

Section 3. Failure to Comply. If, at any time, Applicant unreasonably delays in advancing monies as requested by City, paying any invoice from City when due, or failing to provide City with information or data requested pursuant to Section 2 hereof, such unreasonable delay shall suspend the running of the time periods described in State CEQA Guidelines sections 15107 and 15108 for the period of such unreasonable delay. Alternatively, Applicant acknowledges and agrees that City may, without liability to Applicant, disapprove the Project for Applicant's delay in satisfying City's requirements.

Section 4. Notices. All notices given pursuant to this Agreement shall be in writing and may be given by personal delivery or by mail. Notices, sent by mail shall be addressed as follows:

City
Jeff Shaw
Community Development Department
P.O. Box 3005
Redlands CA 92373

Applicant
Wal-Mart Stores, Inc.
c/o Mark A. Ostoich, Esq.
Gresham, Savage Nolan & Tilden
550 E. Hospitality Lane, Suite 300
San Bernardino, CA 92408

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. In all other instances, notices shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this Section.

Section 5. Attorneys' Fees. In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to costs and any other relief, be entitled to recovery of its reasonable attorneys' fees, including fees for in-house counsel of the Parties at rates prevailing in San Bernardino County, California.

Section 6. Entire Agreement/Amount. This Agreement represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, proposals or verbal agreements are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by the City Council of City and signed by City and Applicant.

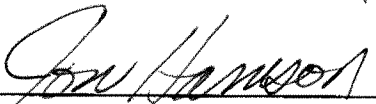
Section 7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 8. Defense and Indemnity. Applicant shall defend, indemnify and hold harmless City, its elected officials, officers, employees and agents from and against any and all actions, claims, demands, lawsuits, losses and liability for damages to persons or property, including costs and attorneys' fees, that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of or in connection with City's processing of Applicant's Project.

Section 9. No Third Party Beneficiary. Applicant expressly acknowledges and agrees that City's contract with the consultant to prepare an EIR for Applicant's Project is for the benefit of the public and undertaken in compliance with City's obligations under CEQA, and is not for the benefit of Applicant.

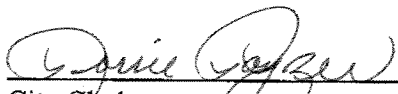
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates shown below.

CITY OF REDLANDS

By: 
Jon Harrison, Mayor

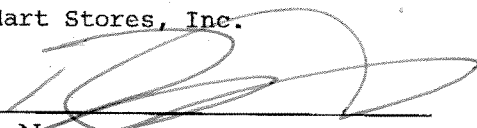
Date April 17, 2007

ATTEST:


City Clerk, Lorrie Poyzer

Date April 17, 2007

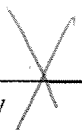
Wal-Mart Stores, Inc.

By: 
Name

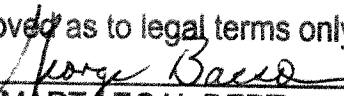
Date MARCH 9, 2007

Title: Regional Vice President

ATTEST:

By: 
Secretary

Date 

Approved as to legal terms only
by 
WAL-MART LEGAL DEPT.
Date: 3-8-07

will provide the City and the public with detailed information about the effects of a project and identify how impacts may be minimized and to indicate alternatives to the project. The scope of work also identifies that there will be an evaluation of re-use potentials of the existing Wal-Mart, and the Environmental Impact Report will identify potential mitigation relative to this impact. A representative from Michael Brandman Associates was present at this meeting. Opposing the proposed Wal-Mart Supercenter were: representing the Lugonia Community Association Eddie Tejeda, Joe Lanspa who submitted a DVD entitled *Wal-Mart, the high cost of low price*, Elvin Huck, Bill Cunningham, Richard Heitz, Keith Osajima on behalf of the Redlands United Church of Christ, Laura Palmer and Oscar Sepp. Representing Wal-Mart were Jennifer Gunther and Mike Blackmon. City Clerk Poyzer reported two e-mails in support and one e-mail and telephone call opposing the project were received.

Contract - EIR - Councilmember Gilbreath moved to approve a contract with Michael Brandman Associates for preparation of the Environmental Impact Report for the Wal-Mart Supercenter project in the amount of \$276,800.00 and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City. Motion seconded by Councilmember Gallagher and carried by AYE votes of all present.

Funding Agreement - Councilmember Gilbreath moved to approve a funding agreement with Wal-Mart Stores, Inc. in the amount of \$332,160.00 to fund preparation of an Environmental Impact Report for the Wal-Mart Supercenter project and a 20 percent contract administration fee and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City. Motion seconded by Councilmember Gallagher and carried by AYE votes of all present.

COMMUNICATIONS

Meeting Attendance - No reports forthcoming.

Development Impact Fee Program - Public Works Director Mutter reported this is a continuation of scheduled workshops to review and discuss the proposed development impact fee update for the Public Works Department. The Public Works Department has been working with MuniFinancial to develop a comprehensive update to the department's development impact fee program. These fees cover the costs associated with infrastructure and facility impacts caused by new development. The program covers fees in the following areas: general government facilities, library facilities, police facilities, park facilities, fire facilities, storm drain facilities and transportation facilities. In the first workshop on March 20, 2007, the City Council heard a presentation from the consultant, MuniFinancial on the proposed fee update. The various fees and the program changes were discussed during the presentation. On April 3, 2007, staff presented a comparison of the current versus the proposed fees, a comparison of fees charged by other agencies and answers to several other