



2035 Tulare Street, Suite 201
Fresno, CA 93721
Phone: (559) 233-6789
Fax: (559) 233-9645
www.ruraltransit.org

**FRESNO COUNTY RURAL TRANSIT AGENCY (FCRTA)
NOTICE AND AGENDA FOR SPECIAL MEETING [GOV. CODE § 54956]
ISSUED BY MAYOR CARDENAS, FCRTA BOARD CHAIR**

DATE: Wednesday, December 11, 2019
TIME: 9:00am, **AFTER** the *Fresno Council of Governments (FCOG) Meeting*
PLACE: FCOG / FCRTA Offices
Sequoia Conference Room
2035 Tulare Street, Suite 201
Fresno, CA 93726
(Corner of Tulare and Van Ness Ave. - above Club One
Park in Underground Garage - Entrance off Tulare & Van Ness Ave.
Exit Elevator on Tulare St., Turn Left, Enter Lobby Door,
Up Elevator to Second Floor, Left to Sequoia Conference Room)

Americans with Disabilities Act (ADA) Accommodation

The Fresno COG / FCRTA offices and restrooms are ADA accessible. Individuals with disabilities may call (559-233-4148) / FCRTA (559-233-6789) at least 3 days in advance, to request auxiliary aids and/or translation services necessary to participate in the public meeting / public hearing. If Fresno COG / FCRTA are unable to accommodate an auxiliary aid or translation request for a public hearing after receiving proper notice, the hearing will be continued on a specified date when accommodations are available.

AB 23 Requirement: In accordance with the Brown Act and AB23 the amount of stipend paid to members of the Board of Directors for attending this meeting of the Fresno County Rural Transit Agency, is \$50.00.

1. ROLL CALL

Public Presentations - This portion of the meeting is reserved for persons wishing to address the FCRTA Board on items within its jurisdiction but not on this Agenda.

NOTE: The public may also comment on any Agenda item, as they are presented, prior to action by the FCRTA Board.

2. CONSENT ITEMS

A. Approve Executive Minutes of October 30, 2019 [ATTACHMENT]

B. Kerman Transit Transition [APPROVE]

Summary: The City of Kerman currently operates the demand-response transit service. City of Kerman has made the decision to transfer the City of Kerman transit services to FCRTA which will be operated by the subcontractor MV Transportation. The Kerman Transit transition to FCRTA will be effective December 16, 2019. The transition flyer is attached for your review (**ATTACHMENT**).

Action: Staff recommends Board approval of the City of Kerman Transit transition and authorize FCRTA to operate the City of Kerman subsystem.

C. Amendment II to the MV Transportation Contracted Services Agreement [APPROVE]

Summary: As a result of the 2018 Request for Proposals (RFP), MV Transportation was awarded a three (3) year agreement to operate FCRTA's demand response and fixed-route systems. The Board approved in June for Reedley Transit to be operated by FCRTA through MV Transportation. Kerman and Coalinga are the only subsystems that are currently not being operated by FCRTA through MV Transportation. As of December 16, 2019, Kerman Transit will become part of the demand response systems that is operated by FCRTA through MV Transportation. The agreement with MV Transportation has been amended to include these changes to the demand response operations. The Amendment II to the MV Transportation Contracted Services Agreement is attached for your review (**ATTACHMENT**).

Action: Staff recommends Board approval of Amendment II to the MV Transportation Contracted Services Agreement in an amount not to exceed \$9,386,725.28 for FY 18-19, FY 19-20 and FY 20-21.

D. Acquisition of Land in the City of Selma for Maintenance Facility [APPROVE]

Summary: The City of Selma has been designated the preferred location for the FCRTA maintenance facility. The Board approved in September the purchase agreement for the 2.38 acre parcel located at 1821 Pacific Street in the City of Selma. In order to complete escrow, a Board Resolution is required finding the approval of purchase and sale agreement and authorization of the General Manager to execute related contracts to be categorically exempt from CEQA, and approving purchase and sale agreement and authorization of General Manager to execute related contracts (**ATTACHMENT**).

Action: Staff recommends Board approval of Resolution No. 2019-13.

E. Acquisition of Additional Parcel in the City of Selma for Maintenance Facility [APPROVE]

Summary: The City of Selma has been designated the preferred location for the FCRTA maintenance facility. The Board approved in October for staff to purchase an additional parcel to construct the maintenance facility and provide space for the 100 plus vehicle fleet, a CNG fast fill fueling station, an electric vehicle (EV) charging area and vocational center for bus repair and new technology training. Staff has pursued negotiations with the private property owner to purchase the parcel of 2.0 acres for \$377,680.80 for the maintenance facility and vehicle fleet. The land purchase will be with Measure C and/or SB1 funding. In addition, a Phase I ESA has been advised by FCRTA's real estate legal counsel, Best, Best & Krieger (BBK) (**ATTACHMENT**).

Action: Staff recommends Board approval of the initial environmental study and the purchase agreement of the additional parcel of 2.0 acres not to exceed the amount of \$377,608.80 and the Phase I ESA not to exceed the amount of \$3,000 for the maintenance facility and vehicle fleet. Staff also recommends Board approval of Resolution No. 2019-14.

F. Best Best & Krieger (BBK) Agreement Extension [APPROVE]

Summary: The Board approved in November 2018, Best Best & Krieger (BBK) to provide legal services necessary for the real estate transaction of the land purchase for the maintenance facility in the amount of \$15,000. Based on the additional land purchase of the 2.0 acres and in the event that FCRTA is able to purchase the other surrounding parcel, the agreement with BBK will be extended to provide legal services for the real estate transaction of all parcels in the amount not to exceed \$20,000. BBK's letter to extend the agreement is attached for your review (**ATTACHMENT**).

Action: Staff recommends Board approval of the BBK agreement extension in the amount not to exceed \$20,000.

G. Fiscal Year 2018-19 Audit [ACCEPT]

Summary: The CPA firm Price Paige and Co. have completed the 2018-19 Financial and Compliance audit for FCRTA. The report details that FCRTA managed its operations according to funding covenants, within budget and has no findings of non-compliance. This report satisfies requirements of federal and state funding agencies.

FCRTA's operating revenues were \$616,210 and operating expenses were \$7,814,897, which includes \$2,159,363 for depreciation. Non-operating revenues were \$5,039,324; however, when depreciation is netted out, revenues and expenses are in balance. Capital contributions net of depreciation were \$5,556,695, resulting in an ending net position of \$12,468,213. The fare revenue ratio of 10.9% percent is in compliance with state Transportation Development Act statute requirements of percent, however fare ratios have been decreasing over the past few years. Copies of the audit will be available at the meeting to interested parties and available on FCRTA's website www.ruraltransit.org.

Action: Staff recommends Board acceptance of the 2018-19 FCRTA Financial and Compliance Audit.

5. OTHER BUSINESS

A. Items from staff.

1. Commemorating FCRTA's 40th Anniversary.

B. Items from members.

7. ADJOURNMENT

FRESNO COUNTY RURAL TRANSIT AGENCY (FCRTA)

Executive Minutes

Thursday, October 30 2019 at 5:30 P.M after COG Policy Board Meeting
COG Sequoia Conference Room
2035 Tulare St., Suite 201, Fresno, CA

Members Attending:

Mayor Ron Lander, City of Coalinga
Mayor Marcia Sablan, City of Firebaugh
Mayor David Cardenas, City of Fowler
Mayor Rey Leon, City of Huron
Mayor Pro Tem Gary Yep, City of Kerman
Mayor Michelle Roman, City of Kingsburg
Mayor Victor Lopez, City of Orange Cove
Mayor Pro Tem Trinidad Pimentel, City of Parlier
Council Member Robert Beck, City of Reedley
Mayor Frank Gonzalez, City of Sanger
Mayor Julia Hernandez, City of San Joaquin
Mayor Scott Robertson, City of Selma

Moses Stites, General Manager
Bryan Rome, County Counsel
Janelle Del Campo, Associate Transit Planner FCRTA
Jeaneen Cervantes, FCOG

Absent:

Supervisor Sal Quintero, Fresno County
Mayor Robert Silva, City of Mendota

1. **ROLL CALL** – Meeting called to order at 7:04 p.m.
Public Presentations - This portion of the meeting is reserved for persons wishing to address the FCRTA Board on items within its jurisdiction but not on this Agenda.

NOTE: The public may also comment on any Agenda item, as they are presented, prior to action by the FCRTA Board.

2. **CLOSED SESSION**
 - A. **CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION**
Government Code Section 54956.9 (d) (2) (1 Case)

3. **RETURN TO OPEN SESSION**

4. **CONSENT ITEMS**
 - A. Approve Executive Minutes of September 26, 2019 [APPROVE]
 - B. Caltrans Sustainable Communities Planning Grant [APPROVE]

C. Acquisition of Land in the City of Selma for Maintenance Facility [APPROVE]

A motion was made by Mayor Roman (Kingsburg)) and second by Mayor Pro Tem Pimentel (Parlier). A vote was called and motion carried.

5. **OTHER ITEMS**

A. Items from Staff

1. Kerman Transit Transition

Moses informed the Board about the transition of the Kerman Transit coming in directly to FCRTA which would be appropriated to our sub-contractor MV Transportation.

With the City of Coalinga remaining I will be talking to the Mayor and the City Manager of Coalinga and hoping this will take place by July 1, 2020.

2. Meeting with the Secretary of Transportation David Kim

Moses informed the Board that he was asked to a meeting with the Secretary of Transportation David Kim and Under Secretary Chad Edison regarding the transit needs of the disadvantaged communities.

3. Commemorating FCRTA 40th Anniversary

B. Items from members.

None

5. **ADJOURNMENT**

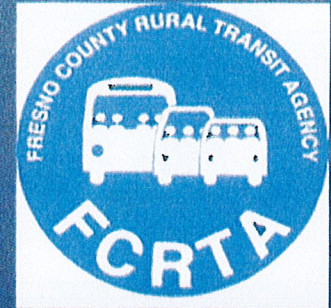
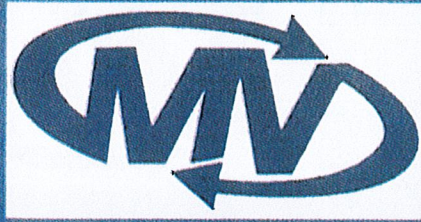
Meeting Adjourned at 7:41 p.m

A motion was made by Mayor Lopez (Orange Cove) and second by Mayor Leon (Huron). A vote was called and motion carried.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Moses Stites". The signature is fluid and cursive, with the first name "Moses" and last name "Stites" clearly distinguishable.

Moses Stites, General Manager



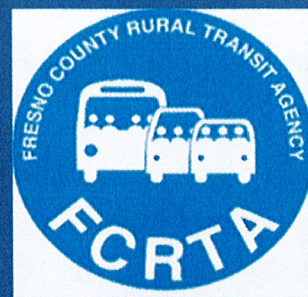
MV Transportation will be the new Route and Dispatch Service Provider for Kerman Transit!

Service with MV will begin
on Monday, December 2nd

Important Information:

- **1-855-612-5184** is the new phone number for scheduling rides on and after Monday, December 2nd
- There will be NO changes to routes as a result of the transition to MV
- Call **1-855-612-5184** *now* to register as a passenger!
- Thank you for riding with us!





¡MV Transportation será el nuevo proveedor de servicios de ruta y envío para Kerman Transit!

El servicio con MV comenzará
el lunes 2 de diciembre

Información Importante:

- **1-855-612-5184** será el nuevo número de teléfono para programar viajes en y después del lunes 2 de diciembre
- No habrá cambios en las rutas durante la transición a MV
- Llame al 1-855-612-5184 ahora para registrarse como pasajero

¡Gracias por viajar con nosotros!



AMENDMENT II TO THE AGREEMENT FOR CONTRACTED SERVICES BETWEEN
THE FRESNO COUNTY RURAL TRANSIT AGENCY
AND
MV TRANSPORTATION

This Amendment II to Agreement ("Amendment II") amends that certain agreement entered into on July 31, 2018, between the FRESNO COUNTY RURAL TRANSIT AGENCY (herein after referred to as "FCRTA") and MV PUBLIC TRANSPORTATION INC., a transportation services firm formed under the laws in the State of California (herein after referred to as "CONTRACTOR"), whereby CONTRACTOR agreed to provide contractor services to FCRTA, (hereinafter referred to collectively as the "Agreement"); and

Whereas, an amendment to the Agreement is necessary to modify the services in the next year beginning December 2, 2019; and

NOW THEREFORE, in consideration for their mutual promises, FCRTA and CONTRACTOR agree to amend the Agreement as follows:

1. That existing, Exhibit -1, a Summary of FCRTA's 2018-19 Transit Subsystems, is hereby replaced with the new **Exhibit -1**, which is a Summary of FCRTA's 2019-20 Transit Subsystems governed under this Agreement and identifies each subsystem, the days and hours of operation, the service type, the frequency and the service area; with other operational services, and is attached hereto, and incorporated herein by reference.
2. That existing ARTICLE I. AWARD OF A CONTRACT FOR TRANSIT SERVICE TO THE MV TRANSPORTATION, shall be deleted entirely and replaced with the following:

"The FCRTA hereby agrees to engage the MV Public Transportation, Inc., (Contractor) to provide public transportation service to the referenced subsystems, from September 1, 2018 through August 31, 2021. The maximum amount of compensation to the Contractor, under this Agreement is not to exceed \$9,386,725.28: \$2,727,689.76 for FY 2018-19; \$3,175,529.59 for FY 2019-20; and \$3,483,505.93 for FY 2020-21 provided no penalties or awards are assessed. **Exhibit-2** displays Contractor's proposal pricing for each fiscal year of this agreement.

This Agreement, including FCRTA 2018 Operations and Maintenance Request for Proposals, the Proposal from the successful Contractor, and the exhibits attached hereto and incorporated herein by reference, constitutes the entire agreement between the Parties with respect to the Services, and supersedes all prior agreements or understandings, oral or written, between the Parties in this regard."

3. That existing Paragraph D. Transit Services Area of Article II. DESCRIPTION OF SERVICE, shall be deleted in its entirety and replaced with the follows:

"D. Transit Services Area

The Contractor shall provide Services within the respective Transit Services Areas which are contiguous with each city's Sphere of Influence (SOI) boundary as adopted by the Fresno County Local Agency Formation Commission (LAFCO) and as

referenced and adopted in 'The Short Range Transit Plan for Rural Fresno County Area: 2018-2019'. **Exhibit 3**, which is attached hereto and incorporated herein by reference, is the overall FCRTA Service Area County Map. The respective individual Service Area Maps are attached as: Exhibit 4 – Auberry Transit; Exhibit 5 – Del Rey Transit; Exhibit 6 – Firebaugh Transit; Exhibit – 7 Fowler Transit; Exhibit – 8 Huron Transit; Exhibit – 9 Kingsburg Transit; Exhibit 10 – Mendota Transit; Exhibit – 11, Orange Cove Transit; Exhibit -12 Parlier Transit; Exhibit -13 Rural Transit; Exhibit -14 Sanger Transit; Exhibit – 15 San Joaquin Transit; Exhibit -16 Selma Transit; Exhibit – 17 Shuttle Transit; Exhibit – 18 Southeast Transit; Exhibit – 19 Westside Transit; Exhibit 20 – Orange Inter-City Transit; Exhibit 21 – Kingsburg-Reedley College Transit; and Exhibit 22 – FCRTA Holiday Schedule; Exhibit 23 – Reedley Transit; Exhibit 24 – Coalinga Express (Inter-City to Fresno); Exhibit 25- Orange Cove Express (Inter-City to Fresno); and Exhibit 26 – Kerman Transit. Each of the aforementioned Exhibits (numbers 4-26, inclusive) are attached hereto, and incorporated herein by reference.”

4. That existing Article IV. BILLING AND PAYMENT FOR SERVICE, shall be deleted in its entirety and replaced with the following:

“For services rendered between September 1, 2019 through August 31, 2020, and subject to Article I and Exhibit - 2 "Summary of FCRTA's Subsystem Individual and Total Contract Budgets for 2019-20 by Number of Vehicles, Total Service Hours, Hourly Contract rate and Calculated Contract Budgets", the Contractor shall submit an itemized (accounting of the actual number of service hours multiplied by \$45.00, \$38.17 for Reedley Transit and \$34.00 for Kerman Transit) - the rate per vehicle service hour) monthly service bill to FCRTA within thirty (30) days, following the given month in which services were rendered. Failure to do so will result in a 3% penalty to the Contractor per monthly occurrence and shall be deducted from a subsequent reimbursement billing payment. FCRTA shall make payment on the billing within thirty (30) days from receipt of said bill. Failure by FCRTA to do so will result in a 3% increase award to a subsequent reimbursement billing payment to the Contractor.

The maximum amount of compensation to the Contractor for the service year beginning on September 1, 2019 and ending on August 31, 2020, under this Agreement is not to exceed \$3,175,529.59, provided no penalties or awards are assessed.

Additionally, Contractor will be providing insurance as defined in Article II Section J. and per Exhibit 2, at a cost of \$110,165.47 for the service year beginning on September 1, 2019 and ending on August 31, 2020 subject to vehicle miles traveled. FCRTA agrees to pay Contractor the above-referenced 2019-20 service year insurance costs prior to September 1, 2019. Facility fees will be billed in accordance with Exhibit 2; 1 payment of \$41,136.00 or \$3,428.00 per month.

For services rendered between September 1, 2020 through August 31, 2021, and subject to Article I and Exhibit - 2 "Summary of FCRTA's Subsystem Individual and Total Contract Budgets for 2020-21 by Number of Vehicles, Total Service Hours, Hourly Contract rate and Calculated Contract Budgets", the Contractor shall submit an itemized (accounting of the actual number of service hours multiplied by \$49.00, \$42.17 for Reedley Transit and \$38.00 for Kerman Transit - the rate per vehicle service hour) monthly service bill to FCRTA within thirty (30) days, following the given month in which services were rendered. Failure to do so will result in a 3% penalty to the Contractor per monthly occurrence and shall be deducted from a subsequent reimbursement billing payment. FCRTA shall make payment on the billing within thirty (30) days from receipt of said bill. Failure by FCRTA to do so will result in a 3% increase award to a subsequent reimbursement billing payment to the Contractor.

The maximum amount of compensation to the Contractor for the service year beginning on September 1, 2020 and ending on August 31, 2021, under this Agreement is not exceed \$3,483,505.93, provided no penalties or awards are assessed.

Additionally, Contractor will be providing insurance as defined in Article II Section J. and per Exhibit 2, at a cost of \$111,172.15 for the service year beginning on September 1, 2020 and ending on August 31, 2021 subject to vehicle miles traveled. FCRTA agrees to pay Contractor the above-referenced 2020-21 service year insurance costs prior to September 1, 2020."

5. All other terms and conditions of the Agreement remain unchanged.

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Except as amended herein, all other provisions of the Agreement remain in full force and effect.
This Amendment I to Agreement shall become effective on December 2, 2019.

IN WITNESS WHEREOF, the parties hereto have executed this document the ____ day of _____, 2019.

FRESNO COUNTY RURAL TRANSIT AGENCY

By _____
MOSES STITES, General Manager

CONTRACTOR

By Marie Meisenbach Gaul
Marie Meisenbach Gaul, EVP & CFO

APPROVED AS TO LEGAL FORM ON BEHALF OF FCRTA:
DANIEL C. CEDERBORG, County Counsel

By Bryan Rome
BRYAN ROME, Deputy County Counsel

BEFORE THE FRESNO COUNTY RURAL TRANSIT AGENCY
RESOLUTION NO. 2019-13

In the matter of: RESOLUTION FINDING THE APPROVAL OF PURCHASE AND SALE AGREEMENT AND AUTHORIZATION OF GENERAL MANAGER TO EXECUTE RELATED CONTRACTS TO BE CATEGORICALLY EXEMPT FROM CEQA, AND APPROVING PURCHASE AND SALE AGREEMENT AND AUTHORIZATION OF GENERAL MANAGER TO EXECUTE RELATED CONTRACTS

WHEREAS, the Fresno County Rural Transit Agency (FCRTA) desires a new maintenance facility; and

WHEREAS, in April 2018, the FCRTA designated the City of Selma as the preferred location for the new maintenance facility; and

WHEREAS, the FCRTA has pursued negotiations, planning, and environmental efforts for a 2.38-acre maintenance facility site at 1821 Pacific Street, in the City of Selma (Site); and

WHEREAS, the Site is currently undeveloped and not occupied; and

WHEREAS, the FCRTA desires to enter into a purchase and sale agreement, with the Property Owner (Purchase and Sale Agreement); and

WHEREAS, the FCRTA Board of Directors does hereby authorize the General Manager to execute any and all agreements and contracts pertaining to the Purchase and Sale Agreement and maintenance facility.

NOW, THEREFORE, BE IT RESOLVED, by the Fresno County Rural Transit Agency Board of Directors:

SECTION 1. Recitals. All of the foregoing Recitals are true and correct. The Recitals set forth above are incorporated herein and made an operative part of this Resolution.

SECTION 2. CEQA Findings. For all of the reasons discussed in the Environmental Site Assessment, approval of the Purchase and Sale Agreement and authorization of the General Manager to execute and carry out all related activities for the maintenance facility are exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15332, and no exceptions to the exemption apply.

SECTION 3. Approval of Purchase and Sale Agreement, related contracts, and Project. The Board has received and reviewed the proposed Purchase and Sale Agreement and does hereby approve the Purchase and Sale Agreement and authorize the General Manager to execute any and all agreements and contracts pertaining to the Purchase and Sale Agreement and maintenance facility.

SECTION 4. Notice of Exemption. The Board hereby directs staff to file a Notice of Exemption with the Fresno County Clerk within five (5) working days of the adoption of this Resolution.

SECTION 5. Location of Documents. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the FCRTA's offices at: 2035 Tulare Street, Suite 201, Fresno, California 93721. The custodian for these records is the FCRTA's General Manager.

THE FOREGOING RESOLUTION was passed and adopted by the Fresno County Rural Transit Agency this 11th day of December, 2019.

AYES:

NOES:

ABSTAIN:

ABSENT:

Signed _____
David Cardenas, Chairman

I hereby certify that the foregoing is a true copy of a resolution of the Fresno County Rural Transit Agency duly adopted at a meeting thereof held on the 11th day of December 2019.

Signed _____
Moses Stites, General Manager

**BEFORE THE FRESNO COUNTY RURAL TRANSIT AGENCY
RESOLUTION NO. 2019-14**

In the matter of: RESOLUTION FINDING THE APPROVAL OF PURCHASE AND SALE AGREEMENT AND AUTHORIZATION OF GENERAL MANAGER TO EXECUTE RELATED CONTRACTS TO BE CATEGORICALLY EXEMPT FROM CEQA, AND APPROVING PURCHASE AND SALE AGREEMENT AND AUTHORIZATION OF GENERAL MANAGER TO EXECUTE RELATED CONTRACTS

WHEREAS, the Fresno County Rural Transit Agency (FCRTA) desires a new maintenance facility; and

WHEREAS, in April 2018, the FCRTA designated the City of Selma as the preferred location for the new maintenance facility; and

WHEREAS, the FCRTA has pursued negotiations, planning, and environmental efforts for a 2.0-acre maintenance facility site at 1200 Valley View, in the City of Selma (Site); and

WHEREAS, the Site is currently undeveloped and not occupied; and

WHEREAS, the FCRTA desires to enter into a purchase and sale agreement, with the Property Owner (Purchase and Sale Agreement); and

WHEREAS, the FCRTA Board of Directors does hereby authorize the General Manager to execute any and all agreements and contracts pertaining to the Purchase and Sale Agreement and maintenance facility.

NOW, THEREFORE, BE IT RESOLVED, by the Fresno County Rural Transit Agency Board of Directors:

SECTION 1. Recitals. All of the foregoing Recitals are true and correct. The Recitals set forth above are incorporated herein and made an operative part of this Resolution.

SECTION 2. CEQA Findings. For all of the reasons discussed in the Environmental Site Assessment, approval of the Purchase and Sale Agreement and authorization of the General Manager to execute and carry out all related activities for the maintenance facility are exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15332 , and no exceptions to the exemption apply.

SECTION 3. Approval of Purchase and Sale Agreement, related contracts, and Project. The Board has received and reviewed the proposed Purchase and Sale Agreement and does hereby approve the Purchase and Sale Agreement and authorize the General Manager to execute any and all agreements and contracts pertaining to the Purchase and Sale Agreement and maintenance facility.

SECTION 4. Notice of Exemption. The Board hereby directs staff to file a Notice of Exemption with the Fresno County Clerk within five (5) working days of the adoption of this Resolution.

SECTION 5. Location of Documents. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the FCRTA's offices at: 2035 Tulare Street, Suite 201, Fresno, California 93721 . The custodian for these records is the FCRTA's General Manager.

THE FOREGOING RESOLUTION was passed and adopted by the Fresno County Rural Transit Agency this 11th day of December, 2019.

AYES:

NOES:

ABSTAIN:

ABSENT:

Signed _____
David Cardenas, Chairman

I hereby certify that the foregoing is a true copy of a resolution of the Fresno County Rural Transit Agency duly adopted at a meeting thereof held on the 11th day of December 2019.

Signed _____
Moses Stites, General Manager

**PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "**Agreement**") is made and entered into as of November __, 2019 ("**Effective Date**"), by and between ANDY F. MONTIJO AND YVETTE G. MONTIJO, TRUSTEES OF THE MONTIJO FAMILY TRUST OF 2000 UNDER DECLARATION OF TRUST, DATED FEBRUARY 17, 2000 ("**Seller**"), and FRESNO COUNTY RURAL TRANSIT AGENCY, a joint powers authority ("**Buyer**"), who hereby agree as follows:

1. Purchase and Sale of Property. Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase from Seller a portion of that certain real property consisting of approximately two (2) acres of two (2) existing parcels commonly referred to as Assessor's Parcel Numbers 390-190-45s and 390-190-44s, as more fully described in Exhibit A, attached hereto, together with all right, title and interest in and to all rights, privileges, easements or appurtenances and improvements thereon or relating thereto (collectively, the "**Property**"), subject to the terms and conditions set forth herein. The legal description of the Property shall be amended following the completion of a lot line adjustment as set forth in Section 7(a) of this Agreement.

2. Purchase Price.

(a) The purchase price for the Property ("**Purchase Price**") shall be Three Hundred Seventy-Seven Thousand, Six Hundred Eight and 80/100 Dollars (\$377,608.80).

(b) The Purchase Price shall be paid as follows:

(i) Within 3 days following the Effective Date, Seller and Buyer shall open an escrow in connection herewith ("**Escrow**") at Chicago Title Company ("**Escrow Holder**"), and Buyer shall deposit into Escrow the amount of Five Thousand Dollars (\$5,000.00) ("**Deposit**") in cash or other immediately available funds.

(ii) On or before the Closing (defined below), if this Agreement has not been earlier terminated, Buyer shall deposit into Escrow cash or other immediately available funds in the amount of the balance of the Purchase Price, less any credits due Buyer hereunder (the "**Closing Amount**"). The Closing Amount shall be applied towards the Purchase Price at the Closing.

3. Feasibility Period.

(a) From and after the Effective Date until the Closing or earlier termination of this Agreement, Seller shall afford authorized representatives of Buyer access to the Property, upon reasonable prior written notice to Seller, and so long as such access does not unreasonably interfere with the conduct of business on or use of the Property, for purposes of conducting such physical inspections and investigations of the Property as Buyer deems necessary (the "**Inspections**"). Seller's representative shall be present with Buyer or Buyer's representative during any access to the Property. The Inspections and investigations may include, without limitation, (i) a review of existing zoning, entitlement,

planning or similar issues applicable to the Property; (ii) a review of the physical condition of the Property and the systems serving the Property; (iii) a review of the environmental condition of the Property, including a Phase I environmental site assessment and any proposal regarding a Phase II environmental site assessment. Buyer agrees not to conduct or cause to be conducted any invasive testing, borings, samples or a Phase II environmental site assessment without the prior written consent of Seller.

(b) As used herein, the term "**Feasibility Period**" shall refer to a period of time to expire at 5:00 p.m., California time, forty-five (45) calendar days following the Effective Date; provided, however, that if the 45th day is a Saturday, Sunday or holiday on which banking institutions are closed in the State of California, then the Feasibility Period shall expire on the following business day. Buyer may elect, by written notice to Seller at any time prior to the expiration of the Feasibility Period, to terminate this Agreement, which election shall be in Buyer's sole and absolute discretion. If Buyer desires to terminate this Agreement pursuant to this Section 3(b), Buyer shall deliver written notice to Seller before the expiration of the Feasibility Period of Buyer's election to terminate (the "**Buyer's Notice to Terminate**"). If Buyer desires to proceed with the purchase of the Property subject to the remaining conditions set forth in this Agreement, then on or before the expiration of the Feasibility Period, Buyer shall deliver written notice to Seller of such election to proceed (the "**Buyer's Notice to Proceed**"), electing to waive Buyer's right of termination pursuant to this Section 3(b) and proceed with the Closing subject to the remaining conditions set forth in this Agreement. If Buyer fails to deliver either Buyer's Notice to Terminate or Buyer's Notice to Proceed to Seller prior to the expiration of the Feasibility Period, then Buyer shall be deemed to have elected to terminate this Agreement. In the event of the termination of this Agreement pursuant to this Section 3(b), neither party shall have any further obligations to the other hereunder (except under provisions of this Agreement which specifically state that they survive termination).

4. Title to the Property. At the Closing, Seller shall cause to be conveyed to Buyer fee simple title to the Property by duly executed and acknowledged grant deed substantially in the form attached hereto as **Exhibit B** and incorporated herein by this reference (the "**Deed**"). As used in this Agreement, Closing (the "**Closing**") shall be deemed to occur upon the recording of the Deed. Evidence of delivery of fee simple title shall be the issuance by Escrow Holder to Buyer of an ALTA standard coverage owner's policy of title insurance in the amount of the Purchase Price, insuring fee simple title to the Property in Buyer, subject only to such exceptions as Buyer shall have approved as provided below (the "**Title Policy**"). The Title Policy shall provide full coverage against mechanics' and materialmen's liens and shall contain such special endorsements as Buyer may reasonably require, including, without limitation, any endorsements required as a condition to Buyer's approval of any title exceptions (the "**Endorsements**"). Within 5 business days following the opening of Escrow, Seller shall order the issuance of a preliminary title report with respect to the Property, together with copies of all underlying documents referenced therein and a map containing a plotting of all easements capable of being plotted (collectively, the "**Preliminary Report**"), to be prepared by the Escrow Holder and delivered to Buyer. No later than 10 business days after receipt of the Preliminary Report, Buyer shall give written notice to Seller of any items contained in the Preliminary Report which Buyer disapproves ("**Buyer's Disapproval Notice**"). Failure of Buyer to notify Seller of Buyer's disapproval of all or any item on the Preliminary Report shall be deemed to be an approval by Buyer of such item(s). In any event, Seller covenants to remove as exceptions to title prior to the Closing, any mortgages, deeds of trust, and other monetary encumbrances (collectively, "**Disapproved Liens**") shown on the Preliminary Report except for real property

taxes not delinquent. Seller shall notify Buyer no later than 5 days after receipt of Buyer's Disapproval Notice whether it elects to remove such other items disapproved by Buyer.

5. Seller's Deliveries. Within 5 days following the Effective Date, Seller shall deliver to Buyer any and all materials related to the Property in Seller's possession or control, or to which Seller has access such as surveys, Phase I or Phase II reports, plans, geotechnical or soils reports or any other pertinent information that relates to the use, occupancy, zoning or control of the Property (collectively, the "**Seller's Deliveries**"). Seller shall deliver a Natural Hazards Disclosure Report with Seller's Deliveries.

6. Conditions to Seller's Obligations. Seller's obligations hereunder, including, but not limited to, its obligation to consummate the purchase transaction provided for herein, are subject to the satisfaction of each of the following conditions:

(a) Buyer shall not be in default under this Agreement.

(b) Each representation and warranty made in this Agreement by Buyer shall be true and correct in all material respects at the time as of which the same is made and as of the Closing.

7. Conditions Precedent to Closing. The following are conditions precedent to Buyer's obligation to purchase the Property (the "**Conditions Precedent**"). The Conditions Precedent are intended solely for the benefit of Buyer and may be waived only by Buyer in writing in Buyer's sole and absolute discretion. In the event any Condition Precedent is not satisfied, Buyer may, in its sole and absolute discretion, terminate this Agreement, and recover any documents delivered to Escrow Holder pursuant to this Agreement.

(a) Completion of lot line adjustment. Buyer's obligation to purchase the Property is conditioned on the approval by Fresno County of the lot line adjustment and the recordation concurrently with Closing of the Record of Survey, the Certificate of Compliance and/or such other documents as may be necessary to evidence and effectuate the lot line adjustment in accordance with applicable law. Seller and Buyer shall cooperate with one another to effectuate the lot line adjustment in a prompt and expeditious manner.

(b) Buyer's inspection, review and approval, of all of the following:

(i) The physical characteristics and condition of the Property (including without limitation the condition of the soils);

(ii) Buyer's receipt of a Natural Hazards Disclosure Report; and,

(c) Escrow Holder shall be unconditionally committed to issue the Title Policy to Buyer upon the Closing in the form and with such exceptions and endorsements as have been approved, by Buyer as provided in Section 4 above.

(d) Seller shall have complied with all of Seller's duties and obligations contained in this Agreement and all of Seller's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct when made and shall be true and correct as of the Closing Date (defined below).

8. Default, Termination and Remedies.

(a) Buyer's Termination. This Agreement shall automatically terminate without further notice or action by Buyer upon the occurrence of any of the following events, provided that Buyer is not then in material breach of this Agreement: (i) any of the Conditions Precedent contained in Section 7 has not been satisfied or waived by Buyer by the Closing Date (defined below), or (ii) Buyer having exercised its right to terminate this Agreement pursuant to Section 3 (disapproval of feasibility investigation), Section 4 (disapproval of title) or Article 13 (condemnation). In such event the parties shall have no further obligation to each other except for those obligations that specifically survive the termination of this Agreement.

(b) Buyer's Remedies. If Seller breaches this Agreement, or if this Agreement terminates as a result of Seller's material breach, Buyer shall be entitled to pursue all remedies permitted herein and by law, including, without limitation, the remedy of specific performance.

(c) SELLER'S REMEDIES/LIQUIDATED DAMAGES. IF THE SALE OF THE PROPERTY PURSUANT TO THIS AGREEMENT IS NOT CONSUMMATED SOLELY BECAUSE OF A DEFAULT UNDER THIS AGREEMENT ON THE PART OF BUYER, THE DEPOSIT SHALL BE RETAINED BY SELLER AS LIQUIDATED DAMAGES. THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES, IN THE EVENT OF A DEFAULT BY BUYER, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. THEREFORE, BY PLACING THEIR INITIALS BELOW, THE PARTIES ACKNOWLEDGE THAT THE DEPOSIT HAS BEEN AGREED UPON, AFTER NEGOTIATION, AS THE PARTIES' REASONABLE ESTIMATE OF SELLER'S DAMAGES AND AS SELLER'S SOLE AND EXCLUSIVE REMEDY AGAINST BUYER, AT LAW OR IN EQUITY, IN THE EVENT OF A DEFAULT UNDER THIS AGREEMENT ON THE PART OF BUYER. SELLER HEREBY WAIVES ANY AND ALL BENEFITS IT MAY HAVE UNDER CALIFORNIA CIVIL CODE SECTION 3389. FURTHERMORE, THE PAYMENT AND RETENTION OF SUCH DEPOSIT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 AND 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. UPON BUYER'S DEFAULT, SELLER MAY INSTRUCT ESCROW HOLDER TO CANCEL THE ESCROW, AND PROMPTLY UPON RECEIPT OF SAID INSTRUCTIONS, ESCROW HOLDER SHALL (i) CANCEL THE ESCROW, (ii) PAY ALL OF ESCROW HOLDER'S CHARGES FROM THE DEPOSIT, AND (iii) DISBURSE TO SELLER THE DEPOSIT PURSUANT TO THIS SECTION 8(c).

INITIALS: Seller _____ Buyer _____

9. Escrow; Closing, Prorations.

(a) Upon mutual execution of this Agreement, the parties hereto shall deposit an executed counterpart of this Agreement with Escrow Holder and this Agreement shall serve as instructions to Escrow Holder for consummation of the purchase contemplated hereby. Seller and Buyer shall execute such supplemental Escrow instructions as may be appropriate to enable Escrow Holder to comply with the terms of this Agreement, provided such supplemental

Escrow instructions are not in conflict with this Agreement as it may be amended in writing from time to time. In the event of any conflict between the provisions of this Agreement and any supplementary Escrow instructions signed by Buyer and Seller, the terms of this Agreement shall control.

(b) The Closing shall take place (the “**Closing Date**”) fifteen (15) days after satisfaction of the Conditions Precedent set forth in Section 7 herein, or as may be extended by written agreement of the Seller and Buyer.

(c) At or before the Closing, Seller shall deliver to Escrow Holder the following:

(i) Evidence of recorded lot line adjustment;

(ii) the duly executed and acknowledged Grant Deed for the Property in the form of **Exhibit B**;

(iii) a duly executed affidavit that Seller is not a “foreign person” within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986 in the form attached as **Exhibit C** and incorporated herein by this reference together with a duly executed non-foreign person affidavit and evidence that Seller is exempt from the withholding obligations imposed by California Revenue and Taxation Code Sections 18805, 18815, and 26131;

(iv) evidence reasonably acceptable to Escrow Holder that the documents delivered by Seller have been duly authorized and executed on behalf of Seller and constitute valid and binding obligations of Seller;

(v) a closing statement in form and content satisfactory to Buyer and Seller (the “**Closing Statement**”) duly executed by Seller; and

(vi) any other instruments, records or correspondence called for hereunder which have not previously been delivered.

(d) At or before the Closing, Buyer shall deliver to Escrow Holder or Seller the following:

(i) the Closing Statement, duly executed by Buyer;

(ii) the Closing Amount; and

(iii) evidence reasonably acceptable to Escrow Holder that the documents delivered by Buyer have been duly authorized and executed on behalf of Buyer and constitute valid and binding obligations of Buyer.

(e) Seller and Buyer shall each deposit such other instruments as are reasonably required by Escrow Holder or otherwise required to close the Escrow and consummate the purchase of the Property in accordance with the terms hereof.

(f) The following are to be paid by Buyer or Seller or apportioned as of the Closing Date, as follows:

(i) Costs and expenses of Escrow incurred in this transaction shall be paid as follows:

(1) Seller shall pay the premium for a standard ALTA coverage owner's policy of title insurance; Buyer shall pay the premium for any extended ALTA coverage if desired;

(2) Seller and Buyer shall each pay 1/2 of the Escrow fees, recording fees and related expenses;

(3) Buyer is a public entity and exempt from any city or county transfer taxes and recording fees;

(4) all other costs of escrow shall be apportioned as is customary for real property sales transactions in Fresno County; and

(5) Buyer shall provide for and pay any and all costs associated with the lot line adjustment, including but not limited to all application fees, County staff costs, engineering and survey work necessary for the lot line adjustment.

(ii) The provisions of this Section 9(f) shall survive the Closing.

10. Representations, Warranties and Covenants of Seller. As of the date hereof and again as of the Closing, Seller represents and warrants to Buyer as follows:

(a) Seller's Documents. This Agreement and all documents executed by Seller which are to be delivered to Buyer at the Closing are and at the time of Closing will be legal, valid and binding obligations of Seller enforceable against Seller in accordance with their respective terms.

(b) No Action. No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings are pending against Seller, nor are any such proceedings contemplated by Seller.

(c) Title to the Property. Seller has good and marketable title to the Property. There are no outstanding rights of first refusal or first look, options to purchase, rights of reverter, or claim of right relating to the transfer or sale of the Property or any interest therein. There are no unrecorded or undisclosed documents or other matters which affect title to the Property. No person holding a security interest in the Property or any part thereof has the right to consent or deny consent to the sale of the Property as contemplated herein, and Seller has the right to pay off such person and to remove all such liens as of the Closing Date. Seller has enjoyed the continuous and uninterrupted quiet possession, use and operation of the Property.

(d) Environmental Matters. As used in this Agreement, "**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. 1801 et seq., the Clean

Water Act, 33 U.S.C. Sections 1251 et seq., The Safe Drinking Water and Toxic Enforcement Act of 1986 (Cal. H&S Code Sections 25249.525249.13), the Carpenter-Preseley-Tanner Hazardous Substance Account Act (Cal. H&S Code Sections 25300 et seq.), and the California Water Code Sections 1300, 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, cleanup, transportation or Release or threatened Release into the environment of Hazardous Material. **“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(s), 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. **“Release”** means any spilling, leaking, pumping, pouring, emitting, discharging, injecting, escaping, leaching, dumping or disposing into the environment of any Hazardous Material (including the abandonment or discarding of barrels, containers, and other receptacles containing any Hazardous Material).

With respect to environmental matters, Seller makes the following warranties and representations:

(i) The Property and all existing uses and conditions of the Property are in compliance with all Environmental Law(s), and Seller has not, received any written notice of violation issued pursuant to any Environmental Law(s) with respect to the Property or any use or condition thereof.

(ii) Seller has not used, handled, stored, transported, released or disposed of any Hazardous Material on, under or from the Property in violation of any Environmental Law(s).

(iii) There has been no release of any Hazardous Material on the Property.

(iv) All required permits, licenses and other authorizations required by or issued pursuant to any Environmental Law(s) for the ownership or operation of the Property by Seller have been obtained and are presently maintained in full force and effect.

(v) There exists no writ, injunction, decree, order or judgment outstanding, nor any lawsuit, claim, proceeding, citation, directive, summons or investigation pending or, to Seller’s knowledge, threatened pursuant to any Environmental Law(s) relating to (i) the ownership, occupancy or use of any portion of the Property by Seller or occupant or user of any portion of the Property or any former owner of any Portion of the Property, (ii) any alleged violation of any Environmental Law(s) by Seller or occupant or user of any portion of the Property or any former owner of any portion of the Property, or (iii) the suspected presence, Release or threatened Release of any Hazardous Material on, under, in or from any portion of the Property.

(vi) There are no above-ground or underground tanks located on the Property used or formerly used for the purpose of storing any Hazardous Material.

(vii) No asbestos abatement or remediation work has been performed on the Property.

(viii) There is no PCB-containing equipment or PCB-containing material located on or in the Property.

(e) Misstatements and Omissions. Neither the representations and warranties made by Seller in this Article 10 nor elsewhere in this Agreement contain any untrue statement or omission of a material fact.

11. Representations, Warranties and Covenants of Buyer. Buyer hereby represents and warrants to Seller as follows:

(a) Buyer's Authority/Documents. Buyer is a joint powers authority organized and existing under the laws of the State of California. This Agreement and all documents executed by Buyer which are to be delivered to Seller at the Closing are and at the time of Closing will be duly authorized, executed and delivered by Buyer, are and at the time of Closing will be legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms, and do not and at the time of Closing will not violate any provision of any agreement or judicial order to which Buyer is subject. Buyer has obtained all necessary authorizations, approvals and consents to the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

12. Continuation and Survival. All representations, warranties and covenants by the respective parties contained herein or made in writing pursuant to this Agreement are intended to and shall be deemed made as of the date of this Agreement or such writing and again at the Closing, shall be deemed to be material, and unless expressly provided to the contrary shall survive the execution and delivery of this Agreement, the Deed and the Closing for a period of one (1) year.

13. Condemnation.

(a) In the event a governmental entity commences eminent domain proceedings to take any portion of the Property after the date hereof and prior to the Closing, then Buyer shall have the option to terminate this Agreement by written notice to Seller within 10 business days after Buyer first learns of such commencement. In the event of any such termination, the Deposit, together with all interest, shall be returned to Buyer. Buyer and Seller shall each be liable for one-half of any escrow fees or charges, and neither party shall have any further liability or obligation under this Agreement.

(b) In the event a governmental entity commences eminent domain proceedings to take any part of the Property after the date hereof and prior to the Closing and this Agreement is not terminated pursuant to Section 13(a), then the Closing shall occur as scheduled notwithstanding such proceeding; provided, however, that Seller's interest in all awards arising out of such proceedings (except for any award attributable to the loss of Seller's business or income or Seller's personal property) shall be assigned to Buyer as of the Closing or credited to Buyer if previously received by Seller. Seller's obligations pursuant to this Section 13(b) shall survive the Closing.

14. Possession. Possession of the Property shall be delivered to Buyer on the Closing Date free of any occupant or property not being conveyed to Buyer as provided hereunder.

15. Seller's Cooperation with Buyer. At no cost to Seller, Seller shall cooperate and do all acts as may be reasonably required or requested by Buyer, with regard to the fulfillment of any Condition Precedent. Seller hereby authorizes Buyer and its agents to make all inquiries with and applications to any third party, including any governmental authority, as Buyer may reasonably require to complete its due diligence and satisfy the Conditions Precedent.

16. Professional Fees. Each party hereto shall be responsible for paying the professional fees of such party's attorneys, accountants, and other professional advisors. In the event legal action is commenced to enforce or interpret any of the terms or provisions of this Agreement, the prevailing party in such action shall be entitled to an award of reasonable attorney's fees and costs incurred in connection with the prosecution or defense of said action. In addition, the prevailing party shall be entitled to recover any actual accounting, engineering or other professional fees reasonably incurred in said action or proceeding.

17. Miscellaneous.

(a) Notices. Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given upon (i) hand delivery, (ii) one business day after being deposited with Federal Express or another reliable overnight courier service for next day delivery, (iii) upon facsimile transmission (except that if the date of such transmission is not a business day or if such transmission is made after 5:00 p.m. on a business day, then such notice shall be deemed to be given on the first business day following such transmission), or (iv) two (2) business days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, and addressed as follows (or such other address as either party may from time to time specify in writing to the other in accordance herewith):

If to Seller: Andy F. Montijo, Trustee
 1092 Rorden Avenue
 Selma, CA 93662
 Phone: _____
 Email: _____

With a copy to:

If to Buyer: Fresno County Rural Transit Agency
 Attn: General Manager
 2035 Tulare Street, Suite 201
 Fresno, CA 93721
 Phone: (559) 233-6789
 Email: mstites@fresnocog.org

With a copy to: Best Best & Krieger LLP
 Attn: Nancy A. Park
 500 Capitol Mall, Suite 1700

Sacramento, CA 95814
Phone: (916) 325-4000
E-Mail: nancy.park@bbklaw.com

To Escrow Holder: Chicago Title Company
Attn: _____
1398 Draper Street
Kingsburg, CA 93631
Phone: 559-897-1409
Email: _____

(b) Successors and Assigns. Buyer shall have the right to assign this Agreement to any entity.

(c) Amendments. This Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

(e) Construction. Headings at the beginning of each Section and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared the same. Unless otherwise indicated, all references to Sections and subparagraphs are to this Agreement. All exhibits referred to in this Agreement are attached and incorporated by this reference.

(f) No Joint Venture. This Agreement shall not create a partnership or joint venture relationship between Buyer and Seller.

(g) Merger of Prior Agreements. This Agreement and the exhibits attached hereto constitute the entire agreement between the parties and supersede all prior agreements and understandings between the parties relating to the subject matter hereof, including without limitation, any letters of intent previously executed or submitted by either or both of the parties hereto, which shall be of no further force or effect upon execution of this Agreement.

(h) Time of the Essence. Time is of the essence of this Agreement. As used in this Agreement, a "business day" shall mean a day which is not a Saturday, Sunday or recognized federal or state holiday. If the last date for performance by either party under this Agreement occurs on a day which is not a business day, then the last date for such performance shall be extended to the next occurring business day.

(i) Severability. If any provision of this Agreement, or the application thereof to any person, place, or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

(j) Further Assurances. Each of the parties shall execute and deliver any and all additional papers, documents and other assurances and shall do any and all acts and

things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of the parties.

(k) Exhibits. All exhibits attached hereto and referred to herein are incorporated herein as though set forth at length.

(l) Captions. The captions appearing at the commencement of the sections and paragraphs hereof are descriptive only and for convenience in reference. Should there be any conflict between any such caption and the section at the head of which it appears, the section and paragraph and not such caption shall control and govern in the construction of this Agreement.

(m) No Obligation To Third Parties. Execution and delivery of this Agreement shall not be deemed to confer any rights upon, directly, indirectly or by way of subrogation, nor obligate either of the parties hereto to, any person or entity other than each other.

(n) Brokers. Seller and Buyer hereby represent to each other that there are no brokers, finders, or other persons entitled to a commission, finder's fee or other payment in connection with this Agreement. Buyer and Seller hereby agree to indemnify, defend, protect, and hold the other harmless from and against any claims, liabilities, or damages for commissions or finder's fees brought by any third party who has dealt or claims to have dealt with the indemnifying party pertaining to the Property.

(o) Waiver. The waiver by any party to this Agreement of the breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach, whether of the same or another provision of this Agreement.

(p) Interpretation. This Agreement has been negotiated at arm's length and between persons (or their representatives) sophisticated and knowledgeable in the matters dealt with in this Agreement. Accordingly, any rule of law (including California Civil Code § 1654 and any successor statute) or legal decision that would require interpretation of any ambiguities against the party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purpose of the parties and this Agreement.

(q) Counterparts/Facsimile/PDF Signatures. This Agreement may be executed in counterparts and when so executed by the Parties, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument that shall be binding upon the Parties, notwithstanding that the Parties may not be signatories to the same counterpart or counterparts. The Parties may integrate their respective counterparts by attaching the signature pages of each separate counterpart to a single counterpart. In order to expedite the transaction contemplated herein, facsimile or .pdf signatures may be used in place of original signatures on this Agreement. Seller and Buyer intend to be bound by the signatures on the facsimile or .pdf document, are aware that the other party will rely on the facsimile or .pdf signatures, and hereby waive any defenses to the enforcement of the terms of this Agreement based on the form of signature.

[Signatures on Following Page]

**SIGNATURE PAGE TO
PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above on page one hereof.

SELLER:

Andy F. Montijo and Yvette G. Montijo, Trustees of
the Montijo Family Trust of 2000 Under Declaration
of Trust, dated February 17, 2000

By: _____
Andy F. Montijo, Trustee

By: _____
Yvette G. Montijo, Trustee

BUYER:

Fresno County Rural Transit Agency, a joint powers
authority

By: _____
Moses Stites, General Manager

APPROVED AS TO LEGAL FORM ON BEHALF OF THE FCRTA:

BEST BEST & KRIEGER, LLP

By: _____

Name: _____, Counsel for FCRTA

EXHIBIT A

LEGAL DESCRIPTION

All that real property located in the City of Selma, County of Fresno, California as further described as:

APN/Parcel ID(s): 390-190-45S

Adjusted Parcel "A"

A portion of Parcel No. 1 and Parcel No. 2 of Parcel Map No. 2007-0054 as recorded in Book 67 of Parcel Maps at Page 90, Fresno County Records, State of California, being more particularly described as follows:

Parcel No. 1 of said Parcel Map No. 2007-0054, according to the map thereof, recorded in Book 67 of Parcel Maps at Page 90, Fresno County Record; And

TOGETHER WITH, that portion of said Parcel No. 2 of Parcel Map No. 2007-0054 described as follows:

Beginning at the Northeast corner of said Parcel No. 1 of Parcel Map No. 2007-0054, according to the map thereof, recorded in Book 67 of Parcel Maps at Page 90, Fresno County Records; thence North 89°43'31" West along the North line of said Parcel No. 1 a distance of 145.00 feet to the Northwest corner of said Parcel No. 1; thence North 00°16'29" East along the West line of said Parcel No. 2 a distance of 115.00 feet to the Northwest corner of said Parcel No. 2; thence South 89°43'31" East along the North line of said Parcel No. 2 a distance of 145.00 feet; thence leaving said North line South 00°16'29" West a distance of 115.00 feet to **TRUE POINT OF BEGINNING;**

Containing an area of 1.35 acres more or less.

Adjusted Parcel "B"

A portion of Parcel No. 2 of Parcel Map No. 2007-0054 as recorded in Book 67 of Parcel Maps at Page 90, Fresno County Records, State of California, being more particularly described as follows:

Parcel No. 2 of said Parcel Map No. 2007-0054, according to the map thereof, recorded in Book 67 of Parcel Maps at Page 90, Fresno County Record; And

EXCEPTING THEREFROM, that portion of said Parcel No. 2 of Parcel Map No. 2007-0054 described as follows:

Beginning at the Northeast corner of said Parcel No. 1 of Parcel Map No. 2007-0054, according to the map thereof, recorded in Book 67 of Parcel Maps at Page 90, Fresno County Record; thence North $89^{\circ}43'31''$ West along the North line of said Parcel No. 1 a distance of 145.00 feet to the Northwest corner of said Parcel No. 1; thence North $00^{\circ}16'29''$ East along the West line of said Parcel No. 2 a distance of 115.00 feet to the Northwest corner of said Parcel No. 2; thence South $89^{\circ}43'31''$ East along the North line of said Parcel No. 2 a distance of 145.00 feet; thence leaving said North line South $00^{\circ}16'29''$ West a distance of 115.00 feet to **TRUE POINT OF BEGINNING**;

Containing an area of 1.31 acres more or less.

APN: 390-190-44S

Parcel 1 of the Parcel Map No. 2007-0054, in the City of Selma, as per map recorded in Book 67, Page 90 of Parcel Maps, in the Office of the County Recorder of Fresno County.

EXHIBIT B
FORM OF DEED

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO, AND
MAIL TAX STATEMENTS TO:

Fresno County Rural Transit Agency
Attn: General Manager
2035 Tulare Street, Suite 201
Fresno, CA 93721

A.P.N.: _____ (Space Above Line for Recorder's Use Only)

The Undersigned Grantor(s) Declare(s):

DOCUMENTARY TRANSFER TAX \$ 0 _____; CITY TRANSFER TAX \$ 0 _____; SURVEY

MONUMENT FEE \$ 0 _____

- [☐] 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 **Selma**, and

[The undersigned declares that this Grant Deed is exempt from Recording Fees pursuant to California Government Code Section 27383. The undersigned declares that this Grant Deed is exempt from Documentary Transfer Tax pursuant to Revenue and Taxation Code Section 11922.]

GRANT DEED

FOR VALUE RECEIVED, Andy F. Montijo and Yvette G. Montijo, Trustees of the Montijo Family Trust of 2000 Under Declaration of Trust, dated February 17, 2000 ("**Grantor**"), hereby grants to the Fresno County Rural Transit Agency, a joint powers authority ("**Grantee**"), all that certain real property situated in the County of Fresno, State of California, described in Exhibit A, attached hereto and incorporated herein by reference (the "**Property**").

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____,
20____.

GRANTOR:

Andy F. Montijo and Yvette G. Montijo, Trustees of the
Montijo Family Trust of 2000 Under Declaration of
Trust, dated February 17, 2000

By: _____
Andy F. Montijo, Trustee

By: _____
Yvette G. Montijo, Trustee

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, 2019, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, 2019, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit A to Grant Deed
LEGAL DESCRIPTION OF PROPERTY

APN: _____

CERTIFICATE OF ACCEPTANCE

Pursuant to Section 27281 of the
California Government Code

This is to certify that the interest in real property conveyed by the Grant Deed dated _____, 20____, from Andy F. Montijo and Yvette G. Montijo, Trustees of the Montijo Family Trust of 2000 Under Declaration of Trust, dated February 17, 2000, as Grantor thereunder, to Fresno County Rural Transit Agency, a joint powers authority ("FCRTA"), as Grantee thereunder, is hereby accepted by the undersigned officer on behalf of FCRTA, pursuant to the authority conferred by Resolution No. _____, adopted by _____ on _____, 20____, and the Grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 20____

By _____
_____(Name)
_____(Title)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, 2019, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT C

TRANSFEROR'S CERTIFICATION OF NON-FOREIGN STATUS

This form is provided so that the Buyer and/or Seller in this transaction can certify compliance with the Foreign Investment in Real Property Tax Act to the Escrow Agent and/or Buyer. Buyer ("**Transferee**") must retain a copy of this document until after the fifth taxable year following the transfer.

Section 1445 of the Internal Revenue Code of 1986, as amended ("**Code**") provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform Transferee that withholding of tax is not required upon the disposition of a U.S. real property interest, the undersigned hereby certifies the following on behalf of Andy F. Montijo and Yvette G. Montijo, Trustees of the Montijo Family Trust of 2000 Under Declaration of Trust, dated February 17, 2000 ("**Transferor**"):

1. The Transferor is not a foreign corporation, foreign partnership, foreign trust, foreign estate or foreign person (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder).
2. The Transferor is not a disregarded entity as defined in Income Tax Regulation Section 1.1445-2(b)(2)(iii).
3. The Transferor's U.S. employer or tax identification number is _____.
4. The Transferor's office address is: 1092 Rorden Avenue, Selma, CA 93662. The Transferor understands that this Certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this Certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of the Transferor.

Date: _____, 2019

TRANSFEROR:

Andy F. Montijo and Yvette G. Montijo, Trustees of
the Montijo Family Trust of 2000 Under Declaration
of Trust, dated February 17, 2000

By: _____
Andy F. Montijo, Trustee

By: _____
Yvette G. Montijo, Trustee

EXHIBIT D

PRELIMINARY REPORT

Indian Wells
(760) 568-2611

Irvine
(949) 263-2600

Los Angeles
(213) 617-8100

Ontario
(909) 989-8584

BBK
BEST BEST & KRIEGER
ATTORNEYS AT LAW

3390 University Avenue, 5th Floor, P.O. Box 1028, Riverside, CA 92502
Phone: (951) 686-1450 | Fax: (951) 686-3083 | www.bbklaw.com

Sacramento
(916) 325-4000

San Diego
(619) 525-1300

Walnut Creek
(925) 977-3300

Washington, DC
(202) 785-0600

Charity Schiller
(951) 826-8223
charity.schiller@bbklaw.com

November 13, 2019

VIA E-MAIL TO: MSTITES@FRESNOCOG.ORG

Mr. Moses Stites, General Manager
Fresno County Rural Transit Agency
2035 Tulare Street, Suite 201
Fresno, California 93721

Re: Engagement of Best Best & Krieger LLP for
Special Counsel Legal Services

Dear Mr. Stites:

It has been our pleasure to provide special counsel legal services to the Fresno County Rural Transit Agency this year. This engagement letter supplements the engagement letter dated November 7, 2018. You have requested that undertake additional work involving the preparation of property purchase agreements for certain parcels located in Selma, CA, conducting due diligence regarding the property, and preparation of other acquisition documents following due diligence. This letter constitutes our agreement setting forth the terms of our representation. If you agree to the terms set forth in this letter, please return a signed copy of the engagement letter to us.

In connection with the additional work, we understand and agree that this engagement is subject to an increase of the "not to exceed" limit to \$20,000 in legal services and costs from the prior limit of \$15,000. We will monitor the total fees/costs incurred on this matter, and notify you when approaching the not-to-exceed total. Services and costs over and above the not-to-exceed total will only be undertaken with your written permission.

CONFIDENTIALITY AND ABSENCE OF CONFLICTS

An attorney-client relationship requires mutual trust between the client and the attorney. It is understood that communications exclusively between counsel and the client are confidential and protected by the attorney-client privilege.

To also assure mutuality of trust, we have maintained a conflict of interest index. The California Rules of Professional Conduct defines whether a past or present relationship with any party prevents us from representing the Fresno County Rural Transit Agency. Similarly, your

BBK
BEST BEST & KRIEGER
ATTORNEYS AT LAW

Mr. Moses Stites
November 13, 2019
Page 2

names will be included in our list of clients to ensure we comply with the Rules of Professional Conduct with respect to the Fresno County Rural Transit Agency.

We have checked the following additional names against our client index in connection with the expanded word described above: Andy Montijo and Yvette Montijo, and the Montijo Family Trust of 2000. Based on that check, we can represent the Fresno County Rural Transit Agency. Please review the list to see if any other persons or entities should be included. If you do not tell us to the contrary, we will assume that this list is complete and accurate. We request that you update this list for us if there are any changes in the future.

YOUR OBLIGATIONS ABOUT FEES AND BILLINGS

The current billing rate for partners is \$345 per hour. The billing rates for others are described in the memorandum attached to this letter which is entitled "Best Best & Krieger LLP's Billing Policies." It also describes the other aspects of our firm's billing policies. You should consider the Billing Policies memorandum part of this agreement as it binds both of us. For that reason, you should read it carefully.

INSURANCE

We are also pleased to let you know that Best Best & Krieger LLP carries errors and omissions insurance with Lloyd's of London. After a standard deductible, this insurance provides coverage beyond what is required by the State of California.

NEW MATTERS

When we are engaged by a new client on a particular matter, we are often later asked to work on additional matters. You should know that such new matters will be the subject of a new signed supplement to this agreement. Similarly, this agreement does not cover and is not a commitment by either of us that we will undertake any appeals or collection procedures. Any such future work would also have to be agreed upon in a signed supplement.

CIVILITY IN LITIGATION

Although litigation has not been filed and is not necessarily expected in this matter, I should identify our approach to litigation in the event that such a dispute arises in the future. In litigation, courtesy is customarily honored with opposing counsel, such as extensions to file pleadings or responses to other deadlines. In our experience, the reciprocal extension of such



Mr. Moses Stites
November 13, 2019
Page 3

courtesies saves our clients' time and money. By signing this letter you will be confirming your approval of this practice in any future case involving litigation against the Agency.

HOW THIS AGREEMENT MAY BE TERMINATED

You, of course, have the right to end our services at any time. If you do so, you will be responsible for the payment of fees and costs accrued but not yet paid, plus reasonable fees and costs in transferring the case to you or your new counsel. By the same token, we reserve the right to terminate our services to you upon written notice, order of the court, or in accordance with our attached Billing Policies memorandum. This could happen if you fail to pay our fees and costs as agreed, fail to cooperate with us in this matter, or if we determine we cannot continue to represent you for ethical or practical concerns.

CLIENT FILE

If you do not request the return of your file, we will retain your file for five years. After five years, we may have your file destroyed. If you would like your file maintained for more than five years or returned, you must make separate arrangements with us.

THANK YOU

On a personal note, we are pleased that you have selected Best Best & Krieger LLP to represent the Agency. We look forward to a long and valued relationship with you and appreciate your confidence in selecting us to represent you in this case. If you have any questions at any time about our services or billings, please do not hesitate to call me.

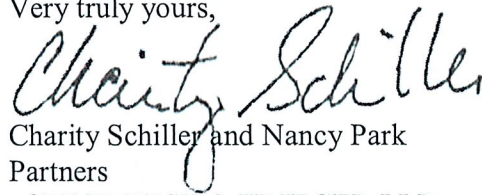
If this letter meets with your approval, please sign and date it, and return the original to us. Unless you sign, date and return the original, we will not represent the Fresno County Rural Transit Agency in any capacity, and we will assume that you have made other arrangements for legal representation.

BBK
BEST BEST & KRIEGER
ATTORNEYS AT LAW

Mr. Moses Stites
November 13, 2019
Page 4

We have enclosed a separate signed copy of this letter for your records. Thank you again for considering us for the Agency's legal needs.

Very truly yours,



Charity Schiller and Nancy Park
Partners
of BEST BEST & KRIEGER LLP

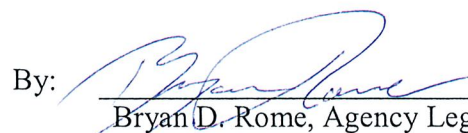
AGREED AND ACCEPTED:

Fresno County Rural Transit Agency

By: _____
Moses Stites, General Manager

Dated: _____

Reviewed as to legal form,

By:  _____
Bryan D. Rome, Agency Legal Counsel

Dated: NOVEMBER 13, 2019

BEST BEST & KRIEGER LLP'S BILLING POLICIES

Our century of experience has shown that the attorney-client relationship works best when there is mutual understanding about fees, expenses, billing and payment terms. Therefore, this statement is intended to explain our billing policies and procedures. Clients are encouraged to discuss with us any questions they have about these policies and procedures. Clients may direct specific questions about a bill to the attorney with whom the client works or to our Accounts Receivable Department. Any specific billing arrangements different from those set forth below will be confirmed in a separate written agreement between the client and the firm.

Fees for Professional Services

Unless a flat fee is set forth in our engagement letter with a client, our fees for the legal work we will undertake will be based in substantial part on time spent by personnel in our office on that client's behalf. In special circumstances which will be discussed with the client and agreed upon in writing, fees will be based upon the novelty or difficulty of the matter, or the time or other special limitations imposed by the client.

Hourly rates are set to reflect the skill and experience of the attorney or other legal personnel rendering services on the client's behalf. Time is accrued on an incremental basis for such matters as telephone calls (minimum .3 hour) and letters (minimum .5 hour), and on an actual basis for all other work. Our attorneys are currently billed at rates from \$235 to \$750 per hour, and our administrative assistants, law clerks, litigation analysts, research analysts, and paralegals are billed at rates from \$150 to \$290 per hour. These hourly rates are reviewed annually to accommodate rising firm costs and to reflect changes in attorney status as lawyers attain new levels of legal experience. Any increases resulting from such reviews will be instituted automatically and will apply to each affected client, after advance notice.

Non-Attorney Personnel: BBK may employ the services of non-attorney personnel under the supervision of a BBK attorney in order to perform services called for in the legal services agreement. The most common non-attorney personnel utilized are paralegals. Other types of non-attorney personnel include, but are not limited to, case clerks, IT analysts, and specialty consultants. The client agrees that BBK may use such

non-attorney personnel to perform its services when it is reasonably necessary in the judgment of the responsible BBK attorney. Hourly fees for non-attorney personnel will be charged at the rate then in effect for such personnel. A copy of BBK's current rates and titles for non-attorney personnel will be provided upon request. Except for paralegals, BBK will not incur more than \$550 in fees for a non-attorney's work on a client matter without first confirming by email or written correspondence with the client the intended use of the non-attorney and the hourly rate for that person.

Fees For Other Services, Costs and Expenses

We attempt to serve all our clients with the most effective support systems available. Therefore, in addition to fees for professional legal services, we also charge separately for some other services and expenses to the extent of their use by individual clients. These charges include but are not limited to, mileage at the current IRS approved rate per mile, extraordinary telephone and document delivery charges, copying charges, computerized research, court filing fees and other court-related expenditures including court reporter and transcription fees. No separate charge is made for secretarial or word processing services; those costs are included within the above hourly rates.

ESI: BBK provides Electronically Stored Information (ESI") services for matters requiring ESI support – typically litigation or threatened litigation matters. BBK shall receive payment for ESI support, if needed, at BBK's then current rates. A copy of BBK's current rates for such services will be provided upon request. BBK shall not incur costs for ESI support on a particular matter without first confirming by email or written correspondence with the client that the client agrees such services are necessary for the matter at hand.

We may need to advance costs and incur expenses on your behalf on an ongoing basis. These items are separate and apart from attorneys' fees and, as they are out-of-pocket charges, we need to have sufficient funds on hand from you to pay them when due. We will advise the client from time to time when we expect items of significant cost to be incurred, and it is required that the client send us advances to cover those costs before they are due.

Advance Deposit Toward Fees And Costs

Because new client matters involve both a substantial undertaking by our firm and the establishment of client credit with our accounting office, we require an advance payment from clients. The amount of this advance deposit is determined on a case-by-case basis discussed first with the client, and is specified in our engagement letter.

Upon receipt, the advance deposit will be deposited into the firm's client trust account. Our monthly billings will reflect such applications of the advance deposit to costs and not to attorney's fees (unless otherwise noted in our accompanying engagement letter). At the end of engagement, we will apply any remaining balance first to costs and then to fees. We also reserve the right to require increases or renewals of these advanced deposits.

By signing the initial engagement letter, each client is agreeing that trust account balances may be withdrawn and applied to costs as they are incurred and to our billings, when we issue our invoice to the client. If we succeed in resolving your matter before the amounts deposited are used, any balance will be promptly refunded.

Monthly Invoices and Payment

Best Best & Krieger LLP provides our clients with monthly invoices for legal services performed and expenses incurred. Invoices are due and payable upon receipt.

Each monthly invoice reflects both professional and other fees for services rendered through the end of the prior month, as well as expenses incurred on the client's behalf that have been processed by the end of the prior month. Processing of some expenses is delayed until the next month and billed thereafter.

Our fees are not contingent upon any aspect of the matter and are due upon receipt. All billings are due and payable within ten days of presentation unless the full amount is covered by the balance of an advance held in our trust account. If a bill is not paid within 30 days, a late charge of one percent per month on the unpaid invoice shall be added to the balance owed, commencing with the next statement and continuing until paid.

It is our policy to treat every question about a bill promptly and fairly. It is also our policy that if a client does not pay an invoice within 60 days of mailing, we assume the client is, for whatever reason, refusing to pay. We reserve the right to terminate our engagement and withdraw as attorney of record whenever our invoices are not paid. If an invoice is 60 days late, however, we may advise the client by letter that the client must pay the invoice within 14 days or the firm will take appropriate steps to withdraw as attorney of record. If the delay is caused by a problem in the invoice, we must rely upon the client to raise that with us during the 14-day period. This same policy applies to fee arrangements which require the client to replenish fee deposits or make deposits for anticipated costs.

From time to time clients have questions about the format of the bill or description of work performed. If you have any such questions, please ask them when you receive the bill so we may address them on a current basis.

Changes in Fee Arrangements and Budgets

It may be necessary under certain circumstances for a client to increase the size of required advances for fees after the commencement of our engagement and depending upon the scope of the work. For example, prior to a protracted trial or hearing, the firm may require a further advance payment to the firm's trust account sufficient to cover expected fees. Any such changes in fee arrangements will be discussed with the client and mutually agreed in writing.

Because of the uncertainties involved, any estimates of anticipated fees that we provide at the request of a client for budgeting purposes, or otherwise, can only be an approximation of potential fees.

BEST BEST & KRIEGER LLP