



MCFARLAND CITY COUNCIL

McFarland Successor Agency, McFarland Public Finance Authority,
McFarland Improvement Authority, McFarland Parking Authority

Special Meeting Notice and Agenda

Council Chambers
103 W. Sherwood Ave, McFarland, CA
Website: <https://www.mcfarlandcity.org/>

Wednesday, May 29, 2024
3:15 PM

SAUL AYON, *Mayor*
RICARDO CANO, *Vice Mayor*
AMADOR AYON, *Council Member*
ANITA GONZALEZ, *Council Member*
MARIA PEREZ, *Council Member*

VIEW THE MEETING RECORDINGS ONLINE at www.mcfarlandcity.org/AgendaCenter
Recordings will be available approximately one week following the meeting.

HOW TO SUBMIT PUBLIC COMMENTS: The meetings of the City Council and all municipal entities, commissions, and boards (“the City”) are open to the public. At regularly scheduled meetings, members of the public may address the city on any item listed on the agenda, or on any non-listed matter over which the city has jurisdiction. At special or emergency meetings, members of the public may only address the city on items listed on the agenda. There is a time limitation of two minutes per person. For any item that is not on the agenda and within the jurisdiction or interest of the city, please come to the podium at this time. The Brown Act does not permit any action or discussion on items not listed on the agenda. If you wish to speak regarding a scheduled agenda item, please come to the podium when the item number and subject matter are announced, and the mayor opens Public Comment on the item. When recognized, please begin by providing your name and address for the record (optional). Anyone wishing to submit written information at the meeting needs to furnish ten (10) copies to the City Clerk in advance to allow for distribution to City Council, staff, and the media. Willful disruption of the meeting shall not be permitted. If the Mayor finds that there is in fact willful disruption of any City Council Meeting, he/she may order the disrupting parties out of the room and subsequently conduct the City’s business without them present.

PUBLIC ACCOMMODATIONS: The City of McFarland does not discriminate based on disability and complies with the provisions of the Americans with Disabilities Act (ADA). If you need special assistance to participate in this meeting, please contact the City Clerk’s Office at (661) 792-3091 at least 48 hours prior to the meeting to make reasonable arrangements to ensure accessibility to this meeting.

INTERPRETATION: If you need an interpretation of your communications to the City Council into English, please contact the City Clerk Department at 661-792-3091 ext. 2135 at least 48 hours prior to the meeting.

CALL TO ORDER: Mayor Saul Ayon

ROLL CALL:

Mayor/Chair, Saul Ayon

Vice Mayor/Vice-Chair, Ricardo Cano

Council Member/Board Member, Amador Ayon

Council Member/Board Member, Anita Gonzalez

Council Member/Board Member, Maria T. Pérez

INVOCATION:**PLEDGE OF ALLEGIANCE**

PUBLIC COMMENT: The public may address the Council/Board Member on items, which appear on the agenda. Council/Board Members may respond briefly to statements made or questions posed. They may ask a question for clarification; may refer the item to staff for further study or for placement on a future agenda. Speakers are limited to two minutes for each person. Please state your name and address for the record prior to making a presentation. Fifteen minutes total will be allowed for any one subject.

CONSENT AGENDA: The Consent Agenda consists of items that in staff's opinion are routine and non-controversial. These items are approved in one motion unless a Council Member/ Board Member or Member from the Public requests to remove a particular item.

PUBLIC HEARINGS**ADMINISTRATIVE AGENDA**

1. APPROVAL OF RESOLUTION NO. 2024-70 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE CITY TO ENTER INTO A REAL PROPERTY EXCHANGE AGREEMENT WITH ALBERTO DURAN AND APPROVING AN APPROPRIATION OF \$50,000 FROM THE GENERAL FUND.
2. APPROVAL OF RESOLUTION NO. 2024-69 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE ISSUANCE OF SCHOLARSHIPS TO GRADUATING SENIORS FROM MCFARLAND HIGH SCHOOL AND APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF \$186,700 FROM THE GENERAL FUND.

REPORTS FROM CITY COUNCIL ON COMMITTEE/SPECIAL DISTRICT MEETINGS**COUNCIL STATEMENTS AND REPORTS:**

On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. In addition, Council Members may ask a question of staff or the public for clarification on any matter, provide a reference to staff or other resources for information. Alternatively, request staff to report to the City Council at a later meeting concerning any matter. Furthermore, the City Council, or any member thereof, may take action to direct staff to place a matter of business on a future agenda.

ADJOURNMENT

This is to certify this agenda was posted at McFarland City Hall on May 28, 2024.

Francisca R. Alvarado

Francisca Alvarado, City Clerk

Diego Viramontes

Diego Viramontes, City Manager

Next Meeting: Regular City Council June 13, 2024.

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All agenda item and/or supporting documentation is available for public review on the city website at www.mcfarlandcity.org and the office of the City Clerk of the City of McFarland, at 401 W, Kern Ave. McFarland, CA 93250 during regular business hours of 8:00 am – 5:00 pm Monday through Friday, following the posting of the agenda. Any supporting documentation related to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location and available at the meeting.



City of McFarland

City Council Meeting

STAFF REPORT

Agenda Item No. 1.
Section: ADMINISTRATIVE
AGENDA
Meeting Date: May 29, 2024

TO: Honorable Mayor and Council Members

FROM: Diego Viramontes, City Manager
Paul Saldaña , Community Development Director

SUBJECT: APPROVAL OF RESOLUTION NO. 2024-70 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE CITY TO ENTER INTO A REAL PROPERTY EXCHANGE AGREEMENT WITH ALBERTO DURAN AND APPROVING AN APPROPRIATION OF \$50,000 FROM THE GENERAL FUND.

SUMMARY:

On May 23, 2024, the City Council approved Resolution 2024-61 declaring city owned property as exempt surplus land pursuant to California Government Code §§ 54221(f)(1)(C). This initiated the process for the City to facilitate the property exchange, following a thirty (30) day notice period which commenced May 24, 2024. Alberto Duran ("Duran") owns 2.34 acres of property located at Frontage Road (the "Duran Parcel"). The City of McFarland ("City") is the owner of 5 acres of property located at Elmo Highway and 5 acres of property located at Elmo Highway of which an approximate 200 square foot portion of that property would be subject to this property exchange ("City Parcels"). The City and Duran have reached tentative agreement on the exchange of the properties, which is delineated in the proposed agreement.

The City would exchange the 5 acre property for the 2.34 Duran property. The City would also purchase the existing building on the Duran property in the amount of \$50,000. The agreement would also allow for the exchange of approximately 200 square feet of the property at the Elmo Highway sump site in the event the City did not need the site for municipal purposes. The City would have a designated time to determine future use of the property.

The Planning Commission determined that the exchange is consistent with the General Plan and furthers development and effective planning within the City.

FINANCIAL IMPACT:

\$50,000 will be appropriated from the General Fund for the exchange and will be allocated when final conveyance is completed following the thirty (30) surplus act notice period.

RECOMMENDATION:

City Council authorize the City Manager to execute a Real Property Exchange Agreement in the final form approved by the City Attorney that provides for the terms and conditions of the property exchange concurrent with City Council direction.

ATTACHMENTS:

1. FORM OF AGREEMENT 05.14.2024.REAL PROPERTY EXCHANGE AGREEMENT

RESOLUTION NO. 2024-70

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND
AUTHORIZING THE CITY TO ENTER INTO A REAL PROPERTY EXCHANGE
AGREEMENT WITH ALBERTO DURAN AND APPROVING AN APPROPRIATION OF
\$50,000 FROM THE GENERAL FUND.**

WHEREAS, Alberto Duran (“Duran”) is the fee owner of 2.34 acres of real property is the owner of certain real property located at Frontage Road, McFarland, California, designated as Kern County Assessor’s Property Number 201-031-04 (“Duran Parcel”); and

WHEREAS, the City of McFarland (“City”) is the fee owner of certain real property located at Elmo Highway, McFarland, California, designated as Kern County Assessor’s Property Number 060-030-25-1 (“City Parcel 1”), and real property located at Elmo Highway McFarland, California, designated as Kern County Assessor’s Property Number 201-01-36 (“City Parcel 2”); and

WHEREAS, Duran and the City have been discussing the exchange of the Duran Parcel for City Parcel 1 and that portion of City Parcel 2; and

WHEREAS, on May 23, 2024 the City Council adopted Resolution No. 2024-61 declaring City Parcel 1 and City Parcel 2 exempt surplus land; and

WHEREAS, the City desires to enter into property exchange agreement with Duran based on certain terms and conditions.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of McFarland that it hereby finds and determines as follows:

1. The City Council hereby finds that all the facts set forth in the recitals above of this Resolution are true, correct, and incorporated herein.
2. The City Council has declared City Parcel 1 and a portion of City Parcel 2 as exempt surplus land pursuant to California Government Code §54221 (f)(1)(C)
3. The adoption of this Resolution is categorically exempt from the requirements of the California Environmental Quality Act pursuant to State CEQA Guidelines §§15061, and 15312.
4. The City Manager is authorized to enter into a Real Property Exchange Agreement subject to terms and conditions and subject to the approval of the final form of agreement by the City Attorney.
5. An appropriation of \$50,000 is made from the General Fund to effectuate the Exchange Agreement.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of McFarland on May 29, 2024 by the following vote:

	Aye	Nae	Abstain	Absent
Saul Ayon				
Ricardo Cano				
Amador Ayon				
María T. Pérez				
Anita Gonzalez				

CITY OF MCFARLAND

Saul Ayon, Mayor

ATTEST:

Francisca R. Alvarado, City Clerk

I, _____, City Clerk of the City of McFarland, California, DO HEREBY CERTIFY that the foregoing resolution is a true and accurate copy of the Resolution passed and adopted by the City Council of the City of McFarland on the date and by the vote indicated herein.

Francisca R. Alvarado, City Clerk

REAL PROPERTY EXCHANGE AGREEMENT

THIS REAL PROPERTY EXCHANGE AGREEMENT (“Agreement”) dated as of _____, 2024 (“Effective Date”) is by and between by and between ALBERTO DURAN (“Duran”), and CITY OF MCFARLAND, a municipal corporation (“City”), with reference to the following:

WHEREAS, Duran is the owner of certain real property located at Frontage Road, McFarland, California, designated as Kern County Assessor’s Property Number 201-031-04 as legally described on Exhibit “A,” attached hereto and incorporated herein by reference, hereinafter referred to as the “Duran Property;” and

WHEREAS, City is the owner of certain real property located at Elmo Highway, McFarland, California, designated as Kern County Assessor’s Property Number 060-030-25-1 (“City Property 1”), and real property located at Elmo Highway McFarland, California, designated as Kern County Assessor’s Property Number 201-01-36 (“City Property 2”), a portion of which is subject to this Agreement. City Property 1, and that portion of City Property 2 that is subject to this Agreement are legally described on Exhibit “B,” attached hereto and incorporated herein by reference, hereinafter referred to as the “City Property;” and

WHEREAS, City and Duran have determined it is in their respective interests and the interest of the community for the City to exchange the City Property 1 and the portion of City Property 2 described in Exhibit “B” with Duran for the Duran Property, to facilitate mixed use affordable housing development and public parking and

WHEREAS, California Government Code section 37351 authorizes the CITY to exchange real property as is necessary or proper for municipal purposes; and

WHEREAS, the State Surplus Lands Act (codified at California Government Code section 54220, *et seq.*) includes within the definition of “exempt surplus land,” surplus land that a local agency is exchanging for another property necessary for the City’s use (§54221(f)(1)(C)); and

WHEREAS, the City Council has adopted Resolution No. ____ determining that the Duran Property is necessary for the City’s municipal purpose of mixed use affordable housing development and public parking and that the City Property to be exchanged for the Duran Property therefore qualifies as exempt surplus land under Government Code section 54221(f)(1)(C); and

WHEREAS, the City’s Commission has adopted Resolution No. _____ determining that the transfer of the City Property to Duran and the transfer of the Duran Property to the City to be consistent with the City’s General Plan; and

WHEREAS, Duran desires to transfer the Duran Property to the City in exchange for the City Property, and the City desires to transfer the City Property to Duran in exchange for the Duran Property, upon the terms and conditions set forth herein, including Duran’s commitment

to provide the City with a Floating Easement on City Property 2 (as described in detail below), to be located by the City, if ever, within five (5) years of the effective date of this Agreement.

NOW, THEREFORE, in consideration of the foregoing, and the other considerations hereinafter set forth, it is mutually agreed and understood by the parties as follows:

1. **EXCHANGE OF PROPERTY INTERESTS:** Duran and City have determined that the property interests to be exchanged according to the terms and conditions contained herein will further City's municipal purpose of mixed use affordable housing development and public parking. Subject to the terms and conditions contained in this Agreement, Duran agrees to transfer to City, and City agrees to transfer to Duran, fee ownership of the described property interests, as follows:
 - a. City hereby agrees to transfer to Duran by Grant Deed the City Property 1, and that portion of City Property 2, as described in Exhibit "B." In return, Duran hereby agrees to transfer to City by Grant Deed the entirety of the Duran Property and provide the City with an easement on City Property 2 for installation, maintenance, and repair of public utilities (the "Duran Public Services Easement"). The Duran Public Services Easement shall also be known as a "Floating Easement" and shall be documented in an easement agreement in a form mutually acceptable to the parties ("Duran Public Services Easement Agreement") to be entered into by the parties and recorded through escrow at Closing. The location of the Duran Public Services Easement must be designated by the City within five (5) years of the effective date of this Agreement. Should the City fail to designate the location of the easement within five (5) years of the effective date of this Agreement, the easement will terminate. The Duran Public Services Easement Agreement is subject to approval by Duran, which approval is an express condition precedent to Duran's duty to perform. This Duran Public Services Easement Agreement is also subject to approval by the City Council of the City of McFarland, which is an express condition precedent to City's duty to perform.
2. **ESCROW; CLOSING AND TITLE INSURANCE:** Within TEN (10) days following the Effective Date, the City shall open escrow at Placer Title Company, located at 3900 Coffee Road, Suite 7 Bakersfield, CA 93308 California, or at such other escrow company as may be agreed to by Duran and City ("Escrow Holder" or "Title Company"), and the City shall deliver a copy of this Agreement to the Escrow Holder. This Agreement shall constitute the basic instructions to the Escrow Holder and the Escrow Holder shall prepare documents as are reasonably required to complete the Closing of the transaction contemplated herein, in accordance with the terms and conditions of this Agreement. Duran and the City may each prepare supplemental escrow instructions consistent with the terms of this Agreement, but in case of any conflict between this Agreement and any such supplemental escrow instructions, the terms of this Agreement shall control.

The Closing shall be 45 days after execution of this Agreement, or such other date as the parties hereto shall mutually agree in writing. The "Closing" is defined as the satisfaction of all conditions herein stated, except those conditions that may be waived by an express

written waiver duly executed by Duran or City, as applicable, and the recordation of the Grant Deeds, and delivery of other closing documents and disbursement of funds, all as set forth in Section 3 below. Immediately following execution of this Agreement, each party will cooperate in providing all information in its possession regarding the property it is transferring pursuant to the terms of this Agreement.

Escrow, title and other fees shall be paid as follows:

- i. Duran and City shall share equally in all costs related to escrow and recording fees.
- ii. DURAN and CITY shall each pay for their respective owner's title insurance policy premiums for the property being acquired by that party under the terms of this Agreement, including the costs of any endorsements requested by such party.

3. DEPOSITS TO ESCROW; CONDITIONS TO CLOSING: Prior to the Closing Date, each party, at its own expense, shall complete all desired due diligence investigations of the property to be acquired by such party, including title review and any additional desired market, geotechnical, soils, ground water, and/or building condition investigations, as applicable, to confirm the suitability of the property to be acquired by such party. In addition, prior to the Closing Date, each party shall execute, acknowledge where applicable, and delivery into escrow the Grant Deeds, Certificates of Acceptance, Duran Public Services Easement Agreement, and all other documents contemplated under this Agreement and required to consummate the property exchange described herein.

- a. Duran will deposit with the Escrow Holder required funds and transaction-related documents, including, but not limited to, the following:
 - a. Duran's share of Closing costs and expenses.
 - b. A Grant Deed duly executed and acknowledged by Duran transferring fee title to the Duran Property from Duran to City in substantially the form attached hereto as Exhibit "C" and incorporated herein by reference.
 - c. A duly executed and acknowledged Certificate of Acceptance of the Grant Deed for the City Property in substantially the form attached hereto as Exhibit "F" and incorporated herein by reference.
 - d. Two (2) duly executed and acknowledged counterpart originals of the Duran Public Services Easement Agreement.
- b. City will deposit with the Escrow Holder such transaction-related documents, including, but not limited to, the following:

- i. City's share of Closing costs and expenses.
 - ii. A Grant Deed duly executed and acknowledged by City transferring fee title to the City Property 1 and that Portion of City Property 2, as described in Exhibit "B" to this Agreement from City to Duran in substantially the form attached hereto as Exhibit "E" and incorporated herein by reference.
 - iii. A duly executed and acknowledged Certificate of Acceptance of the Grant Deed for the Duran Property in substantially the form of the Certificate of Acceptance attached hereto as Exhibit "D" and incorporated herein by reference.
 - iv. Two (2) duly executed and acknowledged counterpart originals of the Duran Public Services Easement Agreement together with any required certificate of acceptance with respect to the easement interest being acquired.
- c. The parties' obligation to close the transaction shall be conditioned on the following:
- i. City, prior to the Closing, shall have prepared a metes and bounds legal description of the City Property describing the area shown on Exhibit "B" hereof in a form and in substance reasonably satisfactory to Duran, to be attached to the Grant Deed for the City Property.
 - ii. Title Company shall have irrevocably committed at Closing to issue to Duran and to City a California Land Title Association owner's policies of title insurance, showing title to the applicable property vested in Duran or City, as applicable, subject only to those title exceptions that have been approved by the acquiring party, in its sole discretion. City and Duran may opt to obtain an ALTA extended coverage policy in lieu of the CLTA policy; provided, however, that issuance of such ALTA coverage shall not delay the Closing.
 - iii. City and Duran shall have determined, each in its sole discretion, that the condition of the property to be acquired by such party pursuant to this Agreement is acceptable to such party and suitable for its intended use. If the parties elect to close the transaction contemplated by this Agreement, each party shall be deemed to have made the determination that the property being acquired is acceptable to such party and suitable for its intended use.

4. **PRORATIONS; SURVIVING TAX OBLIGATIONS:** The City Property is publicly owned and exempt from property taxes and therefore no property tax prorations are

anticipated to occur at Closing. However, the Duran Property is not publicly owned or exempt from property taxes. Therefore, to the extent any real or personal property taxes or assessments for any period prior to the Closing become due after Closing, the party which owned such property prior to the Closing shall promptly pay such taxes and assessments and indemnify the acquiring party from any and all liabilities arising from its failure to timely pay such taxes and assessments. The parties' obligations under this Section 4 shall survive the Closing.

5. REPRESENTATIONS AND WARRANTIES:

- a. The following constitute representations and warranties of Duran to City which shall be true and correct as of the date hereof and the Closing Date as if remade in a separate certificate at that time:
 - i. Authority. Duran has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated hereby. This Agreement and all documents required hereby to be executed by Duran are and shall be valid, legally binding obligations of and enforceable against Duran in accordance with their terms.
 - ii. Agreements. To Duran's actual knowledge, there are no agreements affecting the right to possession of the Duran Property, and there are no maintenance, service or other agreements affecting or relating to the Duran Property that cannot be terminated or cancelled by giving not more than thirty (30) days' notice.
- b. The following constitute representations and warranties of City to Duran which shall be true and correct as of the date hereof and the Closing Date as if remade in a separate certificate at that time:
 - i. Authority. City has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated hereby. This Agreement and all documents required hereby to be executed by City are and shall be valid, legally binding obligations of and enforceable against City in accordance with their terms.
 - ii. Agreements. To City's actual knowledge, there are no agreements affecting the right to possession of the City Property and there are no maintenance, service or other agreements affecting or relating to the City Property that cannot be terminated or cancelled by giving not more than thirty (30) days' notice.

- 6. "AS IS WITH ALL FAULTS":** Except as specifically set forth in this Agreement, City and Duran specifically acknowledge that the properties being exchanged pursuant to the

terms of this Agreement are being accepted on an “AS IS WITH ALL FAULTS” basis and that, except as to the limited representations and warranties expressly set forth in Section 5 above, neither party is relying on any representations or warranties of any kind whatsoever, expressed or implied, from the other as to any matters concerning the properties, including without limitation: their physical condition; geology; the development potential of the properties and their use, habitability, merchantability, or fitness for a particular purpose; their zoning or other legal status; compliance with law; the presence or removal of hazardous or toxic materials, substances, or wastes on, under or about the properties or any neighboring property.

7. **GOOD FAITH DISCLOSURE:** City and Duran have made and shall continue to make good faith disclosure to the other of any and all known facts, findings, reports or information regarding the properties that are the subject of this Agreement, including without limitation those relating to: historical uses; prior permitted uses; current uses including, but not limited to, express or implied contracts, leases and/or permits; geological conditions; biological conditions; archaeological sites; flood hazard area(s); special studies zones; zoning reports; environmentally hazardous material such as asbestos, dioxins, oils, PCBs, solvents, waste disposal, gasoline tank leakage, pesticide use and spills, herbicide use or spills or any other substances and/or products of environmental contamination.
8. **INSPECTION:** Either party shall have the right of entry onto the other party’s property , upon reasonable notice, to conduct such non-invasive and non-intrusive inspections and testing thereon as are, in that party’s sole discretion, necessary to reasonably determine the condition of the property being acquired. The scope of any such testing or inspection which requires physical sampling of all or any part of the property shall be subject to: (a) the prior written approval of the other party, which may be withheld or conditioned; (b) receipt of a certificate of insurance evidencing any insurance coverage reasonably required pursuant to this Section; and (c) the requirement that such party conduct all such inspections and testing, including the disposal of samples taken, in accordance with applicable law and at no cost or liability to the other party. Any such inspections and testing shall be completed prior to the Closing and all areas of the property shall be restored to its pre-test and pre-inspection condition as near as is practicable.

If any toxins or contaminants are discovered, notification shall be provided immediately, and the notified party shall have the right, but not the responsibility, to take any actions in response to such notifications that it deems necessary in its sole and absolute discretion. Written notice shall be provided prior to the commencement of any testing or inspections in, on or about the applicable property, and the property owner shall have the right to post notices of testing, and/or notices of non-responsibility as provided by law. The party performing the testing or inspections shall keep the property free and clear of claims, charges and/or liens for labor and materials, and the testing or inspecting party shall defend, indemnify and save harmless the other party, its officials, officers, agents and employees from and against any and all claims, demands, damages, costs, expenses (including attorney’s fees), judgments or liabilities arising out of, related to, or in connection with any such testing, inspection or entry by the testing or inspecting party, its

partners, officers, directors, members, shareholders, independent contractors, agents or employees. The parties' respective obligations under this Section 10 shall survive the expiration or termination of this Agreement.

9. **CITY AND DURAN COVENANTS:** Between the Effective Date and the Closing, City and Duran will not (a) enter into any material contract or lease that will be an obligation affecting its property being conveyed to the other party after the Closing, (b) enter into any contract regarding its property without the other party's prior written consent, or (c) construct or alter any improvements or buildings currently existing on its property without the other party's prior written consent. Each party shall pay any stop notice claims or mechanics and materialman liens arising from labor and materials furnished on behalf of such party prior to the Closing with respect to its property, and pay and fulfill all of its obligations and liabilities under any existing agreements with regard to its property arising prior to the Closing.
10. **TERMINATION:** City and Duran shall each have the right to terminate this Agreement at any time prior to the Closing Date by written notice to the other party.
11. **NATURAL HAZARD DISCLOSURE:** To the extent required by applicable law, each party, at least 10 days prior to Closing, shall cause a natural hazard disclosure statement with respect to its property to be made available to the other party.
12. **CLOSING INSTRUCTIONS:** At the Closing, the Escrow Holder shall:
 - a. Date, as of the Closing Date, all instruments calling for a date, attach the correct legal description to all instruments, as applicable, and combine the counterparts of instruments delivered in counterpart;
 - b. Record the Grant Deeds, Certificates of Acceptance, Duran Public Services Easement Agreement, in that order, in the Official Records of the County of Kern;
 - c. Give City and Duran telephonic or email notice that the Closing has occurred, and send the final closing statement to each party by email;
 - d. Make required filings, if any, with the federal and state tax authorities; and
 - e. Deliver documents, release funds and comply with all instructions as set forth in this Agreement and the approved closing statement, and the supplemental instructions of City and Duran, to the extent consistent with the instructions in this Agreement.
13. **WAIVER:** No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

14. **ENTIRE AGREEMENT:** This Agreement supersedes all prior agreements, understandings, negotiations, and discussions of the parties, whether express or implied, and there are no warranties, representations, covenants, or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein. The parties hereto have set forth the whole of their agreement. No amendment, supplement, modification, waiver, or termination of this Agreement shall be binding unless executed in writing by both parties.
15. **CONSTRUCTION:** The parties agree that each party and its respective counsel have reviewed and approved this Agreement to the extent that each party in its sole discretion has desired, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement. The terms and provisions of this Agreement embody the parties' mutual intent, and this Agreement shall not be construed more liberally in favor of, nor more strictly against, any party hereto. The recitals preceding this Agreement and the exhibits attached and referred to in this Agreement are incorporated herein by this reference. If the date on which City or Duran is required to take any action under the terms of this Agreement occurs on a Saturday, Sunday or Federal or state holiday, then, the action shall be taken on the next succeeding business day.
16. **SECTION HEADINGS:** The headings of the several sections shall be solely for convenience of reference and shall not affect the meaning, construction, or effect thereof.
17. **NOTICES:** Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the parties at their respective addresses specified below. All such notices shall be sent by: (i) personal delivery, in which case notice is effective upon delivery; (ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt; or (iii) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service.

DURAN: Alberto Duran

Email: _____

With a copy to:

CITY: City of McFarland
Attn: City Manager
401 W. Kern Avenue

McFarland, CA 93250
Email: dviramontes@mcfarlandcity.org

With a copy to:

Hodges Law Group
Attn: Nathan M. Hodges
1925 G Street
Bakersfield, CA 93301
Email: nathan@hodges-lawgroup.com

18. COOPERATION:

- a. Each party agrees to execute and deliver such instruments or to perform such acts as reasonably necessary to carry out the provisions of this Agreement.
- b. City and Duran shall cooperate in the defense of any court action or proceeding instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Duran Public Services Easement Agreement, or any other agreement between the parties related to this transaction (“Litigation Challenge”), and shall enter into a mutually acceptable joint defense agreement in response to a Litigation Challenge to facilitate sharing of materials and strategies without waiver of attorney client privilege. The parties shall notify each other promptly upon learning of any actual or threatened Litigation Challenge, and the parties shall keep each other informed of all developments relating to such Litigation Challenge. The parties shall mutually agree on counsel that will be retained to defend against the Litigation Challenge and shall share equally all costs of defense. To the extent each party retains separate counsel or uses in-house counsel to advise or monitor the defense, each party shall bear its own costs. If the terms of a proposed settlement would constitute an amendment or modification of this Agreement, the settlement shall not become effective unless such amendment or modification is approved by both parties in accordance with the applicable law, and each party reserves its full legislative discretion with respect thereto. In the event of a court order issued as a result of a successful Litigation Challenge, the parties shall, to the extent permitted by law or court order, in good faith seek to comply with the court order in such manner as will maintain the integrity of the transaction and property improvements and uses contemplated by this Agreement and the related agreements, and will avoid or minimize to the greatest extent possible (i) any impact on such transaction and property improvements and uses or (ii) frustration of the intent or purpose of this Agreement and the related agreements. The parties shall equally bear any adverse third party attorneys’ fee awards.

- 19. NO ASSIGNMENT; SUCCESSORS AND ASSIGNS:** Unless otherwise specified in this Agreement or its exhibits or attachments, neither party may assign or transfer its rights or obligations under this Agreement. Without limiting the effect of the foregoing sentence, this Agreement shall be binding upon the heirs, devisees, executors, administrators,

successors, and assigns of the parties.

20. **PARTIAL INVALIDITY:** If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.
21. **TIME OF ESSENCE:** City and Duran hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof.
22. **JURISDICTION:** This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Kern.
23. **ATTORNEYS FEES:** In the event any action or proceeding is instituted arising out of or relating to this Agreement, the prevailing Party shall be entitled to its reasonable attorney's fees and actual costs.
24. **EXECUTION IN COUNTERPARTS:** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many or them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Duran and City have executed this Real Property Exchange Agreement as set forth below to be effective as of the later of the dates this Agreement is executed by Duran and the City.

“DURAN”

Dated: _____, 2024

Signature: _____
Alberto Duran

“CITY”

CITY OF McFARLAND

Dated: _____, 2024

By: _____
Diego Viramontes,
City Manager

Attest:

By: _____
Francisca Alvarado,
City Clerk

Approved As To Form:

By: _____
Nathan M. Hodges,
City Attorney

CONSENT OF ESCROW HOLDER

Escrow Holder hereby acknowledges receipt of a copy of a fully executed original of this Agreement. Escrow Holder hereby agrees (i) to be and serve as Escrow Holder pursuant to this Agreement; and (ii) subject to further escrow instructions mutually agreeable to the parties and Escrow Holder, to be bound by the Agreement in the performance of its duties as Escrow Holder and to hold and disburse all funds received by Escrow Holder in accordance with the provisions of this Agreement; provided, however, Escrow Holder shall have no obligation, liability, or responsibility under any amendment to the Agreement unless and until the same is accepted by Escrow Holder in writing.

FIRST AMERICAN TITLE COMPANY

Dated: _____, 2024

By: _____

Name: _____

Title: _____

EXHIBIT A

Legal Description of Duran Property

EXHIBIT B

Legal Description of City Property 1

Legal Description of the portion of City Property 2 that is subject to this Agreement

EXHIBIT C

Grant Deed (Duran to City)

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of McFarland
Attn: City Clerk
401 W. Kern Avenue
McFarland, CA 93250

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §§6103, 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The Undersigned Grantor(s) Declare(s):
DOCUMENTARY TRANSFER TAX \$ _____;
CITY TRANSFER TAX \$.00;
SURVEY MONUMENT FEE \$__

- [] Computed on the consideration or full value of property
conveyed, OR
[] Computed on the consideration or full value less value of
liens and/or
encumbrances remaining at time of sale,
[] Unincorporated area; [X] City of McFarland

GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

ALBERTO DURAN hereby grants to CITY OF MCFARLAND, a California municipal corporation, the real property legally described in the document attached hereto, labeled Attachment 1, and incorporated herein by this reference.

GRANTOR:

Signature: _____
Alberto Duran

Dated: _____, 2024

NOTARY ACKNOWLEDGMENT
[to be inserted]

ATTACHMENT 1
LEGAL DESCRIPTION
[to be inserted]

EXHIBIT D

City's Certificate of Acceptance of the Grant Deed (Duran Property)

This is to certify that the interests in real property conveyed by Grant Deed dated _____, 2024, by Alberto Duran, as grantor, to the City of McFarland, is hereby accepted by the City Manager of the City pursuant to authority conferred by Resolution No. _____ of the City Council adopted on _____, 2024, and the City, as grantee, consents to recordation of said Grant Deed.

Dated: _____, 2024

CITY OF MCFARLAND

By: _____
Diego Viramontes,
City Manager

[NOTARY ACKNOWLEDGMENT]

To be inserted

EXHIBIT E

Grant Deed (City to Duran)

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The Undersigned Grantor(s) Declare(s):

DOCUMENTARY TRANSFER TAX \$ _____;

CITY TRANSFER TAX \$.00;

SURVEY MONUMENT FEE \$__

- ☐ Computed on the consideration or full value of property conveyed, OR
- ☐ Computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,
- ☐ Unincorporated area; ☒ City of McFarland

GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

THE CITY OF MCFARLAND, a California municipal corporation, hereby grants to ALBERTO DURAN, the real property legally described in the document attached hereto, labeled Attachment 1, and incorporated herein by this reference.

GRANTOR:
CITY OF MCFARLAND

By: _____
Diego Viramontes,
City Manager

Dated: _____, 2024

NOTARY ACKNOWLEDGMENT
[to be inserted]

ATTACHMENT 1
LEGAL DESCRIPTION
[to be inserted]

EXHIBIT F

Duran's Certificate of Acceptance of the Grant Deed (City Property)

This is to certify that the interests in real property conveyed by Grant Deed dated _____, 2024, by the City of McFarland, a California municipal corporation, as grantor, to Alberto Duran, is hereby accepted by Alberto Duran, and Alberto Duran, as grantee, consents to recordation of said Grant Deed.

Dated: _____, 2024

By: _____
Alberto Duran

NOTARY ACKNOWLEDGMENT

[to be inserted]



City of McFarland

City Council Meeting

STAFF REPORT

Agenda Item No. 2.
Section: ADMINISTRATIVE
AGENDA
Meeting Date: May 29, 2024

TO: Honorable Mayor and Council Members

FROM: Diego Viramontes, City Manager

SUBJECT: APPROVAL OF RESOLUTION NO. 2024-69 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE ISSUANCE OF SCHOLARSHIPS TO GRADUATING SENIORS FROM MCFARLAND HIGH SCHOOL AND APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF \$186,700 FROM THE GENERAL FUND.

SUMMARY:

BACKGROUND:

The GEO Group has provided funds to the City of McFarland to manage and determine the criteria for awarding scholarships to graduating seniors from McFarland High School. The purpose of these scholarships is to support and incentivize academic achievement among students.

In collaboration with the high school principal and counselors, it has been determined that the most appropriate method to distribute these scholarships is based on merit. The criteria for the scholarships have been established as follows:

Valedictorians: \$1,500 to \$4,000

AA Degrees: \$1,200

Dual Enrollment between 21-48 units: \$1,000

Dual Enrollment between 12-18 units: \$700

Dual Enrollment less than 12 units: \$500

This method aims to encourage students to achieve higher academic standards and to recognize those who have demonstrated exceptional dedication and performance.

DISCUSSION:

The total amount of scholarships to be issued is \$186,700. These funds will be distributed among the graduating seniors who meet the established criteria. The GEO Group has contributed additional Conditional Use Permit (CUP) fees to offset any potential costs to the City. Consequently, there will be no additional financial burden on the City of McFarland.

The collaboration with McFarland High School's administration has ensured that the criteria for these scholarships are fair, transparent, and designed to maximize student motivation and success. By rewarding academic excellence and commitment, the City of McFarland will be

fostering an environment that values education and hard work.

FINANCIAL IMPACT:

The scholarship funds totaling \$186,700 are fully covered by The GEO Group, with no additional cost to the City of McFarland. The scholarships are funded through CUP fees provided by The GEO Group, ensuring that the City's finances remain unaffected.

RECOMMENDATION:

It is recommended that the City Council authorize the issuance of scholarships to graduating seniors from McFarland High School, funded by The GEO Group, totaling \$186,700.

ATTACHMENTS:

1. List of Scholarships Recipients and Respective Awards

RESOLUTION NO. 2024-69

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCFARLAND AUTHORIZING THE ISSUANCE OF SCHOLARSHIPS TO GRADUATING SENIORS FROM MCFARLAND HIGH SCHOOL AND APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF \$186,700 FROM THE GENERAL FUND

WHEREAS, The GEO Group has provided additional conditional use permit fees to the City of McFarland to manage and determine the criteria for awarding scholarships to graduating seniors from McFarland High School; and

WHEREAS, the City Council of the City of McFarland desires to allocate \$186,700 for scholarships, which will be distributed among students who meet the established merit-based criteria; and

WHEREAS, the scholarship criteria have been developed in collaboration with the high school principal and counselors, focusing on academic achievements such as Valedictorians, AA Degrees, and Dual Enrollment accomplishments; and

WHEREAS, this initiative aims to incentivize students to achieve higher academic standards and recognize exceptional dedication and performance; and

WHEREAS, the City Council of the City of McFarland recognizes the importance of supporting and encouraging the educational achievements of its youth;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of McFarland that it hereby finds and determines as follows:

1. The City Council hereby authorizes the issuance of scholarships to graduating seniors from McFarland High School, totaling \$186,700, based on the merit criteria established in collaboration with the high school administration.
2. The City Council approves a budget adjustment in the amount of \$186,700 for these scholarships from the General Fund.
3. The City Manager and Finance Director are hereby authorized and directed to take all necessary actions to implement this resolution, including the disbursement of scholarship funds according to the established criteria.
4. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of McFarland on May 29, 2024 by the following vote:

	Aye	Nae	Abstain	Absent
Saul Ayon				
Ricardo Cano				
Amador Ayon				
María T. Pérez				
Anita Gonzalez				

CITY OF MCFARLAND

Saul Ayon, Mayor

ATTEST:

Francisca R. Alvarado, City Clerk

I, _____, City Clerk of the City of McFarland, California, DO HEREBY CERTIFY that the foregoing resolution is a true and accurate copy of the Resolution passed and adopted by the City Council of the City of McFarland on the date and by the vote indicated herein.

Francisca R. Alvarado, City Clerk