

RESOLUTION NO. LAFC 1196

**RESOLUTION OF THE SACRAMENTO LOCAL AGENCY
FORMATION COMMISSION APPROVING THE
CITY OF FOLSOM SPHERE OF INFLUENCE AMENDMENT APPLICATION
(4-97)**

WHEREAS, the Sacramento Local Agency Formation Commission is the entity authorized to approve a Sphere of Influence pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act;

WHEREAS, the Sacramento Local Agency Formation Commission has undertaken a comprehensive analysis of the City of Folsom Sphere of Influence Amendment proposal in accordance with law and has conducted hearings since 1997 on the proposal and a history of such hearings and Commission actions is set forth in Resolution No. LAFC 1192 which is incorporated herein by this reference; and

WHEREAS, the City of Folsom and the County of Sacramento entered into a "Memorandum of Understanding", regarding the Sphere of Influence Amendment proposal, its boundaries, development standards and zoning requirements. The Sacramento Local Agency Formation Commission has given great weight to the terms of this Memorandum of Understanding; and

WHEREAS, the Sacramento Local Agency Formation Commission has certified the Final Environmental Impact Report for the City of Folsom Sphere of Influence Amendment by Resolution No. LAFC 1192 which is incorporated herein by reference; and

WHEREAS, the Sacramento Local Agency Formation Commission has adopted Mitigation Measures and a Mitigation Monitoring Program for the City of Folsom Sphere of Influence Amendment by Resolution No. LAFC 1193 which is incorporated herein by reference; and

WHEREAS, the Sacramento Local Agency Formation Commission has complied with Government Code section 56425 by adopting determinations regarding the City of Folsom Sphere of Influence Amendment by Resolution No. LAFC 1194 which is incorporated herein by reference;

WHEREAS, the Sacramento Local Agency Formation Commission has adopted findings of Fact and a Statement of Overriding Considerations in compliance with the intent and provision of the California Environmental Quality Act concurrently by Resolution No. LAFC 1195 which is incorporated herein by reference; and

WHEREAS, the Sacramento Local Agency Formation Commission has concurrently adopted Findings of Fact regarding the appropriateness of the City of Folsom Sphere of Influence Amendment by Resolution No. LAFC 1195.

NOW THEREFORE THE SACRAMENTO LOCAL AGENCY FORMATION COMMISSION, HEREINAFTER REFERRED TO AS COMMISSION OR LAFCo, HEREBY RESOLVES AND DETERMINES AS FOLLOWS:

The Commission hereby approves and amends the City of Folsom's Sphere of Influence boundaries as shown on the map set forth in Exhibit "A", attached hereto and made part hereof, and as described therein as:

All that real property situated in the County of Sacramento, State of California:

Bounded by U.S. Highway 50 to the north, Prairie City Road to the west,

White Rock Road to the south and the Sacramento County/El Dorado

County boundary to the east.

FURTHERMORE, the Commission does hereby resolve that it is necessary and appropriate to apply certain conditions to the approval of the Sphere of Influence Amendment in order to encourage well-ordered, efficient urban development with sufficient services and to preserve open space resources, agricultural land and habitat for species. Accordingly, approval of the project is conditioned upon the following:

1. Prior to submittal of any application to annex property within the Sphere of Influence Amendment area, the City of Folsom shall:
 - (a) Revise and update its General Plan in accordance with State law;
 - (b) Obtain a determination of substantial compliance from the California Department of Housing and Community Development (HCD) consistent with Government Code section 65585(d) or (h). The City of Folsom shall establish in its approved Housing Element that it has or will meet its regional share housing needs for all income levels for the second and third housing element revisions, as defined in Government Code section 65588.
 - (c) Adopt appropriate land use designations for all property within the Sphere of Influence area; and
 - (d) Pursuant to Government Code section 56375, pre-zone the property consistent with the City of Folsom General Plan. In pre-zoning within the Sphere of Influence Amendment, the City of Folsom shall address the location, distribution, intensity, and extent of the land use designations, including open space.

2. The City of Folsom is encouraged to promote annexations within the Sphere of Influence Amendment area that are well planned, capable of being efficiently served, have an orderly development pattern, and avoid the premature conversion of open space and agricultural lands within the Sphere of Influence area. Consistent with its General Plan policy, the City of Folsom is encouraged to develop an orderly annexation program

and should discourage the filing of any annexation application seeking to annex property prematurely or in a piece-meal manner.

3. In any application to annex property within the Sphere of Influence Amendment area, the City of Folsom shall submit to LAFCo for its review and approval, an updated Master Services Element which includes a program of implementation and financing measures necessary to support the provision of major components of infrastructure and services, and other essential facilities, needed to support the proposed distribution, location, extent and intensity of land uses proposed within the Sphere of Influence Amendment area. The Master Services Element shall identify a water source(s) and the ability to acquire said water source(s) sufficient to serve the area contained in the annexation application. The Master Services Element shall identify the process the City will undertake to acquire and secure a water supply sufficient for LAFCo to determine compliance with Condition (11)(a) of this Resolution.

4. Prior to submittal of any application to annex property within the Sphere of Influence Amendment area, the City of Folsom, with the cooperation of Sacramento and El Dorado Counties, shall prepare a plan to address the necessary improvements to the local roadway network of each jurisdiction in order to mitigate the impacts associated with development within the Sphere of Influence Amendment area. The plan should include a list of improvements, description of the responsible jurisdiction, phasing plan and a clearly defined financing mechanism. Implementation of the plan shall result in service levels on local roadways that are consistent with the General Plans of the City of Folsom and County of Sacramento and County of El Dorado. The plan shall be submitted with the annexation application.

5. Prior to LAFCo approval of any application to annex property within the Sphere of Influence area (SOIA), the City of Folsom, with the cooperation of Caltrans, Sacramento County, El Dorado County, the El Dorado County Transportation Commission and the Sacramento Area Council of Governments, shall identify the traffic/transportation measures that must be implemented to mitigate the potential impacts on regional transportation infrastructure from proposed development within the SOIA area consistent with mitigation measure 4.4-2 in the Mitigation Monitoring and Reporting Plan. The City shall further set forth a funding strategy to construct the traffic/transportation measures necessary to fully mitigate the impacts from the development of the SOIA area and a proposed timeline for the construction of such improvements. The timeline shall be linked to the approval and construction of new development within the SOIA, within a time frame intended to mitigate the long-term impacts from the SOIA development. Where appropriate, the City shall utilize assessment districts and impact fee programs to fund improvements. As soon as reasonably possible, the improvements identified in this paragraph that are of regional significance shall be programmed in the MTP and the MTIP. The City shall request the programming of the improvements in the MTP as soon as the improvements are identified through the General Plan Amendment Process, and shall request the programming of the improvements in the MTIP consistent with the financing plan established for implementation of the improvements.

6. Any application to annex property within the Sphere of Influence Amendment area, shall include a Transit Master Plan for the SOIA area consistent with the policies of the City's General Plan. The Plan shall identify the roadways to be used by bus transit routes, locations for bus turnouts and pedestrian shelters, locations for bus transfer stations, alignments for fixed route rail service, and the location of rail service stations.

7. Any application to annex property within the Sphere of Influence Amendment area, shall include an updated Bikeway Master Plan to delineate bikeway and pedestrian facilities within the Sphere of Influence Amendment area consistent with the goals and policies of the City's General Plan. The update shall incorporate bikeway designations for Prairie City Road and White Rock Road to be equivalent, or better, than those contained in the *Sacramento City/County Bikeway Master Plan*.

8. Any application to annex property within the Sphere of Influence Amendment area, shall include hydraulic and hydrologic modeling of that portion of Alder Creek which traverses the planning area and include a Drainage Master Plan for the Sphere of Influence Amendment area. The Drainage Master Plan shall address flood hazards and the use of flood protection measures. The objective of the Master Plan shall conform to a no net increase in floodwater surface elevations downstream of the Sphere of Influence Amendment area.

9. Any application to annex property within the Sphere of Influence Amendment area, shall include the City of Folsom's multi-species habitat mitigation strategy (e.g., Habitat Conservation Plan (HCP)) for the Sphere of Influence Amendment area consistent with the goals and policies contained in the City's General Plan.) The strategy shall address the mitigation of development impacts upon habitat and biological/environmental resources in a manner that meets federal and state regulatory requirements. The City may fulfill the requirements of this condition by becoming a participant in the Sacramento County HCP process for the southeast County.

10. Any application to annex Aerojet General Corporation property, or a portion of such property, within the Sphere of Influence Amendment area, must include information sufficient to demonstrate that on-site surface contamination has been remediated to standards determined to be acceptable by federal and state regulatory agencies and that either the groundwater contamination has been remediated or that measures to remediate the contamination are in place and working satisfactorily. In addition, the City of Folsom shall provide evidence of any covenants and restrictions limiting the surface or subsurface use of the property.

11. a. Prior to LAFCo approval of any application to annex property within the Sphere of Influence Amendment area, the City of Folsom shall demonstrate that it has a sufficient water supply to serve existing customers, future customers within the existing service area, and all proposed uses within the annexation application area, in compliance with the terms and conditions of the Water Forum Agreement. The information provided

shall be sufficient for LAFCo to determine water availability to the area pursuant to Gov. Code section 56668(k) or its successor.

b. Prior to LAFCo approval of any application to annex property within the Sphere of Influence area, the City of Folsom shall identify the timely availability of sufficient wastewater transmission and treatment capacity to serve existing customers, future customers with the existing service area, and all proposed uses within the annexation application area.

12. Prior to LAFCo approval of any application to annex property within the Sphere of Influence Amendment area, the City of Folsom or other applicants shall meet and confer with the El Dorado Irrigation District, "EID", the Sacramento Metropolitan Fire Protection District, and any other special districts, regarding impacts to the districts and their operations. This process shall identify potential impacts from the proposed annexation upon the districts, including but not limited to fiscal and operational impacts, assessments, bonded indebtedness, loss of property tax revenues and other impacts proposed relating to any proposed changes of organization or services. In addition, LAFCo will fully analyze and consider these impacts prior to approval of any annexation to determine appropriate mitigation measures or conditions of annexation. With respect to EID, the City of Folsom shall not request any detachment of EID territory such that EID will no longer qualify as a multi-county district under Revenue Taxation Code section 97 et seq. In addition, the City of Folsom shall meet with EID on an ongoing periodic basis, subject to a schedule mutually agreed to between the City and EID. The City of Folsom shall be responsible for scheduling these meetings. The objective of these periodic meetings is to provide for discussion and coordination of issues of mutual concern regarding water and wastewater supplies and treatment.

13. Where permitted by law, the City of Folsom shall incorporate feasible school impact mitigation requirements into development agreements that would take effect upon annexation of property within the Sphere of Influence area. The extent to which mitigation requirements may be necessary will depend upon availability of school facilities at the time of development, the type of development that occurs within the Sphere of Influence Amendment (residential compared to non-residential uses) and school district policies on providing enrollment space for non-residents who are employed within district boundaries.

14. The Mitigation measures adopted pursuant to the California Environment Quality Act by LAFCo Resolution 1193 are incorporated herein by reference. Subsequent to submittal of any application to annex property within the Sphere of Influence Amendment area, LAFCo shall review the Mitigation Monitoring and Reporting Plan approved as part of the Sphere of Influence Amendment for compliance and shall undertake additional environmental review in accordance with the California Environmental Quality Act.

15. At the time of submittal of any application to annex property within the Sphere of

Influence area, the City of Folsom shall submit information demonstrating compliance within the Memorandum of Understanding between the City of Folsom and the County of Sacramento, effective November 14, 2000, attached hereto and made a part hereof. Prior to LAFCo approval of any application to annex property within the Sphere of Influence Amendment area, LAFCo shall review the application for compliance with the Memorandum of Understanding.

16. At the time of submittal of any annexation application, the City of Folsom shall demonstrate its compliance with the provisions of Condition 5 of the Memorandum of Understanding, the City of Folsom Master Services Element dated November 4, 1997, and the Final Environmental Impact Report to preserve woodlands and to prevent loss of habitat and biological resources, including setting aside a minimum of thirty percent (30%) of the Sphere of Influence area, approximately 1,075 acres, for permanent open space as defined by State law, for preservation of habitat for species and for conservation of agricultural land.

On a motion made by Commissioner MACGLASHAN, seconded by Commissioner M. JOHNSON, the foregoing Resolution was passed and adopted by the SACRAMENTO LOCAL AGENCY FORMATION COMMISSION, State of California, this 6th day of JUNE, 2001, by the following vote, to-wit:

AYES: E. Mulberg, W. Porter, R. MacGlashan, M. Johnson, I. Collin,
L. Hammond, C. Tooker.

NOES: None.

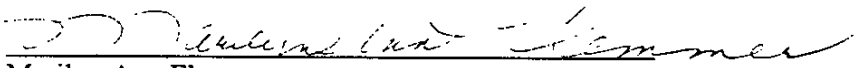
ABSTAIN: None.

ABSENT: None.



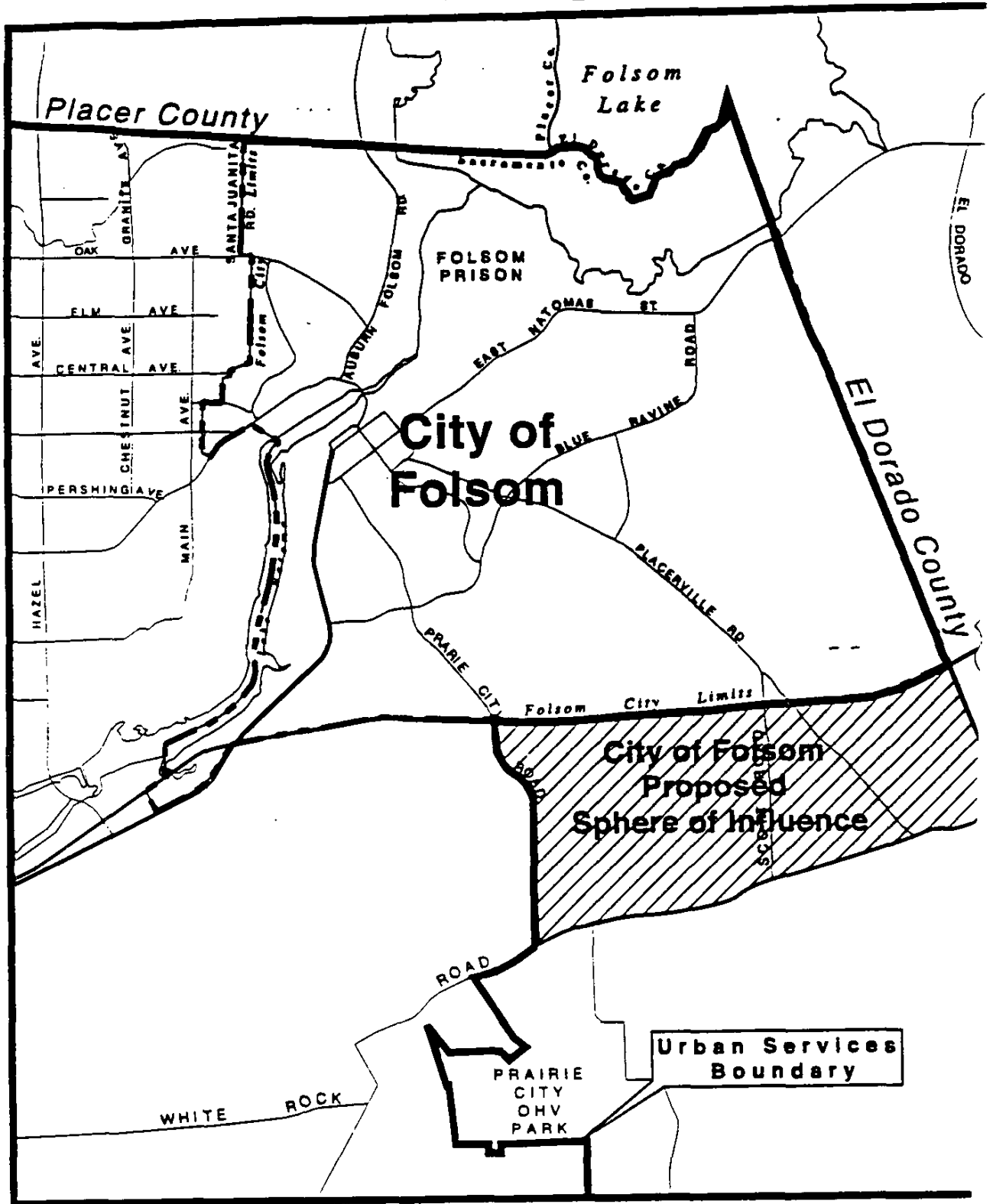
Christopher Tooker, Chair
SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

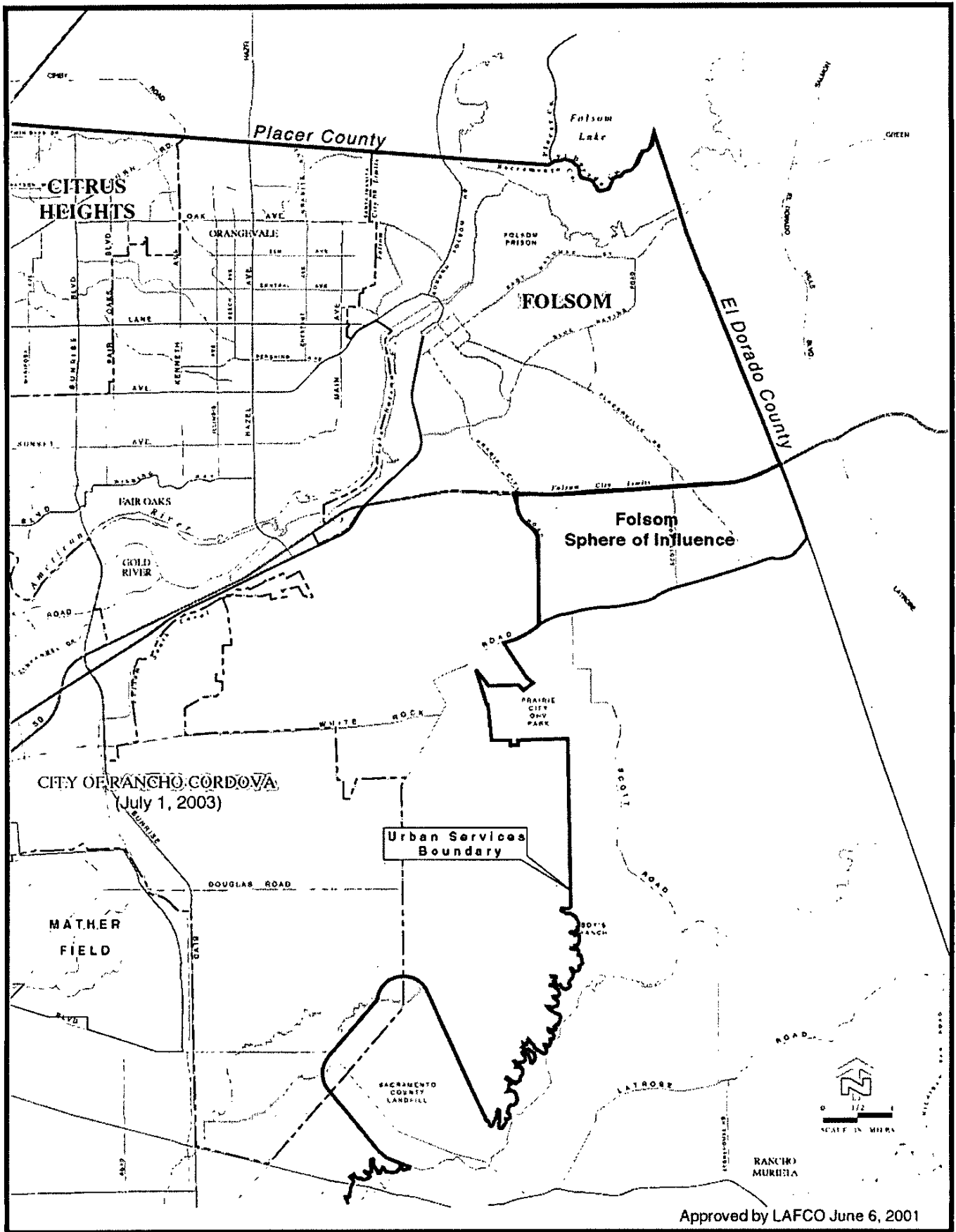
ATTEST:



Marilyn Ann Flemmer
Commission Clerk

NM:Maf
5/8/01
(Reso 1196 FSOI)





Approved by LAFCO June 6, 2001

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into and effective on 11-14-00 between the County of Sacramento ("COUNTY") and the City of Folsom ("CITY"). The COUNTY and CITY mutually desire to establish the planning, stakeholder and public participation steps contemplated for that area subject to the CITY's Sphere of Influence Amendment ("SOLA") proposal pending before the Sacramento County Local Agency Formation Commission ("LAFCo"): It is the intent of this MOU to serve as the guide to sound regional-long-range planning efforts by establishing and recognizing planning principals that will be incorporated into any annexation process relative to the SOLA area into the CITY, if such annexation ever occurs.

RECITALS

WHEREAS, the CITY filed an application to amend its Sphere of Influence with LAFCo in 1997 to include 3,584 acres south of Highway 50; and

WHEREAS, LAFCo has proceeded with the preparation of an Environmental Impact Report ("EIR"); and

WHEREAS, LAFCo has considered the SOLA proposal on July 29, 1998, and is scheduled to conduct another public hearing on December 6, 2000; and

WHEREAS, during the LAFCo process Sacramento County expressed concern over water supply, open space, transportation, and air quality issues related to development within the proposed SOLA expansion area. Consequently, the City and County convened a "2x2 committee", comprised of two Council members and two Board members, that has worked over a period of months to address those issues; and

WHEREAS, upon approval of the SOLA, the CITY will then embark upon a process by which it will update the CITY General Plan and develop land use regulations applicable to the SOLA area; and

WHEREAS, the COUNTY and the CITY have engaged in good faith cooperative discussions through the 2x2 process and that this process in turn lead to each party adopting resolutions identifying planning principles for consideration in this MOU, and

WHEREAS, the COUNTY and the CITY desire to combine their respective resolutions into a common understanding, as embodied in this MOU:

NOW THEREFORE, THE COUNTY AND CITY AGREE AS FOLLOWS:

1. Incorporation of Recitals. The foregoing recitals are true and correct, and are incorporated by reference herein. In the event of a conflict between a recital and a term or condition of the MOU, the term or condition shall prevail.
2. Future City Actions. Prior to an application being submitted to LAFCo for annexation, the City will require the development and adoption of a set of ENTITLEMENT DOCUMENTS to evaluate planning options for, and to develop policies applicable to the SOLA area. At a minimum, the ENTITLEMENT DOCUMENTS shall include a general plan amendment, zoning and other regulations, an annexation plan in the event the CITY decides to proceed with annexation, and an infrastructure phasing and financing plan. The ENTITLEMENT DOCUMENTS shall also include such additional policies and regulations as may be necessary to implement this MOU.
3. Recognition of other Applicable Laws. For purposes of this MOU and the adoption of the ENTITLEMENT DOCUMENTS by the CITY, both parties acknowledge that the CITY and COUNTY are guided by statutory and case law (hereinafter collectively referred to as "LIMITING AUTHORITY") which directly affects the discharge of their responsibilities under this MOU and in the adoption of the ENTITLEMENT DOCUMENTS. The LIMITING AUTHORITY includes, but is not limited to, the California Environmental Quality Act (Public Resources Code §21000 et seq.), the Brown Act (Government Code §54950 et seq.), the Planning and Zoning Law (Government Code §65000 et seq.), Cortese-Knox Local Government Reorganization Act (Government Code §56000 et seq.), and limitations on the extra-territorial exercise of land use powers (See Alameda County Land Use Association v. City of Hayward (1996) 38 Cal.App.4th 1716.)
4. Phasing of ENTITLEMENT DOCUMENTS. Prior to approval of any area for annexation by LAFCo, CITY agrees to adopt an annexation plan, the general plan amendment, pre-zoning and an infrastructure phasing and financing plan. In addition, the CITY will update the following plans: Master Services Element, Transit Master Plan, Bikeway Master Plan, Local Roadway Network Plan, Drainage Master Plan for Alder Creek, and a Multi-Species Habitat Plan.
5. Issues to be included within the ENTITLEMENT DOCUMENTS
 - A. Comprehensive Planning. As the CITY deliberates on the appropriate level of development for the SOLA, there shall be a comprehensive planning approach taken to ensure that the area will be efficiently served. Further, the CITY will prepare and adopt a comprehensive plan for development and preservation of resources (prior to any annexation) that will include the entire Sphere of Influence Amendment area with the goal of avoiding piecemeal development.

- B. Public-Stakeholder Participation. The CITY will collaboratively discuss as appropriate with Sacramento and El Dorado Counties, the Folsom - Cordova Unified School District and stakeholders issues of mutual interest such as land-use (prezoning), fair share/diversity of housing, transportation, Smart Growth, air quality, and scenic corridor preservation.

In its efforts to amend the General Plan and pre-zone the SOIA area, the CITY shall provide opportunity for public participation and broad public input, which include (but are not limited to):

1. Public Hearings at the Planning Commission
2. Public Hearings at the City Council
3. ~~Community Forums~~
4. Neighborhood meetings
5. Town Hall meetings
6. Existing Joint Power Authority
7. Other public meetings as deemed necessary

In so coordinating and planning these meetings, the CITY shall provide notification to interested parties which shall include (but not be limited to)

1. Folsom Telegraph
2. City Newsletter
3. City Radio Station
4. Sacramento Bee
5. Business Journal
6. Property owners within the SOIA
7. Neighborhood Organizations (e.g., list)
8. Environmental Organizations (e.g., Sierra Club, Audubon Society & E.C.O.S.)
9. Public posting process (City Hall, Library, etc.)
10. County of Sacramento
11. County of El Dorado
12. Sacramento Area Cities Forum

- C. Water. The CITY will identify the source of water supply(ies) to serve any area subject to an annexation request and as a signatory of the *Water Forum Agreement* shall continue to abide by the established obligations of the agreement. Consistent with the CITY of Folsom Public Facilities Element General Plan Goal 40, the CITY shall not permit the development of a portion of the Sphere of Influence Amendment area without securing the water supply, providing adequate water infrastructure, or the approval of an infrastructure financing and phasing plan which provides for the timely installation of water facilities.

- D. Open Space. The CITY shall consider open space areas based on habitat value, scenic resource benefits, buffer of land uses, and connection to other open space areas within the SOI area and the County of Sacramento.

In implementing its responsibilities and the open space element requirements of the planning, zoning and subdivision law, the CITY shall consider, adopt and implement as appropriate, open space protection tools such as General Plan Land Use Policy 8.4, an open space bank, open space easements, developer dedications, and grants, transfer of development rights, and zoning.

The CITY shall integrate its open space program with any Habitat Conservation Management Plan(s) adopted within the SOIA area.

- E. Preservation and/or Mitigation of Habitat. In entering into this MOU, the CITY and COUNTY share the objective of preserving the viable oak woodlands located within the SOIA area. The CITY and COUNTY both recognize that the oak woodland is a resource area of special value, and its preservation needs to be incorporated as a planning goal in both CITY and COUNTY planning documents and as a guiding strategy for CEQA compliance. In adopting the ENTITLEMENT DOCUMENTS, the CITY commits to including preservation of viable oak woodlands as a planning goal. In complying with CEQA, the city's first priority for preservation shall be through avoidance of adverse environmental impacts to oak woodlands.

For the purposes of this MOU, options for preservation will include contribution by the owners of property in the SOIA area (i.e., through a transfer of development rights program, development fees or other financing mechanism) and ultimate dedication and/or acquisition by the CITY and/or COUNTY of key segments of the oak woodland. Such dedications will include, but may not be limited to lands designated Resource Conservation Area on the 1993 Sacramento County General Plan. It is the intent of the CITY and COUNTY to develop an addendum to this MOU prior to approval of annexation of land within the SOIA area to more clearly define the process for accomplishing this acquisition, potential financing strategies, and methods to maintain this area as an oak woodland preserve within the Folsom urban area.

The CITY will require mitigation for any loss of habitat and biological resources in a manner which is consistent with the General Plan (including a minimum of 30% natural (active or passive) open space), meets federal and state regulatory requirements and satisfies the CITY's Tree Preservation, Hillside, and Wetland and Riparian Habitat Management Ordinances. For the purposes of this MOU, natural open space shall not include golf courses or parking lots and their associated landscaping.

The CITY desires to provide for all mitigation to be included within the SOIA, although it may elect to participate in the South Sacramento Habitat Conservation Plan and/or East County Open Space Plan when the Plan(s) is/are established.

- F. Provision of Services. Consistent with the CITY's Public Facilities Element General Plan Goal 40, the CITY shall not permit the development of the SOIA without adequate infrastructure in place, or approval of an infrastructure financing and phasing plan which provides for the timely installation of needed facilities (including, but not limited to transportation issues along the Highway 50 corridor).
 - G. Tax Negotiations. The CITY commits to the concept of revenue sharing with the COUNTY, and consistent with the California Constitution and state statutes, the CITY and COUNTY each agree to negotiate in good faith regarding the apportionment of all future tax revenues from the SOIA area.
6. COUNTY Responsibilities. The COUNTY agrees to take reasonable measures to provide the CITY with information in a timely manner and a format consistent (i.e. compatible software, map scale, etc.) with the CITY's planning efforts as follows:
- 1. Location and extent of potential open space linkages
 - 2. Progress reports on the COUNTY's Habitat Conservation Plan, including a comparative evaluation of environmental resources within the SOIA compared to those sought in the COUNTY's Habitat Conservation Plans.
 - 3. Location and extent of open space areas designated by the COUNTY outside of the SOIA.
 - 4. Identification by the COUNTY of an appropriate buffer area outside of the SOIA area in the East County Area Open Space Plan or County's General Plan Update.

In addition to the foregoing, the COUNTY has no immediate intention of providing urban services to the SOIA area except where already approved in the Special Planning Area (SPA) for Aerojet.

The CITY and COUNTY agree that the policies, standards and procedures of LAFCo shall be the governing tools for guiding future development within the SOIA.

The CITY and COUNTY administrative offices shall discuss the impact of annexations of the SOIA area on present and potential COUNTY employment. The COUNTY may develop a plan to be presented to the City Council and Board of Supervisors that addresses this issue.

7. Continuing cooperation between CITY and COUNTY. The staffs of the CITY and COUNTY shall meet no less than every 60 days to discuss progress in the implementation of this MOU and issues of regional planning in the Area of Concern. Both parties shall select two members of its respective governing body as a continuation of the 2x2 process leading to this MOU, and the continued 2x2 meetings shall occur at least twice every twelve months. The CITY shall be responsible for scheduling these meetings. ~~The CITY and COUNTY shall consider the compatibility of existing and proposed land-uses where the CITY and COUNTY share a common boundary.~~
8. MOU Term. This MOU shall expire upon annexation of all of the property approved within the revised SOI, or upon its tenth anniversary, whichever occurs first. The parties may agree, in writing, to extend its term.
9. Continued Effectiveness of the Existing MOU. The existing MOU addressing the "Area of Concern" shall continue in effect.
10. Enforcement of MOU. This MOU shall be submitted to LAFCo as part of the Sphere of Influence Amendment application pursuant to Government Code §Section 56425. It is the intent of the CITY and COUNTY that in reviewing subsequent requests for organizations, reorganizations and/or annexations in the SOIA area, LAFCo shall review this MOU for compliance with the stated terms and principals set forth herein.

The CITY and COUNTY intend that this MOU guide development, if any, within the SOIA which occurs subsequent to annexation. The CITY and COUNTY also agree that nothing in this MOU shall be interpreted to create a legal limit to the exercise, by each jurisdiction of its authority to enact or amend land use regulations and discharge its responsibilities under CEQA.

11. General Provisions.

Completeness of instrument. This MOU, together with its specific references and attachments, constitutes all of the agreements and understandings made by and between the parties hereto.

Captions. The captions of this MOU are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this MOU.

Number and gender. In this MOU, the neuter gender includes the feminine and masculine, and the singular includes the plural, the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.

Mandatory and permissive. "Shall" and "will" and "agrees" are mandatory. "May" is permissive.

Term includes extensions. All references to the term of this MOU or the MOU Term shall include any extensions of such term.

Modification. No modification or waiver of any provisions of this MOU or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.

Counterparts. This MOU may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

Other documents. The parties agree that they shall cooperate in good faith to accomplish the object of this MOU and to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

Partial invalidity. If any term, covenant, condition or provision of this MOU is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Document Preparation. This MOU will not be construed against the party preparing it, but will be construed as if prepared by all parties.

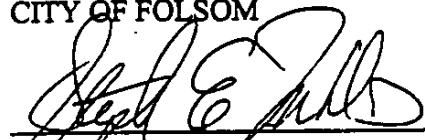
DATED: NOV 14 2008

COUNTY OF SACRAMENTO



Roger Dickinson, Chairman, Board of Supervisors

CITY OF FOLSOM



Stephen E. Miklos, Mayor