

Exhibit 14-F Utility Agreements

UTILITY AGREEMENTS

County of Fresno

UTILITY AGREEMENT

County	Route	P.M.	Project #
Fresno	S. Fowler Ave.		5942(275)
Fed. Aid. No. ATPL-5942(275)			
Owner's File			
FEDERAL PARTICIPATION: On the Project : Yes On the Utilities: Yes			

UTILITY AGREEMENT NO. 1

The County of Fresno hereinafter called "LOCAL AGENCY" proposes to improve existing facilities to include Americans with Disabilities Act compliant pedestrian facilities, on S. Fowler Ave., in the community of Laton, in Fresno County, California.

Laton Community Service District hereinafter called "OWNER," owns and maintains water distribution and wastewater collection facilities; within the limits of LOCAL AGENCY's project that requires relocation of said facilities to accommodate LOCAL AGENCY's project.

It is hereby mutually agreed that:

I. WORK TO BE DONE:

In accordance with Notice to Owner No. 1 dated mm/dd/yy, LOCAL AGENCY shall modify OWNER's water meters, water distribution facilities, and wastewater collection facilities as shown on LOCAL AGENCY's contract plans for the Laton Sidewalk Project, and specifically for the improvements along Bliss Ave., Gonser St., Grant Canal and "A" Ditch, which by this reference are made a part hereof. OWNER hereby acknowledges review of LOCAL AGENCY's plans for work and agrees to the construction in the manner proposed.

Deviations from the plan described above initiated by either the LOCAL AGENCY or the OWNER, shall be agreed upon by the parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the LOCAL AGENCY and acknowledged by the OWNER, will constitute an approved revision of the plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to receipt and approval by the OWNER of the Revised Notice to Owner, which approval will not be unreasonably withheld. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner. OWNER shall have the right to inspect the work during construction. Upon completion of the work by LOCAL AGENCY, OWNER agrees to accept ownership and maintenance of the constructed facilities and relinquishes to LOCAL AGENCY ownership of the replaced facilities except in the case of liability determined pursuant to Water Code 7034 or 7035.

II. LIABILITY FOR WORK

The facilities will be relocated at LOCAL AGENCY's expense. The LOCAL AGENCY's

Board of Supervisors has adopted a resolution to assume liability for the work.

III. PERFORMANCE OF WORK

OWNER shall have access to all phases of the relocation work to be performed by LOCAL AGENCY, as described in Section I above, for the purpose of inspection to ensure that the work is in accordance with the specifications contained in the Highway Construction Contract; however, all questions regarding the work being performed will be directed to LOCAL AGENCY's Resident Engineer for their evaluation and final disposition.

IV. PAYMENT FOR WORK

The LOCAL AGENCY shall perform the work under Section I above at no expense to OWNER. It is understood and agreed that the LOCAL AGENCY will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to the LOCAL AGENCY for all accrued depreciation on the replaced facilities and for the salvage value of any material or parts salvaged and retained or sold by OWNER.

V. GENERAL CONDITIONS

All costs accrued by OWNER as a result of LOCAL AGENCY's request of (date) to review, study and/or prepare relocation plans and estimates for the project associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement.

For informational purposes only, the estimated cost for the work, which will be included as part of the LOCAL AGENCY's construction contract, is \$100,000.

If LOCAL AGENCY's project which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work, LOCAL AGENCY will notify OWNER in writing, and LOCAL AGENCY reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement.

All obligations of LOCAL AGENCY under the terms of this Agreement are subject to the acceptance of the Agreement by LOCAL AGENCY Board of Directors or the Delegated Authority (as applicable), the passage of the annual Budget Act by the State Legislature, and the allocation of those funds by the California Transportation Commission.

It is understood that said highway is a Federal aid highway and accordingly, 23 CFR, Chapter 1, Part 645 is hereby incorporated into this Agreement.

In addition, the provisions of 23 CFR 635.410, Buy America (BA), are also incorporated into this agreement. The BA requirements are further specified in Moving Ahead for Progress in the 21st Century (MAP-21), section 1518; 23 CFR 635.410 requires that all manufacturing processes have occurred in the United States for steel and iron products (including the application of coatings) installed on a project receiving funding from the FHWA.

OWNER and LOCAL AGENCY understand and acknowledge that this project is subject to the requirements of the BA law (23 U.S.C., Section 313) and applicable regulations, including 23 CFR 635.410 and FHWA guidance and will demonstrate BA compliance by collecting written certification(s) from the vendor(s) or by collecting written certification(s) from the manufacturer(s) (the mill test report (MTR)).

All documents obtained to demonstrate BA compliance will be held by the LOCAL AGENCY for a period of three (3) years from the date the final payment was received by the LOCAL AGENCY and will be made available to Caltrans or FHWA upon request.

One set of copies of all documents obtained to demonstrate BA compliance will be attached to, and submitted with, the final invoice.

This does not include products for which waivers have been granted under 23 CFR 635.410 or other applicable provisions or excluded material cited in the Department's guidelines for the implementation of Buy America requirements for utility relocations issued on December 3, 2013.

IN WITNESS WHEREOF, the above parties have executed this Agreement, effective as of the later of the two dates set forth below.

County of Fresno

Laton Community Service District

By: _____
Steven E. White, Director of Public Works and Planning

By: _____
Paul Garcia
Chairman

Date: _____

Date: _____

By: _____
xxxx
xxxx

Date: _____

Approved as to Legal Form
Daniel C. Cederborg

By: _____

Approved as to Accounting Form
Oscar J. Garcia, CPA

By: _____

ORG: 4510
FUND: 0010
SUBCLASS: 11000
ACCOUNT: 7265

Distribution: 1) Owner, 2) Utility Coordinator, 3) DLAE –File, 4) District Utility Coordinator – File

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Fresno	S. Fowler Ave.		5942(275)
Fed. Aid. No. ATPL-5942(275)			
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FEDERAL PARTICIPATION: On the Project : Yes On the Utilities: Yes			

UTILITY AGREEMENT NO. 1

The County of Fresno hereinafter called "LOCAL AGENCY" proposes to improve existing facilities to include Americans with Disabilities Act compliant pedestrian facilities, on S. Fowler Ave., in the community of Laton, in Fresno County, California.

Laguna Irrigation District

hereinafter called "OWNER," owns and maintains "A" Ditch and Grant Canal facilities; within the limits of LOCAL AGENCY's project that requires relocation of said facilities to accommodate LOCAL AGENCY's project.

It is hereby mutually agreed that:

I. WORK TO BE DONE:

In accordance with Notice to Owner No. 1 dated mm/dd/yy, LOCAL AGENCY shall modify OWNER's "A" Ditch and Grant Canal, as shown on LOCAL AGENCY's contract plans for the improvement of S. Fowler Ave. and pedestrian facilities, which by this reference are made a part hereof. OWNER hereby acknowledges review of LOCAL AGENCY's plans for work and agrees to the construction in the manner proposed.

Deviations from the plan described above initiated by either the LOCAL AGENCY or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the LOCAL AGENCY and acknowledged by the OWNER, will constitute an approved revision of the plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to receipt by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner. OWNER shall have the right to inspect the work during construction. Upon completion of the work by LOCAL AGENCY, OWNER agrees to accept ownership and maintenance of the constructed facilities and relinquishes to LOCAL AGENCY ownership of the replaced facilities.

II. LIABILITY FOR WORK

Existing facilities are located in their present position pursuant to rights superior to those of the LOCAL AGENCY and will be relocated at LOCAL AGENCY's expense.

III. PERFORMANCE OF WORK

OWNER shall have access to all phases of the relocation work to be performed by LOCAL AGENCY, as described in Section I above, for the purpose of inspection to ensure that the work is in accordance with the specifications contained in the Highway Construction Contract; however, all questions regarding the work being performed will be directed to LOCAL AGENCY's Resident Engineer for their evaluation and final disposition.

IV. PAYMENT FOR WORK

The LOCAL AGENCY shall pay its share of the actual cost of the herein described work within 90 days after receipt of OWNER's itemized bill in quintuplicate, signed by a responsible official of OWNER's organization and prepared on OWNER's letterhead, compiled on the basis of the actual cost and expense. The OWNER shall maintain records of the actual costs incurred and charged or allocated to the project in accordance with recognized accounting principles.

It is understood and agreed that the LOCAL AGENCY will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to the LOCAL AGENCY for all accrued depreciation on the replaced facilities and for the salvage value of any material or parts salvaged and retained or sold by OWNER.

V. GENERAL CONDITIONS

All costs accrued by OWNER as a result of LOCAL AGENCY's request of (date) to review, study and/or prepare relocation plans and estimates for the project associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement.

If LOCAL AGENCY's project which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work by OWNER, LOCAL AGENCY will notify OWNER in writing, and LOCAL AGENCY reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement.

All obligations of LPA under the terms of this Agreement are subject to the acceptance of the Agreement by LPA Board of Directors or the Delegated Authority (as applicable), the passage of the annual Budget Act by the State Legislature, and the allocation of those funds by the California Transportation Commission.

It is understood that said highway is a Federal aid highway and accordingly, 23 CFR, Chapter 1, Part 645 is hereby incorporated into this Agreement.

In addition, the provisions of 23 CFR 635.410, BA, are also incorporated into this agreement. The BA requirements are further specified in Moving Ahead for Progress in the 21st Century (MAP-21), section 1518; 23 CFR 635.410 requires that all manufacturing processes have occurred in the United States for steel and iron products (including the application of coatings) installed on a project receiving funding from the FHWA.

Owner understands and acknowledges that this project is subject to the requirements of the BA law (23 U.S.C., Section 313) and applicable regulations, including 23 CFR 635.410 and FHWA guidance and will demonstrate BA compliance by collecting written certification(s) from the vendor(s) or by collecting written certification(s) from the manufacturer(s) (the mill test report (MTR)).

All documents obtained to demonstrate BA compliance will be held by the OWNER for a period of three (3) years from the date the final payment was received by the OWNER and will be made available to Caltrans or FHWA upon request.

One set of copies of all documents obtained to demonstrate BA compliance will be attached to, and submitted with, the final invoice.

This does not include products for which waivers have been granted under 23 CFR 635.410 or other applicable provisions or excluded material cited in the Department's guidelines for the implementation of Buy America requirements for utility relocations issued on December 3, 2013.

IN WITNESS WHEREOF, the above parties have executed this Agreement, effective as of the later of the two dates set forth below.

County of Fresno

Laguna Irrigation District

By: _____
Steven E. White, Director of Public Works and Planning

By: _____
Scott Sills
General Manager

Date: _____

Date: _____

By: _____
Frank Zonneveld
Board President

Date: _____

Approved as to Legal Form
Daniel C. Cederborg

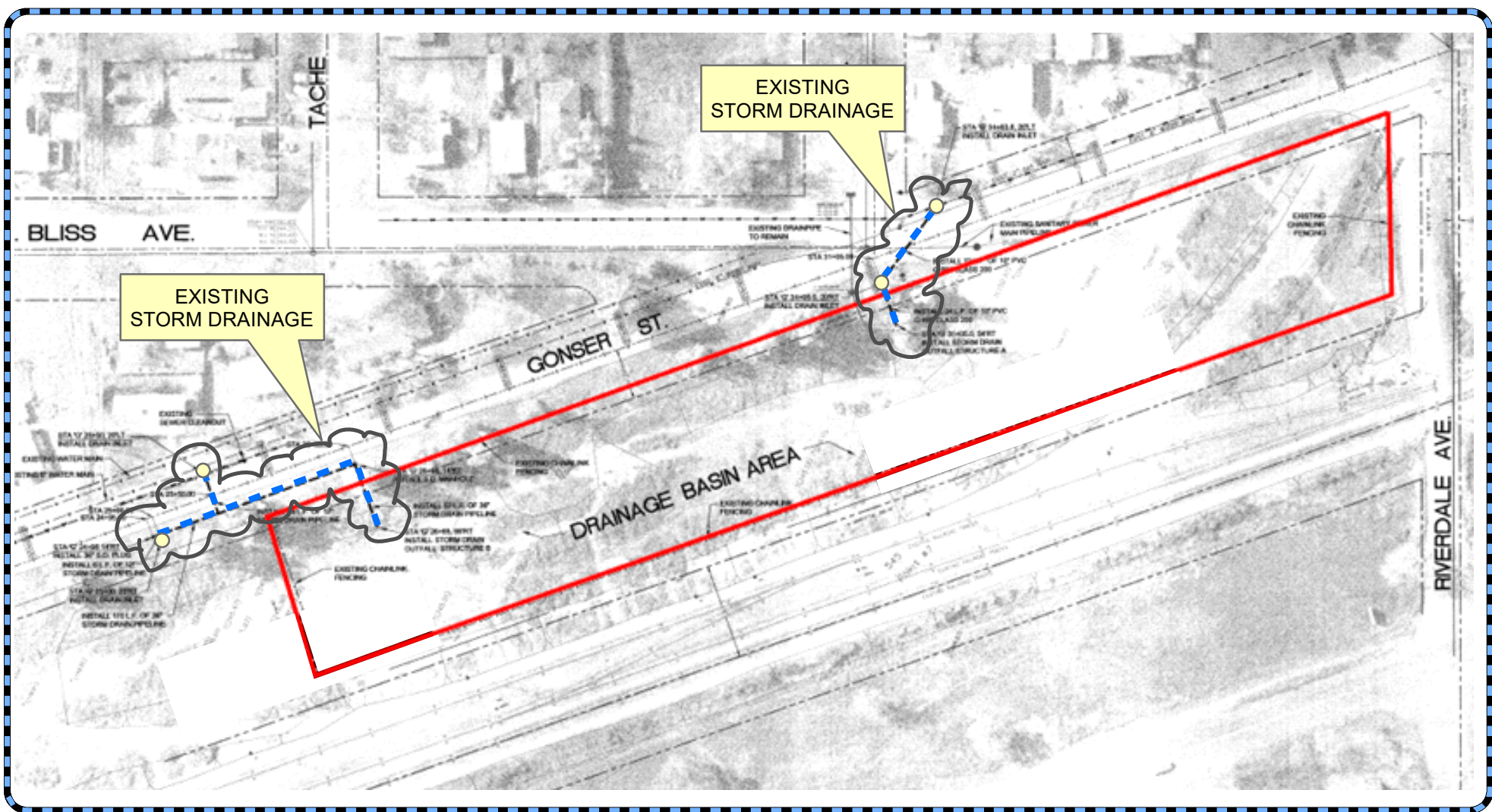
By: _____

Approved as to Accounting Form
Oscar J. Garcia, CPA

By: _____

ORG: 4510
FUND: 0010
SUBCLASS: 11000
ACCOUNT: 7265

Distribution: 1) Owner, 2) Utility Coordinator, 3) DLAE –File, 4) District Utility Coordinator – File



Attachment C

DRAINAGE BASIN VICINITY OF LATON
 DEPARTMENT OF PUBLIC WORKS AND PLANNING



Attachment D

LATON COMMUNITY SERVICE DISTRICT

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

**Report to the
Fresno Local Agency Formation Commission**

Jeff Witte
Candie Fleming
Samantha Hendricks
2115 Kern Street, Suite 310
Fresno, CA 93721

September 2011

LATON COMMUNITY SERVICE DISTRICT

Street Lighting, Water, Sewer, and Fire Protection Services

Contact Information

Secretary: Joanne Rempp
Address: P.O. Box 447
Laton, CA 93242
Phone: (559) 923-4802

Management Information

Governing Body: Board of Directors
Board Members: Theresa Gonzalez Appointed 2011-Expires 2013
Carol J. Hall Appointed in Lieu of Election 2009-Expires 2013
Ann M. Stockton Appointed 2009-Expires 2013
Manuel M. Lopez Appointed 2008-Expires 2011
Isidro L. Sanchez Appointed 2009-Expires 2011
Board Meetings: Third Wednesday of every month
Staffing: Two full-time operations/maintenance staff, one part-time and one full-time clerical staff

Service Information

Empowered Services: Street lights, water, sewer, solid waste, fire protection
Services Provided: Street lights, water, sewer, solid waste, fire protection
Area Served: Community of Laton
Population Served: Up to 1,600 people, 461 connections
Acres Served: 500 Acres
Infrastructure: Wastewater collection and treatment system, groundwater wells and water distribution system

Fiscal Information

Budget: \$282,000
Sources of Funding: Utility fees, property taxes, connection fees
Rate Structure: Water usage: \$26.60, Sewer charge: \$39.00, Solid waste service: \$14.98, Street light charge: \$2.50

Administrative Policies

Master Plan: No **Policies/Procedures:** No **By-laws:** No
Boundary Updated: 1981 **SOI Updated:** 2007 **Other:** No

1. MUNICIPAL SERVICE REVIEW

Description of District

The Laton Community Service District (District), formed in 1981, is located in the south central portion of Fresno County adjacent to the Kings River. The District provides street lighting, solid waste pickup, fire protection, wastewater collection and treatment, and water supply and distribution to lands within the District's boundaries. Its boundaries contain about 500 acres and its Sphere of Influence about 516 acres, as shown on the enclosed map.

Services provided are within the District's powers as authorized in their enabling legislation, codified in Government Code 61000 - 61934.

Solid waste services are provided through a contract with Waste Management Inc., a private provider.

District Services and Background

The District currently has 461 connections for water and wastewater service, with 410 of the connections being for single family residential uses.

2. MSR DETERMINATIONS

This portion of the report addresses the factors specified in the governing statute for Municipal Service Reviews.

Growth and Population Projections

According to the 2000 US Census, the District has a population of 1,236. During the past ten years, the population in the Laton area has been growing at approximately one percent annually. District staff has noted no significant expected growth or significant population increases. The last major growth within the District consisted of 96 homes constructed in 1986. Current population growth is anticipated to remain at the current growth rate.

Laton is a rural community that is bounded to the north and east by Murphy Slough, and bounded to the south and east by the Kings River. Current land uses within the District are primarily low-density residential, with some medium density and medium-high density residential uses. Due to constraints of the physical land features, future growth is directed to the west of the District. Future growth to the west is anticipated to be residential and commercial, as commercial services are lacking within the community.

According to the District staff, the District has a population of 1,100 people except during harvest season for local agriculture, from August through September, when the population rises to 1,600 people.

A steady rate of growth and population increase is anticipated by the Laton Community Service District. The District is bounded on three sides by waterways, allowing growth to occur in the west of the District.

Present and planned capacity

The District currently owns and operates the wastewater collection and treatment system, which consists of sewer mains, pumps, and a treatment plant. The treatment plant is currently operating at approximately two-thirds of its design capacity and according to District staff, is expected to be able to serve anticipated growth. The current permitted treatment capacity is 200,000 gallons per day (gpd).

Additionally, the District currently owns and operates the groundwater wells and water distribution system. The water system is considered by District staff to be in good condition and able to handle the anticipated growth within the community.

The District currently has 461 connections for water and wastewater service, with 410 of the connections being for single family residential uses.

Other facilities include a District Office and firehouse, fire engines and equipment. The District did not provide information pertaining the District's street lighting infrastructure.

Additional groundwater wells needed for future development will be constructed on sites located within the new developments. The well sites will be determined as development occurs.

The District currently does not have any additional plans for infrastructure and facilities upgrade or expansion.

Financial Ability of Agencies to Provide Services

The primary source of financing for services is from utility fees charged to customers, property taxes, and connection fees. Financial statements from fiscal year (FY) 2004-05 were reviewed to determine the fiscal status, assess financial practices, and review pertinent management findings. The District receives most of its funding from rates charged per unit per month for water, wastewater and solid waste. Property taxes fund fire protection and street lighting services.

Staff was not able to obtain current financial information from either the District or the County Auditor. The FY 2004-05 audited financial statements of the District indicated that current assets were \$368,629, with current liabilities of \$82,236. Operating revenues from charges for services of \$301,120 combined with non-operating revenue of \$49,594 were less than total expenses of \$550,974, resulting in a decrease of net assets of \$200,260, of which \$123,530 was due to depreciation. Additional decrease in net assets was due to a reduction in aid from government agencies (from \$332,476 to \$945), a loss

of property tax revenues from the previous fiscal year (from \$73,106 to \$20,184), and decrease on sale of land (from \$15,000 to \$0), resulting in the decrease of non-operating revenues. The District had an increase in net assets of \$187,368 in FY 2004-05.

The District had \$305,805 in cash and cash investments as of June 30, 2005.

The District currently had outstanding debts in the form of a 1980 bond for water system improvements. On June 30, 2005, the District had \$40,500 remaining balance on the 30-year \$150,000 loan.

Status of, and Opportunities for, Shared Facilities

No additional opportunities for shared facilities have been identified.

Governmental Structure and Operational Efficiencies

California Government Code section 61000 - 61934 enables the formation of Community Service Districts to provide various services to the community. The District currently provides street lighting, fire protection, water, wastewater, and solid waste services. This district is an independent special district that has a separate board of directors not governed by other legislative bodies (either a city council or a county board of supervisors). The District is able to function under its current government structure. Transitioning the CSD to an alternative service provider, such as another district or other form of local government, would be unlikely to result in significant efficiencies. Additionally such a transition to an alternative government structure would be extremely difficult due to the cost, time, and administrative complexity. The existing structure of the District, a community services district, is sufficient to allow the District to continue service provision in the foreseeable future. There are no legal or administrative limitations on the District that would affect the provision of services in the future. Therefore, a reorganization of the current government structure is not likely to significantly improve services. The current government structure is able to provide adequate service within district boundaries.

The District currently employs four personnel: two operations and maintenance, one field staff, and one office staff. The District utilizes volunteers to provide fire services and consultants as needed for legal, auditing, and engineering services.

A body of five officials elected by registered voters within the District serves as the Board governing the District. Members are elected to four year staggered terms. Board members are subject to recall by District voters through the recall procedures set forth in Chapter 2, Division 13 of the Elections Code.

Meetings are noticed consistent with Brown Act requirements, which include postings in the Hanford Sentinel newspaper and at Laton Auto Parts, Bogie's Auto Parts, Singleton Hardware, and the Los Primos Market. Meetings are held on the third Wednesday of each

month. There appears to be ample opportunities for public involvement and input at regularly scheduled meetings.

The District is regulated by the California State Water Resources Control Board, the California Regional Water Quality Control Board, the California Department of Health Services, and the State Fire Marshall.

3. SPHERE OF INFLUENCE REVIEW AND UPDATE

Government Code Section 56076 defines Sphere of Influence as “A plan for the probable physical boundaries and service area of a local agency, as determined by the commission.”

Description of Current Sphere of Influence

The District boundaries contain about 500 acres and its Sphere of Influence about 516 acres, as shown on the enclosed map.

Proposed Sphere Changes

This District sphere boundary was adopted in 1983 and re-affirmed in 2007. It is recommended that the Commission re-affirm the current sphere of influence.

Sphere of Influence Recommendation and Determinations

It is recommended the Commission approve the following determinations and re-affirm the Sphere of Influence.

1. Present and planned land uses in the area, including agriculture and open-space.

The primary land use within the District is rural residential. According to District staff, future land uses are expected to include residential and commercial uses in the west of the District.

2. Present and probable need for public facilities and services in the area.

Street lighting, solid waste, fire protection, water, and wastewater services are currently provided. The Laton CSD anticipates additional demands for services in the District’s west side. Additional wells will be constructed as needed. Other district facilities are able to serve anticipated growth.

3. Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide.

Services provided by the Laton CSD are currently adequate for the current service demands. The wastewater treatment plant is currently operating at two-thirds capacity. Wells are currently estimated to be at capacity.

4. Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

The District serves the Community of Laton.

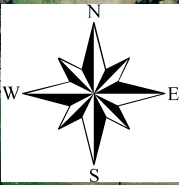
4. ACKNOWLEDGEMENTS & REFERENCES

This draft Municipal Service Review was prepared by Fresno LAFCo staff using information provided by the Laton Community Service District. Responsibility for any errors or omissions rests with those who provided information for the report.

5. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission:

1. Accept public testimony regarding the proposed Municipal Service Review.
2. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
3. Approve the Sphere of Influence determinations and re-affirm the current Sphere of Influence.
4. Develop and maintain a five year capital facility improvement plan.



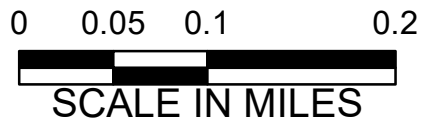
DRAINAGE BASIN
TO BE ACQUIRED
BY COUNTY

COUNTY OPERATED
DRAINAGE BASIN

COUNTY OPERATED
DRAINAGE BASIN

TOWN OF LATON

DEVELOPMENT
DRAINAGE BASIN



Attachment E

DRAINAGE BASIN VICINITY OF LATON
DEPARTMENT OF PUBLIC WORKS AND PLANNING



Attachment F

GRANTOR: <u>Laton Community Services</u>	PROJECT: <u>ATPL – Laton</u>
<u>District</u>	LIMITS: _____
ADDRESS: _____	PARCEL: _____
_____	DATE: _____

AGREEMENT

Grantor, Laton Community Services District, a governmental subdivision (“Grantor”), has executed a grant deed (“Grant Deed”) to the County of Fresno, a political subdivision of the State of California (“County”), In consideration of execution of the Grant Deed, and the other consideration hereinafter set forth, it is mutually agreed as follows:

1. Grantor(s) has title in fee simple to the property ("Property"), as described in Exhibit "A" attached, and the full authority to sign the above-mentioned Grant Deed. The term “Property” includes the real property at which the ponding basin described herein is located and the onsite and offsite improvements associated with the basin, including, without limitation, storm drain inlets, manholes, and pipelines, which shall also be conveyed to the County through the Deed. Some of the offsite improvements are located within the Gonser Avenue right-of-way.

2. The parties herein have set forth the whole of their agreement. The performance of this agreement constitutes the entire consideration for execution of the Grant Deed and shall relieve the County and Grantor of all further obligation or claims on this account, or on account of the location, grade or construction of the proposed public improvement.

3. The Grantor is granting the Property to the County for the construction, installation, operation, maintenance, repair and reconstruction of a ponding basin. Grantor, in its capacity as a public agency, determines that the County’s utilization of the Property for these purposes shall, for the purposes of Article XVI, Section 6 of the California Constitution, result in a public benefit to the residents within the Grantor’s jurisdiction. The County shall be solely responsible for the construction, installation, operation, maintenance, repair and reconstruction of the ponding basin and the onsite and offsite improvements associated therewith.

4. The County shall pay any required escrow and recording fees incurred in this transaction, and if title insurance is desired by the County, the premium charged therefor. These escrow and recording charges shall not, however, include re-conveyance fees or trustee’s fees for any full re-conveyance of Deed(s) of Trust, all of which fees, where required, shall be paid by the Grantor.

5. Notwithstanding other provisions in this agreement, the right of possession and use of Property by County, including the right to remove and dispose of improvements, shall commence on date the Grant Deed is recorded.

6. Grantor offers no representations or warranties regarding the Property's environmental or physical condition. County expressly acknowledges that it is acquiring the Property in an "AS IS AND WHERE AS" condition, and that it has not relied on any warranties, promises, understandings or representations, express or implied, of the Grantor or any employee, agent or representative of the Grantor, or any document relating to the Property, except as are specifically set forth in this agreement.

7. Except as expressly set forth in this agreement, the County will indemnify, defend, and will hold the Grantor harmless and hereby waives, releases, remises, acquits and forever discharges the Grantor from any and all suits, causes of action, legal, equitable or administrative proceedings, claims, demands, actual damages, punitive damages, losses, costs, liabilities, interest, attorneys' fees and expenses of whatever kind and nature, in law or in equity, known or unknown, arising on the date of closing or thereafter, and arising out of or in any way connected with, directly or indirectly, or based upon or arising out of the physical or environmental condition, status, quality, nature, or state of the Property; provided however, such duty to indemnify, defend, and hold the Grantor harmless shall not apply with respect to the Grantor's sole negligence or intentional misconduct. It is the intention of this agreement that, except for the Grantor's sole negligence and intentional misconduct and except as otherwise expressly set forth herein, any and all responsibilities and obligations of the Grantor to the County, and any and all rights or claims of the County, its successors and assigns and affiliated entities, with respect to, or as against the County arising by virtue of, the physical or environmental condition of the Property are by this release provision declared to be, from and after closing, null and void, and of no present or future effect as to such parties. With respect to the matters released by the County pursuant to this section, the County waives the benefits of Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

8. Grantor(s) agrees to indemnify, save, hold harmless, and at County's request, defend, the County, its officers, agents, and employees from any and all costs and expenses (including attorney's fees and costs), damages, liabilities, claims, and losses occurring or resulting to COUNTY due to the property being acquired hereunder, by reason of any lease of the Property held by any tenant of Grantor(s).

9. If an action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which he may be entitled.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

COUNTY OF FRESNO

REVIEWED & RECOMMENDED FOR APPROVAL:

Steven E. White, Director
Department of Public Works and Planning

DATE: _____

APPROVED AS TO LEGAL FORM:
Daniel C. Cederborg, County Counsel

By:

APPROVED AS TO ACCOUNTING FORM:
Oscar J. Garcia, CPA
Auditor-Controller/Treasurer-Tax Collector

By:

LATON COMMUNITY SERVICES DISTRICT

By: _____
PAUL GARCIA
Board President

NO OBLIGATION OTHER THAN THOSE SET FORTH HEREIN WILL BE RECOGNIZED

EXHIBIT "A"

LEGAL DESCRIPTION

A parcel of land as shown on Record of Survey recorded in Book 48 of Record of Surveys, Page 9 of Fresno County Records, situated in the Southwest quarter of Section 22, Township 17 South, Range 21 East, Mount Diablo Base and Meridian, in the County of Fresno, State of California, described as follows:

COMMENCING at the West quarter corner of said Section 22; Thence, leaving said West quarter corner, South 89° 48' 40" East, 328.20 feet along the North line said Southwest quarter, also being the centerline of Riverdale Avenue per said Record of Survey. Thence leaving said centerline and quarter section line, South 19° 12' 00" East, 26.11 feet along the centerline of Gonser Street per said Record of Survey; Thence leaving said centerline, South 89° 42' 44" East, 31.80 feet to the Northwest corner of that property vacated per Order of Sumary Vacation adopted October 15, 2002 by the Fresno County Board of Supervisors as Resolution Number 02-573, also being the northwesterly corner of Tract 1 per Deed recorded in Volume 232 of Deeds, Page 232, Fresno County Records, the TRUE POINT OF BEGINNING;

Thence along the southerly right of way line of said Riverdale Avenue and the northerly line of said Tract 1;

- 1) Thence leaving said southerly right of way along the easterly line of said Tract 1, South 89° 42' 44" East, 164.32 feet to the northeasterly corner of said Tract 1;
- 2) Thence South 19° 12' 03" East, 926.79 feet to the southeasterly corner of said Tract 1; Thence southwesterly along the southerly line of said Tract 1,
- 3) South 70° 47' 37" West, 155.02 feet to the southwesterly corner of said Tract 1; Thence northwesterly along the westerly line of said Tract 1,
- 4) Thence North 19° 12' 00" West, 981.36 feet, to the TRUE POINT OF BEGINNING.

Containing **3.40** acres of land, more or less

APN: 057-270-15T