

RESOLUTION NO. 4194

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
SPONSORING THE 4TH OF JULY FIREWORKS DISPLAY AND FESTIVITIES AS
AN ACTIVITY BENEFITING THE COMMUNITY, AND PROVIDING IN-KIND
SUPPORT SERVICES AT AN ESTIMATED COST OF \$7,750**

WHEREAS, the Soledad 4th of July Committee's proposed fireworks display and festivities is an enjoyable and appropriate means of celebrating Independence Day, which will furnish the additional benefit of providing members of the community with a safe City-approved alternative to the individual illegal discharge of specific types of fireworks within City limits; and

WHEREAS, said festivities will require the use of Gallardo Park, Rotary Park and the Chester Aaroe Park and closure of Andalucia Street at Metz Road, Andalucia at Ticino Street; and

WHEREAS, the City will incur costs in providing security, fire protection, site planning and set-up/take-down and permit processing for the event, at an estimated cost of \$7,750; and

WHEREAS, through a previous contract with Pyro Spectaculars, the City has agreed to pay an amount not to exceed \$6,050 as the City's share for the cost of a fireworks display, with some portion of said expenditure being reimbursed through the fund-raising efforts of the Soledad 4th of July Committee, and said money has already been appropriated in the Fiscal Year 2007-2008 Budget.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOLEDAD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1: The City Council hereby announces the City's sponsorship of the 4th of July fireworks display and festivities to help commemorate Independence Day. The City Council also authorizes the use of Gallardo, Rotary and Chester Aaroe Parks and the closure of Andalucia Street at Metz Road and Andalucia at Ticino Street on the 4th of July.

Section 2: The City Manager is authorized to make in-kind service expenditures, in an estimated amount of \$7,750 for providing Police, Fire Protection, Public Works assistance and sand for the 2008 4th of July fireworks event. Any proposed expenditures in excess of this amount will require further Council consideration and approval.

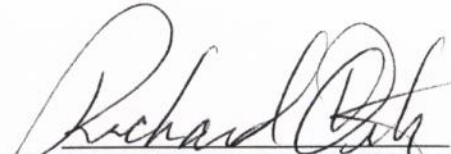
PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting duly held on the 2nd day of April 2008, by the following vote:

AYES, and in favor thereof, Councilmembers: Martha Camacho, Juan Saavedra, Mayor Pro Tem Christopher Bourke, Mayor Richard Ortiz

NOES, Councilmembers: None

ABSENT, Councilmembers: Patricia Stephens

ABSTAIN, Councilmembers: None


RICHARD V. ORTIZ, Mayor

ATTEST:

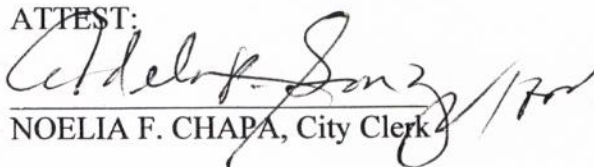

NOELIA F. CHAPA, City Clerk

EXHIBIT 1

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into between the California Department of Corrections and Rehabilitation (hereinafter CDCR) and the City of Soledad (hereinafter CITY) on the date set forth herein below, and in recognition of the following:

WHEREAS, CDCR operates the Correctional Training Facility (CTF), and the Salinas Valley State Prison (SVSP), near Soledad, which originally included a wastewater treatment facility that was subsequently abandoned and taken out of service; and,

WHEREAS, in 1993 the CITY and CDCR entered into a Joint Powers Agreement, wherein, inter alia, CDCR and CITY constructed a new wastewater treatment facility ("WWTF") in the CITY, designed to treat and dispose of the flows of both CDCR and CITY, and owned and operated by the CITY; and,

WHEREAS, the discharge requirements of the State Regional Water Quality Board have necessitated an upgrade to the WWTF's treatment capabilities; and,

WHEREAS, pursuant to the terms of the Joint Powers Agreement ("JPA") entered into between the parties, CDCR has an obligation to share in the expenses of WWTF upgrades; and,

WHEREAS, CITY has provided CDCR with its plans for the WWTF upgrades, and CDCR is reviewing those plans and cost estimates; and,

WHEREAS, CITY has represented to CDCR that the initial capital expenditure needed as part of CDCR's pro rata share of WWTF upgrade costs is Six Million Five Hundred Thirty Six Thousand Five Hundred Twenty Six Dollars (\$6,536,526.00), and which number CDCR has not yet verified, and that there will be future, as yet uncertain capital costs in addition thereto.

NOW THEREFORE, and in recognition of the foregoing, the parties do hereby enter into this Memorandum of Understanding, intended by them to be a binding obligation between them.

TERMS

1. This Agreement is entered into on April ____, 2008, and shall be effective as of that date.
2. Pursuant to the provisions of Sections 13 and 16 of the JPA, CDCR shall pay its share of upgrade costs as follows:

A) Initial "up-front" capital contribution: Six Million Five Hundred Thirty Six Thousand Five Hundred Twenty Six Dollars (\$6,536,526.00).

B) Any or collectively all capital contributions paid by CDCR shall not exceed CDCR's pro-rata share of the costs associated with the requisite construction and design environmental documentation, construction environmental monitoring and mitigation, design, bidding, inspection, maintenance easement fees, easement acquisition, construction engineering, construction inspection testing, pre-purchased components, construction, construction management and administration of the WWTF upgrade project and State Revolving Loan Fund ("SRF") costs listed as eligible for SRF loans and the match required for said loan as approved in the final loan agreement between the City and the California State Water Resources Control Board ("SWRCB") for SRF loan number C-06-4743-110 and the match amount for the Proposition 50 Grant of the WWTF upgrade project as approved by the SWRCB, and determined upon the review and acceptance by the SWRCB of detailed project cost documents associated with the WWTF upgrade.

City shall indemnify and hold the State harmless against all liabilities arising from the construction work, and with the exception of any insurance costs, any indemnity or defense costs associated with third party claims or actions

during construction shall be borne by the City solely, and such shall not be used for calculation of construction cost contributions.


All funds in excess of the initial up-front \$6,536,526.00 shall be paid in equitable user fee rate structure based upon actual costs associated with the requisite construction and design environmental documentation, construction environmental monitoring and mitigation, design, bidding, inspection, maintenance easement fees, easement acquisition, construction engineering, construction inspection testing, pre-purchased components, construction, construction management and administration of the WWTF upgrade project and SRF costs listed as eligible for SRF loans and the match required for said loan as approved in the final loan agreement between the SWRCB for SRF loan number C-06-4743-110 and the match amount for the Proposition 50 Grant.

- C) The balance of CDCR proportional share of upgrade expenditures shall be represented by the SRF costs listed as eligible for SRF loans and the match required for said loan as approved in the final loan agreement between the City and the SWRCB for SRF loan number C-06-4743-110 and the match amount for the Proposition 50 Grant obtained by CITY, and shall be ratably paid by CDCR as a portion of their monthly cost of Treatment and Disposal of CDCR flows on a monthly basis during the life of the loan.
3. CITY shall undertake the upgrade of the WWTF in compliance with all laws and regulations of the State and Federal government having oversight over said project, including any oversight by the State of California necessitated by the involvement of CDCR in the project, and construct the plant in conformity with approved plans and specifications.
4. The parties hereto shall use their best good faith efforts to arrive at an agreed amount for the final CDCR capital costs, and the initial payment of the "up front" Six Million Five Hundred Thirty Six Thousand Five Hundred Twenty Six Dollars (\$6,536,526.00) shall be a credit against said amount. Should the final amount

result in a credit to CDCR, that credit may be used as an offset against monthly treatment and disposal costs, until exhausted.

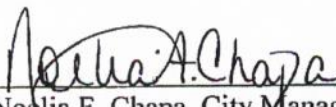
5. This agreement shall not operate to resolve the outstanding claim of CDCR against CITY arising from earlier matters arising between them, which are not directly related to these WWTF upgrades, and the parties shall, in conjunction herewith use their best good faith efforts to concurrently resolve any and all outstanding claims between them that predate this agreement. Said claims are otherwise unaffected hereby.
6. The parties hereto agree that until such time as they amend the JPA to reflect the changes in their respective rights and obligations, this Agreement shall serve as the operative agreement between them as to all matters embraced herein, superseding any and all earlier agreements respecting those matters. Any agreement not in conflict herewith remains unaffected hereby.

**STATE OF CALIFORNIA
DEPARTMENT OF CORRECTIONS
AND REHABILITATION**

By 
Deborah Hysen, Chief Deputy Secretary
Facility Planning, Construction
and Management

Dated April 15, 2008

CITY OF SOLEDAD

By 
Nodia F. Chapa, City Manager

Dated April 8, 2008