

CITY COUNCIL MEETING

OCTOBER 5, 1983

CC 11  
CC 514  
REPORTS OF THE  
CITY MANAGER

Agenda Item K-1 - "Agreement for Temporary Transfer of Geothermal Project No. 2 Power" was introduced by Utility Director Dave Curry.

PA 59  
AGREEMENT FOR  
TEMPORARY  
TRANSFER OF  
GEOTHERMAL  
PROJECT NO. 2  
POWER APPROVED

A lengthy discussion followed with questions being directed to Mr. Curry by Council.

The cost of project power compared to other source power was discussed at length and the terms of the proposed Agreement as it pertains to this matter was reviewed in detail.

RES. NO. 83-111

Following additional discussion, on motion of Council Member Reid, Snider second, Council adopted Resolution No. 83-111 approving an Agreement for the Temporary Transfer of NCPA Project No. 2 Power and authorized the Mayor and City Clerk to execute the agreement on behalf of the City. The motion carried by unanimous vote.

**Northern California Power Agency**

8421 Auburn Boulevard, Suite 160 Citrus Heights, California 95610

**ROBERT E. GRIMSHAW**  
General Manager

(916) 722-7815

September 28, 1983

K1

**TO:** Project No. 2 Participants  
**FROM:** Gail Sipple  
**SUBJECT:** Agreement for Temporary Transfer of Project No. 2 Power

Pursuant to Commission action of September 22, 1983, attached is a copy of the above-mentioned agreement to be presented to your governing body for approval.

Upon approval, please return to me an executed copy of the agreement along with your resolution authorizing its execution.

By copy of this letter I am also forwarding this document to your City Clerk for processing.

Yours truly,



**GAIL SIPPLE**  
Executive Assistant

Attachment

CITY COUNCIL

EVELYN M. OLSON, Mayor  
JOHN R. (Randy) SNIDER  
Mayor Pro Tempore  
ROBERT G. MURPHY  
JAMES W. PINKERTON, Jr.  
FRED M. REID

**CITY OF LODI**

CITY HALL, 221 WEST PINE STREET  
POST OFFICE BOX 320  
LODI, CALIFORNIA 95241  
(209) 334-5634

HENRY A. GLAVES, Jr.  
City Manager  
ALICE M. REIMCHE  
City Clerk  
RONALD M. STEIN  
City Attorney

October 7, 1983

Gail Sipple  
Northern California Power Agency  
8421 Auburn Blvd.  
Citrus Heights, CA 95610

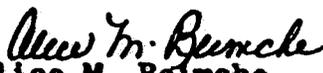
Re: Agreement for Temporary Transfer of Project No. 2 Power

Dear Gail:

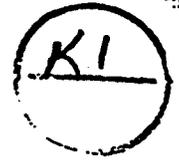
Please be advised that the Lodi City Council, in action taken at an Adjourned Regular Meeting held October 6, 1983, approved an Agreement for Temporary Transfer of Project No. 2 Power. An executed copy of the subject Agreement is attached along with the authorizing Resolution.

Should you have any questions regarding the actions of the Council pertaining to this matter, please do not hesitate to call this office.

Very truly yours,

  
Alice M. Reimche  
City Clerk

AMR:jj  
Enc.



AGREEMENT FOR TEMPORARY  
TRANSFER OF PROJECT NO. 2 POWER

THIS AGREEMENT, dated as of September 1, 1983, by and among (A) NORTHERN CALIFORNIA POWER AGENCY, a joint powers agency of the State of California, herein called "NCPA", (B) the CITIES OF GRIDLEY AND ROSEVILLE, CALIFORNIA, municipal corporations members of NCPA, and PLUMAS-SIERRA RURAL ELECTRIC COOPERATIVE, a California nonprofit corporation, an associate member of NCPA, herein called "Transferors", and (C) the CITIES OF ALAMEDA, HEALDSBURG, LODI, LOMPOC, SANTA CLARA AND UKIAH, municipal corporations and members of NCPA, herein called "Transferees",

WITNESSETH, that

WHEREAS, Transferors and Transferees are Purchasing Participating Members under the "Amended and Restated Member Agreement for Construction, Operation and Financing of NCPA Geothermal Generating Unit #2 Project" made as of January 1, 1980, as amended and supplemented, herein called the "Shell Member Agreement", in accordance with their respective Participation Percentages from the Project provided for in such Agreement, herein called Project No. 2; and

WHEREAS, the parties hereto, except the City of Santa Clara, are also parties to that Interconnection Agreement with Pacific Gas and Electric Company approved by NCPA

K1

Resolution No. 83-47, and the City of Santa Clara is negotiating with PG&E for an interconnection agreement, which agreements are herein referred to as the Interconnection Agreements, and

WHEREAS, the Interconnection Agreements will provide the necessary services to the parties hereto to make the power from the Project firm and dependable as delivered from the output of PG&E's backbone system, which power is herein called Project Power; and

WHEREAS, Transferors wish to transfer all of their respective Participating Percentages under the Shell Member Agreement to Transferees, under the terms and conditions, and for the period, hereinafter set out, the Transferees desire to acquire additional Project Power for the use of the customers of their electric systems; and

WHEREAS, the Shell Member Agreement authorizes NCPA, upon request, to arrange such transfers of Project Power among Purchasing Participating Members, and others, as Purchasing Participating Members may request in accordance with the Shell Member Agreement, and the transfers provided for herein have been so arranged; and

WHEREAS, such transfers are authorized by the Shell Member Agreement, and are to be made pursuant thereto;

NOW THEREFORE IT IS AGREED AS FOLLOWS:

Section 1. Transferors hereby transfer, assign, and sell to Transferees their right to all of the Project Power

KI

to which Transferors are entitled under the Shell Member Agreement, to each Transferee in the proportion shown in Exhibit "A" of this agreement for the term of this agreement, and Transferors and NCPA shall deliver such Project Power to Transferees accordingly at the delivery points provided in the Interconnection Agreements. Such transfer shall not effect the voting power of Transferors under the Shell Member agreement.

Section 2. (a) NCPA shall, on behalf of the Transferors, bill each Transferee monthly for NCPA's estimate of Project Cost of the Project Power transferred, as provided for in Section 6(f) of the Shell Member Agreement and in this agreement, and shall transmit the amount of such billings that represents bond debt service and associated reserves, when received, to the Transferors.

(b) At the end of each NCPA fiscal year after the effective date of this agreement NCPA shall make an Annual Adjustment to the billed amounts to reflect after the fact actual Project Cost for the fiscal year, or portion thereof when power was delivered, just ended. Such adjusted Project Cost shall then be compared with the cost of power from another source as provided in Section 6(g) of the Member Agreement, and the price for the Project Power transferred fixed at the lesser of the actual project cost under Section 6(f) or the cost of another source under Section 6(g). For purposes hereof the cost of power from another source

(KL)

is further defined as the calculated cost of capacity and energy of equal usefulness and firmness available as partial requirements under the Interconnection Agreements, for the same period, and measured at the same point of delivery, as the transferred power, or the cost of firm power of at least equal capacity and energy from another source, for a similar term, and measured at the same delivery point, whichever is less. NCPA shall then bill the Transferors or Transferees, as the case may be, for the account of the other, for the overpayment or underpayment determined by the Annual Adjustment, and pay or credit the payment received from the billing to the account of those who are entitled to it.

(c) For the purpose of computing the estimated and actual Project Cost to be paid for Project Power under Section 6(f) of the Shell Member Agreement, NCPA shall include in the cost of such power to the Transferors the following Project Costs:

- (1) debt service, including required reserves
- (2) geothermal steam
- (3) operation and maintenance
- (4) capacity reserves
- (5) spinning reserves
- (6) transmission to backbone output
- (7) emergency power
- (8) maintenance power
- (9) short-term firm power

KI

- (10) dispatch services
- (11) administrative expenses
- (12) transmission losses to backbone output.
- (13) If this agreement is extended, the amount by which actual Project Cost exceeded the cost of power from another source during the preceding years as determined pursuant to subdivision (b) above.

(d) The cost of power from another source referred to in subdivision (b) of this section shall be determined at the monthly load factor at which Project Power was delivered, including the use of reserves, maintenance power, short term firm, etc.

Section 3. Nothing in this agreement shall impair the obligations of any of the Transferors to any of the NCPA's lenders for the project constructed under the Shell Member Agreement, and such Transferors shall make payments for bond debt service and associated reserves directly to the Trustee for the bondholder.

Section 4. The effective date of this agreement shall be the first day that Project No. 2 is in commercial operation under the Interconnection Agreement.

Section 5. This agreement shall terminate at 2400 hours December 31, 1983, except that the provisions of Section 2 shall be complied with thereafter. The parties expect prior to that date to amend, supplement, or replace

KL

this agreement to provide long-term layoffs by transferors to transferees.

No such termination shall relieve any Transferor or Transferee of the obligation of section 6 of the Shell Member Agreement.

Section 6. The transfer herein provided shall be subject to all the provisions of the Shell Member Agreement, and particularly sections 5 and 6 thereof, and shall be administered by NCPA in accordance with the Interconnection Agreements. Nothing herein shall compel any Transferee to purchase any energy which is surplus to its needs.

Section 7. No further transfer of any rights transferred herein shall be made by any Transferee which will cause violation of the terms of Section 6(d) of the Shell Member Agreement.

Section 8. This agreement shall be binding on the City of Santa Clara only if and when it obtains an Interconnection Agreement with PGandE Co. and gives notice thereof at least ten business days before the first day of any calendar month, whereupon the Transferor's layoffs will be apportioned to it in the same manner as other Transferees for such following month and during the term of this agreement.

Section 9. This agreement is not intended to be, and shall not be construed as, a precedent for transfer of rights to power from other NCPA projects.

(KL)

IN WITNESS WHEREOF each Transferor and Transferee, and NCPA, have executed this agreement as of the year and date first above noted.

NORTHER CALIFORNIA POWER AGENCY

CITY OF HEALDSBURG

By \_\_\_\_\_

By \_\_\_\_\_

and \_\_\_\_\_

and \_\_\_\_\_

CITY OF ALAMEDA

CITY OF LODI

By \_\_\_\_\_

By  *Evelyn O'Sullivan*

and \_\_\_\_\_

and  *Alvin M. Beach*  Mayor  
City Clerk

CITY OF GRIDLEY

CITY OF LOMPOC

By \_\_\_\_\_

By \_\_\_\_\_

and \_\_\_\_\_

and \_\_\_\_\_

CITY OF ROSEVILLE

CITY OF SANTA CLARA

By \_\_\_\_\_

By \_\_\_\_\_

and \_\_\_\_\_

and \_\_\_\_\_

CITY OF UKIAH

PLUMAS-SIERRA RURAL ELECTRIC COOPERATIVE

By \_\_\_\_\_

By \_\_\_\_\_

and \_\_\_\_\_

and \_\_\_\_\_

EXHIBIT A

Preliminary Allocations of NCPA Geothermal Project No. 2 Power Transfers\*  
 For the Term September 1 through December 31, 1983  
 (Assumes Plant 110 MW)

City	Initial Project Share		Sale		Purchase		Total	
	%	MW	%	MW	%	MW	%	MW
Alameda	14.994%	16.49	-	-	1.5727%	1.73	16.5667%	18.22
Biggs	-	-	-	-	-	-	-	-
Gridley	.334	0.37	.334%	0.37	-	-	-	-
Healdsburg	3.252	3.58	-	-	.3411	0.38	3.5931	3.95
Lodi	14.560	16.01	-	-	1.5271	1.68	16.0871	17.70
Lompoc	3.266	3.59	-	-	.3426	0.38	3.6086	3.97
Palo Alto	-	-	-	-	-	-	-	-
Plumas-Sierra	.719	0.79	.719	0.79	-	-	-	-
Redding	-	-	-	-	-	-	-	-
Roseville	3.252	3.58	3.252	3.58	-	-	-	-
Santa Clara	54.651	60.12	-	-	-	-	54.6510	60.12
Ukiah	<u>4.972</u>	<u>5.47</u>	-	-	<u>.5215</u>	<u>0.57</u>	<u>5.4935</u>	<u>6.04</u>
<b>Total</b>	<b><u>100.00%</u></b>	<b><u>110.00</u> MW</b>	<b><u>4.305%</u></b>	<b><u>4.74</u> MW</b>	<b><u>4.305%</u></b>	<b><u>4.74</u> MW</b>	<b><u>100.00%</u></b>	<b><u>110.00</u> MW</b>

\* It is anticipated that the routine intermember energy exchanges that take place during this time will be accounted for after-the-fact, along with overall project transfer cost. To the extent that the temporary transfer is priced at PG&E cost, the energy component would be priced at the comparable PG&E energy cost (Base + FCA). If the project transfer is below the PG&E cost, the project energy charge will be proportionately reduced.



(KI)

RESOLUTION NO. 83-79  
NORTHERN CALIFORNIA POWER AGENCY

BE IT RESOLVED BY THE COMMISSION OF THE NORTHERN CALIFORNIA POWER AGENCY, as follows:

Section 1. The draft of "Agreement for Temporary Transfer of Project No. 2 Power", dated September 23, 1983, is hereby approved, and the Assistant Secretary is directed to transmit the same to those NCPA members listed as parties thereto for approval and execution.

Section 2. If the agreement is executed by NCPA members who are both Transferors and Transferees, in number satisfactory to such executing members, the General Manager is authorized to execute the agreement on behalf of this Agency.

Section 3. The General Manager is authorized to make changes in the form of the agreement requested by or agreeable to the executing members if, in his judgment, they are for the best interests of this Agency.

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
City of - Alameda	<u>aye</u>	<u>_____</u>	<u>_____</u>
Biggs	<u>_____</u>	<u>_____</u>	<u>X</u>
Gridley	<u>aye</u>	<u>_____</u>	<u>_____</u>
Healdsburg	<u>aye</u>	<u>_____</u>	<u>_____</u>
Lodi	<u>_____</u>	<u>_____</u>	<u>X</u>
Lompoc	<u>aye</u>	<u>_____</u>	<u>_____</u>
Palo Alto	<u>_____</u>	<u>X</u>	<u>_____</u>
Redding	<u>_____</u>	<u>X</u>	<u>_____</u>
Roseville	<u>aye</u>	<u>_____</u>	<u>_____</u>
Santa Clara	<u>aye</u>	<u>_____</u>	<u>_____</u>
Ukiah	<u>aye</u>	<u>_____</u>	<u>_____</u>
Plumas-Sierra	<u>aye</u>	<u>_____</u>	<u>_____</u>

ADOPTED AND APPROVED this 22nd day of September 1983.

K1

AGREEMENT FOR TEMPORARY  
TRANSFER OF PROJECT NO. 2 POWER

THIS AGREEMENT, dated as of September 1, 1983, by and among (A) NORTHERN CALIFORNIA POWER AGENCY, a joint powers agency of the State of California, herein called "NCPA", (B) the CITIES OF GRIDLEY AND ROSEVILLE, CALIFORNIA, municipal corporations members of NCPA, and ~~PLUMAS-SIERRA RURAL ELECTRIC COOPERATIVE~~, a California nonprofit corporation, an associate member of NCPA, herein called "Transferors", and (C) the CITIES OF ALAMEDA, HEALDSBURG, LODI, LOMPOC, SANTA CLARA AND UKIAH, municipal corporations and members of NCPA; herein called "Transferees",

WITNESSETH, that

WHEREAS, Transferors and Transferees are Purchasing Participating Members under the "Amended and Restated Member Agreement for Construction, Operation and Financing of NCPA Geothermal Generating Unit #2 Project" made as of January 1, 1980, as amended and supplemented, herein called the "Shell Member Agreement", in accordance with their respective Participation Percentages from the Project provided for in such Agreement, herein called Project No. 2; and

WHEREAS, the parties hereto, except the City of Santa Clara, are also parties to that Interconnection Agreement with Pacific Gas and Electric Company approved by NCPA

*high 36*

*1.53%*

*1.68 megawatt  
transfer power  
to city of  
Santa Clara  
Proposed Cost  
Alternative  
PPS*

*1986*

*we will  
take over  
power*

K/

Resolution No. 83-47, and the City of Santa Clara is negotiating with PG&E for an interconnection agreement, which agreements are herein referred to as the Interconnection Agreements, and

WHEREAS, the Interconnection Agreements will provide the necessary services to the parties hereto to make the power from the Project firm and dependable as delivered from the output of PG&E's backbone system, which power is herein called Project Power; and

WHEREAS, Transferors wish to transfer all of their respective Participating Percentages under the Shell Member Agreement to Transferees, under the terms and conditions, and for the period, hereinafter set out, the Transferees desire to acquire additional Project Power for the use of the customers of their electric systems; and

WHEREAS, the Shell Member Agreement authorizes NCPA, upon request, to arrange such transfers of Project Power among Purchasing Participating Members, and others, as Purchasing Participating Members may request in accordance with the Shell Member Agreement, and the transfers provided for herein have been so arranged; and

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to which Transferors are entitled under the Shell Member Agreement, to each Transferee in the proportion shown in Exhibit "A" of this agreement for the term of this agreement, and Transferors and NCPA shall deliver such Project Power to Transferees accordingly at the delivery points provided in the Interconnection Agreements. Such transfer shall not effect the voting power of Transferors under the Shell Member agreement.

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Section 9. This agreement is not intended to be, and shall not be construed as, a precedent for transfer of rights to power from other NCPA projects.

KL

IN WITNESS WHEREOF each Transferor and Transferee, and NCPA, have executed this agreement as of the year and date first above noted.

NORTHER CALIFORNIA POWER AGENCY

CITY OF HEALDSBURG

By \_\_\_\_\_  
and \_\_\_\_\_

By \_\_\_\_\_  
and \_\_\_\_\_

CITY OF ALAMEDA

CITY OF LODI

By \_\_\_\_\_  
and \_\_\_\_\_

By \_\_\_\_\_  
and \_\_\_\_\_

CITY OF GRIDLEY

CITY OF LOMPOC

By \_\_\_\_\_  
and \_\_\_\_\_

By \_\_\_\_\_  
and \_\_\_\_\_

CITY OF ROSEVILLE

CITY OF SANTA CLARA

By \_\_\_\_\_  
and \_\_\_\_\_

By \_\_\_\_\_  
and \_\_\_\_\_

CITY OF UKIAH

PLUMAS-SIERRA RURAL ELECTRIC COOPERATIVE

By \_\_\_\_\_  
and \_\_\_\_\_

By \_\_\_\_\_  
and \_\_\_\_\_

EXHIBIT A

Preliminary Allocations of NCPA Geothermal Project No. 2 Power Transfers\*  
For the Term September 1 through December 31, 1983  
(Assumes Plant 110 MW)

<u>City</u>	<u>Initial Project Share</u>		<u>Sale</u>		<u>Purchase</u>		<u>Total</u>	
Alameda	14.994%	16.49 MW	-	-	1.5727%	1.73 MW	16.5667%	18.22 MW
Biggs	-	-	-	-	-	-	-	-
Gridley	.334	0.37	.334%	0.37 MW	-	-	-	-
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Palo Alto	-	-	-	-	-	-	-	-
Plumas-Sierra	.719	0.79	.719	0.79	-	-	-	-
Redding	-	-	-	-	-	-	-	-
Roseville	3.252	3.58	3.252	3.58	-	-	-	-
Santa Clara	54.651	60.12	-	-	-	-	54.6510	60.12
Ukiah	<u>4.972</u>	<u>5.47</u>	-	-	<u>.5215</u>	<u>0.57</u>	<u>5.4935</u>	<u>6.04</u>
<b>Total</b>	<u>100.00%</u>	<u>110.00 MW</u>	<u>4.305%</u>	<u>4.74 MW</u>	<u>4.305%</u>	<u>4.74 MW</u>	<u>100.00%</u>	<u>110.00 MW</u>

\* It is anticipated that the routine intermember energy exchanges that take place during this time will be accounted for after-the-fact, along with overall project transfer cost. To the extent that the temporary transfer is priced at PG&E cost, the energy component would be priced at the comparable PG&E energy cost (Base + FCA). If the project transfer is below the PG&E cost, the project energy charge will be proportionately reduced.



cc 10K  
Pg 41

CITY COUNCIL MEETING

OCTOBER 5, 1983

AGREEMENT RE  
DELINQUENT REAL  
PROPERTY TAXES  
AND SPECIAL  
ASSESSMENTS IN  
CLUFF/TURNER  
ASSESSMENT  
DISTRICT NO. 1

Following introduction of the matter by City Attorney Stein, Council, on motion of Council Member Pinkerton, Reid second, adopted Resolution No. 83-113 approving an Agreement with Frank and Helen Alegre regarding the payment of delinquent real property taxes and special assessments on various parcels in the Cluff/Turner Assessment District No. 1.

RES. NO. 83-113

RAY W. SHERMAN, JR.  
PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

111 BROADWAY, PENTHOUSE  
AT JACK LONDON SQUARE  
OAKLAND, CALIFORNIA 94607  
(415) 834-2748

RAY W. SHERMAN, JR.  
ANDREW M. BOSSOFF  
SUSAN FELLER

OF COUNSEL  
CLARE G. MOSCOP, P.C.

September 26, 1983

James E. Ganzer, Esq.  
Law Offices of Freeman, Rishwain & Hall  
1818 Grand Canal Boulevard  
Stockton, California 95207

RE: City of Lodi v. Alegre, et al.

Dear Mr. Ganzer:

The following is in response to your letters of August 23 and 29, 1983, proposing a schedule for payment in full of delinquent assessments, penalties, attorneys' fees, and costs, on Assessor's Parcel Nos. 49-80-44 and 49-80-50. We have prepared the enclosed Agreement for signature by your clients, Frank C. Alegre and Helen C. Alegre, as trustees for the Frank C. Alegre, Sr. and Helen C. Alegre Revocable Trust, owner of Parcels 49-80-44 and 49-80-50 of the Cluff/Turner Assessment District No. 1.

It appears that the County Board of Supervisors may have to approve the Agreement. In addition, the County Tax Collector, who has some discretion as to whether to accept such a plan, has required Lodi City Council approval and has also specified that the plan be treated as a Permanent Installment Plan under Rev. & Tax Code §4216, et seq., except that installment payments will be made monthly rather than annually. Therefore, we have referenced the salient features of the Permanent Installment Plan generally or specifically in the Agreement, but of course you should review the relevant code sections yourself. Although we were all hopeful payments could begin in September, it now appears that preparation and review and approval of the Agreement will delay the first payment until October.

To expedite matters, copies of this letter and the enclosures are being sent to the City and the County Tax Collector for review and approval. If any problems develop, I

K4

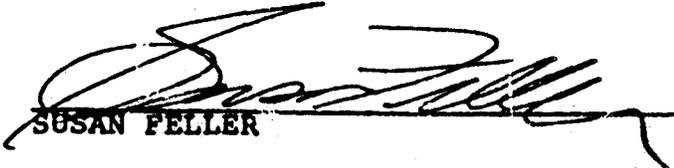
James E. Ganzer, Esq.  
September 23, 1983  
Page 2

will let you know immediately. Please have your clients sign and date the Agreement in the spaces provided and return the original and one executed copy to me in the enclosed envelope.

If you have any questions, please call me.

Very truly yours,

RAY W. SHERMAN, JR.  
PROFESSIONAL CORPORATION



SUSAN FELLER

SF:df

Enclosures

cc: Ronald Stein, Esq.  
Gerald Sherwin, Esq.  
Mr. John Prowse

K4

AGREEMENT

This Agreement is made by and between FRANK C. ALEGRE, SR., and HELEN C. ALEGRE, Trustees of the Frank C. Alegre, Sr. and Helen C. Alegre Revocable Trust (the Alegres and the Trust being referred to collectively for convenience hereinafter as "the Trust"), the City of Lodi (hereinafter "City") and the San Joaquin County Tax Collector (hereinafter "Tax Collector"), as follows:

R E C I T A L S

A. The Trust is the owner of record of two parcels of real property located in the City of Lodi, State of California, to wit: Assessor's Parcel Nos. 49-80-44 and 49-80-50 (hereinafter "the parcels").

B. On or about April 15, 1981, the City Council of the City of Lodi ordered construction of improvements in the Turner/Cluff Avenue Assessment District No. 1. In connection therewith, assessments Nos. 8 and 9 were levied against Assessor's Parcel Nos. 49-80-44 and 49-80-50,

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respectively, and such assessments constitute liens against those parcels.

C. Payments are due on account of delinquent real property taxes and special assessments (hereinafter "the delinquencies") through September 30, 1983, in amounts of \$59,896.01 and \$25,264.72 on Parcel Nos. 49-80-44 and 49-80-50, respectively.

D. Additional penalties (hereinafter "penalties") will continue to accrue on the delinquencies until they are fully paid.

E. To redeem the parcels the Trust must pay the sums referred to in Recitals C and D above, together with attorneys' fees and costs of \$2,400.00 and \$364.80, respectively, on Parcel No. 49-80-44 and \$1,500.00 and \$229.00, respectively, on Parcel No. 49-80-50 (said attorneys' fees and costs on the parcels being referred to hereinafter as "the fees and costs").

F. The City has filed an action to foreclose the lien of the assessments against the parcels, which action is

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pending as Case No. 171280 in the San Joaquin Superior Court (hereinafter "the action").

G. The parties deem it to be in their mutual interests to provide for an installment payment plan whereby the delinquencies and penalties shall be paid by the Trust in installments and the property thereby redeemed consistent with the terms and conditions set forth hereinbelow.

NOW, THEREFORE, the parties hereto agree as follows:

1. The foregoing recitals are true and correct.
2. The Trust shall pay all delinquencies, penalties, and fees and costs as follows:
  - a. The Trust shall make monthly installment payments of \$20,000.00 to the County Tax Collector until all of the foregoing amounts are fully paid, as follows: The first payment shall be made within five (5) days after the date this Agreement is signed by the San Joaquin County Tax Collector (hereinafter, "the date of execution"). The remaining payments shall be made monthly on or before the

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anniversary date of the first payment. The last installment payment may be a sum less than \$20,000.00, depending on the precise amount required to pay all delinquencies and penalties. Each such payment shall be made by check payable to the "San Joaquin County Tax Collector," and a copy of each check shall be mailed to Ray W. Sherman, Jr., Professional Corporation; and,

b. Concurrently with the first payment to be made as set forth in Paragraph 2(a) above, and as a condition precedent to the effectiveness of the installment plan referred to herein, the Trust shall pay all fees and costs by check payable to "Ray W. Sherman, Jr., Professional Corporation," in a total amount of \$4,493.80.

3. The payment plan set forth in Paragraph 2 above shall be treated as a Permanent Installment Plan pursuant to Rev. & Tax. C. §54216, et seq., except that installment payments shall be made monthly rather than annually.

4. Consistent with the requirements of the Permanent Installment Plan, the total amount due for delinquencies and penalties accrued through the date that

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the first payment is made pursuant to Paragraph 2(a) above shall constitute the principal amount due for purposes of this Agreement. The first payment of \$20,000.00 shall be applied to decrease that principal amount. Thereafter, there shall be added to any unpaid principal a penalty sum of 1.5% per month. Each payment after the first payment shall be applied first to payment of any such accrued penalty and the remainder of each such payment shall be applied to reduce the principal amount owing. After all such principal and penalties have been paid, the property shall be redeemed.

5. The amount of each of the installments of currently due taxes and assessments which shall become delinquent if not paid by December 10, 1983, and April 10, 1984, on Parcel No. 49-80-44 is the sum of \$21,121.15 and on Parcel No. 49-80-50 the sum of \$8,504.11. Each and every one of those installments shall be paid in full by the Trust on or before the foregoing dates.

6. The parties agree that time is of the essence with respect to each and every payment referred to herein, and the failure of the Trust to pay any amount by the due date set forth herein shall constitute a default under this

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Agreement. Any default may result in the termination of the Trust's right of redemption as if no election to pay delinquent taxes in installments ever had been made, as provided by Rev. & Tax C. §4222. In the event of any such default, this installment plan will be terminated.

7. The Trust will not be required to answer the above-referenced Complaint provided each and every payment referred to herein is timely made in full. No additional fees and costs, or either of them, will be incurred in connection with the action or this settlement provided each payment is timely made in full.

8. In the event of any default by the Trust in the performance of this Agreement, and in addition to any other consequences of default set forth in this Agreement, an Answer shall be filed by the Trust within five (5) days of the date of default, without additional notice. If no such Answer is filed, the City shall have the right to enter the Trust's default and to exercise any and all other rights, remedies and relief ordinarily available under those circumstances.

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9. The action shall be dismissed and the Lis Pendens recorded against the parcels shall be released if and only if the Trust timely pays in full all sums of money referred to herein.

10. This Agreement shall be of no force or effect unless and until it is approved by the San Joaquin County Board of Supervisors, the San Joaquin County Tax Collector, and the City Council of the City of Lodi.

11. Each of the parties hereto shall do all acts and execute all documents reasonably required to give full force and effect to the terms of this Agreement.

Dated: \_\_\_\_\_

FRANK C. ALEGRE, SR.,  
as Trustee of the  
Frank C. Alegre, Sr. and  
Helen C. Alegre Revocable  
Trust

Dated: \_\_\_\_\_

HELEN C. ALEGRE,  
as Trustee of the  
Frank C. Alegre, Sr. and  
Helen C. Alegre Revocable  
Trust

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CITY OF LODI

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

SAN JOAQUIN COUNTY  
TAX COLLECTOR

Dated: \_\_\_\_\_

JOHN PROWSE

APPROVED AS TO FORM AND CONTENT:

FOR THE CITY OF LODI:

RAY W. SHERMAN, JR.  
PROFESSIONAL CORPORATION

Dated: \_\_\_\_\_

RAY W. SHERMAN, JR.

FOR THE TRUST:

FREEMAN, RISHWAN & HALL

Dated: \_\_\_\_\_

JAMES E. GANZER

FOR THE SAN JOAQUIN COUNTY  
TAX COLLECTOR:

SAN JOAQUIN COUNTY COUNSEL

Dated: \_\_\_\_\_

GERALD SHERWIN

CITY COUNCIL

EVELYN M. OLSON, Mayor  
JOHN R. (Randy) SNIDER  
Mayor Pro Tempore  
ROBERT G. MURPHY  
JAMES W. PINKERTON, Jr.  
FRED M. REID

CITY OF LODI

CITY HALL, 221 WEST PINE STREET  
POST OFFICE BOX 320  
LODI, CALIFORNIA 95241  
(209) 334-5634

Fu 10/6  
HENRY A. GLAVES, Jr.  
City Manager

ALICE M. REIMCHE  
City Clerk

RONALD M. STEIN  
City Attorney

October 10, 1983

Ms. Susan Feller  
Ray W. Sherman, Jr  
Professional Corporation  
Attorneys at Law  
111 Boradway, Penthouse  
at Jack London Square  
Oakland, CA 94607

Re: City of Lodi vs Alegre, et al

Dear Ms. Feller:

Pursuant to your September 26, 1983 letter, enclosed herewith please find authorizing Resolution No. 83-113 approving the Agreement with Frank and Helen Alegre.

Should you have any questions regarding this action, please do not hesitate to call.

Very truly yours,

*Alice M. Reimche*  
Alice M. Reimche  
City Clerk

AMR:jj  
Enc.

Fu 10/6

RESOLUTION NO. 83-113

RESOLUTION APPROVING AN AGREEMENT WITH FRANK AND HELEN ALEGRE REGARDING THE PAYMENT OF DELINQUENT REAL PROPERTY TAXES AND SPECIAL ASSESSMENTS ON VARIOUS PARCELS IN THE CLUFF/TURNER ASSESSMENT DISTRICT NO. 1

RESOLVED that the City Council of the City of Lodi does hereby approve an Agreement with Frank and Helen Alegre regarding the payment of delinquent real property taxes and special assessments on various parcels in the Cluff/Turner Assessment District No. 1 a copy of which is attached hereto and marked Exhibit A thereby made a part hereof.

Dated: October 6, 1983

I hereby certify that Resolution No. 83-113 was passed and adopted by the City Council of the City of Lodi in an adjourned regular meeting held October 6, 1983 by the following vote:

Ayes: Council Members - Snider, Pinkerton, Reid, Murphy, and Olson (Mayor)

Noes: Council Members - None

Absent: Council Members - None

*Alice M. Reimche*  
Alice M. Reimche  
City Clerk

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Dated: \_\_\_\_\_

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as Trustee of the  
Frank C. Alegre, Sr. and  
Helen C. Alegre Revocable  
Trust

Dated: \_\_\_\_\_

HELEN C. ALEGRE,  
as Trustee of the  
Frank C. Alegre, Sr. and  
Helen C. Alegre Revocable  
Trust

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CITY OF LODI

Dated: \_\_\_\_\_

By \_\_\_\_\_

SAN JOAQUIN COUNTY  
TAX COLLECTOR

Dated: \_\_\_\_\_

JOHN PROWSE

APPROVED AS TO FORM AND CONTENT:

FOR THE CITY OF LODI:

RAY W. SHERMAN, JR.  
PROFESSIONAL CORPORATION

Dated: \_\_\_\_\_

RAY W. SHERMAN, JR.

FOR THE TRUST:

FREEMAN, RISHWAN & HALL

Dated: \_\_\_\_\_

JAMES E. GANZER

FOR THE SAN JOAQUIN COUNTY  
TAX COLLECTOR:

SAN JOAQUIN COUNTY COUNSEL

Dated: \_\_\_\_\_

GERALD SHERWIN

RAY W. SHERMAN, JR.  
PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

111 BROADWAY, PENTHOUSE  
AT JACK LONDON SQUARE  
OAKLAND, CALIFORNIA 94607  
(415) 834-2748

RAY W. SHERMAN, JR.  
ANDREW M. ROSSOFF  
SUSAN FELLER

OF COUNSEL  
CLARE C. MOSCOP, P.C.

September 26, 1983

James E. Ganzer, Esq.  
Law Offices of Freeman, Rishwain & Hall  
1818 Grand Canal Boulevard  
Stockton, California 95207

RE: City of Lodi v. Alegre, et al.

Dear Mr. Ganzer:

The following is in response to your letters of August 23 and 29, 1983, proposing a schedule for payment in full of delinquent assessments, penalties, attorneys' fees, and costs, on Assessor's Parcel Nos. 49-80-44 and 49-80-50. We have prepared the enclosed Agreement for signature by your clients, Frank C. Alegre and Helen C. Alegre, as trustees for the Frank C. Alegre, Sr. and Helen C. Alegre Revocable Trust, owner of Parcels 49-80-44 and 49-80-50 of the Cluff/Turner Assessment District No. 1.

It appears that the County Board of Supervisors may have to approve the Agreement. In addition, the County Tax Collector, who has some discretion as to whether to accept such a plan, has required Lodi City Council approval and has also specified that the plan be treated as a Permanent Installment Plan under Rev. & Tax Code §4216, et seq., except that installment payments will be made monthly rather than annually. Therefore, we have referenced the salient features of the Permanent Installment Plan generally or specifically in the Agreement, but of course you should review the relevant code sections yourself. Although we were all hopeful payments could begin in September, it now appears that preparation and review and approval of the Agreement will delay the first payment until October.

To expedite matters, copies of this letter and the enclosures are being sent to the City and the County Tax Collector for review and approval. If any problems develop, I