

NOTICE

THE STATE OF CALIFORNIA REQUIRES ADDITIONAL WATER CONSERVATION BY URBAN USERS.

EFFECTIVE AS OF AUGUST 24, 2015 THE CITY OF LOYALTON HAS INSTITUTED THE FOLLOWING
MANDATORY WATER RESTRICTIONS:

1. Section 11.06.040 of Ordinance No. 407 is hereby revised to read in its entirety as follows: "Residential water users with street addresses ending in an even number may water on Thursdays and Sundays only. Residential water users with street addresses ending in an odd number may water on Wednesdays and Saturdays only. All other water users, including commercial users, schools, parks, and churches may water on Tuesdays and Fridays only. No water user shall water on Mondays. Permitted watering hours are as follows between the hours of 5:00 a.m. through 10:00 a.m. and 5:00 p.m. through 10:00 p.m."
2. No water runoff on sidewalks, gutters or streets.
3. No car washing at anytime

THANK YOU FOR YOUR COOPERATION

IF YOU ARE A PROPERTY OWNER YOU MUST NOTIFY YOUR RENTER OF
THE ABOVE RESTRICTIONS

Please note penalties on reverse side

ORDINANCE # 11.06.060

PENALTIES

The following penalties shall be imposed for violations of the water use restrictions in this chapter and for all phases.

- A. For the first and second violations, the City shall issue a written notice of violation to the customer or person violating the restrictions.
- B. For the third violation by any customer within any twelve (12) month period a penalty in the sum of fifty dollars (\$50.00) shall be added to the customer's water bill.
- C. For the Fourth violation and any subsequent violation by any customer within any twelve (12) month period, a penalty in the sum of one hundred dollars (\$100.00) shall be added to the customer's water bill. The fourth and any subsequent violation by a person during any twelve (12) month period shall constitute an infraction.
- D. For the fifth violation and any subsequent violation by any customer within any twelve (12) month period, the City may shut off water service to the customer until the accumulated penalties have been paid in full.

DOL Overtime 7-Step Guide

Learn About the Proposed
Changes. Download Our
New Guide to Prepare.

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Beginning on July 1, 2015, California employers must have paid sick leave policies that comply with the following requirements:

- **Eligibility.** Employees who work at least 30 days in a year are eligible to receive paid sick leave. Employees can begin using accrued sick leave once they have worked for an employer for 90 days. A few, specific types of employees are not eligible to receive paid sick leave, including certain employees covered by collective bargaining agreements, certain individuals employed by air carriers, and employees of the California In-Home Supportive Services Program.
- **Accrual of sick leave.** Employees will accrue one hour of paid sick leave for every 30 hours worked. Paid sick leave must carry over from year to year, but employers can place a cap on accrual of 48 hours (or six days).
- **Use of sick leave.** Employers can limit an employee's use of sick leave to 24 hours (or three days) per year. Employers can also require employees to take sick leave in at least two hour increments, but not more.
- **Lump-sum option.** To avoid the administrative hassles of the accrual and carryover requirements, an employer can make three days of paid sick leave available to each employee at the beginning of each year.
- **Reasons for taking sick leave.** California's sick leave law allows employees to take sick leave for their own health condition or the health condition of a family member, including preventative treatment. "Family member" is defined broadly and includes a spouse, domestic partner, parent, child, parent-in-law, grandparent, grandchild, and sibling. Employees may also take sick leave if they are victims of domestic violence, sexual assault, or stalking.

No payout on separation. Employers do not need to pay out accrued sick leave when an employee leaves the company. However, if an employee leaves and is rehired within one year, accrued sick leave must be reinstated.

Posting requirements. A sick leave poster ([http://www.dir.ca.gov/DLSE/Publications/Paid_Sick_Days_Poster_Template_\(11_2014\).pdf](http://www.dir.ca.gov/DLSE/Publications/Paid_Sick_Days_Poster_Template_(11_2014).pdf)), available from the California Labor Commissioner, must be displayed at the workplace.

Notice and recordkeeping. The amount of available sick leave must be recorded on each paystub (or in some other written form on payday), and employers must keep records of sick leave accrual and use for three years.

Certain cities in California have their own paid sick leave requirements that provide additional benefits to employees. For example, in San Francisco, employees can accrue up to 72 hours of paid sick leave per year, and there is no cap on how much an employee can use. Several other cities are following this trend and passing their own sick leave laws. In general, employers must follow whichever rule is more generous to employees. And, of course, employers are free to create sick leave policies that are more generous than either law.

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Zip Code

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Provide your contact information

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Customer Reviews

Mayor Marin
+ City Council,

6.29.17

I am resigning
my position as
City Clerk on June 30, 2017,
this is six months after my
four year term was up on
December 31, 2016.

Thank you,
L. Roth

City Clerk - Loyaltown City 6/29/17

I resign my position as a member
of the Loyaltown City Council as of 6/29/17
after our Special Meeting:

Thank you

Brooks Mitchell

Acknowledgement of Approval, City of Loyalton PP 59

The City of Loyalton acknowledges approval by council vote of the below listed invoices for payment and intends to seek reimbursement from the USDA Rural Development in conjunction with grant monies approved for the Waste Water Treatment Plant construction repair project.

Name	Date	Invoice #	Amount
Black Eagle	5/25/17	0024654-IN	500.00
Jeffrey Paddock	5/30/17		700.00
Shaw Engineering	5/31/17	13033.00S	480.00
Geo-Logic Associates	6/14/17	0223614	77.50
	THIS TOTAL		\$1,757.50

This authorization took place at the council meeting held on 6/20/17 and will be further reflected in the council minutes of this meeting.

Authorized Signature

Mark Marin, Mayor, Dated 6/20/17

Acknowledgement of Approval, City of Loyalton

The City of Loyalton acknowledges approval of the below listed Transfer(s) of Funds.

Transfer From	Transfer To	Date	Amount
General Fund	Enterprise Loan MM 0559	7/7/14	
	Water		1,500.00
	Sewer		4,500.00
General Fund	Enterprise Loan MM 0559	7/14/17	
	Water		1,500.00
	Sewer		4,500.00
General Fund	Enterprise Loan MM 0559	7/21/17	
	Water		1,500.00
	Sewer		4,500.00
General Fund	Enterprise Loan MM 0559	7/28/17	
	Water		1,500.00
	Sewer		4,500.00

THIS TOTAL

\$24,000.00

This authorization took place at the council meeting held on 6/20/17 and will be further reflected in the council minutes of this meeting.

Authorized Signature

Mark Marin, Mayor, Dated 6/20/17

Acknowledgement of Approval, City of Loyalton

The City of Loyalton acknowledges approval of the below listed Transfer(s) of Funds.

Transfer From	Transfer To	Date	Amount
General Fund	WWTP MM	6/30/17	2,007,511.00
THIS TOTAL			\$2,007,511.00
WWTP MM	Operating Account 1956	1/16/17	200,751.10
For WWTP Legal Fees / Stantec Settlement			
	Snell & Wilmer L.L.P.		191,964.55
	Leon Mead Group		<u>8,786.55</u>
			200,751.10
	THIS TOTAL		\$200,751.10

This authorization took place at the council meeting held on 6/29/17 and will be further reflected in the council minutes of this meeting.

Authorized Signature Mark Marin, Mayor, Dated 6/29/17

2:19 PM

06/14/17

Accrual Basis

City of Loyaltan
Revenue & Expenditures - Financial Report
 As of June 14, 2017

	Jun 14, 17
ASSETS	
Current Assets	
Checking/Savings	
Enterprise Loan MM 0559	358,727.98
General Funds	
General Checking 1956- NEW	51,493.77
General Contingency Saving 0322	135,054.91
Total General Funds	186,548.68
Designated Funds	
Fire Dept. Reserve 7243	9,839.16
WWTP Construction 1990	6,180.29
Community Dev Block Grant 0059	1,593.00
Total Designated Funds	17,612.45
Cash Drawer	450.00
Total Checking/Savings	563,339.11
Accounts Receivable	
Accounts Receivable	91,147.52
Total Accounts Receivable	91,147.52
Other Current Assets	
Grants Receivable	-79,061.19
CDBG Loans Receivable	14,104.53
Due From Other Funds	389,174.04
Due From Sewer Fund	-30,000.00
Accounts Receivable- Government	
General Accounts Receivable	-600.00
Accounts Receivable- Government - Other	-100.00
Total Accounts Receivable- Government	-700.00
Accounts Receivable- Proprietar	
Reserve for Bad Debt	-188,104.18
Accts Receivable- Late Fees Wat	4,951.41
Accts Receivable- Late Fees Sew	12,313.37
Sewer Ent. Accounts Receivable	279,579.37
Water Ent. Accounts Receivable	
Reconnect fee	-200.00
Water Ent. Accounts Receivable - Other	136,695.99
Total Water Ent. Accounts Receivable	136,495.99
Total Accounts Receivable- Proprietar	245,235.96
Total Other Current Assets	538,753.34
Total Current Assets	1,193,239.97
Fixed Assets	
Fixed Assets	
Construction in Progress	238,826.18
Land	378,612.00
Buildings	1,029,606.34
Improvements	11,667,426.16
Machinery and Equipment	1,279,747.77
Accumulated Depreciation	-4,619,593.00
Total Fixed Assets	9,974,625.45
Total Fixed Assets	9,974,625.45
TOTAL ASSETS	11,167,865.42

City of Loyaltan
Revenue & Expenditures - Financial Report
 As of June 14, 2017

	Jun 14, 17
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	7,861.41
Total Accounts Payable	7,861.41
Credit Cards	
BofA CC 6111- K LeBlanc	-30.00
Total Credit Cards	-30.00
Other Current Liabilities	
Current Portion-Long Term Debt	-123,505.60
Due to Other Governments	41,836.27
Due to Other Funds	389,174.04
Sales Tax Payable	-1,017.68
J. Cussins Converted Sick Liabi	24,034.60
Due to General Fund	-30,000.00
Accrued Bond Interest Payable	59,544.70
Accrued Payroll	
Propriety Accrued Payroll	
Water Ent. Accrued Payroll	132.51
Sewer Ent. Accrued Payroll	335.51
Total Propriety Accrued Payroll	468.02
Governmental Accrued Payroll	5.67
Total Accrued Payroll	473.69
Customer Deposits	200.00
Payroll Liabilities	
Employee Liability Deductions	-137.08
State Taxes	334.25
Federal Taxes	760.06
Payroll Liabilities - Other	7,793.55
Total Payroll Liabilities	8,750.78
Total Other Current Liabilities	369,490.80
Total Current Liabilities	377,322.21
Long Term Liabilities	
John Deere Credit Payable70422	-0.03
John Deere Credit Payable 5215	21,284.56
Bonds Payable	
USDA 92-07	3,279,000.00
Note Payable- Water Proj 91-05	996,500.00
USDA Sewer 92-01	867,138.00
USDA Sewer 92-03	128,991.00
Total Bonds Payable	5,271,629.00
Total Long Term Liabilities	5,292,913.53
Total Liabilities	5,670,235.74
Equity	
Unassigned (Fund Equity)	199,791.14
Reserved Funds	21,253.78
Invested in Fixed Assets	4,956,179.67

2:19 PM
06/14/17
Accrual Basis

City of Loyaltton
Revenue & Expenditures - Financial Report
As of June 14, 2017

	Jun 14, 17
Unreserved Fund Balance	228,972.41
Net Income	91,432.68
Total Equity	5,497,629.68
TOTAL LIABILITIES & EQUITY	11,167,865.42

2:17 PM
 06/14/17
 Accrual Basis

City of Loyalton
Revenue & Expenditures
 May 11 through June 14, 2017

	May 11 - Jun 14, 17
Ordinary Income/Expense	
Income	
Transfer In	30,540.00
Building Permits	379.00
Donations	341.00
Taxes & License Revenue	
Sales & Use	4,300.00
Total Taxes & License Revenue	4,300.00
Intergovernmental - Federal	
USDA Grant	8,442.00
Total Intergovernmental - Federal	8,442.00
Intergovernmental - State	
Highway Users Tax	
2103 (Gas Tax)	202.17
2105	450.94
2106	504.70
2107	635.74
Total Highway Users Tax	1,793.55
Total Intergovernmental - State	1,793.55
Enterprise Income	
Sewer Service Income	
Late Fees Sewer	144.11
Sewer Service Income - Other	33,334.00
Total Sewer Service Income	33,478.11
Water Service Income	
Late Fees Water	72.05
Water Service Income - Other	16,850.88
Total Water Service Income	16,922.93
Total Enterprise Income	50,401.04
Charges for Current Services	
Copies & Faxes	7.60
Rent Income	
Social Hall	130.00
Rent Income - Other	900.00
Total Rent Income	1,030.00
Total Charges for Current Services	1,037.60
Revenue Use of Money & Property	
Interest Income	68.78
Revolving Loan	398.57
Total Revenue Use of Money & Property	467.35
Miscellaneous Revenue	
S.C.O.R.E.	668.77
Other Income	500.00
Miscellaneous Revenue - Other	533.62
Total Miscellaneous Revenue	1,702.39
Total Income	99,403.93
Gross Profit	99,403.93
Expense	
Small Tools & Equipment	417.42
Repairs & Maintenance	86.24

2:17 PM

06/14/17

Accrual Basis

City of Loyaltan
Revenue & Expenditures
May 11 through June 14, 2017

	<u>May 11 - Jun 14, 17</u>
Utilities	
Internet - Broadband	175.69
Propane	196.59
Electric	
Electric for Discharge	63.43
Electric - Other	6,655.34
Total Electric	<u>6,718.77</u>
Garbage Disposal	526.99
Total Utilities	7,618.04
Equipment Repair & Maintenance	140.00
Salaries and Wages	
Payroll Tax Expense	1,800.29
Payroll Expense	
Part Time Wages	7,215.61
Payroll Expense - Other	8,491.69
Total Payroll Expense	<u>15,707.30</u>
Total Salaries and Wages	17,507.59
Employee Benefits	
Nationwide City	93.70
Health Insurance	243.42
Total Employee Benefits	337.12
Services and Supplies	
Postage	216.74
Automobile Expense	
Fuel	555.38
Total Automobile Expense	555.38
Bank Service Charges	56.00
Contracted Services	
Health/Drug Screening	60.00
Professional Fees	2,930.00
Legal Fees	5,360.00
Testing	421.00
Total Contracted Services	<u>8,771.00</u>
Miscellaneous	533.62
Office Expense	1,487.10
Operating Supplies	243.22
Telephone	268.27
Total Services and Supplies	<u>12,131.33</u>
Total Expense	<u>38,237.74</u>
Net Ordinary Income	61,166.19
Other Income/Expense	
Other Expense	
Transfers Out	30,540.00

2:17 PM
06/14/17
Accrual Basis

City of Loyaltan
Revenue & Expenditures
May 11 through June 14, 2017

	<u>May 11 - Jun 14, 17</u>
Capital Outlay	
Professional Fees	250.00
Equipment	<u>3,048.79</u>
Total Capital Outlay	<u>3,298.79</u>
Total Other Expense	<u>33,838.79</u>
Net Other Income	<u>-33,838.79</u>
Net Income	<u><u>27,327.40</u></u>

2:20 PM

06/14/17

Accrual Basis

City of Loyaltan
Credit Card Detail
 As of June 4, 2017

Type	Date	Name	Split	Credit
BofACC 6620 - J Evans				
Credit Card Charge	05/04/2017	Office Depot	Office Expense	151.63
Credit Card Charge	05/05/2017	Amazon	Small Tools & Equipm...	50.10
Credit Card Charge	05/08/2017	Amazon	Small Tools & Equipm...	147.50
Credit Card Charge	05/08/2017	Whites Sierra Station, Inc	Fuel	58.41
Credit Card Charge	05/08/2017	Whites Sierra Station, Inc	Fuel	30.83
Total BofACC 6620 - J Evans				438.47
BofA CC C Russell 3484				
Total BofA CC C Russell 3484				
BofA CC 6058- S Haywood				
Credit Card Charge	05/11/2017	Truck Site	Equipment	2,000.00
Credit Card Charge	05/11/2017	Exede WildBlue Vista	Internet - Broadband	66.69
Credit Card Charge	05/12/2017	Whites Sierra Station, Inc	Fuel	56.00
Credit Card Charge	05/13/2017	Whites Sierra Station, Inc	Fuel	100.00
Credit Card Charge	05/29/2017	White's Sierra Gas Station	Fuel	100.00
Credit Card Charge	05/29/2017	White's Sierra Gas Station	Fuel	5.19
Credit Card Charge	06/01/2017	Bank of America	Bank Service Charges	25.00
Total BofA CC 6058- S Haywood				2,352.88
BofA CC 6111- K LeBlanc				
Credit Card Charge	05/05/2017	Whites Sierra Station, Inc	-SPLIT-	91.73
Credit Card Charge	05/08/2017	Home Depot	Safety	85.50
Credit Card Charge	05/13/2017	Intuit Inc.	-SPLIT-	428.96
Credit Card Charge	05/16/2017	Whites Sierra Station, Inc	-SPLIT-	74.11
Credit Card Charge	05/16/2017	Whites Sierra Station, Inc	Fuel	37.92
Credit Card Charge	05/17/2017	Whites Sierra Station, Inc	Fuel	76.34
Credit Card Charge	05/18/2017	Whites Sierra Station, Inc	Fuel	15.88
Credit Card Charge	05/19/2017	Intuit Inc.	-SPLIT-	6.38
Credit Card Charge	05/26/2017	Whites Sierra Station, Inc	-SPLIT-	119.94
Credit Card Charge	06/01/2017	Nextiva	-SPLIT-	91.07
Total BofA CC 6111- K LeBlanc				1,027.83
TOTAL				3,819.18

2:22 PM
06/14/17
Cash Basis

City of Loyaltan
Bills Paid
As of June 14, 2017

Type	Date	Num	Name	Memo	Paid Amount
Enterprise Loan MM 0559					
Check	05/31/2017			Service Charge	-2.00
Total Enterprise Loan MM 0559					-2.00
General Funds					
General Checking 1956- NEW					
Check	05/31/2017			Service Charge	-2.00
Liability Check	05/19/2017	EFT	Employment Development De...	69817369, 2QTR, PPE 5/13/17	-32.43
Liability Check	05/19/2017	EFT	US Treasury-941	94-6000364, 2QTR, PPE 5/13/17	-790.62
Liability Check	05/19/2017	EFT	Employment Development De...	69817369, 2QTR, PPE 5/13/17	-75.45
Check	05/19/2017	EFT	Nationwide	PPE 5/13/17	-123.91
Bill Pmt -Check	05/16/2017	EFT	PITNEY BOWES INC Purchas...	8000-9000-0953-9911	-34.22
Liability Check	06/02/2017	EFT	Employment Development De...	69817369, 2QTR PPE 5/27/17	-47.57
Liability Check	06/02/2017	EFT	US Treasury-941	94-6000364, 2QTR PPE 5/27/17	-880.12
Liability Check	06/01/2017	EFT	Employment Development De...	69817369, 2QTR Retirement	-44.98
Liability Check	06/01/2017	EFT	US Treasury-941	94-6000364, 2QTR June 1 Retire...	-364.00
Liability Check	06/02/2017	EFT	Employment Development De...	69817369, 2QTR PPE 5/27/17	-112.85
Check	06/02/2017	EFT	Nationwide	PPE 5/27/17	-125.95
Check	06/07/2017	EFT	Employment Development De...	69817369	-208.92
Bill Pmt -Check	06/14/2017	EFT	Bank of America	5472064000010235	-45.76
Bill Pmt -Check	06/14/2017	EFT	Bank of America	5472064000010235	-997.83
Bill Pmt -Check	06/14/2017	EFT	Bank of America	5472064000010235	-2,352.88
Bill Pmt -Check	06/14/2017	EFT	Bank of America	5472064000010235	-413.47
Bill Pmt -Check	06/14/2017	EFT	Pitney Bowes Lease	Postage Meter Rental - 3/30/17 - ...	-151.03
Bill Pmt -Check	06/14/2017	EFT	PITNEY BOWES INC Purchas...	8000-9000-0953-9911	-125.00
Bill Pmt -Check	05/15/2017	4417	Intermountain Disposal, Inc.	Cemetery Dumpster	-382.20
Paycheck	05/15/2017	4418	Jordan, Keith S.		-1,157.15
Paycheck	05/15/2017	4419	LeBlanc, Katherine L		-640.44
Paycheck	05/15/2017	4420	Lombardi, Kimberly K		-533.99
Paycheck	05/15/2017	4421	Smith, Tracy A		-55.41
Bill Pmt -Check	05/24/2017	4422	Office Depot	6011 5661 5318 4480	-198.36
Bill Pmt -Check	05/30/2017	4423	Austin R. DeBerg	Phone Reimbursement - May 2017	-15.00
Bill Pmt -Check	05/30/2017	4424	Keith Jordan	Phone Reimbursement - May 2017	-15.00
Paycheck	05/30/2017	4425	Cussins, John C		0.00
Paycheck	05/30/2017	4426	DeBerg, Austin		-1,018.15
Paycheck	05/30/2017	4427	Gallegos, Krystin M.		-45.71
Paycheck	05/30/2017	4428	Jordan, Keith S.		-581.81
Paycheck	05/30/2017	4429	LeBlanc, Katherine L		-640.44
Paycheck	05/30/2017	4430	Lombardi, Kimberly K		-542.23
Paycheck	05/30/2017	4431	Marin, Mark J.		-45.71
Paycheck	05/30/2017	4432	Mitchell, Brooks M.		-43.71
Paycheck	05/30/2017	4433	Rogers, Nancy R.		-45.71
Paycheck	05/30/2017	4434	Smith, Tracy A		-195.32
Paycheck	05/30/2017	4435	VanDaam, Jason		-45.71
Paycheck	06/01/2017	4436	Cussins, John C		-1,419.52
Paycheck	06/01/2017	4437	Jardin, Patsy E		-2,155.92
Paycheck	06/01/2017	4438	McGarity, Orville D		-342.53
Paycheck	06/01/2017	4439	Yegge, Donald M.		-655.54
Check	05/31/2017	4440	POSTMASTER	May 2017 Water/Sewer Billing	-91.74
Bill Pmt -Check	06/02/2017	4441	SVHC- Sierra Valley Home Ce...	1100	-908.97
Bill Pmt -Check	06/02/2017	4442	AT&T CALNET 3		-137.21
Bill Pmt -Check	06/02/2017	4443	Liberty Utilities		-3,622.23
Bill Pmt -Check	06/02/2017	4444	Amerigas*	201913977	-1,929.00
Bill Pmt -Check	06/02/2017	4445	Barth Dady LLP	Legal Services	-360.00
Bill Pmt -Check	06/02/2017	4446	EPHCC- Eastern Plumas Heal...	Pre-Employment Testing A. Deberg	-60.00
Bill Pmt -Check	06/02/2017	4447	Gabe Strouse	Fire Equipment Check	-140.00
Bill Pmt -Check	06/02/2017	4448	Intermountain Disposal, Inc.	Account code LOYCI	-143.40
Bill Pmt -Check	06/02/2017	4449	L.N. Curtis & Sons		-208.06
Bill Pmt -Check	06/02/2017	4450	Loyaltan Volunteer Fire Assoc...	1998 FD Engine	-1,048.79
Bill Pmt -Check	06/02/2017	4451	Ryan S. Northrup	Museum Web Page	-250.00
Bill Pmt -Check	06/02/2017	4452	Sierra Environmental Monitori...	LOY-001	-311.00

2:22 PM
06/14/17
Cash Basis

City of Loyalton
Bills Paid
As of June 14, 2017

Type	Date	Num	Name	Memo	Paid Amount
Bill Pmt -Check	06/02/2017	4453	Verizon Wireless	370745244-000001	-38.01
Paycheck	06/12/2017	4454	DeBerg, Austin		-1,177.85
Paycheck	06/12/2017	4455	Jordan, Keith S.		-1,092.49
Paycheck	06/12/2017	4456	LeBlanc, Katherine L		-698.97
Paycheck	06/12/2017	4457	Lombardi, Kimberly K		-491.68
Bill Pmt -Check	06/13/2017	4458	City of Loyalton-General Fund	County W/S Payments	-533.62
Bill Pmt -Check	06/14/2017	4459	Alliant Insurance Services, Inc.	CRIME0708 / CL142052	-950.00
Bill Pmt -Check	06/14/2017	4460	AT&T CALNET 3		-86.50
Bill Pmt -Check	06/14/2017	4461	Barth Daly LLP	Legal Services	-102.50
Bill Pmt -Check	06/14/2017	4462	Office Depot	6011 5661 5318 4480	-69.31
Bill Pmt -Check	06/14/2017	4463	Plumas-Sierra Telecomm.	Broadband, Account # 37225	-109.00
Bill Pmt -Check	06/14/2017	4464	Plumas Sanitation	Portable @ Cemetery 5/10 - 5/18/...	-144.79
Bill Pmt -Check	06/14/2017	4465	Plumas Sierra Rural Electric		-3,096.54
Bill Pmt -Check	06/14/2017	4466	Porter Simon Professional Ser...	92132-13200M	-580.00
Bill Pmt -Check	06/14/2017	4467	Sierra County Auditor	Police Contract	-1,250.00
Bill Pmt -Check	06/14/2017	4468	Sierra Environmental Monitori...	LOY-001	-110.00
Bill Pmt -Check	06/14/2017	4469	State Water Resources Contr...	Water System Fees 7/1/16-6/30/1...	-2,172.00
Bill Pmt -Check	06/14/2017	4470	United Healthcare Insurance ...	J. Cussins July 2017 Premium - 3...	-243.42
Bill Pmt -Check	06/14/2017	4471	USA Blue Book		-363.00
Bill Pmt -Check	06/14/2017	4472	Western Nevada Supply	34860	-149.77
Bill Pmt -Check	06/14/2017	4473	Xerox Corporation	951429299	-385.66
Total General Checking 1956- NEW					-40,760.06
General Contingency Saving 0322					
Total General Contingency Saving 0322					
Total General Funds					-40,760.06
Designated Funds					
WWTP Construction 1990					
Check	05/31/2017			Service Charge	-2.00
Bill Pmt -Check	05/22/2017	1179	Aliotti Dispute Resolution, P.C.	Mediation	-1,665.40
Bill Pmt -Check	06/09/2017	1180	Ernest Brown & Company	Mediation, WWTP	-4,000.00
Bill Pmt -Check	06/09/2017	1181	Holdrege & Kull Consulting En...	Expert Testimony of Jake Hudson...	-2,175.25
Check	06/09/2017	1182	City of Loyalton	Reimbursement for WWTP expen...	-600.00
Total WWTP Construction 1990					-8,442.65
Community Dev Block Grant 0059					
Total Community Dev Block Grant 0059					
Total Designated Funds					-8,442.65
TOTAL					-49,204.71

2:23 PM

06/14/17

City of Loyalton
Unpaid Bills
 As of June 14, 2017

Type	Date	Num	Due Date	Aging	Open Balance
AJE					
General Journal	06/30/2012	AJE cx			2,646.60
Total AJE					2,646.60
Black Eagle Consulting, Inc.					
Bill	05/25/2017	00246...	06/24/2017		500.00
Total Black Eagle Consulting, Inc.					500.00
City of Loyalton-General Fund					
General Journal	06/30/2013	282-12			-12,296.85
General Journal	06/30/2013	284-1			-4,202.43
General Journal	06/30/2013	285-15			-20,100.64
General Journal	06/30/2013	180			-119,409.18
General Journal	06/30/2014	Coll 1...			156,009.10
General Journal	07/01/2014	Coll14...			156,009.10
General Journal	06/30/2015	Coll 1...			-88,200.00
General Journal	07/01/2014	Coll14...			-67,809.10
Total City of Loyalton-General Fund					0.00
COLLINS ADJUSTMENTS					
General Journal	06/30/2015	Coll 1...			38,768.28
General Journal	07/01/2015	Coll15...			-38,768.28
Total COLLINS ADJUSTMENTS					0.00
Geo-Logic Associates					
Bill	06/14/2017	0223614	07/14/2017		77.50
Total Geo-Logic Associates					77.50
Jeffrey Paddock					
Bill	06/02/2017	5.30.17	06/02/2017	12	700.00
Total Jeffrey Paddock					700.00
Liberty Utilities					
General Journal	06/30/2014	Coll 1...			2,808.87
General Journal	07/01/2014	Coll14...			-2,808.87
Total Liberty Utilities					0.00
Pape Machinery - POWERPLAN					
Credit	11/26/2014	CM 92...			-6.00
Total Pape Machinery - POWERPLAN					-6.00
Shaw Engineering					
Bill	05/31/2017	13033...	06/30/2017		480.00
Total Shaw Engineering					480.00
Sierra-Plumas Jnt Unif Schl Dist					
General Journal	06/30/2014	Coll 1...			20,948.36
General Journal	07/01/2014	Coll14...			-20,948.36
Total Sierra-Plumas Jnt Unif Schl Dist					0.00
Sierra County					
General Journal	06/30/2014	Coll 1...			5,000.00
General Journal	07/01/2014	Coll14...			-5,000.00
Total Sierra County					0.00
Stantec Consulting Services, Inc.					
Bill	07/13/2011	508090	08/12/2011	2133	2,240.00
Total Stantec Consulting Services, Inc.					2,240.00
State Board of Equalization					

2:23 PM

06/14/17

City of Loyalton
Unpaid Bills
As of June 14, 2017

Type	Date	Num	Due Date	Aging	Open Balance
Bill	09/28/2016	2016 /...	07/15/2017		522.68
Total State Board of Equalization					522.68
USDA 92-01					
General Journal	06/30/2014	Coll 1...			-48,315.59
General Journal	07/01/2014	Coll14...			48,315.59
Total USDA 92-01					0.00
USDA 92-03					
General Journal	06/30/2014	Coll 1...			-7,089.04
General Journal	07/01/2014	Coll14...			7,089.04
Total USDA 92-03					0.00
USDA/92-07					
General Journal	06/30/2014	Coll 1...			-101,500.00
General Journal	07/01/2014	Coll14...			101,500.00
Total USDA/92-07					0.00
Western Hydro Corporation					
Credit	07/02/2014	CM 15...			-299.37
Total Western Hydro Corporation					-299.37
WWW Construction, Inc.					
Bill	02/27/2015	2121	03/29/2015	808	1,000.00
Total WWW Construction, Inc.					1,000.00
TOTAL					7,861.41

2:27 PM

06/14/17

Accrual Basis

City of Loyalton

Water

May 11 through June 14, 2017

	Water Fund 7520-1 (Enterprise Funds)	Total Enterprise Funds	TOTAL
Ordinary Income/Expense			
Income			
Enterprise Income			
Water Service Income			
Late Fees Water	72.05	72.05	72.05
Water Service Income - Other	16,850.88	16,850.88	16,850.88
Total Water Service Income	16,922.93	16,922.93	16,922.93
Total Enterprise Income	16,922.93	16,922.93	16,922.93
Revenue Use of Money & Property			
Interest Income	10.69	10.69	10.69
Total Revenue Use of Money & Property	10.69	10.69	10.69
Total Income	16,933.62	16,933.62	16,933.62
Gross Profit	16,933.62	16,933.62	16,933.62
Expense			
Small Tools & Equipment	363.00	363.00	363.00
Repairs & Maintenance	2.70	2.70	2.70
Utilities			
Internet - Broadband	43.60	43.60	43.60
Electric	1,682.95	1,682.95	1,682.95
Total Utilities	1,726.55	1,726.55	1,726.55
Salaries and Wages			
Payroll Tax Expense	550.12	550.12	550.12
Payroll Expense			
Part Time Wages	2,770.00	2,770.00	2,770.00
Payroll Expense - Other	2,977.24	2,977.24	2,977.24
Total Payroll Expense	5,747.24	5,747.24	5,747.24
Total Salaries and Wages	6,297.36	6,297.36	6,297.36
Employee Benefits			
Nationwide City	46.47	46.47	46.47
Health Insurance	121.71	121.71	121.71
Total Employee Benefits	168.18	168.18	168.18
Services and Supplies			
Postage	102.12	102.12	102.12
Automobile Expense			
Fuel	78.46	78.46	78.46
Total Automobile Expense	78.46	78.46	78.46
Bank Service Charges	14.50	14.50	14.50
Contracted Services			
Health/Drug Screening	30.00	30.00	30.00
Legal Fees	367.00	367.00	367.00
Total Contracted Services	397.00	397.00	397.00
Office Expense	637.32	637.32	637.32
Operating Supplies	57.56	57.56	57.56
Telephone	70.43	70.43	70.43
Total Services and Supplies	1,357.39	1,357.39	1,357.39
Total Expense	9,915.18	9,915.18	9,915.18
Net Ordinary Income	7,018.44	7,018.44	7,018.44
Net Income	7,018.44	7,018.44	7,018.44

2:27 PM

06/14/17

Accrual Basis

**City of Loyalton
WWTP & Sewer**

May 11 through June 14, 2017

	WWTP Pond Rep... (Sewer Fund 758...)	Sewer Fund 7580... (Sewer Fund 758...)	Total Sewer Fund... (Enterprise Funds)	Total Enterprise ...	TOTAL
Ordinary Income/Expense					
Income					
Intergovernmental - Federal					
USDA Grant	8,442.00	0.00	8,442.00	8,442.00	8,442.00
Total Intergovernmental - Federal	8,442.00	0.00	8,442.00	8,442.00	8,442.00
Enterprise Income					
Sewer Service Income					
Late Fees Sewer	0.00	144.11	144.11	144.11	144.11
Sewer Service Income - Other	0.00	33,334.00	33,334.00	33,334.00	33,334.00
Total Sewer Service Income	0.00	33,478.11	33,478.11	33,478.11	33,478.11
Total Enterprise Income	0.00	33,478.11	33,478.11	33,478.11	33,478.11
Revenue Use of Money & Property					
Interest Income	0.00	32.05	32.05	32.05	32.05
Total Revenue Use of Money & Property	0.00	32.05	32.05	32.05	32.05
Total Income	8,442.00	33,510.16	41,952.16	41,952.16	41,952.16
Gross Profit	8,442.00	33,510.16	41,952.16	41,952.16	41,952.16
Expense					
Repairs & Maintenance	0.00	38.13	38.13	38.13	38.13
Utilities					
Internet - Broadband	0.00	43.60	43.60	43.60	43.60
Electric					
Electric for Discharge	0.00	63.43	63.43	63.43	63.43
Electric - Other	0.00	3,075.28	3,075.28	3,075.28	3,075.28
Total Electric	0.00	3,138.71	3,138.71	3,138.71	3,138.71
Total Utilities	0.00	3,182.31	3,182.31	3,182.31	3,182.31
Salaries and Wages					
Payroll Tax Expense	3.25	625.10	628.35	628.35	628.35
Payroll Expense					
Part Time Wages	42.55	3,118.76	3,161.31	3,161.31	3,161.31
Payroll Expense - Other	0.00	3,212.24	3,212.24	3,212.24	3,212.24
Total Payroll Expense	42.55	6,331.00	6,373.55	6,373.55	6,373.55
Total Salaries and Wages	45.80	6,956.10	7,001.90	7,001.90	7,001.90
Employee Benefits					
Nationwide City	0.00	47.23	47.23	47.23	47.23
Health Insurance	0.00	121.71	121.71	121.71	121.71
Total Employee Benefits	0.00	168.94	168.94	168.94	168.94
Services and Supplies					
Postage	0.00	102.12	102.12	102.12	102.12
Automobile Expense					
Fuel	0.00	78.44	78.44	78.44	78.44
Total Automobile Expense	0.00	78.44	78.44	78.44	78.44
Bank Service Charges	0.00	14.50	14.50	14.50	14.50
Contracted Services					
Health/Drug Screening	0.00	30.00	30.00	30.00	30.00
Professional Fees	1,680.00	0.00	1,680.00	1,680.00	1,680.00
Legal Fees	4,877.50	87.00	4,964.50	4,964.50	4,964.50
Testing	0.00	421.00	421.00	421.00	421.00
Total Contracted Services	6,557.50	538.00	7,095.50	7,095.50	7,095.50
Office Expense	0.00	637.32	637.32	637.32	637.32
Operating Supplies	0.00	78.19	78.19	78.19	78.19
Telephone	0.00	70.44	70.44	70.44	70.44
Total Services and Supplies	6,557.50	1,519.01	8,076.51	8,076.51	8,076.51
Total Expense	6,603.30	11,864.49	18,467.79	18,467.79	18,467.79
Net Ordinary Income	1,838.70	21,645.67	23,484.37	23,484.37	23,484.37
Net Income	1,838.70	21,645.67	23,484.37	23,484.37	23,484.37

2:28 PM

06/14/17

Accrual Basis

**City of Loyaltan
General**

May 11 through June 12, 2017

	General Govern... (General Fund)	City Buildings 9420 (General Fund)	Law Enforcement ... (General Fund)	General Fund - Ot... (General Fund)	Total General Fund	TOTAL
Ordinary Income/Expense						
Income						
Taxes & License Revenue						
Sales & Use	4,300.00	0.00	0.00	0.00	4,300.00	4,300.00
Total Taxes & License Revenue	4,300.00	0.00	0.00	0.00	4,300.00	4,300.00
Charges for Current Services						
Copies & Faxes	0.00	0.00	0.00	7.60	7.60	7.60
Total Charges for Current Services	0.00	0.00	0.00	7.60	7.60	7.60
Revenue Use of Money & Property						
Interest Income	22.94	0.00	0.00	0.00	22.94	22.94
Total Revenue Use of Money & Property	22.94	0.00	0.00	0.00	22.94	22.94
Miscellaneous Revenue						
S.C.O.R.E.	0.00	0.00	0.00	668.77	668.77	668.77
Miscellaneous Revenue - Other	0.00	0.00	0.00	533.62	533.62	533.62
Total Miscellaneous Revenue	0.00	0.00	0.00	1,202.39	1,202.39	1,202.39
Total Income	4,322.94	0.00	0.00	1,209.99	5,532.93	5,532.93
Gross Profit	4,322.94	0.00	0.00	1,209.99	5,532.93	5,532.93
Expense						
Repairs & Maintenance	0.00	0.00	0.00	1.01	1.01	1.01
Utilities						
Internet - Broadband	0.00	0.00	0.00	16.35	16.35	16.35
Electric	0.00	0.00	0.00	0.47	0.47	0.47
Total Utilities	0.00	0.00	0.00	16.82	16.82	16.82
Salaries and Wages						
Payroll Tax Expense	40.24	1.81	0.00	270.27	312.32	312.32
Payroll Expense						
Part Time Wages	21.28	14.00	0.00	0.00	35.28	35.28
Payroll Expense - Other	397.50	0.00	0.00	686.03	1,083.53	1,083.53
Total Payroll Expense	418.78	14.00	0.00	686.03	1,118.81	1,118.81
Total Salaries and Wages	459.02	15.81	0.00	956.30	1,431.13	1,431.13
Services and Supplies						
Postage	12.50	0.00	0.00	0.00	12.50	12.50
Automobile Expense						
Fuel	0.00	0.00	0.00	-30.00	-30.00	-30.00
Total Automobile Expense	0.00	0.00	0.00	-30.00	-30.00	-30.00
Contracted Services						
Professional Fees	0.00	0.00	1,250.00	0.00	1,250.00	1,250.00
Legal Fees	0.00	0.00	0.00	16.25	16.25	16.25
Total Contracted Services	0.00	0.00	1,250.00	16.25	1,266.25	1,266.25
Miscellaneous	0.00	0.00	0.00	533.62	533.62	533.62
Office Expense	72.95	0.00	0.00	57.06	130.01	130.01
Telephone	0.00	0.00	0.00	13.66	13.66	13.66
Total Services and Supplies	85.45	0.00	1,250.00	590.59	1,926.04	1,926.04
Total Expense	544.47	15.81	1,250.00	1,564.72	3,375.00	3,375.00
Net Ordinary Income	3,778.47	-15.81	-1,250.00	-354.73	2,157.93	2,157.93
Other Income/Expense						
Other Expense						
Transfers Out	0.00	0.00	0.00	30,540.00	30,540.00	30,540.00
Total Other Expense	0.00	0.00	0.00	30,540.00	30,540.00	30,540.00
Net Other Income	0.00	0.00	0.00	-30,540.00	-30,540.00	-30,540.00
Net Income	3,778.47	-15.81	-1,250.00	-30,894.73	-28,382.07	-28,382.07

2:29 PM

06/14/17

Accrual Basis

**City of Loyaltan
Streets**

May 11 through June 12, 2017

	Gas Tax 9422-1 (Streets and Highways)	Streets and Highways ... (Streets and Highways)	Total Streets and High... (Special Revenue)	Total Special Revenue	TOTAL
Ordinary Income/Expense					
Income					
Intergovernmental - State					
Highway Users Tax					
2103 (Gas Tax)	202.17	0.00	202.17	202.17	202.17
2105	0.00	450.94	450.94	450.94	450.94
2106	0.00	504.70	504.70	504.70	504.70
2107	0.00	635.74	635.74	635.74	635.74
Total Highway Users Tax	<u>202.17</u>	<u>1,591.38</u>	<u>1,793.55</u>	<u>1,793.55</u>	<u>1,793.55</u>
Total Intergovernmental - State	<u>202.17</u>	<u>1,591.38</u>	<u>1,793.55</u>	<u>1,793.55</u>	<u>1,793.55</u>
Total Income	<u>202.17</u>	<u>1,591.38</u>	<u>1,793.55</u>	<u>1,793.55</u>	<u>1,793.55</u>
Gross Profit	<u>202.17</u>	<u>1,591.38</u>	<u>1,793.55</u>	<u>1,793.55</u>	<u>1,793.55</u>
Expense					
Repairs & Maintenance	0.00	12.62	12.62	12.62	12.62
Utilities				12.62	12.62
Internet - Broadband	0.00	5.45	5.45	5.45	5.45
Electric	1,419.41	0.16	1,419.57	1,419.57	1,419.57
Total Utilities	<u>1,419.41</u>	<u>5.61</u>	<u>1,425.02</u>	<u>1,425.02</u>	<u>1,425.02</u>
Salaries and Wages					
Payroll Tax Expense	0.00	137.80	137.80	137.80	137.80
Payroll Expense					
Part Time Wages	0.00	535.02	535.02	535.02	535.02
Payroll Expense - Other	0.00	606.68	606.68	606.68	606.68
Total Payroll Expense	<u>0.00</u>	<u>1,141.70</u>	<u>1,141.70</u>	<u>1,141.70</u>	<u>1,141.70</u>
Total Salaries and Wages	<u>0.00</u>	<u>1,279.50</u>	<u>1,279.50</u>	<u>1,279.50</u>	<u>1,279.50</u>
Services and Supplies					
Automobile Expense					
Fuel	0.00	10.73	10.73	10.73	10.73
Total Automobile Expense	<u>0.00</u>	<u>10.73</u>	<u>10.73</u>	<u>10.73</u>	<u>10.73</u>
Contracted Services					
Legal Fees	0.00	12.25	12.25	12.25	12.25
Total Contracted Services	<u>0.00</u>	<u>12.25</u>	<u>12.25</u>	<u>12.25</u>	<u>12.25</u>
Office Expense	0.00	82.45	82.45	82.45	82.45
Operating Supplies	0.00	10.82	10.82	10.82	10.82
Telephone	0.00	4.55	4.55	4.55	4.55
Total Services and Supplies	<u>0.00</u>	<u>120.80</u>	<u>120.80</u>	<u>120.80</u>	<u>120.80</u>
Total Expense	<u>1,419.41</u>	<u>1,418.53</u>	<u>2,837.94</u>	<u>2,837.94</u>	<u>2,837.94</u>
Net Ordinary Income	<u>-1,217.24</u>	<u>172.85</u>	<u>-1,044.39</u>	<u>-1,044.39</u>	<u>-1,044.39</u>
Net Income	<u>-1,217.24</u>	<u>172.85</u>	<u>-1,044.39</u>	<u>-1,044.39</u>	<u>-1,044.39</u>

2:30 PM

06/14/17

Accrual Basis

City of Loyalton
Park Specific Revenue & Expenditures
 May 11 through June 12, 2017

	Park Rental Build... (Park 9420-1)	Park 9420-1 - Other (Park 9420-1)	Total Park 9420-1 (General Fund)	Total General Fund	TOTAL
Ordinary Income/Expense					
Income					
Charges for Current Services					
Rent Income	900.00	0.00	900.00	900.00	900.00
Total Charges for Current Services	900.00	0.00	900.00	900.00	900.00
Miscellaneous Revenue					
Other Income	0.00	500.00	500.00	500.00	500.00
Total Miscellaneous Revenue	0.00	500.00	500.00	500.00	500.00
Total Income	900.00	500.00	1,400.00	1,400.00	1,400.00
Gross Profit	900.00	500.00	1,400.00	1,400.00	1,400.00
Expense					
Utilities					
Electric	0.00	122.78	122.78	122.78	122.78
Total Utilities	0.00	122.78	122.78	122.78	122.78
Salaries and Wages					
Payroll Tax Expense	0.00	138.17	138.17	138.17	138.17
Payroll Expense					
Part Time Wages	0.00	518.00	518.00	518.00	518.00
Payroll Expense - Other	0.00	549.00	549.00	549.00	549.00
Total Payroll Expense	0.00	1,067.00	1,067.00	1,067.00	1,067.00
Total Salaries and Wages	0.00	1,205.17	1,205.17	1,205.17	1,205.17
Services and Supplies					
Automobile Expense					
Fuel	0.00	42.30	42.30	42.30	42.30
Total Automobile Expense	0.00	42.30	42.30	42.30	42.30
Operating Supplies	0.00	25.82	25.82	25.82	25.82
Total Services and Supplies	0.00	68.12	68.12	68.12	68.12
Total Expense	0.00	1,396.07	1,396.07	1,396.07	1,396.07
Net Ordinary Income	900.00	-896.07	3.93	3.93	3.93
Net Income	900.00	-896.07	3.93	3.93	3.93

2:30 PM

06/14/17

Accrual Basis

City of Loyalton
Social Hall Revenue & Expenditures
May 11 through June 14, 2017

	<u>Social Hall 9420 (Park 9420-1)</u>	<u>Total Park 9420-1 (General Fund)</u>	<u>Total General Fund</u>	<u>TOTAL</u>
Ordinary Income/Expense				
Income				
Charges for Current Services				
Rent Income				
Social Hall	130.00	130.00	130.00	130.00
Total Rent Income	<u>130.00</u>	<u>130.00</u>	<u>130.00</u>	<u>130.00</u>
Total Charges for Current Services	<u>130.00</u>	<u>130.00</u>	<u>130.00</u>	<u>130.00</u>
Total Income	<u>130.00</u>	<u>130.00</u>	<u>130.00</u>	<u>130.00</u>
Gross Profit	130.00	130.00	130.00	130.00
Expense				
Salaries and Wages				
Payroll Tax Expense	12.68	12.68	12.68	12.68
Payroll Expense				
Part Time Wages	98.00	98.00	98.00	98.00
Total Payroll Expense	<u>98.00</u>	<u>98.00</u>	<u>98.00</u>	<u>98.00</u>
Total Salaries and Wages	<u>110.68</u>	<u>110.68</u>	<u>110.68</u>	<u>110.68</u>
Total Expense	<u>110.68</u>	<u>110.68</u>	<u>110.68</u>	<u>110.68</u>
Net Ordinary Income	<u>19.32</u>	<u>19.32</u>	<u>19.32</u>	<u>19.32</u>
Net Income	<u><u>19.32</u></u>	<u><u>19.32</u></u>	<u><u>19.32</u></u>	<u><u>19.32</u></u>

2:31 PM
 06/14/17
 Accrual Basis

City of Loyalton
Museum - Cemetery
 May 11 through June 12, 2017

	Cemeteries 9220-1 (General Fund)	Museums 9410 (General Fund)	Total General Fund	TOTAL
Ordinary Income/Expense				
Income				
Donations	0.00	341.00	341.00	341.00
Total Income	0.00	341.00	341.00	341.00
Gross Profit	0.00	341.00	341.00	341.00
Expense				
Utilities				
Electric	0.00	8.95	8.95	8.95
Garbage Disposal	526.99	0.00	526.99	526.99
Total Utilities	526.99	8.95	535.94	535.94
Salaries and Wages				
Payroll Tax Expense	11.79	1.81	13.60	13.60
Payroll Expense				
Part Time Wages	28.00	14.00	42.00	42.00
Payroll Expense - Other	63.00	0.00	63.00	63.00
Total Payroll Expense	91.00	14.00	105.00	105.00
Total Salaries and Wages	102.79	15.81	118.60	118.60
Services and Supplies				
Automobile Expense				
Fuel	114.26	0.00	114.26	114.26
Total Automobile Expense	114.26	0.00	114.26	114.26
Operating Supplies	1.12	0.00	1.12	1.12
Total Services and Supplies	115.38	0.00	115.38	115.38
Total Expense	745.16	24.76	769.92	769.92
Net Ordinary Income	-745.16	316.24	-428.92	-428.92
Other Income/Expense				
Other Expense				
Capital Outlay				
Professional Fees	0.00	250.00	250.00	250.00
Total Capital Outlay	0.00	250.00	250.00	250.00
Total Other Expense	0.00	250.00	250.00	250.00
Net Other Income	0.00	-250.00	-250.00	-250.00
Net Income	-745.16	66.24	-678.92	-678.92

2:31 PM

06/14/17

Accrual Basis

**City of Loyaltan
Fire Department
May 11 through June 12, 2017**

	Fire Department 7707-1 (General Fund)	Total General Fund
Ordinary Income/Expense		
Income		
Transfer In	30,540.00	30,540.00
Revenue Use of Money & Property		
Interest Income	3.06	3.06
Total Revenue Use of Money & Property	<u>3.06</u>	<u>3.06</u>
Total Income	<u>30,543.06</u>	<u>30,543.06</u>
Gross Profit	30,543.06	30,543.06
Expense		
Small Tools & Equipment	54.42	54.42
Repairs & Maintenance	31.78	31.78
Utilities		
Internet - Broadband	66.69	66.69
Propane	196.59	196.59
Electric	335.04	335.04
Total Utilities	<u>598.32</u>	<u>598.32</u>
Equipment Repair & Maintenance	140.00	140.00
Services and Supplies		
Automobile Expense		
Fuel	261.19	261.19
Total Automobile Expense	<u>261.19</u>	<u>261.19</u>
Bank Service Charges	25.00	25.00
Operating Supplies	69.71	69.71
Telephone	109.19	109.19
Total Services and Supplies	<u>465.09</u>	<u>465.09</u>
Total Expense	<u>1,289.61</u>	<u>1,289.61</u>
Net Ordinary Income	29,253.45	29,253.45
Other Income/Expense		
Other Expense		
Capital Outlay		
Equipment	3,048.79	3,048.79
Total Capital Outlay	<u>3,048.79</u>	<u>3,048.79</u>
Total Other Expense	<u>3,048.79</u>	<u>3,048.79</u>
Net Other Income	-3,048.79	-3,048.79
Net Income	<u><u>26,204.66</u></u>	<u><u>26,204.66</u></u>

2:31 PM

06/14/17

Accrual Basis

**City of Loyalton
Fire Department
May 11 through June 12, 2017**

	<u>TOTAL</u>
Ordinary Income/Expense	
Income	
Transfer In	30,540.00
Revenue Use of Money & Property	
Interest Income	3.06
Total Revenue Use of Money & Property	<u>3.06</u>
Total Income	<u>30,543.06</u>
Gross Profit	30,543.06
Expense	
Small Tools & Equipment	54.42
Repairs & Maintenance	31.78
Utilities	
Internet - Broadband	66.69
Propane	196.59
Electric	335.04
Total Utilities	<u>598.32</u>
Equipment Repair & Maintenance	140.00
Services and Supplies	
Automobile Expense	
Fuel	261.19
Total Automobile Expense	<u>261.19</u>
Bank Service Charges	25.00
Operating Supplies	69.71
Telephone	109.19
Total Services and Supplies	<u>465.09</u>
Total Expense	<u>1,289.61</u>
Net Ordinary Income	29,253.45
Other Income/Expense	
Other Expense	
Capital Outlay	
Equipment	3,048.79
Total Capital Outlay	<u>3,048.79</u>
Total Other Expense	<u>3,048.79</u>
Net Other Income	<u>-3,048.79</u>
Net Income	<u><u>26,204.66</u></u>

Hughes Center
3883 Howard Hughes Parkway
Suite 1100
Las Vegas, Nevada 89169-5958
702.784.5200
702.784.5252 (Fax)
www.swlaw.com

DENVER
LAS VEGAS
LOS ANGELES
LOS CABOS
ORANGE COUNTY
PHOENIX
RENO
SALT LAKE CITY
TUCSON

Patrick G. Byrne, Esq.
702.784.5201
pbyrne@swlaw.com

June 13, 2017

Confidential – Attorney-Client Communication

VIA FEDERAL EXPRESS AND EMAIL

Honorable Mark Marin
Mayor
City of Loyalton
Loyalton, CA

Re: *City of Loyalton v. Stantec Consulting Services, Inc.; et al.*; Nevada County Superior Court Case No. CU13-07934; Status Letter Stantec/Kruth Settlement of Claims (“Stantec Settlement”)

Dear Mayor and City Council:

Enclosed is the \$2,007,511.00 settlement check from Stantec Consulting Services, Inc. (“settlement check”), along with a copy of the fully executed Settlement Agreement and Release of All Claims (“Stantec Settlement Agreement”). We are working to finalize the Cox parties’ settlement quickly and hope to have those settlement funds to you in the very near future.

Please deposit the settlement check and upon verification of funds, please remit the 10% contingency fee (\$200,751.10) related to the Stantec/Kruth settlement to Snell and Wilmer L.L.P. and Mead Law Group as follows:

Snell and Wilmer L.L.P.	\$191,964.55
Leon Mead Group	<u>\$ 8,786.55</u>
Total Fees:	\$200,751.10

For your information and records, Snell and Wilmer L.L.P.’s tax identification number is 86-0089731 and Mead Law Group’s tax identification number is 90-0849359.

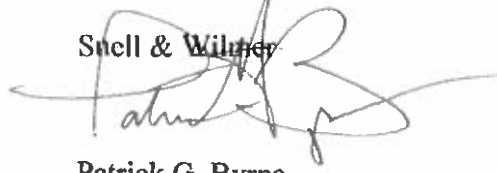
Finally, pursuant to your request, I will provide Doug Colucci with a copy of the enclosed Stantec Settlement Agreement via email.

Confidential – Attorney-Client Communication
Honorable Mark Marin
Mayor
June 13, 2017
Page 2

As always, please do not hesitate to contact me with any questions or concerns.

Very truly yours,

Snell & Wilmer

A handwritten signature in black ink, appearing to read 'Patrick G. Byrne', is written over the printed name and firm name. The signature is fluid and cursive.

Patrick G. Byrne

cc: Leon Mead, Esq. - via email
Steve Gross, Esq. - via email

4816-0658-7210

Stantec Consulting Services Inc.
Check Date: Jun 5, 2017

Vendor Name: City of Loyalty
Vendor Number: 63129

Check Number: 531250

Invoice Number	Invoice Date	Invoice Amount	Discount Taken	Amount Paid
MANCKJUN0217	2-Jun-17	2,007,511.00	0.00	2,007,511.00
Net Check Amount: (US Dollars)				2,007,511.00



Stantec Consulting Services Inc.

Bank Of America
DeKalb County
Atlanta, GA
061112788

64-1278
611 GA

531250

DATE 0 6 0 5 2 0 1 7
M M D D Y Y Y Y

PAY Two Million Seven Thousand Five Hundred Eleven Dollars And Zero Cents

****2,007,511.00**

TO THE ORDER OF
City of Loyalty
c/o Snell & Wilmer L.L.P.
3883 Howard Hughes Pkwy, Ste 1100
Las Vegas, NV 89169

US Funds

THIS DOCUMENT CONTAINS A GRADIENT COLORED BACKGROUND - INVISIBLE FLUORESCENT PATTERN UNDER CONVENIENT FIELD XXX - SECURITY MICROPRINTING - TRUE WATERMARK

⑈0531250⑈ ⑆061112788⑆ 329 902 7492⑈

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Settlement Agreement and Release ("Settlement Agreement") is made by and between CITY OF LOYALTON on the one hand, and Stantec Consulting Services, Inc. and Raymond Kruth on the other.

DEFINITIONS

As used in this Settlement Agreement, the following phrases and words are defined as follows:

- A. The "City" means the City of Loyalton.
- B. "Stantec" means Stantec Consulting Services, Inc., which includes its predecessors Eco:Logic Engineering, Inc. and Eco:Logic Engineering, LLC.
- C. "Kruth" means Raymond C. Kruth.
- D. "Parties" means the City, Stantec, and Kruth. "Party" refers to one of the Parties.
- E. "Related Persons and Entities" shall refer to any and all owners, partners, joint venturers, representatives, administrators, heirs, beneficiaries, trustees, executors, experts, attorneys, predecessors, successors, assigns past, present and future parent companies, insurers, divisions, subsidiaries, affiliates, related corporations, surviving corporations, disappearing corporations, stockholders, directors, officers and agents as applicable to each of the Parties.
- F. "Subconsultants" means HEM Consulting, Inc., Hector E. Marin, and any other person or entity that provided professional services to Stantec, Kruth, or their Related Persons and Entities for the Project.
- G. "Action" refers to the case entitled *City of Loyalton v. Stantec, et al.*, Nevada County Superior Court Case No. CU13-079346, including the pleadings and Second Amended Complaint filed herein by and between the Parties.
- H. "Project" shall refer to the City of Loyalton wastewater treatment plant which includes, among other things, two HDPE lined effluent ponds and sanitary sewer lines within the City of Loyalton which are the subject of the Action.
- I. "Claim" or "Claims" shall refer to any and all claims, demands, liabilities, damages, injuries, complaints, causes of action, construction defects, latent defects, patent defects, intentional or negligent acts, intentional or negligent omissions or misrepresentations, False Claim Act violations, breach of contract, breach of warranty,

economic damages, non-economic damages, property damage, diminution in value, repair costs, loss of use, attorneys' fees, expert fees, investigative costs, performance bond claims, statutory claims, indemnity, warranty, and any other actionable omissions, conduct or damage of every kind and nature whatsoever, whether seen or unforeseen, whether known or unknown, whether suspected or unsuspected, and whether or not concealed or hidden, which presently exists, has existed, may have existed, or hereafter may exist, relating to or arising out of the Action and/or the planning, development, design, engineering, grading, construction, supervision, materials, ownership, use, investigation, repair, maintenance, alteration, improvement or management of the Project.

RECITALS

A. Plaintiff filed a Complaint in Sierra County Superior Court entitled *City of Loyalton v. Stantec Consulting Services, Inc., Raymond C. Kruth, PE, Cox & Cox Construction, Inc., Travelers Casualty and Surety Company of America, and Does 1 through 100*. The action was transferred to Nevada County Superior Court and assigned Case No. CU13-079346. The Complaint, and subsequent Second Amended Complaint (collectively, "Complaint") alleged various design and construction defects as to defendants with regard to the Project. The causes of action in the Second Amended Complaint against Stantec were breach of contract, breach of the implied covenant of good faith and fair dealing, professional negligence, intentional misrepresentation, conspiracy to commit intentional misrepresentation, and violation of California False Claims Act. The causes of action in the Second Amended Complaint against Kruth were professional negligence, intentional misrepresentation, conspiracy to commit intentional misrepresentation, and violation of California False Claims Act.

B. On May 15, 2017, the Court granted Stantec's and Kruth's Motion for Summary Adjudication on the causes of action for intentional misrepresentation, conspiracy to commit intentional misrepresentation, and violation of California False Claims Act, giving Stantec and Kruth a defense judgment on those causes of action.

C. The Parties desire and intend by this Settlement Agreement to settle, finally and completely, all claims, demands, actions, causes of action and rights, known and unknown, arising from and/or relating to the Project involved in this Action and to provide for, among other things, the settlement and release of all Claims set forth in this Settlement Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the Recitals, covenants and conditions set forth herein, and in exchange for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Effective Date

The Effective Date of this Settlement Agreement is the date upon which the last Party executes the Settlement Agreement.

2. Acknowledgement of Recitals

The Parties agree and acknowledge that the Recitals above are true and correct and incorporated into this Settlement Agreement by reference.

3. Settlement Payment

The Parties agree that within thirty (30) days of Snell & Wilmer circulating the signature of Plaintiff to this Settlement Agreement, Stantec and Kruth shall tender a single payment of Two Million, Seven Thousand, Five Hundred and Eleven Dollars and Zero Cents (\$2,007,511.00).

The settlement payments shall be made payable to "City of Loyalton," Tax Identification. No. 94-6000364. The settlement check shall be sent to Snell & Wilmer, 3883 Howard Hughes Pkwy, Suite 1100, Las Vegas, Nevada 89169. The settlement payment shall be held in trust and not distributed to the City until the terms and conditions of this Settlement Agreement are fully satisfied including the transmittal to Stantec and Kruth's counsel of a signed Request for Dismissal, with prejudice, of the Action by the City as to Stantec and Kruth.

4. Release by the City

The City hereby fully and forever releases Stantec, Kruth, their Related Persons and Entities, and Subconsultants from any and all Claims, duties, demands, causes of action, obligations, performance bonds, damages, losses, liens, costs, fees, and expenses of every kind and nature whatsoever, known or unknown, fixed or contingent, past, present and future, arising from, or in any way related, in whole or in part, to the design, engineering, construction, inspection, testing, supervision, manufacture, warranty, defect claims, including, without limitation, patent or latent defects, or other matters arising out of or connected with the work performed and/or the materials provided by the Parties to the City prior to the Effective Date.

5. Release by Stantec

Stantec, or itself and its shareholders, officers, directors, administrators, managers, owners, principals, agents, employees, affiliates, assignors, attorneys, predecessors, successors, and assigns, releases and forever discharges and covenants not to sue the City and its administrators, managers, owners, principals, agents, employees, affiliates, assignors, attorneys, predecessors, successors, and assigns, from or on any and all Claims, duties, demands, causes of action, obligations, liens, damages, losses, costs,

attorneys' fees and expenses of every kind and nature whatsoever, known or unknown, suspected or unsuspected as of the Effective Date, including all claims that relate in any way to a cause or thing arising out of or connected with the work performed and/or the materials provided by the Parties as to the Project. Notwithstanding any language in this Section 5 to the contrary, Stantec does not release its Subconsultants from any Claims of any kind or nature.

6. Release by Kruth

Kruth, for himself and for his administrators, managers, owners, principals, agents, employees, affiliates, assignors, attorneys, predecessors, successors, and assigns, releases and forever discharges and covenants not to sue the City, and its administrators, managers, owners, principals, agents, employees, affiliates, assignors, attorneys, predecessors, successors, and assigns, from or on any and all Claims, duties, demands, causes of action, obligations, liens, damages, losses, costs, attorneys' fees and expenses of every kind and nature whatsoever, known or unknown, suspected or unsuspected as of the Effective Date, including all claims that relate in any way to a cause or thing arising out of or connected with the work performed and/or the materials provided by the Parties as to the Project. Notwithstanding any language in this Section 5 to the contrary, Kruth does not release his Subconsultants from any Claims of any kind or nature.

7. Request for Dismissal with Prejudice

Upon transmittal of the settlement payments by Stantec and Kruth to the City's counsel and execution of this Settlement Agreement, the City's counsel shall file the executed Request for Dismissal, with prejudice, of the Complaint in the Action as to Stantec and Kruth within 10 days.

8. Waiver of Civil Code § 1542

As to the above general releases, the Parties hereby acknowledge that they have been fully advised of the contents of California Civil Code Section 1542, which reads as follows:

Section 1542. (General Release; extent.) 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.

The Parties hereby expressly waive and relinquish all rights and benefits under Section 1542 and any law or legal principle of similar effect in any jurisdiction with respect to the releases granted in this Settlement Agreement.

TC

9. Repairs and Handling of Settlement Amounts

The City acknowledges and agrees that it is solely and completely responsible for any and all redesign, repairs, remediation, corrective work and/or maintenance performed and/or not performed at the Project. Stantec and Kruth bear no responsibility whatsoever as to said redesign, repairs, remediation, corrective work and/or maintenance, or for determining how the settlement monies shall be divided, distributed, or spent, or to remedy any of the Claims released herein.

10. Authority to Sign

The Parties represent that each person signing this Settlement Agreement has the authority necessary to execute this Settlement Agreement on behalf of the party or entity for whom or which he or she is acting, and that upon execution of the Settlement Agreement, it will be fully binding and enforceable in accordance with its terms, and that no other consents or approval of any kind are required or necessary for this Settlement Agreement to be binding.

11. Advice of Counsel

Each of the Parties, by execution of this Settlement Agreement, represent that it has reviewed each term of this Agreement with legal counsel, and that hereafter it shall not deny the validity of this Settlement Agreement on the grounds that they did not have advice of counsel.

12. No Admission of Liability

This Settlement Agreement is a compromise of disputed claims. In executing this Settlement Agreement or making the payments provided for hereunder, no Party to this Settlement Agreement is admitting the sufficiency of any claims, allegations, assertions, contentions, or positions of any other Party or the sufficiency of defenses to any such claims, allegations, assertions, contentions or positions. The Parties acknowledge that this is a Settlement of disputed and unproven claims, and that Stantec and Kruth deny any liability or wrongdoing whatsoever.

13. Litigation Costs

The Parties acknowledge and agree that each Party will bear its or his own attorneys' fees and costs and will not seek recovery of litigation costs, attorneys' fees, or other related fees and costs as a result of or in connection with the Action.

In the event of any breach of this Settlement Agreement, any action taken to enforce this Settlement Agreement or address a breach thereof, or any claim arising out of, relating to, or involving the enforcement of this Settlement Agreement in any way, the prevailing party may be entitled to an award of its or his reasonable attorneys' fees and

any costs incurred in connection with such an action, including non-taxable costs and legal expenses.

14. Binding Effect

The Parties agree that this Settlement Agreement shall inure to the benefit of and be binding on the Parties to this Settlement Agreement and their Related Persons and Entities arising out of or relating to the Claims and the Project alleged in the Action.

15. Governing Law

The Parties agree that this Settlement Agreement shall be interpreted in accordance and be governed in all respects by the laws of the State of California.

16. Negotiated Settlement Agreement

The Parties acknowledge and agree with one another that this Settlement Agreement is and was the product of negotiation, and each of the Parties was represented by counsel, who had an opportunity to review and comment on the Settlement Agreement. In the event of a dispute concerning the interpretation of any provision of this Settlement Agreement or any related document, the rule of construction to the effect that certain ambiguities are to be construed against the Party drafting a document, including but not limited to California Code of Civil Procedure Section 1654, will not apply.

17. Amendment and Waiver

This Settlement Agreement may be amended only by a written agreement executed by the Parties at the time of the modification. No breach of any provision hereof can be waived unless in writing. Waiver of any breach of any one provision hereof shall not be deemed to be a waiver of any breach of the same or other provisions hereof.

18. Entire Agreement

This Settlement Agreement sets forth the entire agreement of the Parties pertaining to the subject matter contained herein and supersedes all prior and contemporaneous agreements, representations, and understanding of the Parties. There are no other covenants, agreements, promises, terms, provisions, conditions, undertakings or understandings, either oral or written, concerning the Settlement Agreement. This Settlement Agreement may not be contradicted, explained, or supplemented by any prior or contemporaneous written or oral statements, proposals, or representations. All prior contemporaneous agreements, understandings, representations and statements, oral or written, are merged and fully integrated into this Settlement Agreement

TC

19. Severability

The Parties agree that the provisions of this Settlement Agreement are severable, and if any part of it is found to be unenforceable, the other provisions shall remain fully valid and enforceable.

20. Counterparts

The Parties agree that this Settlement Agreement may be executed in counterparts, and all such counterparts shall constitute an agreement which shall be binding upon all Parties hereto, notwithstanding that the signatures of all Parties' designated representatives appear on the same page.

21. Enforcement

The Parties have the right to enforce any provisions of this Settlement Agreement by filing any appropriate action, proceeding, or motion, including without limitation, a motion pursuant to California Code of Civil Procedure Section 664.6 or 664.7 to enforce the Settlement Agreement. Each Party further agrees that the Court in this Action shall retain jurisdiction over the Parties even after the Action is dismissed to hear any motion or other matter regarding enforcement of the Settlement Agreement pursuant to Section 664.6 or 664.7.

22. Ownership of Claims

The Parties represent that they are the owners of all rights and title with respect to the Project and Claims released herein and that said rights, title and released Claims have not been assigned, and/or transferred or hypothecated, whether voluntarily or involuntarily, by subrogation, operation of law or otherwise, to any other person or entity.

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TC

23. Headings

The captions and headings used in the Settlement Agreement are inserted for reference purposes only and will not be deemed to define, limit, extend, describe, or affect in any way the meaning, scope, or interpretation of any of the terms of the Settlement Agreement or its intent.

HEREFORE, the Parties have executed this Settlement Agreement to be effective as described above.

DATED: 06/08/17

Mark J. Marin
CITY OF LOYALTON
BY: [Signature]
Its: Mayor

DATED: _____

STANTEC CONSULTING SERVICES, INC.

BY: _____
Its: _____

DATED: _____

RAYMOND KRUTH

BY: _____

[Continued on Next Page]

23. Headings


The captions and headings used in the Settlement Agreement are inserted for reference purposes only and will not be deemed to define, limit, extend, describe, or affect in any way the meaning, scope, or interpretation of any of the terms of the Settlement Agreement or its intent.

HEREFORE, the Parties have executed this Settlement Agreement to be effective as described above.

DATED: _____

CITY OF LOYALTON
BY: _____
Its: _____

DATED: 6/8/2017



STANTEC CONSULTING SERVICES, INC.
BY: Christy J. Leonard
Its: Managing Counsel

DATED: _____

RAYMOND KRUTH
BY: _____

[Continued on Next Page]

23. Headings

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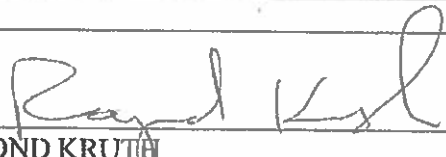
DATED: _____

CITY OF LOYALTON
BY: _____
Its: _____

DATED: _____

STANTEC CONSULTING SERVICES, INC.
BY: _____
Its: _____

DATED: 6/8/2017



RAYMOND KRUTH
BY: RAYMOND KRUTH

[Continued on Next Page]

Approved as to Form:

Date: June 9, 2017

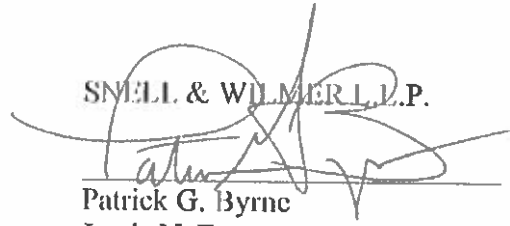
HOY CHRISSINGER KIMMEL
VALLAS



Theodore E. Chrissinger
Attorneys for Stantec Consulting
Services, Inc. and Raymond Kruth

Date: June 13, 2017

SMELL & WILMER, L.L.P.



Patrick G. Byrne
Jamie N. Furst
Attorneys for City of Loyalton

TC

JOHN M. GULLIXSON
ATTORNEY AT LAW

ESTABLISHED 1976 - RETIRED 2016

POST OFFICE BOX 204
6820 ALTIS TRAIL @ LAKE DAVIS ROAD
PORTOLA, CALIFORNIA 96122-0204
TELEPHONE (530) 832-0788 & (714) 777-0877
E-MAIL : GULLIXLAW@AOL.COM

June 29, 2017

CITY OF LOYALTON
605 School Street
P. O. Box 128
Loyalton, California 96118
CITYOFLOYALTON@DIGITALPATH.NET

To: Mayor: Mark Marin
Council Members:
Brooks Mitchell, Nancy Rogers,
Krysten Gallegos & Jason Vandaam

Subject: John M. Gullixson, seeks City Council Compliance
with the State of California Open Meeting Laws;
Specifically with regard to Agenda Item # 14. 1.

1. This scheduled City Council Meeting for June 29, 2017 is in violation of Brown Act in that a member of the public can not adequately ascertain what the whole of the City action requested in agenda item 14. 1. is; also there is no posting affidavit stating that the Agenda has been posted at least 72-hours prior to the time set for the meeting in designated places within the City and that all documents, reports and/or detailed conversations pertaining to agenda action items were also made available to the public

2. Demand is made under Government Code 54960 (a) to cure and remedy Brown Act violations by delaying any hearings or actions on this agenda and specifically agenda item 14. 1. until Brown Act compliance is met;

3. Agenda item 14. 1. purports to discuss and take possible action to turnover three inactive wells on the Goicoechea property to the property owner, David Goicoechea. First, nowhere in the agenda is a "well" defined so that a member of the public can ascertain what is completely meant by the reference to a well. Is it a hole in the ground from which water can be drawn out; is it a pump house; a water pump; a water pipeline; a water tank; an abandonment of water rights and/or easements; or is it all of the

above. Second, nowhere in the agenda can a member of the public ascertain where each of the three inactive wells are located on the Goicoechea property. Third, has the Mayor or any other representative of the City discussed this matter with Mr. Goicoechea; when did these conversations occur and with whom and what was the content of each of the conversations. Fourth, what is intended by the term "turn over" in the agenda item; how will the proposed "turn over" be accomplished; will contracts or deeds be prepared and if so by whom; will an assumption of liability be part of the "turn over" and if so by whom; have each of the wells been metered in compliance with California law and if so what are the water productions levels for each such well; and what is the value of each well, the equipment for each well and have the wells and/or equipment attached thereto been declared by the City to be surplus and have each been appraised by a certified appraiser; Fifth, has the Mayor or any other representative of the City discussed this matter with members of the California Water Resources Board; when did these conversations occur and with whom and what was the content of each of the conversations. Sixth, is the "turn over" to include an exchange of consideration or money from David Goicoechea to the City.

4. The Brown Act is further violated in that Sierra Valley Development Company, LLC, John M. Gullixson, President of SVDC, LLC is a real party in interest, who was not given direct written Public Hearing notice of this meeting to which he is entitled when the City seeks to take action regarding a project under CEQA on the Goicoechea property which is adjacent to SVDC, LLC real property. Mr. Gullixson asserts he did not receive such notice of this hearing and that he and all other citizens are entitled under California law to notice of City Council meetings with all agendas, reports and supporting documents being made available in a timely and code compliant fashion;

5. Mr. Gullixson asserts that his company has the right of first refusal if the City determines to abandon the easement and spring it has deeded rights to on the SVDC, LLC property but which the City has not used in over ten years;

6. Mr. Gullixson asserts that the transfer of rights to this spring or any attachments thereon located on the SVDC, LLC property would be a "common law and regulatory taking" which can subject the City to suit and damage claims along with any other prospective defendant to whom the City puts into the position of receiving complainants interests in property and to whom quiet title action may be required;

7. Mr. Gullixson asserts that a transfer of the City easement to Mr. Gochichea on a water well is a transfer of water rights and that Agenda item 14. 1. violates government code provisions which make water right transfers subject to public hearing notice to and subsequent administrative review by the California Water

Resources Board, that such a transfer requires the City to follow public hearing procedures to declare the water rights as surplus with the City Planning Commission seeking an appraisal of same pursuant to Government Code Sec. 65042 (a);

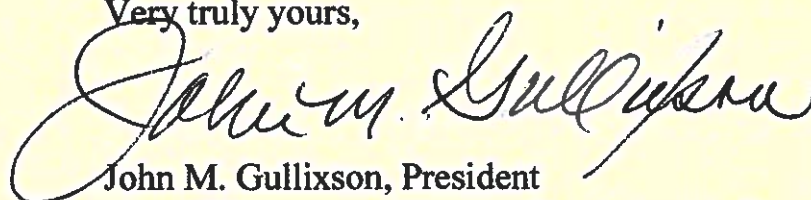
8. Mr. Gullixson asserts that this proposed transfer is also a project under the California Environmental Quality Act and violates those sections of the Government Code in that the water sought to be transferred will compound water contamination and pollution, compounding waste water treatment and costs caused by cattle;

9. Mr. Gullixson asserts that before an administrative review by the Water Resources Board the well must be compliant with state regulations, the volume and flow of water must have been measured appropriately and the well must have had a meter installed, none of which has been accomplished by the City of Loyalton at this time.

For the above reasons, the City of Loyalton City Council must meet the requirements of the Brown Act before it has standing to do any business on behalf of the City. Willful violation of the Brown Act can subject the violators (City Council Members) to criminal misdemeanor punishment under the Open Meeting laws of the State of California and/or civil suit. If the City determines to follow through with these actions, do it the right way. Failure to follow the law is nothing more than a continuing financial burden upon the citizens of the City of Loyalton. This real party in interest would like to help the City through these processes because a better stronger City of Loyalton is an attribute to all property owners in the vicinity.

Lastly, your last City Council Meeting was canceled after I pointed out to Mayor Marin the failure to comply with the Brown Act Open Meeting laws. It is the intent of SVDC, LLC to be a good neighbor, to seek resolution and compromise with the City when we can so this City thrives in the future. However, I asked the City Attorney to set up a meeting with me so I could understand exactly what the Mayor's agenda item included as set forth above. However, such a meeting has not been set; we urge you to meet with us.

Very truly yours,



John M. Gullixson, President
Sierra Valley Development Company, LLC

Kathy LeBlanc

From: Steven C. Gross [gross@PorterSimon.com]
Sent: Thursday, June 22, 2017 2:02 PM
To: Kathy LeBlanc
Cc: Aparna Reddy
Subject: Verizon Lease
Attachments: Verizon Tower Lease (red line 06 21 17) (00670324xB33D7).docx

Kathy,

Please provide a copy of this email and the attached redline of the draft lease with Verizon to Mayor Marin. Thanks

Attached is a draft redline lease that my associate Aparna and I have worked on. Pursuant to our review and our discussion. As discussed, below are the items we wanted to especially point out to you for your input. If there are additional comments on the attached, please let me know and I will incorporate into the draft.

1. **Rental Payment (Section 3):** Verizon initially said \$18,000 a year and now they are at \$10,800 with no annual increase and a 7% increase with each extension term instead of a CPI rent increase annually. We advise going back to Verizon with a 3% annual increase and leave the rest as proposed.
2. **Relocation (Section 23):** We had included a provision allowing Loylton to require Verizon to relocate the tower on the property one time at their expense and to relocate subsequent times at Loylton's expense. Verizon has removed the entire provision. Is this something that we should push back on?

Its important to note that we recently negotiated the same terms we are pushing back on with AT&T/Crown Castle and T-Mobile/Crown Castle, so if Verizon tries to pull the "industry standard" card, we can easily refute that. Thanks Mark

Steve



Steven C. Gross
PORTER SIMON | Professional Corporation
40200 Truckee Airport Road, Suite One | Truckee, CA 96161
530.587.2002 ext. 4485 | 530.587.1316 fax

gross@portersimon.com | www.portersimon.com

CONFIDENTIALITY NOTICE: This communication and any accompanying documents are confidential and privileged. They are intended for the sole use of the addressee. If you receive this transmission in error, you are advised that any disclosure, copying, distribution, or taking of any action in reliance upon the communication is strictly prohibited. Moreover, any such inadvertent disclosure shall not compromise or waive the attorney-client privilege as to this communication or otherwise. If you have received this communication in error please contact me by e-mail or by telephone at (530) 587-2002. Thank you.

6-22-17

OPTION AND LAND LEASE AGREEMENT

This Option and Land Lease Agreement (this "Agreement") is made as of the latter signature date below between The City of Loyalton, a California municipal corporation, hereinafter designated LESSOR with an address of 605 School Street, Loyalton, California 96118 and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless, with its principal offices located at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 (telephone number 866-862-4404), hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

LESSOR is the owner of that certain real property located in the City of Loyalton, County of Sierra, State of California, known as Assessor's Parcel Number 016-040-087-0 (hereinafter the "Property"), as legally described herein in Exhibit "A" attached hereto and made a part hereof. LESSEE desires to obtain an option to lease a portion of said Property, such portion being described as an approximate thirty foot by thirty foot (30' x 30') area containing approximately nine hundred (900) square feet (the "Land Space"); together with the non-exclusive right (the "Rights of Way") for ingress and egress, seven (7) days a week twenty-four (24) hours a day, on foot or motor vehicle, including trucks over or along a twelve foot (12') wide right-of-way extending from the nearest public right-of-way, Hill Street, to the Land Space, and for the installation and maintenance of utility wires, poles, cables, conduits, and pipes over, under, or along one or more rights of way from and between the Land Space, said Land Space and Rights of Way (hereinafter collectively referred to as the "Premises") being as described herein in Exhibit "B" attached hereto and made a part hereof. **[SUBJECT TO RECEIPT AND APPROVAL OF FINAL SITE PLANS]**

NOW THEREFORE, in consideration of the sum of Seven Hundred and 00/100 Dollars (\$700.00), to be paid by LESSEE to LESSOR, LESSOR hereby grants to LESSEE the right and option to lease said Premises, for the term and in accordance with the covenants and conditions set forth herein. The foregoing payment shall be made by LESSEE within sixty (60) days of full execution of this Agreement or of receipt by LESSEE from LESSOR of the Rental Documentation, as defined in and in accordance with Paragraph 3 of the Agreement below, whichever occurs later. Unless waived by LESSEE, the providing by LESSOR of Rental Documentation to LESSEE shall be a prerequisite for the payment of the foregoing amount or any other option or rental payment, if applicable, by LESSEE, LESSEE shall have no obligation to make any payment(s) until Rental Documentation has been supplied to LESSEE.

The option may be exercised at any time on or prior to twelve (12) months after the date of full execution of this Agreement. However, if the option has not been exercised prior to eleven (11) months after the date of full execution of this Agreement, LESSEE may extend it for one additional period of twelve (12) months, by giving written notice to LESSOR prior to the expiration of the initial twelve (12) month option period of its desire to extend the option period for an additional twelve (12) months. If the option is extended, LESSEE shall make an additional payment of Seven Hundred and 00/100 Dollars (\$700.00) to LESSOR within thirty (30) days of the option being extended, provided LESSOR has supplied to LESSEE the Rental Documentation, as defined in and in accordance with Paragraph 3 of the Agreement below,. The time during which the option may be exercised may be further extended by mutual agreement in writing. If during said option period, or during the term of the lease, if the option is exercised, LESSOR decides to subdivide, sell or change the status of the Property or the Property LESSOR shall immediately notify LESSEE in writing so that LESSEE can take steps necessary to protect LESSEE's interest in the Premises.

This option may be sold, assigned or transferred by LESSEE without any approval or consent of LESSOR to LESSEE's principal, affiliates, subsidiaries of its principal; to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization; or to any entity which acquires or receives an interest in the majority of communication towers of LESSEE in the market defined by the Federal Communications Commission in which the Property is located. Within ninety (90) days of the date of such sale, assignment or transfer, LESSEE shall provide written notice to LESSOR of said sale, assignment or transfer As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder.

Should LESSEE fail to exercise this option or any extension thereof within the time herein limited, all rights and privileges granted hereunder shall be deemed completely surrendered, this option terminated, and LESSOR shall retain all money paid for the option, and no additional money shall be payable by either Party to the other.

LESSOR shall reasonably cooperate with LESSEE, at LESSEE's sole cost and expense, in its effort to obtain all certificates, permits and other approvals that may be required by any Federal, State or Local authorities which will permit LESSEE use of the Premises. LESSOR shall take no action which would adversely affect the status of the Property with respect to the proposed use by LESSEE.

LESSOR shall permit LESSEE, during the option period, free ingress and egress to the Premises to conduct such surveys, inspections, structural strength analysis, subsurface soil tests, and other activities of a similar nature as LESSEE may deem necessary (collectively the "Tests"), at the sole cost of LESSEE. LESSEE shall provide LESSOR a minimum of seven (7) days advance notice before it or any of its employees, agents or contractors access the Premises and shall schedule and coordinate any and all Tests such that LESSOR, its employees, agents or contractors may be present on the Premises when the Tests are conducted. Within seven (7) days of receiving any report or documentation pertaining to a Test, LESSEE shall provide a true, correct and complete copy of such report or documentation to LESSOR.

Comment [AR1]: Loyalton needs access to test results of its own property.

LESSOR agrees to execute a Memorandum of this Option to Lease Agreement which LESSEE may record with the appropriate Recording Officer. The date set forth in the Memorandum of Option to Lease is for recording purposes only and bears no reference to commencement of either term or rent payments.

Notice of the exercise of the option ("Notice") shall be given by LESSEE to LESSOR in writing by certified mail, return receipt requested, or by commercial courier, provided the courier's regular business is delivery service. LESSEE shall be deemed to have exercised the option and the following agreement shall take effect on the date specified in writing by LESSEE in the Notice, provided such date shall not be later than the date of the expiration of the option period.

LAND LEASE AGREEMENT

This Land Lease Agreement (the "Agreement") is made as of the latter signature date below. The City of Loyalton, a California municipal corporation, hereinafter designated LESSOR with an address of 605 School Street, Loyalton, California 96118 and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless, with its principal offices located at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 (telephone number 866-862-4404), hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

1. **PREMISES.** LESSOR hereby leases to LESSEE a portion of that certain parcel of property, located in the City of Loyalton, County of Sierra, State of California, known as Assessor's Parcel Number 016-040-087-0, as legally described on Exhibit "A" attached hereto and made a part hereof (the "Property"), said portion being described as a thirty foot by thirty foot (30' x 30') area containing approximately nine hundred (900) square feet (the "Land Space"); together with the non-exclusive right (the "Rights of Way") for ingress and egress, seven (7) days a week twenty-four (24) hours a day, on foot or motor vehicle, including trucks over or along a twelve foot (12') wide right-of-way extending from the nearest public right-of-way, Hill Street, to the Land Space, and for the installation and maintenance of utility wires, poles, cables, conduits, and pipes over, under, or along one or more rights of way from the Land Space, said Land Space and Rights of Way (hereinafter collectively referred to as the "Premises") being as described herein in Exhibit "B" attached hereto and made a part hereof. **[SUBJECT TO RECEIPT AND APPROVAL OF FINAL SITE PLANS]**

In the event any public utility is unable to use the Rights of Way, LESSOR hereby agrees to grant an alternative additional right-of-way in a mutually agreeable location that is no larger than existing Rights of Way and limited for the purpose hereunder either to LESSEE or to the public utility at no cost to LESSEE.

2. **SURVEY.** LESSOR also hereby grants to LESSEE the right to survey the Property and the Premises. LESSEE shall survey the Property and the Premises and provide a copy to LESSEE for review and approval. Upon LESSEE's approval, said survey shall then become Exhibit "C" which shall be attached hereto and made a part hereof, and shall control in the event of boundary and access discrepancies between it and Exhibit "B." Cost for such work shall be borne by LESSEE.

3. **TERM; RENTAL.** This Agreement shall be effective as of the date of full execution by both Parties, provided, however, the initial term shall be for five (5) years and shall commence on the Commencement Date (as hereinafter defined) at which time rental payments shall commence and be due at a total annual rental of ~~Ten Eight Thousand Eight Four Hundred and 00/100 Dollars (\$10,800.00)~~ ~~(\$8,400.00)~~ to be paid in equal monthly installments on the first day of the month, in advance, to LESSOR or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice given in accordance with Paragraph 23 below. Any payment not received by LESSOR within thirty (30) days after the due date shall accrue a late fee at an interest rate of one percent (1%) per month, beginning with the thirty-first (31st) day until paid in full, subject to a minimum late fee of Twenty-Five and 00/100 Dollars (\$25.00). Late fees will not be charged on past due balances of Twenty-Five and 00/100 Dollars (\$25.00) or less. ~~Beginning on the first anniversary of the date that this Agreement became effective and on each anniversary thereafter, including each anniversary during any extended term, (the "Adjustment Date"), the total annual rental shall increase based on the Consumer Price Index published by the Bureau of Labor and Statistics of the United States Department of Labor for all Urban Consumers, US City Average ("CPI-U") indicator and shall be determined by dividing the CPI-U indicator, published three (3) months prior to the Adjustment Date, by the CPI-U indicator published one (1) year and three (3) months prior to the Adjustment Date, and multiplying the resultant number by the total annual lease rental amount of the most recent rent ("Regular Rent Escalation").~~ Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE. The Commencement Date shall be the first day of the month in which notice of the exercise of the option, as set forth above, is effective. However, LESSOR and LESSEE acknowledge and agree that initial rental payment(s) shall not actually be sent by LESSEE until sixty (60) days after the exercise of the option is effective.

Comment [BN2]: Verizon does not do CPI rent increases. LL agreed to 7% term increases.

LESSOR hereby agrees to provide to LESSEE certain documentation (the "Rental Documentation") evidencing LESSOR's interest in, and right to receive payments under, this Agreement, including without limitation: (i) documentation, acceptable to LESSEE in LESSEE's reasonable discretion, evidencing LESSOR's good and sufficient title to and/or interest in the Property and right to receive rental payments and other benefits hereunder; (ii) a complete and fully executed Internal Revenue Service Form W-9, or equivalent, in a form acceptable to LESSEE, for any party to whom rental payments are to be made pursuant to this Agreement; and (iii) other documentation requested as mutually agreed by LESSOR and LESSEE. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. Unless waived by LESSEE, the Rental Documentation shall be provided to LESSEE in accordance with the provisions of and at the address given in Paragraph 23. Delivery of Rental Documentation to LESSEE shall be a prerequisite for the payment of any rent by LESSEE and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments until Rental Documentation has been supplied to LESSEE as provided herein. If LESSEE does not pay rent due to the fact that it has not received Rental Documentation from LESSOR, the full amount of such unpaid rent shall be paid together with the payment of rent first due after LESSOR provides LESSEE with such Rental Documentation.

Within fifteen (15) days of obtaining an interest in the Property or this Agreement, any assignee(s) or transferee(s) of LESSOR shall provide to LESSEE Rental Documentation in the manner set forth in the preceding paragraph. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, any assignee(s) or transferee(s) of LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. Delivery of Rental Documentation to LESSEE by any assignee(s) or transferee(s) of LESSOR shall be a prerequisite for the payment of any rent by LESSEE to such party and

notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments to any assignee(s) or transferee(s) of LESSOR until Rental Documentation has been supplied to LESSEE as provided herein. If LESSEE does not pay rent due to the fact that it has not received Rental Documentation from any assignee(s), or transferee(s) of LESSOR, the full amount of such unpaid rent shall be paid together with the payment of rent first due after said assignee(s) or transferee(s) of LESSOR provides LESSEE with such Rental Documentation.

4. **EXTENSIONS.** This Agreement shall automatically be extended for four (4) additional five (5) year terms unless LESSEE terminates it at the end of the then current term by giving LESSOR written notice of the intent to terminate at least three (3) months and no more than six (6) months prior to the end of the then current term. This Agreement may not be extended if LESSEE is in breach of or has not complied with any of the terms of this Agreement at the start of each additional five (5) term.

5. **EXTENSION RENTALS.** Beginning upon the first day of the commencement of the first (1st) five (5) year extension term, and upon the first day of the commencement of each five (5) year extension term thereafter during the Term (as defined below), LESSEE's annual rent shall increase by an amount equal to seven percent (7%) of the annual rent paid during the last twelve (12) month period of the immediately preceding five (5) year term.

6. **ADDITIONAL EXTENSIONS.** LESSOR shall consider continuing this Agreement in force upon the same covenants, terms and conditions for a further term of five (5) years and for optional five (5) year extension terms thereafter if LESSEE provides written request to LESSOR at least three (3) months from the end of the fourth (4th) five (5) year extension term. Annual rental for each such additional five (5) year term shall be negotiated by the parties prior to the end of the fourth (4th) five (5) year extension term. . The initial term and all extensions shall be collectively referred to herein as the "Term."

7. **TAXES.** LESSEE shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property which are directly attributable to LESSEE's use of the Premises and/or the installation, maintenance, and operation of LESSEE's improvements, and any sales tax imposed on the rent (except to the extent that LESSEE is or may become exempt from the payment of sales tax in the jurisdiction in which the Property is located), including any increase in real estate taxes at the Property which are directly attributable to LESSEE's improvements and/or LESSEE's use of the Premises. LESSOR and LESSEE shall each be responsible for the payment of any taxes, levies, assessments and other charges imposed including franchise and similar taxes imposed upon the business conducted by LESSOR or LESSEE, respectively, at the Property. Notwithstanding the foregoing, LESSEE shall not have the obligation to pay any tax, assessment, or charge that LESSEE is disputing in good faith in appropriate proceedings prior to a final determination that such tax is properly assessed provided that no lien attaches to the Property. Nothing in this Paragraph shall be construed as making LESSEE liable for any portion of LESSOR's income taxes in connection with any Property or otherwise.

LESSEE shall have the right, at its sole option and at its sole cost and expense, to appeal, challenge or seek modification of any tax assessment or billing for which LESSEE is wholly or partly responsible for payment and LESSOR shall not be required to join in any such effort. In the event that as a result of any appeal or challenge by LESSEE, there is a reduction, credit or repayment received by LESSOR for any taxes previously paid by LESSEE, LESSOR agrees to promptly reimburse to LESSEE the amount of said reduction, credit or repayment. In the event that LESSEE does not have the standing rights to pursue a good faith and reasonable dispute of any taxes under this paragraph, LESSOR, upon written request of LESSEE, hereby grants to LESSEE the right to pursue such dispute on behalf of LESSOR at LESSEE's sole cost and expense.

8. USE: GOVERNMENTAL APPROVALS

a. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating the communications equipment and facilities described in the description of LESSEE's facilities attached as Exhibit C and made a part hereof by this reference (collectively, "LESSEE's Facilities"); and uses incidental thereto. A security fence consisting of chain link construction or similar but comparable construction may be placed around the perimeter of the Premises at the discretion of LESSEE (not including the access easement). All "like for like" or substantially similar replacements, modifications or

Comment [BN3]: What happened to this section?

Comment [AR4]: Formatting is off. Section 9 should be (a).

upgrades of similar weight, size and dimension to LESSEE's Facilities within the Premises shall be at LESSEE's expense and their installation shall be at the discretion and option of LESSEE. LESSEE shall have the right to conduct "like for like" or substantially similar replacements, modifications or upgrades of similar weight, size and dimension to LESSEE's Facilities within the Premises replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which Lessee's Facilities the equipment operates, whether the equipment, antennas, conduits or frequencies are specified or not on any exhibit attached hereto, during the Term. LESSEE shall obtain prior consent from LESSOR for any change to expand the ground space of the Premises, any change that adds additional antenna panels or any change in the overall height of LESSEE's Facilities, which consent shall not be unreasonably withheld, conditioned, or delayed. Prior to commencing any change to add additional antenna panels or any change in the overall height of LESSEE's Facilities, LESSEE shall submit one (1) complete set of engineering plans and specifications of the planned installation ("LESSEE's Plans") to LESSOR for LESSOR's review and written approval. LESSOR shall provide such approval or provide LESSEE with its requests for changes within ten (10) business days of LESSOR's receipt of LESSEE's Plans. If LESSOR does not provide such approval, request for changes, or request an extension of time within ten (10) business days, LESSOR shall be deemed to have not approved LESSEE's Plans.

Comment [AR5]: The agreement is for certain facilities. We understand that these may change overtime, but Loyalton needs the ability to approve any substantial changes on its property.

Comment [AR6]: Same comment as above. Loyalton needs to have approval rights.

Comment [AR7]: Loyalton needs to affirmatively approve the requests.

a-h. LESSEE shall cause all construction to occur lien-free, within the Property and in compliance with all applicable laws and ordinances. If any lien is filed against the Premises or Property as a result of acts or omissions of LESSEE or LESSEE's employees, agents or contractors, LESSEE shall discharge the lien or bond the lien off in a manner reasonably satisfactory to Lessor within ninety (90) days after LESSOR receives written notice that the lien has been filed, or as soon thereafter as is reasonably practical.

b-c. During the Term of this Agreement, LESSEE must provide LESSOR with at least twenty-four (24) hours notice ahead of any routine maintenance work.

c-d. It is understood and agreed that LESSEE's ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as satisfactory soil boring tests which will permit LESSEE use of the Premises as set forth above. LESSOR, at LESSEE's cost, shall cooperate with LESSEE in its effort to obtain such approvals and shall take no action which would adversely affect the status of the Property with respect to the proposed use thereof by LESSEE. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected; (ii) any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority; (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner; or (iv) LESSEE determines that any soil boring tests are unsatisfactory LESSEE shall have the right to immediately terminate the Agreement. In the event that (i) LESSEE determines that the Premises is no longer technically compatible for its use, or (ii) LESSEE, in its sole discretion, determines that the use of the Premises is obsolete or unnecessary, LESSEE shall have the right to terminate this Agreement upon one hundred eighty (180) days written notice to LESSOR. All rentals paid to said termination date shall be retained by LESSOR. Upon such termination, this Agreement shall be of no further force or effect except to the extent of the representations, warranties and indemnities made by each Party to the other hereunder. Otherwise, LESSEE shall have no further obligations for the payment of rent to LESSOR.

8.9. MAINTENANCE. LESSEE shall, at its sole expense, maintain the Premises and LESSEE's Facilities and all improvements, equipment and other personal property on the Premises in good working order, condition and repair to LESSOR's satisfaction. LESSEE shall keep the Premises and LESSEE's Facilities free of rubbish, refuse and other debris and in a neat, clean and safe condition. Graffiti shall be removed from the Premises

within thirty (30) days of LESSEE becoming aware of it or receiving notice thereof, or as soon thereafter as is reasonably practical. LESSEE shall maintain painted and finished surfaces of the Premises to avoid (and if necessary promptly repair) any scaling, chipping or peeling of paint or other finishes. LESSEE must repair damages to the extent caused by LESSEE as soon as reasonably possible after LESSOR notifies LESSEE of such damage in writing, but in no case shall repairs commence later than five (5) business days after LESSEE's receipt of LESSOR's written notice to the extent reasonably feasible. LESSEE agrees to paint the tower on the Premises within twelve (12) months of the full execution of this Agreement.

~~LESSOR shall have the right to inspect the Premises to determine compliance with the terms of this Agreement, provided that reasonable prior written notice is provided to LESSEE to allow for an agreement on the date and time of the inspection. In the event of emergency, where LESSOR cannot reasonably comply with the foregoing notice requirement, LESSOR shall have the right to access the Premises and LESSOR shall, within forty-eight (48) hours following actual notice of emergency access, inform LESSEE of (i) the date and time of emergency access and (ii) the nature of the event requiring emergency access. Nothing in this section prevents LESSOR from visually inspecting the Premises from its Property without prior written notice or agreement on the date and time of an inspection.~~

Comment [AR8]: What is the objection to Loyaltan being able to inspect its own property?

9.10. INDEMNIFICATION. Each Party shall indemnify and hold the other harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the indemnifying Party, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents.

9.11. INSURANCE.

- a. Notwithstanding the indemnity in Paragraph 10 above, the Parties hereby waive and release any and all rights of action for negligence against the other which may hereafter arise on account of damage to the Premises or to the Property, resulting from any fire, or other casualty of the kind covered by standard fire insurance policies with extended coverage, regardless of whether or not, or in what amounts, such insurance is now or hereafter carried by the Parties, or either of them. These waivers and releases shall apply between the Parties and they shall also apply to any claims under or through either Party as a result of any asserted right of subrogation. All such policies of insurance obtained by either Party concerning the Premises or the Property shall waive the insurer's right of subrogation against the other Party.
- b. LESSEE will maintain at its own cost:
 - i. Commercial General Liability insurance with limits not less than Five Two Million Dollars (\$5,200,000) for injury to or death of one or more persons in any one occurrence and Five Hundred Thousand Dollars (\$500,000) for damage or destruction to property in any one occurrence;
 - ii. Commercial Auto Liability insurance on all owned, non-owned and hired automobiles with a minimum combined limit of not less than One Million Dollars (\$1,000,000) per occurrence; and
 - iii. Workers Compensation insurance providing the statutory benefits and not less than One Million Dollars (\$1,000,000) of Employers Liability coverage.

LESSEE will include LESSOR as an additional insured on the Commercial General Liability and Auto Liability policies.

- c. LESSEE will include LESSOR and any subsidiary entities of LESSOR, now existing or hereafter created, and their respective officers, boards, commissions, trustees, employees, and agents as a additional insureds on the Commercial General Liability and Auto Liability policies.

d. All insurance shall be effected under valid and enforceable policies, insured by insurers licensed to do business by the State of California or (if allowed by the laws of the State of California) surplus line carriers on the State of California Insurance Commissioner's (or the functional equivalent thereof) approved list of companies qualified to do business in the State of California. All insurance carriers and surplus line carriers shall be rated A or better by A.M. Best Company.

e. Upon the commencement of each extension term, LESSOR retains the right at any time to review the coverage, form and amount of insurance required in this Lease. If LESSOR determines that the insurance provisions set forth herein do not provide adequate protection, it may require LESSEE to obtain additional insurance. LESSOR's determination that additional insurance coverage is required shall be limited to only what is reasonably necessary to protect against risks actually posed by operation of the Premises under the terms of this Lease.

Comment [AR9]: Loylton needs to be able to review insurance requirements and make sure adequate insurance is in place. Particularly given th this agreement is essentially for 30 years.

11. **LIMITATION OF LIABILITY.** Except for indemnification pursuant to Paragraphs 9 and 29, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

12. **ANNUAL TERMINATION.** Notwithstanding anything to the contrary contained herein, provided LESSEE is not in default hereunder beyond applicable notice and cure periods, LESSEE shall have the right to terminate this Agreement upon the annual anniversary of the Commencement Date provided that three (3) months prior notice is given to LESSOR.

13. **INTERFERENCE.**

- a. LESSEE agrees to install equipment of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to any equipment of LESSOR or other lessees of the Property. LESSEE shall maintain compliance with Federal radio frequency exposure limit rules,
- b. In the event any after-installed LESSEE's equipment causes such interference, and after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference, including but not limited to, at LESSEE's option, powering down such equipment and later powering up such equipment for intermittent testing. In no event will LESSOR be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a good faith effort to remedy the interference issue
- c. LESSOR agrees that LESSOR and/or any other tenants of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to the then existing equipment of LESSEE. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance
- d. LESSEE shall install and maintain permanent identification and warning signs at LESSEE's Facilities, as may be required by law. The identification signs shall provide LESSEE's site identification number and a working local or toll-free telephone number to LESSEE's network operations center.

14. **REMOVAL AT END OF TERM.** LESSEE shall, within ninety (90) days of the expiration of the Term, or within ninety (90) days after any earlier termination of the Agreement, remove its Facilities, building(s), antenna structure(s) (except footings), equipment, conduits, fixtures and all personal property and restore the Premises to its original condition, reasonable wear and tear and casualty damage excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the

personal property of LESSEE and LESSEE shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and attachments to real property under applicable Laws (as defined in Paragraph 33 below). If such time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall obtain written permission from LESSOR and pay rent at the then existing monthly rate or on the existing monthly pro-rata basis if based upon a longer payment term, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed.

15. **HOLDOVER.** LESSEE has no right to retain possession of the Premises or any part thereof beyond the expiration of that removal period set forth in Paragraph 14 herein, unless the Parties are negotiating a new lease or lease extension in good faith. In the event that the Parties are not in the process of negotiating a new lease or lease extension in good faith, LESSEE holds over in violation of Paragraph 14 and this Paragraph 15, then the rent then in effect payable from and after the time of the expiration or earlier removal period set forth in Paragraph 14 shall be one hundred twenty five percent (125%) of the rent at the expiration or termination of this Agreement.

16. **RIGHT OF FIRST REFUSAL.** If LESSOR elects, during the Term (i) to sell or otherwise transfer all or any portion of the Property, whether separately or as part of a larger parcel of which the Property is a part to any person or entity, other than a governmental entity, or (ii) grant to a third party, other than a governmental entity, by easement or other legal instrument an interest in and to that portion of the Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Agreement to such third party, LESSEE shall have the right of first refusal to meet any bona fide offer of sale or transfer on the same terms and conditions of such offer. If LESSEE fails to meet such bona fide offer within thirty (30) days after written notice thereof from LESSOR, LESSOR may sell or grant the easement or interest in the Property or portion thereof to such third person in accordance with the terms and conditions of such third party offer. For purposes of this Paragraph, any transfer, bequest or devise of LESSOR's interest in the Property as a result of the death of LESSOR, whether by will or intestate succession, or any conveyance to LESSOR's family members by direct conveyance or by conveyance to a trust for the benefit of family members shall not be considered a sale of the Property for which LESSEE has any right of first refusal.

17. **RIGHTS UPON SALE.** Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property to a purchaser other than LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement.

18. **QUIET ENJOYMENT.** LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Premises.

19. **TITLE.** LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, and covenants during the Term that LESSOR is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement. LESSOR further covenants during the Term that there are no liens, judgments or impediments of title on the Property, or affecting LESSOR's title to the same and that there are no covenants, easements or restrictions which prevent or adversely affect the use or occupancy of the Premises by LESSEE as set forth above.

20. **INTEGRATION.** It is agreed and understood that this Agreement contains all agreements, promises and understandings between LESSOR and LESSEE and that no verbal or oral agreements, promises or understandings shall be binding upon either LESSOR or LESSEE in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing signed by the Parties. In the event any provision of the Agreement is found to be invalid or unenforceable, such finding shall not affect the validity and enforceability of the remaining provisions of this Agreement. The failure of either Party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity.

21. **DISPUTE RESOLUTION.** Except as otherwise provided in this Agreement and excepting claims for injunctive or declaratory relief or other provisional or equitable provisional relief, any controversy between LESSOR and LESSEE arising out of this Agreement or breach thereof, is subject to the mediation process described herein. A meeting will be held promptly between LESSOR and LESSEE to attempt in good faith negotiation of a resolution of the dispute. Individuals with decision making authority will attend the meeting regarding the dispute. If within ninety (90) days after such meeting the parties have not succeeded in resolving the dispute they will, within ninety (90) days thereafter submit the dispute to a mutually acceptable third party mediator who is acquainted with dispute resolution methods. In the event the parties are unable to appoint a mutually acceptable mediator, they shall jointly make application to a court with appropriate jurisdiction in the County of Sierra, California, requesting that the court appoint a mediator. LESSOR and LESSEE will participate in good faith in the mediation and in the mediation process. The mediation shall be non-binding. The costs of mediation, including any mediator's fees, and costs for the use of the facilities during the meetings, shall be borne equally by LESSOR and LESSEE. Each party's costs and expenses will be borne by the party incurring them. If the dispute is not resolved by mediation, then either party may initiate litigation.

22. **GOVERNING LAW AND VENUE.** This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the State in which the Property is located and venue for any action or claim arising out of or connected with this Agreement shall reside exclusively in in Sierra County.

ASSIGNMENT. This Agreement may be sold, assigned or transferred by LESSEE without any approval or consent of LESSOR to LESSEE's principal, affiliates (owning fifty percent (50%) or more of the outstanding common stock of LESSEE), subsidiaries of its principal (which has fifty percent (50%) of its common stock owned by LESSEE) or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization Within ninety (90) days of the date of such sale, assignment or transfer, LESSEE shall provide written notice to LESSOR of said sale, assignment or transfer As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder.

23. **RELOCATION.**

LESSOR shall have the one time right to require the relocation of LESSEE's equipment, or any part thereof, to an alternate location provided that (i) the relocation shall be performed exclusively by LESSEE or its agents during the Relocation Period, as defined below, (ii) the relocation shall not result in any interruption of the communications services provided by LESSEE to its customers, including, but not limited to, LESSEE's continuous access, maintenance and operation of LESSEE's equipment, until such time that all tenants, subtenants and sub-licensees that have been permitted by this Agreement are successfully relocated, and (iii) the relocation shall not impair, or in any manner alter, the quality of communications services provided by LESSEE to its customers on and from the Relocation Site as defined below.

To exercise the relocation rights, LESSOR shall provide written notice to LESSEE not less than twelve (12) months prior to the relocation date and shall propose an alternate site to which LESSEE may relocate LESSEE's equipment ("Alternate Site Location"). LESSEE shall have sixty (60) days from the date of the notice to evaluate the Alternate Site Location, including, but not limited to, conducting tests to determine the technological feasibility of the Alternate Site Location and obtaining written approval of all wireless telecommunications providers on the Premises that have been permitted by this Agreement. If LESSEE fails to approve the Alternate Site Location in writing within said sixty (60) day period, LESSEE will be deemed to have not approved such Alternate Site Location. If LESSEE does not approve such Alternate Site Location, LESSOR may then propose another Alternate Site Location by providing notice to LESSEE in the manner set forth above. Upon LESSEE's approval of any proposed Alternate Site Location, both parties will enter into a written agreement concerning the relocation of LESSEE's

~~equipment ("Relocation Agreement") to the Alternate Site Location ("Relocation Site"). LESSOR shall undertake reasonable efforts to provide an Alternate Site Location acceptable to LESSEE. If no Alternate Site Location is available or if LESSEE does not approve an Alternate Site Location, LESSOR may, upon twelve (12) months' written notice, terminate the Agreement.~~

~~Upon relocation of LESSEE's equipment, all references to the Premises in this Agreement shall be deemed to refer to the Relocation Site (including any access and utility easements). The Relocation Site shall be surveyed by a licensed surveyor at the sole cost of LESSEE, in which event such survey shall replace and supersede the description of the Premises under this Agreement. Unless otherwise provided in the Relocation Agreement or any other written agreement of the parties, the relocation of LESSEE's equipment shall not affect, alter, modify or otherwise change any of the terms and conditions of this Agreement.~~

~~The "Relocation Period" shall mean that period of time commencing on the date LESSEE has received all required permits and approvals for the Relocation Site and ending ninety (90) days thereafter. The relocation of LESSEE's equipment to the Relocation Site shall be substantially completed within the Relocation Period, to the extent reasonable feasible.~~

~~LESSEE shall be responsible for one hundred percent (100%) of the cost of the first relocation. In the event LESSOR requires LESSEE to relocate more than one (1) time LESSOR shall be responsible for one hundred percent (100%) of the cost of such relocation.~~

24.24 NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: The City of Loyalton
605 School Street
Loyalton, CA 96118

LESSEE: GTE Mobilnet of California Limited Partnership
d/b/a Verizon Wireless
180 Washington Valley Road
Bedminster, New Jersey 07921
Attention: Network Real Estate
Site: Chico Airport

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

24.25 SUCCESSORS. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.

25.26 SUBORDINATION AND NON-DISTURBANCE. LESSOR shall obtain not later than sixty (60) days following the execution of this Agreement, a Non-Disturbance Agreement, as defined below, from its existing mortgagee(s), ground lessors and master lessors, if any, of the Property. At LESSOR's option, this Agreement shall be subordinate to any future master lease, ground lease, mortgage, deed of trust or other security interest (a "Mortgage") by LESSOR which from time to time may encumber all or part of the Property or right-of-way; provided, however, as a condition precedent to LESSEE being required to subordinate its interest in this Agreement to any future Mortgage covering the Property, LESSOR shall obtain a non-disturbance and attornment agreement for LESSEE's benefit in the form reasonably satisfactory to LESSEE and shall recognize LESSEE's right to remain in occupancy of and have access to the Premises as long as LESSEE is not in default of this Agreement beyond applicable notice and cure periods. In return for such Non-Disturbance Agreement, LESSEE will execute an

agreement for Lender's benefit in which LESSEE (1) confirms that the Agreement is subordinate to the Mortgage or other real property interest in favor of Lender, (2) agrees to attorn to Lender if Lender becomes the owner of the Property and (3) agrees to accept a cure by Lender of any of LESSOR's defaults, provided such cure is completed within the deadline applicable to LESSOR. In the event LESSOR defaults in the payment and/or other performance of any mortgage or other real property interest encumbering the Property, LESSEE, may, at its sole option and without obligation, cure or correct LESSOR's default and upon doing so, LESSEE shall be subrogated to any and all rights, titles, liens and equities of the holders of such mortgage or other real property interest and LESSEE shall be entitled to deduct and setoff against all rents that may otherwise become due under this Agreement the sums paid by LESSEE to cure or correct such defaults.

26-27. RECORDING. LESSOR agrees to execute a Memorandum of this Agreement which LESSEE may record with the appropriate recording officer. The date set forth in the Memorandum of Lease is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

27-28. DEFAULT.

a. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement or its obligations under it, including the payment of rent, LESSOR shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have fifteen (15) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach, provided LESSEE shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSEE commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSOR may not maintain any action or effect any remedies for default against LESSEE unless and until LESSEE has failed to cure the breach within the time periods provided in this Paragraph.

b. In the event there is a breach by LESSOR with respect to any of the provisions of this Agreement or its obligations under it, LESSEE shall give LESSOR written notice of such breach. After receipt of such written notice, LESSOR shall have thirty (30) days in which to cure any such breach, provided LESSOR shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSOR commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSEE may not maintain any action or effect any remedies for default against LESSOR unless and until LESSOR has failed to cure the breach within the time periods provided in this Paragraph. Notwithstanding the foregoing to the contrary, it shall be a default under this Agreement if LESSOR fails, within five (5) days after receipt of written notice of such breach, to perform an obligation required to be performed by LESSOR if the failure to perform such an obligation interferes with LESSEE's ability to conduct its business on the Property; provided, however, that if the nature of LESSOR's obligation is such that more than five (5) days after such notice is reasonably required for its performance, then it shall not be a default under this Agreement if performance is commenced within such five (5) day period and thereafter diligently pursued to completion.

28-29. REMEDIES. Upon a default, the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefor. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located; provided, however, the non-defaulting Party shall use reasonable efforts to mitigate its damages in connection with a default. If LESSOR so performs any of LESSEE's obligations hereunder, the full amount of the reasonable and actual cost and expense incurred by LESSOR shall immediately be owing by LESSEE to LESSOR, and LESSEE shall pay to LESSOR upon demand the full undisputed amount thereof with interest thereon from the date of payment at the greater of ten percent (10%) per annum. If LESSEE so performs any of LESSOR's obligations hereunder, the full amount of the reasonable and actual cost and expense incurred by LESSEE shall immediately be owing by LESSOR to LESSEE, and LESSOR shall pay to LESSEE upon demand the full undisputed amount. Notwithstanding the

foregoing, if LESSOR does not pay LESSEE the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due from LESSOR, LESSEE may offset the full undisputed amount, due against all fees due and owing to LESSOR until the full undisputed amount is fully reimbursed to LESSEE.

29-30 HAZARDOUS SUBSTANCES PROHIBITED.

- a. LESSEE shall not (either with or without negligence) cause or permit the escape, disposal or release of any Hazardous Material on or from the Premises in any manner prohibited by law. LESSEE shall indemnify and hold LESSOR harmless from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses (including any and all sums paid for settlement of claims, reasonable attorneys' fees, and consultants' and experts' fees) from the release of any Hazardous Material on the Premises if LESSEE by LESSEE or persons acting under LESSEE.
- b. The indemnification of this Section specifically include reasonable costs, expenses and fees incurred in connection with any investigation by a public agency of Property conditions or any clean-up, remediation, removal or restoration work required by any governmental authority. Notwithstanding any other provision herein, the provisions of this Section will survive the expiration or termination of this Agreement.
- c. The term "Hazardous Material" means any substance which is (i) designated, defined, classified or regulated as a hazardous substance, hazardous material, hazardous waste, pollutant or contaminant under any Environmental Law, as currently in effect or as hereafter amended or enacted, (ii) a petroleum hydrocarbon, including crude oil or any fraction thereof and all petroleum products, (iii) PCBs, (iv) lead, (v) asbestos, (vi) flammable explosives, (vii) infectious materials, or (viii) radioactive materials. "Environmental Law(s)" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sections 9601, et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901, et seq., the Toxic Substances Control Act, 15 U.S.C. Sections 2601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. 5101, et seq., and the Clean Water Act, 33 U.S.C. Sections 1251, et seq., as said laws have been supplemented or amended to date, the regulations promulgated pursuant to said laws and any other federal, state or local law, statute, rule, regulation or ordinance which regulates or proscribes the use, storage, disposal, presence, clean-up, transportation or release or threatened release into the environment of Hazardous Material.

30-31 CASUALTY. In the event of damage by fire or other casualty to the Premises that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, then LESSEE may, at any time following such fire or other casualty, provided LESSOR has not completed the restoration required to permit LESSEE to resume its operation at the Premises, terminate this Agreement upon fifteen (15) days prior written notice to LESSOR. Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LESSEE's use of the Premises is impaired. Notwithstanding the foregoing, LESSOR shall not be required to repair any damage to LESSEE's Facilities. LESSEE shall bear the full cost and expense of repairing and restoring any damage to LESSEE's Facilities. In the event the damage is so extensive that LESSOR decides, in its reasonable discretion, not to repair or rebuild the Property, or if the casualty is not of a type insured against under standard fire policies with extended type coverage, this Agreement shall be terminated as of the date of such casualty, and the rrnt (taking into account any abatement as aforesaid) shall be adjusted to the termination date and LESSEE shall thereupon promptly vacate the Premises.

31-32 CONDEMNATION. In the event of any condemnation of all or any portion of the Property, this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If as a result of a partial condemnation of the Premises or Property, LESSEE, in LESSEE's sole discretion, is unable to use the Premises for the purposes intended hereunder, or if such condemnation may

reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, LESSEE may, at LESSEE's option, to be exercised in writing within fifteen (15) days after LESSOR shall have given LESSEE written notice of such taking (or in the absence of such notice, within fifteen (15) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. LESSEE may on its own behalf make a claim in any condemnation proceeding involving the Premises for losses related to the equipment, conduits, fixtures, its relocation costs and its damages and losses (but not for the loss of its leasehold interest). Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment as of such termination date with respect to payments due to the other under this Agreement. If LESSEE does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable area of the Premises taken bears to the total rentable area of the Premises.

32-33 SUBMISSION OF AGREEMENT/PARTIAL INVALIDITY/AUTHORITY. The submission of this Agreement for examination does not constitute an offer to lease the Premises and this Agreement becomes effective only upon the full execution of this Agreement by the Parties. If any provision herein is invalid, it shall be considered deleted from this Agreement and shall not invalidate the remaining provisions of this Agreement. Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such Party has the full right, power and authority to enter into and execute this Agreement on such Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.

34-34 SURVIVAL. The provisions of the Agreement relating to indemnification from one Party to the other Party shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.

34-35 CAPTIONS. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year last written below.

LESSOR:

The City of Loyalton

By: _____

LESSEE:

GTE Mobilnet of California Limited Partnership, d/b/a
Verizon Wireless

By: Cellco Partnership
Its: General Partner

By: _____
Name: Jacob T. Hamilton
Title: Director – Network Engineering
Date: _____

Exhibit "A"
(Legal Description of LESSOR's Property)

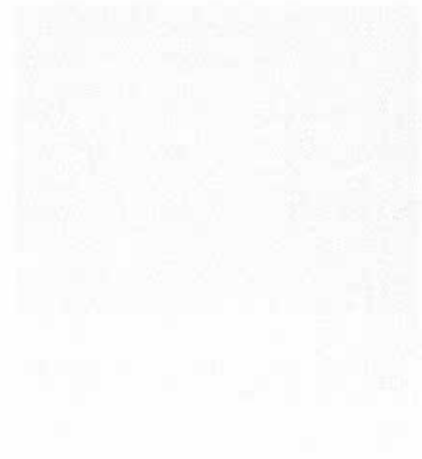


Exhibit "B"

{00670324.DOCX 1 }



(Sketch of Premises within Property)

[TO BE INSERTED]

Exhibit "C"
(LESSEE'S FACILITIES)

CITY OF LOYALTON

COUNTY OF SIERRA
210 FRONT STREET
PO. BOX 128
LOYALTON, CALIFORNIA 96118
(530) 993-6750
FAX (530) 993-6752



OFFICE OF THE MAYOR

APPLICATION FOR A BUSINESS LICENSE

Name of Owner of Business: Chelsea Marie Johnson
(First) (Middle) (Last)
Address: 820 Main St. PO 1072 Telephone: 916 832-0055
Name of Business: The Gilded Drifter
Nature of Business: Inn
State Contractors License No. _____ Resale License No. _____
Permanent Location of Business: 820 Main St. Loyalton Telephone: _____
Is Business a Corporation or Partnership? Yes _____ No
If so, please indicate the name(s), address(s), and title(s) of officer(s) or partner(s): _____

Annual Gross Receipts from Business \$ 15,000 (estimate)
(The City needs this information to determine the tax due per quarter. See schedule below.)
Date: 5/24/17 Signature: [Signature] Title: owner

Sales or use tax may apply to your business activities. You may seek written advice regarding the application of tax for your particular business by writing to the nearest State Board of Equalization office.

TAXES (Section 5.04.220 of Loyalton Municipal Code)

- All businesses having gross receipts of:
- A. Less than \$10,000 annually – Fee of \$ 60.00 per year
 - B. Between \$10,000 and 50,000 annually – Fee of \$100.00 per year
 - C. Between \$ 50,000 and \$100,000 annually – Fee of \$140.00 per year
 - D. Between \$100,000 and \$150,000 annually – Fee of \$180.00 per year
 - E. More than \$150,000 annually – Fee of \$220.00 per year

Date Received: _____ For official use only
Fee Received: _____
City Clerk: _____ Date approved: _____
License No. issued: _____