

**QUALEX PROPERTY, FIRE STATION, SCHOOL WATER/SEWER CONNECTION  
FEE, AND ENCROACHMENT AGREEMENT AND RELEASE**

This Qualex Property, Fire Station, School Water/Sewer Connection Fee, and Encroachment Agreement and Release (the "Agreement") is made by and between the City of Manteca ("City"), and the Manteca Unified School District ("District") to relinquish the District's interest and entitlement to that certain property located at 555 Industrial Park Drive, Manteca, CA 95337, and identified as Assessor's Parcel No. 221-190-760 (the "Qualex Property"), to convey a 1-acre portion of real property from the Tara Park School, located at 3004 W. Woodward Ave., Manteca, CA 95337, Assessor's Parcel No. 241-260-13 ("Tara Park") and to pay certain water and sewer connection fees for the master plan projects at East Union High School, located at 1700 Union Rd., Manteca, CA 95336 ("EUHS"); Manteca High School, located at 450 E. Yosemite Ave., Manteca, CA 95336 ("MHS") and Tara Park (collectively, the "Project Schools"); an initial agreement as set out below and herein, on the water connections for the future Tinnin School ("TS"); and for the City to waive the encroachment permit fee and any associated fees that may arise as a condition to improve the street(s) at Joshua Cowell School, located at 740 Pestana Ave., Manteca, CA 95336 (only as discussed in detail below). Together, the City and District are at times referenced as the "Parties" and individually, as a "Party".

**RECITALS**

A. WHEREAS, the City of Manteca Successor Agency is the fee owner of the Qualex Property and will be conveying the Qualex Property to the City for the continued operation of a Low Barrier Navigation Center (and/or offer services to the unhoused); and

B. WHEREAS, the District, being a taxing entity, has a property interest in and entitlement to the Qualex Property; and

C. WHEREAS, the District is the fee owner and does not need the entirety of its 16.98-acre Tara Park parcel and is willing to convey a portion of the Tara Park parcel ("1-Acre Tara Park Property"), as depicted in Exhibit "A" and described in Exhibit "B", to the City for use as a public purpose (a fire station) upon the terms and conditions of this Agreement; and

D. WHEREAS, the District is currently implementing master plan projects that involve new construction and modernization projects at its EUHS and MHS and the construction of school facilities at its Tara Park campus, and the future TS campus, which all require new water, sewer, and storm drain connections to the City's utility systems; and

E. WHEREAS, the City provided the District with a Development Fee Estimates for the East Union High School Modernization Project, Manteca High School Modernization Project, and the Tara Park School Project ("Development Fee Estimates"); and

F. WHEREAS, the Parties dispute the Development Fee Estimates based on differing interpretations and limitations imposed by Government Code sections 54999.3 et seq. (the "Fee Dispute"); and

G. WHEREAS, in order to settle and resolve the Fee Dispute and other outstanding matters set out herein, the District is willing to waive its interest, any and all claims/causes of

action, and entitlement in the Qualex Property, and convey to the City the 1-Acre Tara Park Property in exchange for the City waiving all development fees for the provision of water, sewer, and storm drain services for the Project Schools, with the exception of those connection fees specified below, as well as waiving the encroachment permit fee and funding the street improvement condition of approval for Joshua Cowell School, only as set out and specified herein; and an initial agreement concerning the water connections at TS; and

H. WHEREAS, following good faith negotiations, the Parties agree as set forth below to the following terms and conditions.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference herein and are a material part of this Agreement, and the following considerations, provisions, and mutual promises, the Parties hereby agree to the following terms:

1. Effective Date of Agreement: The “Effective Date” of this Agreement shall be the date of the last Party’s execution of this Agreement.

2. Current Use of the Qualex Property: The Parties agree and acknowledge that, without compensation to MUSD, the City may continue to use the Qualex Property as a Low Barrier Navigation Center and/or to provide services to residents.

3. District’s Waiver of Sale Proceeds Share for the Qualex Property: As a taxing entity entitled to receive a portion of the proceeds from the sale of property acquired for redevelopment and no longer needed for such use and which the Qualex Property is a former redevelopment property, the District hereby waives all of its interests and entitlements to purchase or receive its share of sale proceeds for the Qualex Property. To the extent that the City desires to sell or otherwise dispose of the Qualex Property, the District shall be given due notice by the City, and the District shall have the right of first refusal to purchase the Qualex Property from the City at the fair market value existing at the time of the City’s notice. If that arises, fair market value shall be determined by the median of three appraisals conducted by separate appraisers. The Parties shall commission and equally pay a third party to obtain and deliver the three (3) appraisals.

4. Conveyance of 1-Acre Tara Park Property: The District shall convey the 1-Acre Tara Park Property to the City or designee by grant deed within 120 days following the Effective Date for sole use as a public purpose (a fire station). The District shall assume sole responsibility to abide by any and all applicable laws concerning the conveyance vis-à-vis the Education Code and/or other applicable state laws, and disclose any and all easements and conditions per the title report. The City shall accept the deed at a public meeting, consistent with state and local laws, and record the accepted deed with the county recorder’s office within fourteen (14) days of acceptance. The City shall provide a copy of the recorded deed to the District within fourteen (14) days of receiving a copy of the recorded deed. If the City fails to begin development of the 1-Acre Tara Park Property into a fire station within ten (10) years of the Effective Date, the City shall convey the 1-Acre Tara Park Property by grant deed back to the District.

5. District's Payment of Certain Connection Fees and City's Waiver of Remaining Development Fees, included in the Development Fee Estimates for the Project Schools:

A. Within 60 days from the Execution Date, the District shall pay to the City the following water and sewer connection fee amounts for the Project Schools:

- i. \$27,019.72 for the 2-inch and 8-inch meters at EUHS.
- ii. \$1,924.00 for EUHS (Major Equipment Purchase).
- iii. \$4,125.74 for the two 2-inch meters at MHS.
- iv. \$4,160.00 for MHS (Major Equipment Purchase).
- v. \$19,988.51 for the 2-inch and 6-inch meters at Tara Park.

For a total amount of \$57,217.97 ("Connection Fees"). Within sixty (60) days of the Effective Date, the District will pay the City the Connection Fees.

B. The District makes no representation or warranty (neither expressed nor implied) that the District's agreement to pay the foregoing fees is an admission, acceptance, or acquiescence by the District that any of the City's fees are lawful, accurate, or justified. Likewise, the City makes no representation or warranty (neither expressed nor implied) that the City's agreement to charge the foregoing fees is an admission, acceptance, or acquiescence by the City that the fees set out shall have any precedential value, represent the full value of permitted impact fees under Government Code sections 54999.3 et seq, and/or may be used or relied upon in future projects.

C. The City hereby waives all remaining connection and development impact fees, as defined by the Mitigation Fee Act (Government Code, section 66000 *et seq.*), and/or defined by the City's Municipal Code, for the connections to the City's water, sewer, and storm drain systems to support the Project Schools. This waiver does not apply to any mitigation measures the District may be required to implement pursuant to the California Environmental Quality Act or any public facilities that the District may be required to provide or construct pursuant to state or local law as a result of the annexation.

6. Initial Connections at Tinnin School: At this juncture, the District initially commits to no more than the following water connections at TS: a) one (1) 8" – domestic; b) one (1) 6" – fire; and c) 1- 2" – irrigation; provided, however, if more connections and/or a larger size is needed, the District shall cover the cost increase and acknowledge the greater size of the connections. This term does not apply to any mitigation measures the District may be required to implement at TS pursuant to the California Environmental Quality Act or any public facilities that the District may be required to provide or construct pursuant to state or local law, or as a result of annexation. Should unforeseen costs and/or unforeseen mitigation measures associated with the project at TS arise, the Parties shall meet and confer in good faith to address such unforeseen costs/mitigation measures.

7. Waiver of Encroachment Permit Fee and Responsibility for Street Improvement Condition at Joshua Cowell School: As consideration for effectuating this Agreement and the releases and terms set out herein, the City shall waive the encroachment permit fee for the District's driveway curb cuts for its new bus lane. At its sole cost, the City shall make any street improvements required as a condition of the encroachment permit for Joshua Cowell School. The Parties agree to work collaboratively and meet and confer in good faith to effectuate any improvements as discussed herein.

8. Attorney's Fees and Costs: The Parties shall bear their own respective attorney's fees and costs relating to the Agreement, including the drafting and consideration of this Agreement.

9. Successors and Assigns: This Agreement shall be binding upon and inure to the benefit of the Parties, and their respective officers, officials, heirs, employees, agents, attorneys, successors, devisees, executors, administrators, assigns, and insurance carriers.

10. Entire Agreement: This Agreement constitutes the entire agreement between the Parties, and it is expressly understood and agreed that this Agreement may not be altered, amended, modified, or otherwise changed in any respect except by a writing duly executed and authorized by each of the Parties.

11. Interpretation: The provisions of this Agreement shall be liberally construed to effectuate its purpose. The title headings of the respective paragraphs of this Agreement are inserted for convenience only and shall not be deemed to be part of this Agreement or considered in construing this Agreement. In the event of any dispute concerning this Agreement, the prevailing party shall be entitled to recover its court costs and reasonable attorney's fees.

12. California Law and Venue: This Agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Any dispute concerning the terms and conditions of this Agreement shall be resolved in San Joaquin County Superior Court, California.

13. Legal Representation: Each Party acknowledges that he, she, they, and/or it has been represented by counsel, or has had counsel available to them, throughout the pendency of the negotiations of this Agreement. The Parties each agree that they are to be considered mutual authors of this Agreement.

14. Authority to Execute: Each individual executing this Agreement represents and warrants that he or she is duly authorized to execute this Agreement and that it is binding in accordance with its terms. Each of the Parties represents and warrants that they are the true holders of all rights and remedies which they purport to have, and that they have not assigned or transferred any of those rights or remedies to any other individuals and/or entities.

15. Good Faith and Further Assurances: The Parties agree that they will act in good faith in abiding by the terms of this Agreement, and in carrying out the obligations of each Party set forth herein. So long as they are authorized by applicable laws to do so, each of the Parties will

do such further acts and execute, acknowledge, and deliver all further documents as may be necessary to fully effectuate the provisions of this Agreement.

16. Execution: This Agreement may be executed in counterparts which, when taken together, shall constitute one original agreement. An electronic or facsimile signature shall be deemed the same as, and valid as if it were, an original signature.

17. Time Is of the Essence: Every term and obligation of a Party shall be deemed material and together with the prompt adherence to due dates are of the essence of this Agreement.

18. Effectiveness of Agreement: This Agreement shall be effective upon the execution of this Agreement by all Parties.

DATED: 5 1, 2025

**CITY OF MANTECA**

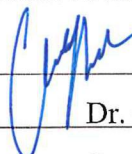
By: 

Name: Gary Singh

Title: City Mayor

DATED: May 7, 2025


**MANTECA UNIFIED SCHOOL DISTRICT**

By: 

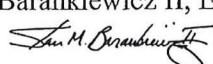
Name: Dr. Clark Burke

Title: Superintendent

**APPROVED AS TO FORM:**  
DATED: 5 1, 2025

CITY OF MANTECA OFFICE OF THE CITY ATTORNEY  
By: L. David Nefouse, City Attorney for City of Manteca  


**APPROVED AS TO FORM:**  
DATED: May 7, 2025

ORBACH HUFF & HENDERSON LLP  
By: Stan M. Barankiewicz II, Esq., Attorney for MUSD  


ATTESTED:

DATED: _____, 2025	MANTECA UNIFIED SCHOOL DISTRICT, BOARD CLERK  By: <u>Marie Freitas</u> Marie Freitas Clerk, Manteca Unified School District
DATED: <u>May 5<sup>th</sup></u> , 2025	CITY OF MANTECA, CITY CLERK  By: <u>[Signature]</u> Cassandra Candini-Tilton City Clerk, City of Manteca

