Section 3. Use of Defined Revenues. Gonzales agrees that its allocable share of the Defined Revenues shall be used only in strict conformity with all applicable provisions of state law including but not limited to the California Vehicle Code, the California Revenue and Taxation Code, and this Agreement, for capital expenditures, equipment, salaries and benefits. Gonzales agrees to provide to Soledad not later than September 15th of each year, an accounting of its use of all of the Defined Revenues allocated to it pursuant to this Agreement, which written accounting shall be submitted by Gonzales to Soledad. In the event the City of Gonzales expends its pro rata share of funds, in violation of state law and by reason of said expenditure a penalty or audit finding is imposed upon the City of Soledad, the City of Gonzales will pay promptly upon demand

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the penalty and/or disallowance amount incurred by the City of Soledad. Said violation or audit finding shall constitute an event of default under this agreement. Any penalty or disallowance incurred by Soledad for an improper expenditure of funds by Soledad pursuant to this section, shall not relieve Soledad from its obligation to make timely payments of Defined Revenues to Gonzales as provided in Section 2 hereof.

Section 4. Maximum Allocable Share of Defined Revenues for Gonzales. The maximum allocable share of the Defined Revenues payable to Gonzales pursuant to this Agreement shall, constitute 39% per annum of the total Defined Revenues. Upon the conclusion of the fiscal year, and at the written request of Gonzales, the City of Soledad shall confirm to Gonzales in writing that all quarterly payments made to Gonzales of its allocable share of the Defined Revenues for the prior fiscal year were correct. Said written confirmation shall be made by Soledad's independent financial auditor concurrent with the completion of the final audit for the fiscal year in question. In the event of any overpayment or underpayment to Gonzales, as determined by the City of Soledad, such overpayment or underpayment shall be corrected in the next quarterly payment by Soledad to Gonzales pursuant to this Agreement. Notwithstanding the provisions of this Agreement, Soledad's obligation to make payments of Defined Revenues to Gonzales shall only be binding to the extent that Soledad is allocated and receives payments of Defined Revenues from the State of California in a prompt and timely manner. Both parties expressly acknowledge and agree that payments of Defined Revenues are not guaranteed revenue sources to the City of Soledad and may be subject to budgetary cutbacks, reductions, and/or elimination by the State of California.

Section 5. Offsets. Notwithstanding any other term or provision of this Agreement, Soledad is hereby authorized to set off and deduct against its quarterly payments to Gonzales 39% of any amounts incurred by Soledad which are attributable to any increases in costs resulting from the annexation or the inclusion of the Prison within the jurisdiction of Soledad, including without limitation any fees or charges payable by Soledad which are based upon population, and any state-mandated costs, the calculation of which is based in whole or in part upon population.

Section 6. Prison Services. Soledad and Gonzales agree that, alternating annually each calendar year, each city will provide within the Prison and its facilities for normal municipal services including but not limited to law enforcement animal control, abandoned vehicle abatement, and any other enforcement of laws and ordinances including mutual aid, as may be requested by the Department of Corrections for the Prison customary and/or required of cities within California having correctional facilities within their jurisdictions, except such services at the Prison which lie within the jurisdiction of the

California State Department of Corrections, such as the regulation and handling of the smuggling of contraband into and out of the Prison, fire suppression, and certain disciplinary matters.

Section 7. Termination of Agreement. This Agreement shall expire by mutual agreement of the parties. In addition, this Agreement may be terminated in accordance with Section 8 hereof upon declaration of an event of default hereunder.

Section 8. Events of Default. Failure or delay by either party to perform any term or provision of this Agreement which continues uncured for thirty (30) days after written notice of such failure or delay has been provided by the non-defaulting party to the defaulting party, shall constitute an event of default under this Agreement. Upon receipt of a notice of occurrence of a default hereunder, the defaulting party shall immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence as soon as possible. Failure or delay in giving notice of the default shall not constitute a waiver of any default nor shall it change the time of the default. In the event that a defaulting party fails or refuses to cure such default, or does not diligently proceed to complete the cure of any default within ninety (90) days following delivery of the notice of default, the non-defaulting party may terminate this Agreement by giving written notice of termination to the defaulting party. In the event of such termination, the non-defaulting party may exercise any rights or remedies available at law and maintain any actions or proceedings as it may deem necessary to protect, assert or enforce any of its rights or remedies. In the event of a termination of this Agreement, Soledad may terminate any and all payments hereunder. Notwithstanding any of the foregoing provisions, Soledad as a party in default shall not have grounds to terminate their agreement by reason of its failure to pay Defined Revenues to Gonzales provided Soledad is entitled to and continues to receive payment of Defined Revenues from the State of California.

Section 9. Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

Section 10. Notice and Communications Between the Parties. Any notice or communication required or authorized to be given or made pursuant to this Agreement shall be deemed to be sufficiently given if sent by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the parties as set forth below:

If to Soledad.

CITY OF SOLEDAD
City Manager
Post Office Box 156
Soledad, CA. 93960

If to Gonzales:

CITY OF GONZALES
City Manager
Post Office Box 647
Gonzales, CA. 93926

Such written notices and communications may be sent to such other address as either party may from time to time designate to the other party in writing.

Section 11. Entire Agreement; Waivers and Amendments. This Agreement integrates all of the terms and provisions mentioned herein or related to the subject matter addressed in this Agreement and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject-matter hereof. Any waiver or amendment of the provisions of this Agreement must be in writing signed by an authorized person on behalf of each of the parties.

Section 12. Filings With State Controller. This Agreement and any amendments executed in accordance herewith, shall be filed with the California State Controller pursuant to the requirements of Section 2106.5 of the California Revenue and Taxation Code.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set opposite their signatures.

Date: 3/11/91

CITY OF GONZALES

By: [Signature]

Date: 3/25/91

CITY OF SOLEDAD

By: [Signature]

EXHIBIT A

ASSOCIATED ENGINEERING — SURVEYING SERVICES, INC.

HANNA AND BRUNETTI

WALTER J. HANNA, JR.
R.C.E. 10,621 L.L.S. 2550
ARNOLD BRUNETTI
R.C.E. 17,186

DANIEL WEATHERLY
R.C.E. 14,266

**LAFCO
APPROVED**

January 4, 1990

DESCRIPTION

C.T.F ANNEXATION TO THE CITY OF SOLEDAD

Certain real property situated in part of the Rancho San Vicente, Monterey County, California, being particularly described as follows:

Beginning at the intersection of the line common to Lots 4 and 5 with the northeasterly line of the Southern Pacific Railroad right of way as shown on the map entitled, "Map of Resurvey of Part of San Vicente Rancho, Monterey County, Cal.", filed June 8, 1908 in Volume 1 of Surveys at Page 94, records of Monterey County, California, thence along lot line and fence between Lots 4 and 5, N 40°14' E, 7675.00 feet to an old 4"x4" post marked "No. 4, No 5" standing in fence on the northerly boundary of the Rancho San Vicente at the common corner of said Lots 4 and 5; thence along fence and rancho boundary with the following three courses and distances. N 89°21' W, 1843.00 feet to a 4"x4" post marked "SV5"; N 0°02' W, 5296 00 feet to a 4"x4" post marked "SV4"; and N 89°58' W, 202.00 feet to the most westerly corner of the lands of the State of California, more particularly described in the Final Order and Decree of Condemnation, dated May 9, 1946 and recorded May 9, 1946, in Volume 910 of Official Records of Monterey at Page 23, thence along the northwesterly line thereof and the southwesterly prolongation thereof S 40°14'W, 10563.11 feet to an intersection with the northeasterly line of the Southern Pacific Railroad right of way; thence along said right of way line S 51°29'E, 5004.15 feet to the point of beginning, and containing therein 947.120 acres, more or less.

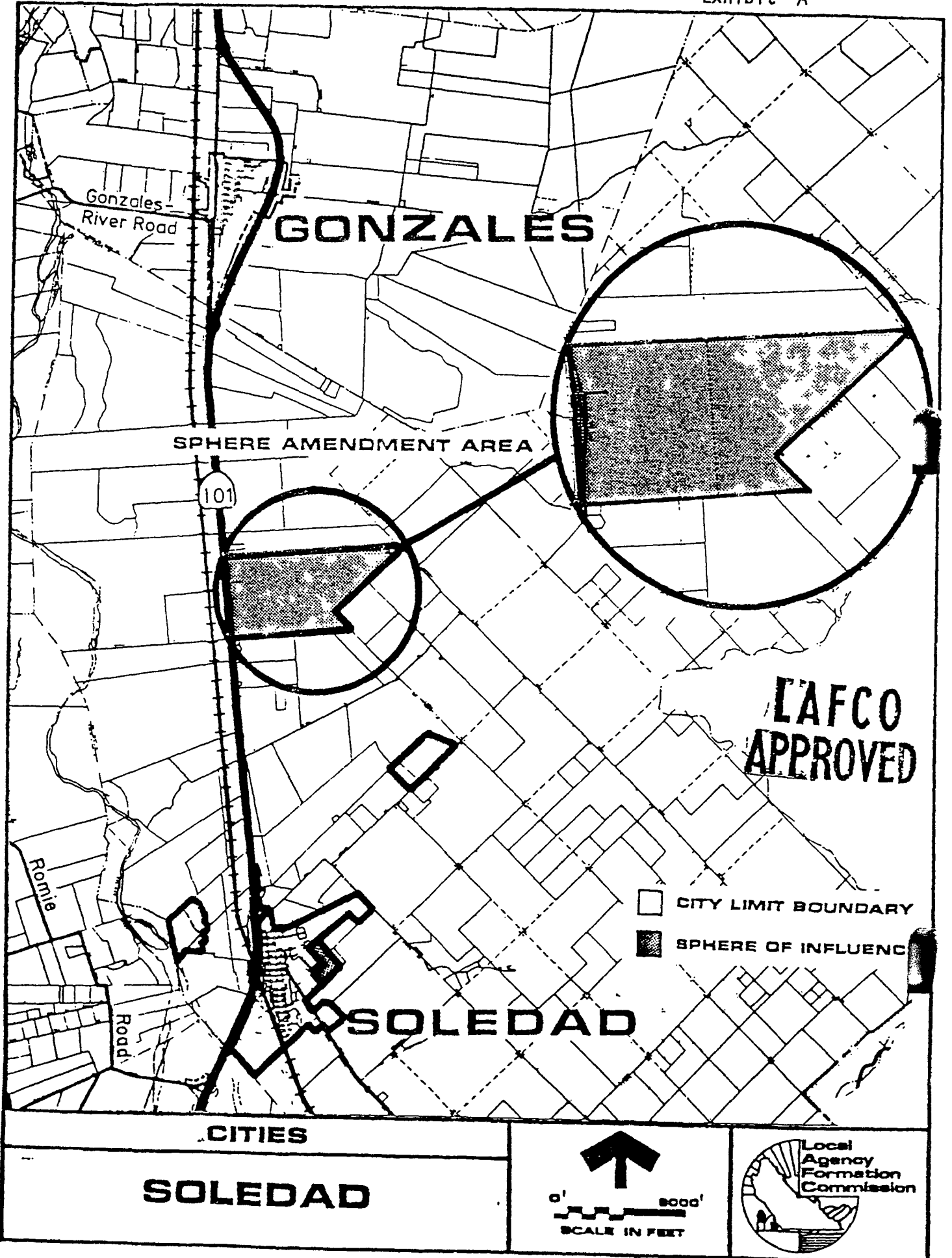
Note: The acreage calculation is based upon the adjusted bearings and distances of the above parcel.

APPROVED: _____
~~D. APPROVED:~~ _____
DATE 2-7-90

TRUE METES AND BOUNDS DESCRIPTION
DEFINITE AND CERTAIN

h.d.e

Exhibit "A"



CITIES
SOLEDAD



LAFCO
APPROVED