

# February 12, 2024 – City Council Regular Meeting – 7:00 p.m.



City Council Chamber  
390 Towne Centre Drive  
Lathrop, California  
(209) 941-7200  
[www.ci.lathrop.ca.us](http://www.ci.lathrop.ca.us)

## City Council

Sonny Dhaliwal, Mayor  
Minnie Diallo, Vice Mayor  
Paul Akinjo  
Diane Lazard  
Jennifer Torres-O'Callaghan

## City Staff

Stephen Salvatore, City Manager  
Salvador Navarrete, City Attorney  
Michael King, Assistant City Manager  
Thomas Hedegard, Deputy City Manager  
Teresa Vargas, Government Services  
Director / City Clerk  
Brad Taylor, City Engineer  
Tony Fernandes, Information Systems Director  
Cari James, Finance Director  
Juliana Burns, Human Resources Director  
Rick Caguiat, Community Development  
Director  
Todd Sebastian, Parks and Recreation  
Director  
Stephen Sealy, Interim Chief of Police

## General Order of Business

1. Preliminary
  - Call to Order
  - Closed Session
  - Roll Call
  - Invocation
  - Pledge of Allegiance
  - Announcements by Mayor/City Mgr.
  - Informational Items
  - Declaration of Conflict of Interest
2. Presentations
3. Citizen's Forum
4. Consent Calendar
5. Scheduled Items
  - Public Hearings
  - Appeals
  - Referrals and Reports from Commissions and Committees
  - All Other Staff Reports and/or Action Items
  - Study Sessions
6. Council Communications
7. Adjournment

## Order of Discussion

Generally, the order of discussion after introduction of an item by the Mayor will include comments and information by staff followed by City Council questions and inquiries. The applicant, or their authorized representative, or interested residents, may then speak on the item; each speaker may only speak once to each item. At the close of public discussion, the item will be considered by the City Council and action taken.

## Consent Calendar

Items on the Consent Calendar are considered routine by the City Council and will be enacted by one motion and one vote. There will be no separate discussion of these items unless a Councilmember or interested resident so requests, in which case the item will be removed from the Consent Calendar and considered separately.



**February 12, 2024 – Regular Meeting Agenda – 7:00 p.m.**

## **IMPORTANT NOTICE REGARDING THIS MEETING**

This public meeting will be conducted in person; all members of the City Council will attend in person. Members of the public are welcomed in person. This meeting will also be available for public participation by teleconference via ZoomGov at the following link:

<https://www.zoomgov.com/j/1600780267?pwd=VFINOERXNkpTZGFyeWc2RWikZUITZz09>

- ✦ During the meeting, those joining by ZoomGov, will be allowed to speak prior to the close of public comment on an item. If you are using this method, please "raise the hand" feature to inform the City Clerk (meeting host) you wish to speak on the matter. Please ensure your computer speaker and microphone are fully functional.
- ✦ For audio / calling in only, dial: +1 (669) 254-5252 or +1 (669) 216-1590
  - To request to speak (same as the "raise hand" feature) press \*9 / When the City Clerk calls your name, press \*6 to unmute.
- ✦ Meeting Webinar ID: 160 078 0267 / Passcode: 675300
- ✦ If you are not able to attend the meeting in person or virtually - Public comment/questions will be accepted by email to City Clerk Teresa Vargas at [website\\_cco@ci.lathrop.ca.us](mailto:website_cco@ci.lathrop.ca.us) or by calling (209) 941-7230
- ✦ Questions or comments must be submitted by 4:00 p.m., on the day of the meeting.
- ✦ To address City Council in person, please submit a purple card to the City Clerk indicating name, address, and number of the item upon which a person wishes to speak.

Council Meetings are live-streamed (with Closed Captioning) on Comcast Cable Channel 97, and on the City Council Webpage: <https://www.ci.lathrop.ca.us/citycouncil/page/live-stream>

### **Addressing the Council**

Any person may speak once on any item under discussion by the City Council after receiving recognition by the Mayor. Purple speaker cards will be available prior to and during the meeting. To address City Council, a card must be submitted to the City Clerk indicating name, address and number of the item upon which a person wishes to speak. When addressing the City Council, please walk to the lectern located in front of the City Council. State your name and address. In order to ensure all persons have the opportunity to speak, a time limit will be set by the Mayor for each speaker (see instructions on speaker form). In the interest of time, each speaker may only speak once on each individual agenda item; please limit your comments to new material; do not repeat what a prior speaker has said. If you challenge the nature of a proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

## **Citizen's Forum**

Any person desiring to speak on a matter, which is not scheduled on this agenda, may do so under the Citizen's Forum section. Please submit your purple speaker card to the City Clerk prior to the commencement of Citizen's Forum, or submit your request to speak via the "raise hand" feature in ZoomGov. Only those who have submitted speaker cards, or have expressed an interest to speak, prior to the conclusion of Citizen's Forum will be called upon to speak. Please be aware the California Government Code prohibits the City Council from taking any immediate action on an item, which does not appear on the agenda, unless the item meets stringent statutory requirements. The Mayor will limit the length of your presentation (see instructions on speaker form) and each speaker may only speak once on this agenda item. Please note, the Council Chamber has limited occupancy due to social distancing.

To leave a voice message for all Councilmembers simultaneously, dial (209) 941-7230. To send an e-mail for Councilmembers simultaneously email: [citycouncil@ci.lathrop.ca.us](mailto:citycouncil@ci.lathrop.ca.us). This City Council Agenda and meeting materials can be accessed by computer or any smart device at: <https://www.ci.lathrop.ca.us/meetings>

## **General Information**

For reports citing supplemental documents relating to specific agenda items, these are available for review in the City Clerk's Office. This agenda was posted at the following locations: City Hall, Community Center, Generations Center, Senior Center, and the Lathrop-Manteca Fire District "J" Street and Somerston Parkway Offices. The meetings of the Lathrop City Council are broadcast on Lathrop Comcast Cable Television Channel 97 and live streamed on the City's website.

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility and/or accommodations to this meeting. [28 CFR 35.102-35.104 ADA Title II] Interested persons must request the accommodation at least 2 working days in advance of the meeting by contacting the City Clerk at (209) 941-7230. Information about the City or items scheduled on the Agenda may be referred to:

Teresa Vargas, MMC  
Government Services Director / City Clerk  
390 Towne Centre Drive  
Lathrop, CA 95330  
Telephone: (209) 941-7230



**CITY OF LATHROP  
CITY COUNCIL REGULAR MEETING  
MONDAY, FEBRUARY 12, 2024  
7:00 P.M.  
COUNCIL CHAMBER, CITY HALL  
390 Towne Centre Drive  
Lathrop, CA 95330**

**AGENDA**

**PLEASE NOTE: There will be no Closed Session. The Regular Meeting will commence at 7:00 p.m.**

**1. PRELIMINARY**

- 1.1 CALL TO ORDER
- 1.2 ROLL CALL
- 1.3 INVOCATION
- 1.4 PLEDGE OF ALLEGIANCE
- 1.5 ANNOUNCEMENT(S) BY MAYOR / CITY MANAGER
- 1.6 INFORMATIONAL ITEM(S) – None
- 1.7 DECLARATION OF CONFLICT(S) OF INTEREST

**2. PRESENTATIONS**

- 2.1 PROCLAMATION DECLARING FEBRUARY AS BLACK HISTORY MONTH
- 2.2 INTRODUCTION OF NEW EMPLOYEES

Finance Department

- Yuliana Llamas, Accountant

Information Systems Department

- Emily Malay, Management Analyst
- Alex Vargas, Information Technology Technician

### **3. CITIZEN'S FORUM**

Any person desiring to speak on a matter, which is not scheduled on this agenda, may do so under Citizen's Forum. Please submit a purple speaker card to the City Clerk prior to the commencement of Citizen's Forum. Only those who have submitted speaker cards, or have expressed an interest to speak, prior to the conclusion of Citizen's Forum will be called upon to speak. Please be aware the California Government Code prohibits the City Council from taking any immediate action on an item, which does not appear on the agenda, unless the item meets stringent statutory requirements. The City Council can, however, allow its members or staff to briefly (no more than five (5) minutes) respond to statements made, to ask questions for clarification, make a brief announcement or report on his or her own activities. (See California Government Code Section 54954.2(a)). Unless directed otherwise by a majority of the City Council, all questions asked and not answered at the meeting will be responded to in writing within 10 business days. ALL PUBLIC COMMENTS MUST BE MADE IN COMPLIANCE WITH THE LATHROP CITY COUNCIL HANDBOOK OF RULES AND PROCEDURES!

### **4. CONSENT CALENDAR**

Items on the Consent Calendar are considered routine by the City Council and will be enacted by one motion and one vote. There will be no separate discussion of these items unless the Mayor, Councilmember, or citizen so requests, in which event the item will be removed from the Consent Calendar and considered separately.

- 4.1 WAIVING OF READING OF ORDINANCES AND RESOLUTIONS  
Waive the Reading in Full of Ordinances and Resolutions on Agenda and Adopt by Reading of Title Only, Unless Otherwise Requested by the Mayor or a Councilmember
- 4.2 APPROVAL OF MINUTES  
Approve Minutes for the Regular Council Meeting of December 11, 2023
- 4.3 TREASURER'S REPORT FOR DECEMBER 2023  
Approve Quarterly Treasurer's Report for December 2023
- 4.4 SECOND READING AND ADOPTION OF ORDINANCE 24-455 OF THE CITY COUNCIL OF THE CITY OF LATHROP ADOPTING VARIOUS AMENDMENTS TO THE LATHROP MUNICIPAL CODE TO MODERNIZE, SIMPLIFY, AND STREAMLINE VARIOUS SECTIONS OF TITLE 5, BUSINESS LICENSES AND REGULATIONS, TITLE 8, HEALTH AND SAFETY, TITLE 15, BUILDINGS AND CONSTRUCTION, AND TITLE 17, ZONING (TA-23-139)  
Waive Full Reading and Adopt Ordinance 24-455 Adopting Various Amendments To The Lathrop Municipal Code To Modernize, Simplify, And Streamline Various Sections Of Title 5, Business Licenses And Regulations, Title 8, Health And Safety, Title 15, Buildings And Construction, And Title 17, Zoning (TA-23-139)

- 4.5 RATIFY THE PURCHASE OF TWO DIGITAL MARQUEES AND APPROVE A SERVICE CONTRACT WITH ABV SCOREBOARD SERVICES, INC., FOR THE INSTALLATION OF TWO MARQUEES AT CITY HALL  
Adopt Resolution to Ratify the Purchase of Two Digital Marquees and a Service Contract with ABV Scoreboard Services, Inc., for the Installation of Two Marquees at City Hall
- 4.6 AUTHORIZE THE CITY OF LATHROP TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH SAN JOAQUIN COUNTY SHERIFF AND LOCAL LAW ENFORCEMENT AGENCIES TO CREATE A PUBLIC SAFETY DATA EXCHANGE CONSORTIUM FOR THE PERIOD FEBRUARY 2024 THROUGH JANUARY 2029  
Adopt Resolution Authorizing the City of Lathrop to Enter Into a Memorandum of Understanding with San Joaquin County Sheriff and Local Law Enforcement Agencies to Create a Public Safety Data Exchange Consortium for the Period February 2024 through January 2029
- 4.7 APPROVE PROFESSIONAL SERVICES AGREEMENT WITH PFM ASSET MANAGEMENT LLC FOR INVESTMENT ADVISORY SERVICES  
Adopt Resolution to Approve a Professional Services Agreement with PFM Asset Management LLC for Investment Advisory Services for a Term of Two (2) Years with an Option to Renew Two (2) Additional One-Year Periods
- 4.8 APPROVE CONTRACT CHANGE ORDER NO. 1 WITH ST. FRANCIS ELECTRIC AND APPROVE BUDGET AMENDMENT FOR CIP GG 19-07 CITYWIDE SURVEILLANCE SYSTEMS  
Adopt Resolution to Approve Contract Change Order No. 1 with St. Francis Electric and Approve Budget Amendment for CIP GG 19-07 Citywide Surveillance Systems
- 4.9 APPROVE AMENDMENT NO. 1 WITH O'DELL ENGINEERING, INC. FOR THE HISTORIC LATHROP BEAUTIFICATION PROJECT, CIP GG 24-23 AND APPROVE BUDGET AMENDMENT  
Adopt Resolution Approving Amendment No. 1 with O'Dell Engineering, Inc. for the Historic Lathrop Beautification Project, CIP GG 24-23 and Approving Budget Amendment
- 4.10 APPROVE COOPERATIVE AGREEMENT WITH CALTRANS TO COMPLETE THE PROJECT INITIATION DOCUMENT PHASE FOR ROTH ROAD AND I-5 INTERCHANGE, CIP PS 14-04  
Adopt Resolution to Approve a Cooperative Agreement with the California Department of Transportation (Caltrans) to complete the Project Initiation Document Phase for the Roth Road and I-5 Interchange, CIP PS 14-04

- 4.11 AUTHORIZE THE FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 2024-1 (EAGLES LANDING SERVICES)  
Adopt Resolution of Intention to Establish City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services) to Finance Public Services
- 4.12 CREATE CIP GG 24-28 FOR ELECTRIC VEHICLE CHARGING STATIONS AT THE LATHROP COMMUNITY CENTER / LATHROP SENIOR CENTER AND APPROVE BUDGET AMENDMENT  
Adopt Resolution Creating CIP GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center and Approve Budget Amendment
- 4.13 CREATE CIP PS 24-29 PAVEMENT REHABILITATION ON CHERRY HILLS DRIVE, CHERRY HILLS COURT, KILARNEY DRIVE, AND KILARNEY COURT, AND APPROVE BUDGET AMENDMENT  
Adopt Resolution Creating CIP PS 24-29 Pavement Rehabilitation on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court, and Approve Budget Amendment
- 4.14 CREATE CIP PS 24-31, YOSEMITE AVENUE PAVEMENT REHABILITATION, APPROVE REIMBURSEMENT AGREEMENT WITH YOSEMITE LATHROP 2, LLC AND APPROVE BUDGET AMENDMENT  
Adopt Resolution Creating CIP PS 24-31, Yosemite Avenue Pavement Rehabilitation, Approving Reimbursement Agreement with Yosemite Lathrop 2, LLC and Approve Budget Amendment
- 4.15 ACCEPT PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITIONS FOR EP NO. 2021-09 LOCATED ON GOLDEN VALLEY PARKWAY AND RIVER ISLANDS PARKWAY FROM EVERGREEN AND APPROVE CHANGE ORDER NO. 32 FOR LANDSCAPE MAINTENANCE  
Adopt Resolution Accepting Public Improvements with Associated Conditions for Encroachment Permit No. 2021-09 Located Golden Valley Parkway and River Islands Parkway, from Evergreen and Approve Change Order No. 32 for Landscape Maintenance
- 4.16 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY SINCLAIR GENERAL ENGINEERING CONSTRUCTION, INC. FOR FUELING FACILITY TANK FOOTINGS, CIP GG 21-13  
Adopt Resolution Accepting Public Improvements Constructed by Sinclair General Engineering Construction, Inc. for Fueling Facility Tank Footings, CIP GG 21-13, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds

- 4.17 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION, INC. DBA DIEDE CONSTRUCTION FOR LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP GG 22-04  
Adopt Resolution to Accept Public Improvements Constructed by Diede Construction, Inc. dba Diede Construction for the Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04, Authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
- 4.18 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY LUMA ENGINEERING CONTRACTORS, INC. DBA LUMA ENGINEERING FOR FACILITIES ADA IMPROVEMENTS, CIP GG 23-14  
Adopt Resolution to Accept Public Improvements Constructed by Luma Engineering Contractors, Inc. dba Luma Engineering for the Facilities ADA Improvements, CIP GG 23-14, Authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
- 4.19 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37  
Adopt Resolution Accepting Public Improvements Constructed by Commercial Pump & Mechanical for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
- 4.20 AWARD CONSTRUCTION CONTRACT TO AMERINE SYSTEMS, INC. FOR THE POLICE EVIDENCE BUILDING LANDSCAPE ASSOCIATED WITH CORPORATION YARD IMPROVEMENTS, CIP GG 21-13  
Adopt Resolution Awarding a Construction Contract to Amerine Systems, Inc. for the Police Evidence Building Landscape Associated with Corporation Yard Improvements, CIP GG 21-13

***RIVER ISLANDS CONSENT ITEM(S)***

- 4.21 APPROVE A DESIGN AND CONSTRUCTION FUNDING AGREEMENT WITH RIVER ISLANDS DEVELOPMENT, LLC FOR PHASE 3 EXPANSION OF THE LATHROP CONSOLIDATED TREATMENT FACILITY, CIP WW 22-38 AND APPROVE BUDGET AMENDMENT  
Adopt a Resolution to Approve a Design and Construction Funding Agreement with River Islands Development, LLC for the Phase 3 Expansion Lathrop Consolidated Treatment Facility, CIP WW 22-38 and Approve Budget Amendment



**5. SCHEDULED ITEMS**

5.1 CONTINUE DISCUSSION FROM JANUARY 8, 2024, REGULAR MEETING, REGARDING THE ADOPTION OF AN ORDINANCE AMENDING THE SPEED LIMITS IN THE CITY OF LATHROP, TITLE 10 VEHICLES AND TRAFFIC, CHAPTER 10.08 SPEED LIMITS, SECTION 10.08.030 SPEED LIMITS OF THE LATHROP MUNICIPAL CODE

City Council to Consider the Following:

- 1. Testimony Presented During the Public Hearing Held January 8, 2024; and
- 2. Introduction and First Reading of an Ordinance of the City Council of the City of Lathrop Amending Section 10.08.030 "Speed Limits" of the Lathrop Municipal Code

5.2 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIP ACT (HOME) PROGRAM ALLOCATIONS FOR FISCAL YEAR 2024-2025

Council to Consider the Following:

- 1. Hold a Public Hearing; and
- 2. Adopt Resolution Recommending the Allocation of the CDBG and HOME Funds for FY 2024/2025 for consideration by San Joaquin County and the US Department of Housing and Urban Development (HUD) Pursuant to Budget Amendments

5.3 PUBLIC HEARING (PUBLISHED NOTICE) TO AMEND AND RESTATE THE CITY OF LATHROP'S PARTICIPATION IN THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM

Council to Consider the Following:

- 1. Hold a Public Hearing; and
- 2. Adopt Resolution Amending and Restating the City of Lathrop's Participation in the Statewide Community Infrastructure Program; Authorizing the California Statewide Communities Development Authority to Accept Applications From Property Owners, Conduct Special Assessment Proceedings and Levy Assessments and Special Taxes and to Form Assessment Districts and Community Facilities Districts Within the Territory of the City of Lathrop; Embodying a Joint Community Facilities Agreement Setting Forth the Terms and Conditions of Community Facilities District Financings; Approving Form of Acquisition Agreement for Use When Applicable; and Authorizing Related Actions

5.4 OUT OF STATE TRAVEL APPROVAL FOR 2024 SAN JOAQUIN AREA FLOOD CONTROL AGENCY TRIP

Adopt Resolution Authorizing Out of State Travel for the 2024 San Joaquin Area Flood Control Agency Trip to Washington D.C. from April 9-11, 2024

- 5.5 OUT OF STATE TRAVEL APPROVAL FOR 2024 SAN JOAQUIN COUNTY ONE VOICE TRIP  
Adopt Resolution Authorizing Out of State Travel for the 2024 San Joaquin County One Voice Trip to Washington D.C. from May 5-9, 2024
- 5.6 ESTABLISH LOCAL HOUSING ASSISTANCE PROGRAM FOR SWORN CITY OF LATHROP POLICE DEPARTMENT AND SWORN LATHROP STATIONED LATHROP-MANTECA FIRE DISTRICT (LMFD) EMPLOYEES  
Council to Consider Adopting a Resolution to Establish a Local Housing Assistance Program for Sworn City of Lathrop Police Department and Sworn Lathrop Stationed Lathrop-Manteca Fire District (LMFD) Employees and Associated Budget Amendment

## 6. COUNCIL COMMUNICATIONS

- 6.1 MAYOR DHALIWAL REFERRAL - Appointment of a Board Of Director, and an Alternate, to the Ava Community Energy Board of Directors
- 6.2 MAYOR & COUNCILMEMBER COMMITTEE REPORT(S)
- *Central Valley Executive Committee/LOCC (Akinjo/Diallo)*
  - *Council of Governments (Lazard/Diallo)*
  - *Integrated Waste Management Solid Waste Division (Akinjo/Torres-O'Callaghan)*
  - *Reclamation District 17 Joint Powers Authority (Salvatore)*
  - *San Joaquin Partnership Board of Directors (Salvatore)*
  - *San Joaquin County Commission on Aging (Vacancy)*
  - *San Joaquin Valley Air Pollution Control District (Akinjo/Dhaliwal)*
  - *Water Advisory Board (Torres-O'Callaghan/Lazard)*
  - *Tri Valley-San Joaquin Valley Regional Rail Authority (Akinjo)*
  - *San Joaquin Area Flood Control Agency (Akinjo/Lazard/Torres-O'Callaghan)*
  - *LAFCo (Diallo)*
- 6.3 MAYOR & COUNCILMEMBER COMMENT(S)

## 7. ADJOURNMENT

*/Teresa Vargas/*

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Teresa Vargas, MMC  
Government Services Director  
City Clerk

## ITEM 4.2

**CITY OF LATHROP  
CITY COUNCIL REGULAR MEETING  
MONDAY, DECEMBER 11, 2023  
7:00 P.M.  
COUNCIL CHAMBER, CITY HALL  
390 Towne Centre Drive  
Lathrop, CA 95330**

### MINUTES

**PLEASE NOTE: There was a Closed Session, which commenced at 6:46 p.m. The Regular Meeting reconvened at 7:04 p.m.**

#### 1. PRELIMINARY

1.1 CALL TO ORDER – Mayor Dhaliwal called the meeting to order at 6:46 p.m.

1.2 CLOSED SESSION

1.2.1 CONFERENCE WITH REAL PROPERTY NEGOTIATORS: Pursuant to Government Code Section 54956.8  
Property Address: APN 192-040-57 & 192-040-56 (Addresses Not Available)  
Agency Negotiator: Stephen J. Salvatore, City Manager  
Negotiating Parties: Ashraf H. Ali  
Under Negotiations: Price and Terms of Payment

**RECONVENE** – Mayor Dhaliwal reconvened the meeting at 7:04 p.m.

1.2.2 REPORT FROM CLOSED SESSION

City Attorney Salvador Navarrete reported that the City Council met in Closed Session pursuant to Item 1.2; approved Settlement Terms that allows the City of Lathrop to sell two parcels (APN 192-040-57 & 192-040-56) for the exact price that the City of Lathrop paid when purchased. There was no other reportable action taken.

1.3 ROLL CALL Present: Mayor Dhaliwal; Vice Mayor Akinjo; and Councilmembers Diallo, Lazard, and Torres-O'Callaghan

Absent: None

1.4 INVOCATION – Lead Pastor Troy Stein, New Life Church, provided the invocation.

1.5 PLEDGE OF ALLEGIANCE – Pastor Troy Stein led the pledge of allegiance.

1.6 ANNOUNCEMENT(S) BY MAYOR / CITY MANAGER

Mayor Dhaliwal commented on the Lathrop Christmas Parade, held on December 9, 2023, and expressed appreciation to staff for organizing the event.

1.7 INFORMATIONAL ITEM(S) – None

1.8 DECLARATION OF CONFLICT(S) OF INTEREST – None

**2. PRESENTATIONS**

2.1 PRESENTATION TO PROVIDE AN UPDATE ON THE VALLEY LINK RAIL PROJECT

Kevin Sheridan, Executive Director & CEO, with the Tri-Valley – San Joaquin Valley Regional Rail Authority, provided the presentation, which included a project overview and timelines of the Mountain House to Lathrop alternatives, Dublin and Pleasanton Station, project funding, and compliance with SB 746 for Hydrogen Production Facilities. A question and answer period followed the presentation.

2.2 PRESENTATION TO PROVIDE UPDATES ASSOCIATED WITH CAMERA SYSTEMS FOR CITY PARKS, CIP GG 22-35 AND TRAFFIC TECHNOLOGY, CIP PS 23-01

City Engineer Brad Taylor and Information Systems Director Tony Fernandes provided the presentation, which included an overview of the progress of CIP PS 23-01, citywide traffic systems and safety upgrades to maintain and improve the reliability, safety and function of various traffic control devices within the City of Lathrop. A question and answer period ensued throughout the presentation. City Manager Stephen Salvatore provided additional information.

**3. CITIZEN'S FORUM**

Gavin Cline (in person speaker), Legislative Representative for Congress Member John Duarte, provided an overview of various legislative updates and activities for California's 13<sup>th</sup> District. Troy Stein (in person speaker), provided information regarding "Without Permission" Organization aimed at combating sex trafficking crimes; encouraged awareness collaboration with Lathrop Police Department. Ben Jex (zoom speaker) commented on a CalMatters article regarding "Armed & Prohibited Persons System", in which he stated is a database of legal gun owners later deemed too dangerous to be armed. Christina Laughlin (zoom speaker) expressed concern with the Police Department sworn staffing and overtime levels.

At the request of Council, Interim Chief Stephen Sealy provided information regarding current staffing and overtime levels. Lawrence Abbott (zoom speaker) requested City Council consideration to waive liability insurance requirements for volunteers to plant vegetation in City ponds.

*After Item 3 (Citizens Forum), City Council consensus directed staff to move Item 6.1 (Appointment of Vice Mayor for 2024), Item 6.2 (Mayor and Councilmember Assignments for 2024) and Item 6.3 (Mayor & Councilmember Committee Reports), before Item 4 (Consent Calendar).*

#### **4. CONSENT CALENDAR**

On a motion by Vice Mayor Akinjo, seconded by Councilmember Lazard, the City Council approved the Consent Calendar, by the following roll call vote, unless otherwise indicated:

Ayes:	Akinjo, Diallo, Lazard, Torres-O'Callaghan and Dhaliwal
Noes:	None
Absent:	None
Abstain:	None

##### **4.1 WAIVING OF READING OF ORDINANCES AND RESOLUTIONS**

Waived the reading in full of ordinances and resolutions on agenda and adopt by reading of title only, unless otherwise requested by the Mayor or a Councilmember.

##### **4.2 SECOND READING AND ADOPTION OF ORDINANCE 23-451 OF THE CITY COUNCIL OF THE CITY OF LATHROP AMENDING TITLE 2, CHAPTER 2.08, SECTION 2.08.010 TITLED "CITY MANAGER", OF THE LATHROP MUNICIPAL CODE, TO MODIFY AUTHORITY TO APPOINT AND REMOVE THE POLICE CHIEF**

Waived full reading and adopted **Ordinance 23-451** amending Title 2, Chapter 2.08, Section 2.08.010 titled "City Manager", of the Lathrop Municipal Code, to modify authority to appoint and remove the Police Chief.

##### **4.3 SECOND READING AND ADOPTION OF ORDINANCE 23-452 OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING THE CENTRAL LATHROP SPECIFIC PLAN (CLSP) PHASE 2 AMENDMENT AND CODE TEXT AMENDMENT TO MODIFY CHAPTER 17.62, CENTRAL LATHROP ZONING DISTRICTS TO ADD ARTICLE 6, IL-CL: LIMITED INDUSTRIAL ZONING DISTRICTS AND MODIFY SECTION 17.62.120 B OF THE LATHROP MUNICIPAL CODE (TA-23-104)**

Waived full reading and adopted **Ordinance 23-452** approving the Central Lathrop Specific Plan (CLSP) Phase 2 Amendment and Code Text Amendment to modify Chapter 17.62, Central Lathrop Zoning Districts to add Article 6, IL-CL: Limited Industrial Zoning Districts and modify Section 17.62.120 B of the Lathrop Municipal Code (TA-23-104).

4.4 AMENDMENT NO. 5 TO THE CITY MANAGER EMPLOYMENT AGREEMENT

Adopted **Resolution 23-5425** approving Amendment No. 5 to the City Manager Employment Agreement to allow payout of a portion of accumulated sick leave balance.

4.5 AUTHORIZE THE POSTPONEMENT OF DELINQUENT UTILITY TURN-OFFS

Adopted **Resolution 23-5426** approving the suspension of service disconnections in the month of December 2023 for all delinquent accounts.

4.6 APPROVE SUBMITTAL OF LOUISE AVENUE AND INTERSTATE 5 INTERCHANGE, CIP PS 06-06 FOR THE 2024 SJCOG ONE VOICE PROJECT NOMINATIONS

Adopted **Resolution 23-5427** approving submittal of Louise Avenue and Interstate 5 Interchange, CIP PS 06-06 for the 2024 San Joaquin Council of Governments One Voice Project Nominations.

4.7 APPROVE OUT OF STATE TRAVEL FOR CITY STAFF TO ATTEND THE 2024 WORLD OF CONCRETE TRADESHOW

Adopted **Resolution 23-5428** authorizing out of state travel for the Senior Construction Manager to attend the 2024 World of Concrete Tradeshow in Las Vegas, Nevada.

4.8 ANIMAL CENTER STAFFING RECOMMENDATIONS

Adopted **Resolution 23-5429** removing the Animal Shelter Supervisor Job Description and creating the Animal Center Manager Job Description, Amending the Grade / Step Table and Position Control Roster and Associated Budget Amendment.

4.9 APPROVE INTERAGENCY AGREEMENT BETWEEN THE CITY OF LATHROP AND MANTECA UNIFIED SCHOOL DISTRICT TO PROVIDE SCHOOL RESOURCE OFFICER SERVICES

Adopted **Resolution 23-5430** approving an Interagency Agreement between the City of Lathrop and Manteca Unified School District to provide School Resource Officer services, with terms and conditions ending June 2026.

- 4.10 APPROVE TASK ORDER NO. 31 WITH 4LEAF, INC. FOR BUILDING INSPECTION SERVICES FOR THE BUILDING DEPARTMENT

Adopted **Resolution 23-5431** approving Task Order No. 31 with 4LEAF Inc., to provide building inspection services in the Building Department pursuant to Master Professional Services Consulting Agreement dated September 21, 2015 with 4LEAF, Inc.

- 4.11 APPROVE TASK ORDER NO. 32 WITH 4LEAF, INC. FOR PERMITTING SERVICES IN THE BUILDING DEPARTMENT

Adopted **Resolution 23-5432** approving Task Order No. 32 with 4LEAF, Inc. for permitting services in the Building Department pursuant to Master Professional Services Consulting Agreement dated September 21, 2015 with 4LEAF, Inc.

- 4.12 APPROVE TASK ORDER NO. 33 WITH 4LEAF, INC. FOR PLAN CHECK SERVICES FOR THE BUILDING DEPARTMENT

Adopted **Resolution 23-5433** approving Task Orders No. 33 with 4LEAF, Inc., to provide plan check services for the Building Department pursuant to Master Professional Services Consulting Agreement dated September 21, 2015 with 4LEAF, Inc.

- 4.13 APPROVE A SERVICE CONTRACT WITH CALIFORNIA SALES ORGANIZATION, LLC FOR EVIDENCE STORAGE AND PROCESSING EQUIPMENT FOR THE PROPERTY AND EVIDENCE BUILDING, CIP GG 21-13 CORPORATION YARD IMPROVEMENTS

Adopted **Resolution 23-5434** approving a Service Contract with California Sales Organization, LLC for Evidence Storage and Processing Facilities for the Property and Evidence Building, CIP GG 21-13 Corporation Yard Improvements.

- 4.14 APPROVE AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH MARK THOMAS FOR THE LOUISE AVENUE / INTERSTATE 5 INTERCHANGE PROJECT, CIP PS 06-06 AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 23-5435** approving Amendment No. 2 to the Professional Services Agreement with Mark Thomas for the Louise Avenue / Interstate 5 Interchange Project, CIP PS 06-06, and approve Budget Amendment.

- 4.15 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY BOCKMON & WOODY ELECTRIC COMPANY, INC. FOR CAMERA SYSTEMS FOR CITY PARKS, CIP GG 22-35

Adopted **Resolution 23-5436** accepting public improvements constructed by Bockmon & Woody Electric Company, Inc. for camera systems for City Parks, CIP GG 22-35, authorizing the filing of a Notice of Completion, release of contract retention, and release of Performance and Payment Bonds.

- 4.16 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY NOR-CAL CONCRETE COMPANY, INC. FOR TEMPORARY ANIMAL CENTER CONCRETE, CIP GG 23-06

Adopted **Resolution 23-5437** accepting public improvements constructed by Nor-Cal Concrete Company for the temporary Animal Center concrete, CIP GG 23-06, authorizing the filing of a Notice of Completion, release of contract retention, and release of Performance and Payment Bonds.

- 4.17 RATIFY THE ORIGINAL SERVICE CONTRACT AND CONTRACT CHANGE ORDER NO. 1, AND APPROVE CONTRACT CHANGE ORDER NO. 2 WITH HARDWARE COMMUNICATIONS FOR ADDITIONAL FIBER OPTIC COMMUNICATION WIRING FOR CIP GG 22-03 CITYWIDE FIBER OPTIC COMMUNICATION

Adopted **Resolution 23-5438** ratifying the original Service Contract, Contract Change Order No. 1, and approve Contract Change Order No. 2 with Hardware Communications, for additional fiber optic communication wiring for CIP GG 22-03, Citywide Fiber Optic Communication Project.

- 4.18 RATIFY CITY MANAGER'S EXECUTION OF AN EMERGENCY SERVICE CONTRACT WITH CONCO WEST, INC. FOR CTF CHLORINE TANK REPLACEMENT AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 23-5439** ratifying City Manager's execution of an Emergency Service Contract with Conco West, Inc. for CTF Chlorine Tank Replacement and Approving Budget Amendment.

*At the conclusion of the vote of the Consent Calendar, Councilmember Diallo left for the remainder of the meeting at 8:12 p.m.*



## 5. SCHEDULED ITEMS

- 5.1 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER ADOPTING AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP UPDATING THE MILITARY EQUIPMENT LIST FOR MILITARY EQUIPMENT USE POLICY NO. 706, FOR THE USE OF MILITARY EQUIPMENT BY THE LATHROP POLICE DEPARTMENT, IN COMPLIANCE WITH CALIFORNIA GOVERNMENT CODE SECTIONS 7070-7075, ASSEMBLY BILL 481

Interim Chief of Police Stephen Sealy provided the presentation. A question and answer period ensued throughout the presentation. City Attorney Salvador Navarrete and City Clerk Teresa Vargas provided additional information. Mayor Dhaliwal opened the public hearing. Ben Jex (zoom speaker) commented on limiting excessive militarization of the police department; however, he supported the request of the equipment presented. Adriana Lopez (zoom speaker) requested information on the maintenance needs of the equipment presented; however, she supported the request of the equipment presented. There were no other speakers. Mayor Dhaliwal closed the public hearing.

On a motion by Councilmember Torres-O'Callaghan, seconded by Councilmember Lazard the Council to consider the following items:

1. Held a public hearing;
2. Waived first reading and introduced an ordinance amending Chapter 9.20, titled "Military Equipment Use Policy", of Title 9 "Public Peace and Welfare" of the Lathrop Municipal Code by amending Section 9.20.050 titled "Active Policies" to update existing Military Equipment List for Military Equipment Use Policy No. 706, by incorporating funding, acquisition, and use of new Military Equipment for the Lathrop Police Department, in compliance with California Government Code Sections 7070-7075, Assembly Bill (Chieu); and
3. Adopted **Resolution 23-5440** accepting Annual Military Equipment Report.

Ayes: Akinjo, Lazard, Torres-O'Callaghan and Dhaliwal  
Noes: None  
Absent: Diallo  
Abstain: None

- 5.2 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER AN ORDINANCE AMENDING TITLE 10, CHAPTER 10.24, SECTION 10.24.030 DESIGNATED NO PARKING AREAS OF THE LATHROP MUNICIPAL CODE

City Engineer Brad Taylor provided the presentation. A question and answer period followed the presentation.

Mayor Dhaliwal opened the public hearing. There were no speakers. Mayor Dhaliwal closed the public hearing.

On a motion by Councilmember Lazard, seconded by Vice Mayor Akinjo, the City Council to consider the following:

1. Held a public hearing; and
2. Waived first reading and introduced an ordinance of the City Council of the City of Lathrop amending Title 10, Chapter 10.24, Section 10.24.030, to designate no parking areas of the Lathrop Municipal Code.

Ayes: Akinjo, Lazard, Torres-O'Callaghan and Dhaliwal  
Noes: None  
Absent: Diallo  
Abstain: None

## **6. COUNCIL COMMUNICATIONS**

*After Item 3 (Citizens Forum), City Council consensus directed staff to move Item 6.1 (Appointment of Vice Mayor for 2024), Item 6.2 (Mayor and Councilmember Assignments for 2024) and Item 6.3 (Mayor & Councilmember Committee Reports), before Item 4 (Consent Calendar).*

### **6.1 MAYOR DHALIWAL REFERRAL – Appointment of Vice Mayor for 2024**

Mayor Dhaliwal appointed Councilmember Minnie Diallo as Vice Mayor for 2024.

### **6.2 MAYOR DHALIWAL REFERRAL – Mayor and Councilmember Assignments for 2024**

Mayor Dhaliwal requested Council consideration on maintaining the same assignments as 2023. Council consensus directed the City Clerk to keep assignments for 2024 unchanged from prior year.

### **6.3 MAYOR & COUNCILMEMBER COMMITTEE REPORT(S) - None**

### **6.4 MAYOR & COUNCILMEMBER COMMENT(S)**

Councilmember Torres-O'Callaghan expressed appreciation for Lathrop-Manteca Fire District, Lathrop Police Department and staff for organizing the annual Christmas parade, tree lighting ceremony, and Cocoa with Santa events. Vice Mayor Akinjo expressed similar sentiments. Councilmembers also wished everyone a safe and happy holiday. Mayor Dhaliwal expressed condolences to the Freeman Family for the loss of their beloved Mac Freeman, former Mayor, Councilmember and Planning Commissioner of the City of Lathrop.

Mayor Dhaliwal added that Mr. Freeman authored two books on the history of Lathrop, and he was considered a local historian.

7. **ADJOURNMENT** – There being no further business, Mayor Dhaliwal adjourned the meeting at 8:48 p.m., in memory of Former City of Lathrop Mayor Mac Freeman.

A handwritten signature in black ink, appearing to read "Teresa Vargas", written over a horizontal line.

Teresa Vargas, MMC  
Government Services Director  
City Clerk

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## Quarterly Treasurer Report December 2023

This report presents a detailed discussion of the City's fund balances and investment portfolio as of December 31, 2023. It includes all investments managed by the City on its own behalf as well as the City's Trustees. The report provides information on cash flows, broken down by both investment manager (City or Trustee) and by percentage allocation within the portfolio.

As of December 31, 2023, the investment portfolio was in compliance with all state laws and the City's Investment Policy.

### **Current Portfolio Summary**

As directed by the Investment Policy adopted by City Council, City staff strives to attain three primary goals with the City's investments as follows (in order of priority):

1. Safety – Preservation of the principal of invested funds
2. Liquidity – Ability to liquidate one or more of the City's investments if unexpected expenditures arise
3. Return – Attainment of a market rate of return

The majority of the portfolio is invested in the Local Agency Investment Fund (LAIF), which is administered by the California State Treasurer's office. LAIF provides the City with an investment vehicle with yields that are slightly greater than U.S. Treasuries (T-bills) with a 2-year maturity or less. LAIF is a high quality investment in terms of safety, liquidity, and yield. Additionally, LAIF is an "On Demand" account; meaning funds may be withdrawn upon with 1 day notice, representing maximum liquidity.

In addition to LAIF, the City holds investments in Money Market Mutual Funds, Nonnegotiable Certificates of Deposit, and State and Local Government Securities (SLGS). These investments are prudent investment choices and are included in the City's Investment Policy as allowable investments.

Each investment mentioned above has a specific maturity date. However, much of the portfolio is On Demand. The short weighted average maturity provides the City with a great deal of liquidity during this period of heightened economic uncertainty and period of moderate investment yields. This liquidity places the City in a position to invest in longer term maturity investments once interest rates begin to stabilize toward their historical norms; overall macroeconomic indicators signal solid and consistent growth in future years.

The following table (Table: 1) provides a summary of the City's cash and investments, by holding party, based on recorded value as of December 31, 2023 compared with the prior quarter:

<b>Table: 1</b>				
<b>Holding Party</b>	<b>September 30, 2023</b>		<b>December 31, 2023</b>	
	<b>Fund Amounts (1)</b>	<b>% of Portfolio</b>	<b>Fund Amounts (1)</b>	<b>% of Portfolio</b>
Investments/Cash held by the City	\$210,732,693	73%	\$215,854,532	73%
Investments held by Trustees	77,297,038	27%	79,468,861	27%
<b>TOTAL</b>	<b>\$288,029,731</b>	<b>100%</b>	<b>\$295,323,394</b>	<b>100%</b>

(1) Small variances are due to the summation and rounding of multiple figures to the nearest whole dollar

Please see the following pages (Tables: 2 through 5) for a more detailed analysis of transactional additions and reductions due to cash flow needs, debt service payments, and maturities/rollovers of certain investments.

Revenues arrived during the quarter, per City staff expectations, are as follows: utility payments, property tax, franchise fees, sales tax (including Measure C), developer billing fees, grant reimbursements, building permit fees, plan check fees, and Transient Occupancy Tax (TOT).

Significant payables paid out during the quarter include:


- I. Nonrecurring Expenditure Debt Service Payments, Capital Improvement Projects – General Government, Parks, Streets, Water, and Wastewater
- II. Recurring Expenditures
  - a. Contractual – Park & Street Landscaping, and Wastewater Treatment Services
  - b. Intergovernmental payments – South San Joaquin Irrigation District (Surface Water Contract), Lathrop Manteca Fire District, City of Manteca (Wastewater Contract)

**Quarterly Economic Update**

According to the latest projections from PFM Asset Management; The fourth quarter was characterized by economic resilience but expectations for a modest slowdown, cooling inflation that remains above the target set by the Federal Reserve (Fed), the labor market coming into better balance, and consumers that continue to support U.S. economic growth through spending. The Fed kept the overnight target rate at its current range of 5.25% to 5.50% at its December 13 meeting and indicated that the historic 2022-23 hiking cycle had likely come to an end. The Fed also messaged a more dovish policy stance for 2024 as its updated “dot plot” showed three 25 basis points (bps) rate cuts for the year, which was more than previously projected. Yields fell significantly as a result, and Q4 was defined by a strong rally in both equities and bonds. The U.S. labor market remained strong, providing a continuing tailwind for the economy, although that strength has begun to moderate. In Q4, the U.S. economy added 494,000 new jobs compared to 663,000 from Q3, which represented the lowest quarterly increase since Q4 of 2019. Labor force participation dipped at year-end, while the unemployment rate of 3.7% was a few tenths of a percent off the generational low reached early in 2023. While still low from a historic perspective, this remains in line with the Fed’s projections for the headline unemployment rate to trend slightly higher over the next 12 months.

I certify that all of the investments reported herein are in accordance with the "City of Lathrop Investment Policy" adopted on November 13, 2023, with the Government Code, and other contractual agreements. I further certify the investments reported herein provide for the ability of the City to meet cash flow needs for the next six months.

  
 \_\_\_\_\_  
 Stephen J. Salvatore  
 City Manager

  
 \_\_\_\_\_  
 Cari James  
 Director of Finance

**TABLE: 2**  
**CITY OF LATHROP**  
**Summary of All Investments**  
**As of December 31, 2023**

City Held Investments	Recorded Value	Current Yield	Percent of Portfolio	Market Value
Local Agency Investment Fund	\$ 74,871,002	3.929%	38.71%	\$ 74,871,002
Wells Fargo Money Market Mutual Funds	\$ 3,052,837	5.120%	1.58%	\$ 3,052,837
California Asset Management Program	\$ 36,033,041	5.550%	18.63%	\$ 36,033,041
<b>Total Investments Held by the City (1)</b>	<b>\$ 113,956,880</b>	<b>4.473%</b>	<b>58.92%</b>	<b>\$ 113,956,880</b>

Trustee Held Investments	Recorded Value	Current Yield	Percent of Portfolio	Market Value
US Bank	\$ 3,463,781	4.430%	1.79%	\$ 3,463,781
UMB Bank	\$ 1,204,675	4.430%	0.62%	\$ 1,204,675
Union Bank	\$ -	0.000%	0.00%	\$ -
SJ County Pooled Funds	\$ 165,888	0.260%	0.09%	\$ 165,888
PFM Asset Management	\$ 74,143,566	3.400%	38.33%	\$ 74,143,566
PNC Bank	\$ 490,952	0.090%	0.25%	\$ 490,952
<b>Total Investments Held by Trustees (2)</b>	<b>\$ 79,468,861</b>	<b>3.434%</b>	<b>41.08%</b>	<b>\$ 79,468,861</b>

Total City & Trustee Held Investments & Cash	Recorded Value	Current Yield	Percent of Portfolio	Market Value
Investments Held by the City and Trustees	\$ 193,425,741	4.046%	100.00%	\$ 193,425,741
Cash in Checking Accounts - Recorded Value	\$ 101,897,653			
<b>Total Cash and Investments</b>	<b>\$ 295,323,394</b>			

One month benchmark for U.S. Treasuries: 5.40%

Three month benchmark for U.S. Treasuries: 5.35%

**Notes:**

(1) See Table: 4 for detailed investments held by the City.

(2) See Table: 5 for detailed investments held by Trustees.

**TABLE: 3**  
**CITY OF LATHROP**  
**Investments Cash Flow Analysis**  
**As of December 31, 2023**

Investments Held by the City	Prior Month Recorded Value	Purchased (Buy)	Redeemed (Sell)	Current Month Recorded Value
Local Agency Investment Fund (1)	\$ 74,871,002	-	-	\$ 74,871,002
Wells Fargo Money Market Mutual Funds (2)	\$ 3,039,997	12,840	-	\$ 3,052,837
California Asset Management Program	\$ 10,943,354	25,089,687	-	\$ 36,033,041
<b>Total Investments Held by the City</b>	<b>\$ 88,854,353</b>	<b>25,102,527</b>	<b>-</b>	<b>\$ 113,956,880</b>
Investments Held by Trustees	Prior Month Recorded Value	Purchased (Buy)	Redeemed (Sell)	Current Month Recorded Value
PNC Bank	\$ 489,121	1,952	(121)	\$ 490,952
SJ County Pooled Funds	\$ 98,085	69,106	(1,304)	\$ 165,888
UMB Bank	\$ 1,200,437	4,238	-	\$ 1,204,675
US Bank (3)	\$ 3,178,855	284,926	-	\$ 3,463,781
PFM Asset Management	\$ 72,733,500	5,572,379	(4,162,313)	\$ 74,143,566
<b>Total Investments Held by Trustees</b>	<b>\$ 77,699,998</b>	<b>5,932,602</b>	<b>(4,163,738)</b>	<b>\$ 79,468,861</b>
<b>Total Cash in Checking Accounts Held by the City (2)</b>	<b>\$ 128,806,412</b>	<b>8,077,724</b>	<b>(34,986,484)</b>	<b>\$ 101,897,653</b>
<b>Total Cash and Investments Held by the City and Trustees</b>	<b>\$ 295,360,763</b>	<b>\$ 39,112,853</b>	<b>\$ (39,150,222)</b>	<b>\$ 295,323,394</b>

**Notes:**

- (1) LAIF interest income is paid quarterly (Mar/Jun/Sept/Dec) and received in the following month (Apr/Jul/Oct/Jan).
- (2) Property Tax, Sales Tax, Building permit revenue, TOT, Developer payments, and Utility payments; nonrecurring expenses paid during the month: General government, Parks, Streets, Wastewater, and Water CIPs; also, recurring expenses: Park & street landscape maintenance, and water treatment services; lastly, intergovernmental payments and transfers: SSJID SCSWSP O & M expenses.
- (3) Interest earnings from BlackRock Liquidity Funds T-Funds 30 Day Yield 4.430%, debt service payments.



**TABLE: 4**

**CITY OF LATHROP**

**Investments Held by City - Detail  
As of December 31, 2023**

Agency (Broker)	Investment Description	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date	Market Value (No Accruals)	Recorded Value
<b>Local Agency Investment Fund</b>							
	Money Market Fund City Acct No. 98-39-437	N/A	3.929%	Varies	On Demand	74,871,002	74,871,002
						<b>\$ 74,871,002</b>	<b>\$ 74,871,002</b>
<b>Wells Fargo Mutual Funds</b>							
	Money Market Mutual Fund City Acct No. 12641627	N/A	5.120%	Varies	On Demand	3,052,837	3,052,837
						<b>\$ 3,052,837</b>	<b>\$ 3,052,837</b>
<b>California Asset Management Program</b>							
	Liquidity Account No. 6084-001	N/A	5.550%	Varies	On Demand	36,033,041	36,033,041
						<b>\$ 36,033,041</b>	<b>\$ 36,033,041</b>
<b>TOTAL INVESTMENTS HELD BY CITY</b>						<b>\$ 113,956,880</b>	<b>\$ 113,956,880</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of December 31, 2023**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>Investments Held by US Bank</b>							
<b>03-1 Series 2015 - Mossdale Village Assessment District</b>							
Mossdale Village Assessment Dist. No. 03-1 Series 2015 - Redemption Fund	6712138601		4.430%	10/18/05	On Demand	\$ 6,701	\$ 6,701
Mossdale Village Assessment Dist. No. 03-1 Series 2005/2015 - Reserve Fund	6712138602		4.430%	10/18/05	On Demand	\$ 243,339	\$ 243,339
<b>LTHRP FIN AUTH REVENUE BONDS 2023 SERIES A</b>							
Money Market - Revenue Account	278276000		4.430%	7/1/23	On Demand	\$ 12,022	\$ 12,022
Money Market - CFD Reserve Account	278276004		4.430%	7/1/23	On Demand	\$ 203,896	\$ 203,896
Money Market - ReAD Reserve Account	278276006		4.430%	7/1/23	On Demand	\$ 584,776	\$ 584,776
<b>2003-2A Lathrop CFD</b>							
Money Market- Interest Account	6711720001		4.430%	12/12/03	On Demand	\$ 11,643	\$ 11,643
Money Market-Reserve Account	6711712200		4.430%	12/12/03	On Demand	\$ -	\$ -
LAIF - Interest Account	6711720002		3.929%	03/19/03	On Demand	\$ 702,029	\$ 702,029
<b>CDPH/CDWR - SRF Loan</b>							
Agreement Account	6711908800		4.430%	12/22/10	On Demand	\$ 298,892	\$ 298,892
Agreement Account - Reserve Fund	6711908801		4.430%	12/22/10	On Demand	\$ 613,273	\$ 613,273
<b>2015 Crossroads Series B</b>							
2015 Crossroads Series B - LOIB RDP	6712138801		4.430%	09/01/15	On Demand	\$ 911	\$ 911
2015 Crossroads Series B - LOIB Reserve	6712138803		4.430%	09/01/15	On Demand	\$ 785,877	\$ 785,877
2015 Crossroads Series B - Cost of Issuance	6712138804		4.430%	09/01/15	On Demand	\$ -	\$ -
2015 Crossroads Series B - Improvements	6712138805		4.430%	09/01/15	On Demand	\$ 420	\$ 420
2015 Crossroads Series B - COI Custodian Agreement	6712198801		4.430%	09/01/15	On Demand	\$ -	\$ -
<b>Total Investments Held by Trustee - US Bank</b>						<b>\$ 3,463,781</b>	<b>\$ 3,463,781</b>
<b>Investments Held by PNC Bank by Account</b>							
<b>2012 Water Loan (Refunding of 2000 Water COPs)</b>							
Certificate of Deposit - Reserve Fund			0.090%	5/22/19		\$ 490,952	\$ 490,952
<b>Total Investments Held by Trustee - Pacific Premier Bank</b>						<b>\$ 490,952</b>	<b>\$ 490,952</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of December 31, 2023**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>2018-1 Central Lathrop CFD</b>							
Improvement Area 1 - Admin Expense Reserve Fund	149232.1		4.430%	02/01/19	On Demand	\$ 42,315	\$ 42,315
Other Improvement Areas - Admin Expense Reserve Fund	149232.2		4.430%	02/01/19	On Demand	\$ 171,895	\$ 171,895
Improvement Area 1 - Principal Account	149232.3		4.430%	02/01/19	On Demand	\$ 109	\$ 109
Improvement Area 1 - Redemption Account	149232.4		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 1 - Interest Account	149232.5		4.430%	02/01/19	On Demand	\$ 89	\$ 89
Improvement Area 1 - Admin Expense Account	149232.6		4.430%	02/01/19	On Demand	\$ 12,010	\$ 12,010
Improvement Area 1 - Reserve Fund	149232.7		4.430%	02/01/19	On Demand	\$ 226,812	\$ 226,812
Improvement Area 1 - Surplus Fund	149232.8		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 2 - Principal Account	149265.1		4.430%	02/01/19	On Demand	\$ 77	\$ 77
Improvement Area 2 - Redemption Account	149265.2		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 2 - Interest Account	149265.3		4.430%	02/01/19	On Demand	\$ 56	\$ 56
Improvement Area 2 - Admin Expense Account	149265.4		4.430%	02/01/19	On Demand	\$ 13,774	\$ 13,774
Improvement Area 2 - Reserve Fund	149265.5		4.430%	02/01/19	On Demand	\$ 170,067	\$ 170,067
Improvement Area 2 - Surplus Fund	149265.6		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 3 - Principal Account	149267.1		4.430%	02/01/19	On Demand	\$ 142	\$ 142
Improvement Area 3 - Redemption Account	149267.2		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 3 - Interest Account	149267.3		4.430%	02/01/19	On Demand	\$ 110	\$ 110
Improvement Area 3 - Admin Expense Account	149267.5		4.430%	02/01/19	On Demand	\$ 12,130	\$ 12,130
Improvement Area 3 - Reserve Fund	149267.6		4.430%	02/01/19	On Demand	\$ 376,352	\$ 376,352
Improvement Area 3 - Surplus Fund	149267.7		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Principal Account	149268.1		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Redemption Account	149268.2		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Interest Account	149268.3		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Admin Expense Account	149268.4		4.430%	02/01/19	On Demand	\$ 14,233	\$ 14,233
Improvement Area 4 - Reserve Fund	149268.5		4.430%	02/01/19	On Demand	\$ 96,646	\$ 96,646
Improvement Area 4 - Surplus Fund	149268.6		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 5 - Principal Account	149269.1		4.430%	02/01/19	On Demand	\$ 22	\$ 22
Improvement Area 5 - Redemption Account	149269.2		4.430%	02/01/19	On Demand	\$ 19	\$ 19
Improvement Area 5 - Interest Account	149269.3		4.430%	02/01/19	On Demand	\$ 29	\$ 29
Improvement Area 5 - Admin Expense Account	149269.4		4.430%	02/01/19	On Demand	\$ 11,254	\$ 11,254

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of December 31, 2023**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
Improvement Area 5 - Reserve Fund	149269.5		4.430%	02/01/19	On Demand	\$ 56,532	\$ 56,532
Improvement Area 5 - Surplus Fund	149269.6		4.430%	02/01/19	On Demand	\$ -	\$ -
<b>2018-2 Central Lathrop CFD</b>							
Special Tax Fund	149261.1		4.430%	02/01/19	On Demand	\$ -	\$ -
Surplus Fund	149261.2		4.430%	02/01/19	On Demand	\$ -	\$ -
<b>Total Investments Held by Trustee - UMB Bank</b>						<b>\$ 1,204,675</b>	<b>\$ 1,204,675</b>
<b>Investments Held by San Joaquin County by Account</b>							
<i>Sanitary Sewer Assessment District #1</i>							
Pooled Funds - Redemption Account	SI CO FUND # 57961		0.260%	10/1/87	On Demand	\$ 165,888	\$ 165,888
<b>Total Investments Held by Trustee -San Joaquin County</b>						<b>\$ 165,888</b>	<b>\$ 165,888</b>
<b>Investments Held by PFM Asset Management by Account</b>							
<i>PFM Asset Management</i>							
Money Market Fund	20260109			AAAm		\$ 113,409	\$ 113,409
<b>US Treasury Bond / Note</b>							
US Treasury Notes	91282CCX7		0.375%	09/15/21	09/15/24	\$ 217,828	\$ 217,828
US Treasury Notes	91282CCX7		0.375%	09/15/21	09/15/24	\$ 314,641	\$ 314,641
US Treasury Notes	91282CDB4		0.625%	10/15/21	10/15/24	\$ 314,234	\$ 314,234
US Treasury Notes	912828YM6		1.500%	10/31/19	10/31/24	\$ 389,062	\$ 389,062
US Treasury Notes	91282CDH1		0.750%	11/15/21	11/15/24	\$ 603,125	\$ 603,125
US Treasury Notes	91282CDH1		0.750%	11/15/21	11/15/24	\$ 965,000	\$ 965,000
US Treasury Notes	912828YV6		1.500%	11/30/19	11/30/24	\$ 315,250	\$ 315,250
US Treasury Notes	91282CFX4		4.500%	11/30/22	11/30/24	\$ 1,469,699	\$ 1,469,699
US Treasury Notes	91282CDN8		1.000%	12/15/21	12/15/24	\$ 313,422	\$ 313,422
US Treasury Notes	91282CDN8		1.000%	12/15/21	12/15/24	\$ 313,422	\$ 313,422
US Treasury Notes	91282CDS7		1.125%	01/15/22	01/15/24	\$ 337,203	\$ 337,203
US Treasury Notes	91282CDS7		1.125%	01/15/22	01/15/24	\$ 987,523	\$ 987,523
US Treasury Notes	91282CDZ1		1.500%	02/15/22	02/15/25	\$ 458,375	\$ 458,375
US Treasury Notes	91282CED9		1.750%	03/15/22	03/15/25	\$ 483,125	\$ 483,125
US Treasury Notes	91282CED9		1.750%	03/15/22	03/15/25	\$ 5,797,500	\$ 5,797,500
US Treasury Notes	91282CGU9		3.875%	03/31/23	03/31/25	\$ 5,600,563	\$ 5,600,563
US Treasury Notes	9128284M9		2.875%	04/30/18	04/30/25	\$ 977,969	\$ 977,969
US Treasury Notes	91282CEQ0		2.750%	05/15/22	05/15/25	\$ 707,668	\$ 707,668
US Treasury Notes	91282CEQ0		2.750%	05/15/22	05/15/25	\$ 707,668	\$ 707,668
US Treasury Notes	91282CEQ0		2.750%	05/15/22	05/15/25	\$ 3,904,375	\$ 3,904,375
US Treasury Notes	91282CEY3		3.000%	07/15/22	07/15/25	\$ 660,234	\$ 660,234
US Treasury Notes	91282CEY3		3.000%	07/15/22	07/15/25	\$ 709,141	\$ 709,141
US Treasury Notes	91282CEY3		3.000%	07/15/22	07/15/25	\$ 1,809,531	\$ 1,809,531
US Treasury Notes	91282CFE6		3.125%	08/15/22	08/15/25	\$ 49,000	\$ 49,000

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of December 31, 2023**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase	Maturity Date	Value	Recorded Value
US Treasury Notes		91282CFE6	3.125%	08/15/22	08/15/25	\$ 710,500	\$ 710,500
US Treasury Notes		91282CFK2	3.500%	09/15/22	09/15/25	\$ 788,250	\$ 788,250
US Treasury Notes		91282CFK2	3.500%	09/15/22	09/15/25	\$ 1,059,211	\$ 1,059,211
US Treasury Notes		91282CFP1	4.250%	10/15/22	10/15/25	\$ 723,754	\$ 723,754
US Treasury Notes		91282CFP1	4.250%	10/15/22	10/15/25	\$ 1,048,195	\$ 1,048,195
US Treasury Notes		91282CFW6	4.500%	11/15/22	11/15/25	\$ 752,578	\$ 752,578
US Treasury Notes		91282CFW6	4.500%	11/15/22	11/15/25	\$ 1,404,813	\$ 1,404,813
US Treasury Notes		91282CGA3	4.000%	12/15/22	12/15/25	\$ 994,844	\$ 994,844
US Treasury Notes		91282CGA3	4.000%	12/15/22	12/15/25	\$ 2,487,110	\$ 2,487,110
US Treasury Notes		91282CGE5	3.875%	01/15/23	01/15/26	\$ 694,750	\$ 694,750
US Treasury Notes		91282CGE5	3.875%	01/15/23	01/15/26	\$ 769,188	\$ 769,188
US Treasury Notes		91282CGE5	3.875%	01/15/23	01/15/26	\$ 794,000	\$ 794,000
US Treasury Notes		91282CGL9	4.000%	02/15/23	02/15/26	\$ 945,844	\$ 945,844
US Treasury Notes		91282CGL9	4.000%	02/15/23	02/15/26	\$ 995,625	\$ 995,625
US Treasury Notes		91282CGL9	4.000%	02/15/23	02/15/26	\$ 1,443,656	\$ 1,443,656
US Treasury Notes		9128286F2	2.500%	02/28/19	02/28/26	\$ 2,171,601	\$ 2,171,601
US Treasury Notes		91282CGV7	3.750%	04/15/23	04/15/26	\$ 74,320	\$ 74,320
US Treasury Notes		91282CHB0	3.625%	05/15/23	05/15/26	\$ 1,334,602	\$ 1,334,602
US Treasury Notes		91282CHH7	4.125%	06/15/23	06/15/26	\$ 575,000	\$ 575,000
US Treasury Notes		91282CHM6	4.500%	07/15/23	07/15/26	\$ 1,867,922	\$ 1,867,922
US Treasury Notes		91282CHU8	4.375%	08/15/23	08/15/26	\$ 629,492	\$ 629,492
US Treasury Notes		91282CHU8	4.375%	08/15/23	08/15/26	\$ 2,971,203	\$ 2,971,203
US Treasury Notes		91282CHY0	4.625%	09/15/23	09/15/26	\$ 2,332,344	\$ 2,332,344
US Treasury Notes		91282CIC6	4.625%	10/15/23	10/15/26	\$ 2,537,891	\$ 2,537,891
US Treasury Notes		91282CIK8	4.625%	11/15/23	11/15/26	\$ 812,875	\$ 812,875
US Treasury Notes		91282CIK8	4.625%	11/15/23	11/15/26	\$ 2,032,188	\$ 2,032,188
US Treasury Notes						\$ 61,357,313	\$ 61,357,313

**US Treasury Subtotal:**

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of December 31, 2023**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>Supra-national Agency Bond / Note</b>							
Int'l BK Recon And Dev Note		4581X0DZ8	0.500%	09/23/21	09/23/24	\$ 450,048	\$ 450,048
		45950KDF4	4.375%	12/06/23	01/15/27	\$ 559,315	\$ 559,315
		4581X0EM6	4.375%	12/12/23	02/01/27	\$ 1,411,052	\$ 1,411,052
						\$ <b>2,420,415</b>	\$ <b>2,420,415</b>
<b>Inter-American Devel BK Corporate Notes</b>							
		3130ASM6	3.000%	07/08/22	07/08/24	\$ 212,618	\$ 212,618
		3130AMVD1	0.420%	06/17/21	09/17/24	\$ 725,846	\$ 725,846
		3130AV7L0	5.000%	03/03/23	02/28/25	\$ 1,273,818	\$ 1,273,818
		3130AWER7	4.625%	0/9/23	06/06/25	\$ 891,251	\$ 891,251
		3134GXM35	3.600%	08/05/22	08/01/25	\$ 712,113	\$ 712,113
		3130AN3T5	1.000%	03/23/21	03/23/26	\$ 699,307	\$ 699,307
		3130ALG17	1.000%	03/23/21	03/23/26	\$ 1,448,597	\$ 1,448,597
		3130ANCD0	1.110%	07/30/21	07/27/26	\$ 1,460,840	\$ 1,460,840
		3133EPSW6	4.500%	08/14/23	08/14/26	\$ 1,462,748	\$ 1,462,748
		3135G06L2	0.875%	12/18/20	12/18/26	\$ 748,178	\$ 748,178
						\$ <b>9,635,317</b>	\$ <b>9,635,317</b>
<b>Federal Agency Bond/Note</b>							
Federal Home Loan Banks Notes							
Federal Home Loan Banks Notes (Callable)							
Federal Home Loan Banks Notes							
Federal Home Loan Banks Notes							
Fannie Mac Notes (Callable)							
Federal Home Loan Banks Notes (Callable)							
Federal Home Loan Banks Notes (Callable)							
Federal Home Loan Banks Notes (Callable)							
FFCB Bonds							
Fannie Mae Notes (Callable)							
<b>Federal Agency Subtotal:</b>						\$	\$ 617,112
<b>Interest</b>							
Total Accrued Interest						\$	\$ 617,112
<b>Total Investments Held by Trustee -PFM Asset Management</b>						\$	\$ <b>74,143,566</b>
<b>Total Investments Held by Trustees</b>						\$	\$ <b>79,468,861</b>

**ITEM 4.4**

**CITY MANAGER’S REPORT  
FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM:** **SECOND READING AND ADOPTION OF ORDINANCE 24-455 OF THE CITY COUNCIL OF THE CITY OF LATHROP ADOPTING VARIOUS AMENDMENTS TO THE LATHROP MUNICIPAL CODE TO MODERNIZE, SIMPLIFY, AND STREAMLINE VARIOUS SECTIONS OF TITLE 5, BUSINESS LICENSES AND REGULATIONS, TITLE 8, HEALTH AND SAFETY, TITLE 15, BUILDINGS AND CONSTRUCTION, AND TITLE 17, ZONING (TA-23-139)**

**RECOMMENDATION:** **Waive Full Reading and Adopt Ordinance 24-455 Adopting Various Amendments To The Lathrop Municipal Code To Modernize, Simplify, And Streamline Various Sections Of Title 5, Business Licenses And Regulations, Title 8, Health And Safety, Title 15, Buildings And Construction, And Title 17, Zoning (TA-23-139)**

---

**RECOMMENDED ACTION:**

The City Council to conduct a second reading and adopt Ordinance 24-455 entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP ADOPTING VARIOUS AMENDMENTS TO THE LATHROP MUNICIPAL CODE TO MODERNIZE, SIMPLIFY, AND STREAMLINE VARIOUS SECTIONS OF TITLE 5, BUSINESS LICENSES AND REGULATIONS, TITLE 8, HEALTH AND SAFETY, TITLE 15, BUILDINGS AND CONSTRUCTION, AND TITLE 17, ZONING (TA-23-139)

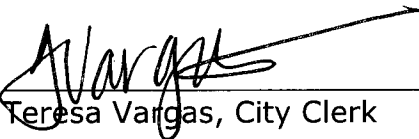
**SUMMARY:**

On January 8, 2024, the City Council approved the introduction and first reading of the subject Ordinance by the following vote:

- AYES: Akinjo, Diallo, Torres-O’Callaghan, and Dhaliwal
- NOES: None
- ABSTAIN: None
- ABSENT: Lazard

The Ordinance will take effect 30 days after adoption.

**SUBMITTED BY:**

  
\_\_\_\_\_  
Teresa Vargas, City Clerk

1/30/24  
\_\_\_\_\_  
Date

## ORDINANCE NO. 24-455

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP ADOPTING VARIOUS AMENDMENTS TO THE LATHROP MUNICIPAL CODE TO MODERNIZE, SIMPLIFY, AND STREAMLINE VARIOUS SECTIONS OF TITLE 5, BUSINESS LICENSES AND REGULATIONS, TITLE 8, HEALTH AND SAFETY, TITLE 15, BUILDINGS AND CONSTRUCTION, AND TITLE 17, ZONING (TA-23-139)**

**WHEREAS**, the City of Lathrop Planning Commission held a duly noticed public hearing at a regular meeting on November 15, 2023, at which they adopted PC Resolution No. 23-14 recommending City Council adopt Municipal Code Text Amendment No. TA-23-139 pursuant to the Lathrop Municipal Code, with no recommendation regarding the new Chapter 17.79 related to Hookah Lounges; and

**WHEREAS**, the City of Lathrop City Council held a duly noticed public hearing at a regular meeting on January 8, 2024 to review and consider Municipal Code Amendment No. TA-23-139; and

**WHEREAS**, the proposed code amendment is Citywide and affects all applicable properties in the City; and

**WHEREAS**, Chapter 17.124 of the Lathrop Municipal Code mandates the transmittal of a Planning Commission recommendation to the City Council by resolution; and

**WHEREAS**, the proposed code amendment is exempt according to the California Environmental Quality Act (CEQA) Article 5 §15061 by the "Common Sense Exemption" that CEQA applies only to projects that have a potential for causing a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; and

**WHEREAS**, the City Council finds that the proposed code amendment is consistent with applicable provisions of the Lathrop General Plan and will implement the City's Economic Development goals by providing streamline procedures, minor clarifications and incorporate updated policies; and

**WHEREAS**, proper notice of this public hearing was given in all respects as required by law; and

**WHEREAS**, the City Council has reviewed all written evidence and oral testimony presented to date.



**NOW, THEREFORE, BE IT ORDAINED** that the City Council of the City of Lathrop based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, does hereby approve Municipal Code Amendments as shown on Attachments "2", "3", "4", "5", "6", "7", and "8", of the staff report dated January 8, 2024, incorporated by reference herein.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LATHROP DOES HEREBY ORDAIN AS FOLLOWS:**

Section 1. The Lathrop Municipal Code is hereby amended as shown in Attachments "2", "3", "4", "5", "6", "7", and "8" incorporated by reference herein.

Section 2. This ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the city or any officer or employee thereof a mandatory duty of care toward persons and property within or without the city so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. Severability. If any section, subsequent subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or otherwise invalid, such a decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the unconstitutionality or invalidity of any section, subsection, subdivision, paragraph, sentence, clause or phrase.

Section 4. Effective Date. This Ordinance shall take legal effect 30 days from and after the date of its passage.

Section 5. Publication. Within fifteen days of the adoption of this Ordinance, the City Clerk shall cause a copy of this Ordinance to be published in full accordance with Section 36933 of the Government Code.

**THIS ORDINANCE** was regularly introduced at a meeting of the City Council of the City of Lathrop on the 8<sup>th</sup> day of January, 2024, and was PASSED AND ADOPTED at a regular meeting of the City Council of the City of Lathrop on \_\_\_\_\_,2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Teresa Vargas, City Clerk

\_\_\_\_\_  
Salvador Navarrete, City Attorney

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## Chapter 5.04 Business Licenses Generally

[...]

### 5.04.070 Exemptions.

A. No person shall be exempt from the necessity of procuring a license to do business in the city. License taxes, however, will not be charged for the persons enumerated in the cases listed below.

B. In each of these cases, the persons claiming exemption from license taxes shall first present satisfactory evidence to the finance director that he or she is entitled to such an exemption, which evidence shall include a written statement under oath (certified statement), setting forth such facts and giving such information that the finance director may require; and provided further, that all such persons comply with all other provisions of this chapter.

1. Veterans who are exempt by state law from the payment of a license tax and application fees who meet the following criteria:

- a. The applicant was honorably discharged,
- b. The business license must be solely owned by the veteran (exemption extended to spousal ownership, under community property laws),
- c. The applicant is requesting a license to hawk, peddle or vend any goods, wares or merchandise owned by applicant except for liquor;

2. Those persons who by trade are engaged in interstate commerce, and who are by law exempt from payment of a license tax by virtue of the fact that they are engaged in interstate commerce;

3. Persons transacting and carrying on any business exempt by virtue of the Constitution or applicable statutes of the United States of America or other state from the payment to municipal corporations of such license taxes;

4. ~~Persons conducting dances, concerts, lectures, parties or entertainment where all the receipts are appropriated exclusively to any church or school, or for benefit of any religious, benevolent, patriotic or other public, charitable or beneficial purpose of a local character within the city; Any institution or organization, which is conducted, managed or carried on wholly for the benefit of charitable purposes, or from which profit is not derived either directly or indirectly by any person; nor shall any license be required for the conducting of any entertainment, concert, exhibition or lecture on scientific, musical, historical, literary, patriotic, religious or moral subjects, whenever the receipts of any such entertainment, concert, exhibition or lecture are to be appropriated to any church or school, or to any charitable, religious or benevolent purpose within the city. No license shall be required for the conducting of any entertainment, dance, concert, exhibition or lecture by any religious, charitable, fraternal, educational, military, state, county or~~

municipal organization or association whenever the receipts of any such entertainment, dance, concert, exhibition or lecture are to be appropriated for the purposes and objects for which such association or organization was formed, and from which profit is not derived, either directly or indirectly.

The permit holder or event organizer/host organization has the right to control and regulate the sale of goods, food and beverages within the event.

5. Any person who, by reason of blindness, infirmities of age, or loss of limbs is unable to obtain livelihood by other means than street vending or entertaining or house-to-house selling;

6. Every natural person of the age of seventeen (17) years of age or under whose annual gross receipts from any and all businesses are three thousand dollars (\$3,000.00) or less;

7. Any public utility which pays to the city a tax under a franchise or similar agreement.

C. The city may revoke any exempt license granted pursuant to the provisions of this chapter upon information that the licensee is not entitled to the exemption as provided therein. In such revocation, the procedure to be followed and the right of appeal shall be as provided in this chapter for the determination of a disputed tax. (Ord. 16-363 § 1; Ord. 02-198 § 1; Ord. 94-111; Ord. 90-22)

[...]

New text is shown by underline; deleted text is shown by ~~strikethrough~~

### **Chapter 8.24 Property Nuisances and Dust Control**

[...]

#### **8.24.030 Prohibited nuisances visible from public streets.**

It shall be unlawful for any person owning, leasing, renting, occupying or having charge or possession of any residential property in the city to maintain or to allow that property to be maintained in such a manner that any of the following conditions are found to exist thereon for an unreasonable period of time and are visible from the public street, except as may be allowed by any other provision of law including provisions of city ordinances:

- A. The accumulation of dirt, litter or debris;
- B. Clothesline or clothes hanging in front yard;
- C. Boxes, bins, containers, fire wood, lumber, junk, trash, salvage materials or other similar materials;
- D. Attractive nuisances dangerous to children, including abandoned, broken or neglected equipment, machinery, refrigerators and freezers, hazardous pools, ponds, ~~and excavations,~~ and building or structure which has broken or missing windows or doors which constitute a hazardous condition or a potential attraction to trespassers;
- E. Broken or discarded furniture, household equipment and furnishings or shopping carts;
- F. Overgrown vegetation likely to be a fire hazard or to harbor rats, vermin, and other nuisances dangerous to public health, safety and welfare;
- G. Overgrown vegetation obstructing a necessary view of drivers on public streets or private driveways;
- H. Graffiti on the exterior of any building, fence or other structure;
- I. Vehicle parts or other articles of personal property which are abandoned or left in a state of partial construction, or repair;
- J. Mobilehomes, utility trailers, abandoned cars and trucks or their vehicles that are parked or stored in violation of the city's ordinances with respect to zoning or traffic;
- K. Weeds, dead, decayed, diseased or hazardous trees, and other vegetation constituting an unsightly appearance or dangerous to public health, safety, and welfare;

[...]

**8.24.050 Unlawful residential and nonresidential property nuisances.**

It shall be unlawful for any person owning, leasing, renting, occupying or having charge or possession of any nonresidential property in the city to maintain or to allow to be maintained that property in such a manner that any of the following conditions are found to exist thereon for an unreasonable period of time and are visible from the public street, except as may be allowed by any other provision of law, including provisions of the city ordinance:

- A. The accumulation of dirt, litter or debris;
- B. Boxes, bins, containers, firewood, lumber, junk, trash, salvage materials or other similar materials;
- C. Attractive nuisances dangerous to children, including abandoned, broken or neglected equipment, machinery, refrigerators and freezers, hazardous pools, ponds, ~~and~~ excavations, and building or structure which has broken or missing windows or doors which constitute a hazardous condition or a potential attraction to trespassers;
- D. Broken or discarded furniture, household equipment and furnishings or shopping carts;
- E. Overgrown vegetation likely to present a fire hazard or to harbor rats and/or vermin and other nuisances dangerous to public health, safety and welfare, or obstructing a necessary view of drivers on public streets or private driveways;
- F. Weeds, dead, decayed, diseased or hazardous trees, and other vegetation constituting an unsightly appearance or dangerous to public health, safety and welfare;

[...]

New text is shown by underline; deleted text is shown by ~~strikethrough~~

## **Chapter 8.26 VACANT AND ABANDONED ~~RESIDENTIAL~~ PROPERTY**

### **8.26.010 Purpose.**

It is the purpose and intent to establish a vacant/abandoned property program as a mechanism to protect residential neighborhoods and commercial/industrial properties from becoming blighted through the lack of adequate maintenance and security of vacant/abandoned properties.

### **8.26.020 Definitions.**

“Abandoned” means a property that is not being maintained while vacant or under a current notice of default and/or notice of trustee’s sale, pending tax assessors lien sale and/or properties that have been the subject of a foreclosure sale where the title was retained by the beneficiary of a deed of trust involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale.

“Accessible property” means a property that is accessible through a compromised/breached gate, fence, wall etc.

“Accessible structure” means a structure/building that is unsecured and/or breached in such a way as to allow access to the interior space by unauthorized persons.

“Agreement” means any agreement or written instrument, which provides that title to residential and commercial/industrial properties property, shall be transferred or conveyed from one owner to another owner after the sale, trade, transfer or exchange.

[...]

“Commercial/Industrial property” means any improved real property or portion thereof, situated in the city, designed or permitted to be used for commercial or industrial purposes, and shall include the buildings and structures located on such improved real property. This includes any real property being offered for sale, trade, transfer, or exchange as “commercial or industrial” whether or not it is legally permitted and/or zoned for such use.

“Days” means consecutive calendar days.

“Deed in lieu of foreclosure/sale” means a recorded document that transfers ownership of a property from the trustor to the holder of a deed of trust upon consent of the beneficiary of the deed of trust.

“Deed of trust” means an instrument by which title to real estate is transferred to a third party trustee as security for a real estate loan. Used in California instead of a mortgage. This definition applies to any and all subsequent deeds of trust (i.e.: 2nd trust deed, 3rd trust deed, etc.).

“Default” means the failure to fulfill a contractual obligation, monetary or conditional.

“Distressed” means a property that is under a current notice of default and/or notice of trustee’s sale and/or pending tax assessor’s lien sale or has been foreclosed upon by the trustee or has been conveyed to the beneficiary/trustee via a deed in lieu of foreclosure/sale.

“Evidence of vacancy” means any condition that on its own, or combined with other conditions present would lead a reasonable person to believe that the property is vacant. Such conditions include but are not limited to, overgrown and/or dead vegetation, accumulation of newspapers, circulars, flyers and/or mail, past due utility notices and/or disconnected utilities, accumulation of trash, junk and/or debris, the absence of window coverings such as curtains, blinds and/or shutters, the absence of furnishings and/or personal items consistent with residential habitation and commercial/industrial use, statements by neighbors, passersby, delivery agents, government employees that the property is vacant.

[...]

**8.26.060 Maintenance requirements.**

Vacant/abandoned properties that have evidence of vacancy shall be subject to the following maintenance requirements and neighborhood standards:

A. Any condition causing the property to constitute a dangerous building shall be immediately remedied.

B. All properties within the city must be kept free of tall weeds, dry brush, dead vegetation, trash, junk, debris, building materials, any accumulation of newspapers, circulars, flyers, notices (except those required by federal, state or local law), discarded personal items, including, but not limited to, furniture, clothing, large and small appliances, printed material or any other items that give the appearance that the property is abandoned.

C. All properties within the city shall be maintained free of graffiti, tagging or similar markings by removal or painting over with an exterior grade paint that matches the color of the existing exterior of the structure.

D. Visible front and side yards shall be mowed, landscaped and otherwise, to the satisfaction of the community development director or the city manager’s designee. Landscaping includes, but is not limited to, grass, ground covers, trees, bushes, shrubs, hedges or similar plantings, decorative rock or bark or artificial turf or sod ~~designed specifically for residential installation~~. Weeds, gravel, broken concrete, asphalt, decomposed granite, plastic sheeting, mulch, indoor-outdoor carpet or any similar materials are not acceptable landscaping. Maintenance of landscaping includes, but is not limited to, regular watering, irrigation, cutting, pruning and mowing of required landscape and removal of all trimmings. Water service must be provided through the water main located at the property. Electrical service may need to be provided for automatic irrigation systems to work properly.

[...]



**8.26.070 Security requirements.**

Vacant/abandoned ~~residential properties and all other~~ properties within the city shall be secured as follows:

A. All windows, doors (walk-through, sliding and garage), gates and any other opening of such size that it may allow a child to access the interior of the property and or accessible structure(s) shall be secured so as to prevent access by any unauthorized person. In the case of broken windows, securing means the re-glazing or boarding of the window. All boards shall be fitted to the entire opening, secured by screws (no more than six (6) to eight (8) inches apart from each other) and painted to match the exterior of the dwelling.

B. Pools and spas shall be fenced or otherwise secured to prevent access or use by any unauthorized person.

[...]

**8.26.090 Additional authority.**

The community development director or the city manager’s designee shall have the authority to require the beneficiary/trustee/owner and/or owner of record of any vacant/abandoned ~~residential~~ property to implement additional maintenance and/or security measures, including, but not limited to: securing any/all door, window or other openings, installing additional security lighting, increasing on-site inspection frequency, employment of an on-site security guard or other measures as may be reasonably required to arrest the decline of the property and prevent the ongoing condition(s) of an attractive nuisance. In addition, nothing in this chapter shall prevent the application of provisions of the Lathrop Municipal Code, including, but not limited to, Chapter 1.12, for the abatement of nuisances by the city at the expense of the owner, trustee, or beneficiary.

[...]

**8.26.120 Violation—Penalty.**

Violations of this chapter shall be treated as a strict liability offense regardless of intent. Any person, firm and/or corporation that violates any portion of this chapter shall be subject to prosecution and/or administrative enforcement under Chapter 1.12. ~~Fees shall be issued for non-compliance along with fines of either one hundred dollars (\$100.00), two hundred fifty dollars (\$250.00) or five hundred dollars (\$500.00) as set forth in Chapter 1.12. Civil penalties may also be assessed to the property on a daily basis for up to one thousand dollars (\$1,000.00) per violation a day, but no more than a total of one hundred thousand dollars (\$100,000) a year per parcel.~~

[...]

New text is shown by underline; deleted text is shown by ~~strikethrough~~

**Chapter 15.56 Floodplain Management**

[...]

**15.56.240 Designation of floodplain administrator.**

The city engineer~~community development director~~ or the city manager's designee is appointed to administer, implement and enforce this chapter by granting or denying development permits in accord with its provisions. (Ord. 10-298 § 1; Ord. 98-158)

[...]

New text is shown by underline; deleted text is shown by ~~strikethrough~~

### **Chapter 17.48 I Industrial District**

[..]

#### **17.48.020 IL: limited industrial district.**

A. **Application.** This district is intended primarily for application to those areas of the city which are designated for light industrial use by the general plan.

B. **Permitted Uses.**

1. Any use listed as a permitted use in the CS, service commercial district;

2. Light industrial and related uses, including:

a. Assembly of small electric appliances, such as lighting fixtures, irons, fans, toasters and electric toys, refrigerators, washing machines, dryers, dishwashers and similar home appliances,

b. Assembly of small electrical equipment, such as home motion picture equipment, stereos, video cameras and radio and television receivers, but not including electrical machinery,

c. Manufacture of scientific, medical, dental and drafting instruments, orthopedic and medical appliances, cameras and photographic equipment, except film, electronic equipment, musical instruments, precision instruments, optical goods, watches and clocks,

d. Manufacture of ceramic products, such as pottery, figurines and small glazed tile,

e. Manufacturing, assembling, compounding, packaging and processing of cosmetics, drugs, pharmaceuticals, toilet soap (not including refining or rendering of fats or oils) and toiletries,

f. Manufacture and assembly of electrical supplies, such as coils, condensers, crystal holders, insulation, lamps, switches and wire and cable assembly, provided no noxious or offensive fumes or odors are produced,

g. Manufacture of cutlery, hardware, hand tools and furniture, dye and pattern making, metal stamping and extrusion of small products, such as costume jewelry, pins and needles, razor blades, bottle caps, buttons and kitchen utensils,

h. Manufacturing, assembling, compounding, packaging and processing of articles or merchandise from the following previously prepared materials: bone, canvas, cellophane, cellulose, cloth, cork, feathers, felt, fiber and synthetic fiber, fur, glass, hair, horn, leather, paint (not employing a boiling process), paper, plastics, precious or semi-precious metals or stones, rubber and synthetic rubber, shell, straw, textiles, tobacco and wood,

i. Manufacturing, assembling, compounding, processing, packaging or treatment of such products as bakery goods, candy, dairy products, food products, including fruits and vegetables, but not including fish and meat products, pickles, sauerkraut, vinegar or yeast, or refining or rendering of fats and oils,

j. Blacksmith shops, boat building, electric motor rebuilding, machine shops and paint shops,

k. Food lockers and accessory sales,

l. Gasoline service stations, including dispensing of diesel and liquid petroleum gas fuels and complete truck service,

m. Lumber yards, including planing mills; mattress manufacture; storage yards for commercial vehicles or feed; flour, feed and grain mills; grain elevators,

n. Manufacture and maintenance of electric and neon signs, billboards and commercial advertising structures,

o. Offices, retail stores and watchpersons' living quarters incidental to and on the same site with an industrial use,

p. Warehouse and distribution

qp. Public utility and public service structures and facilities, such as communications equipment buildings, electric distribution substations, electric transmission substations, gas regulator stations, pumping stations, public utility service yards, corporation yards, railroad rights-of-way and stations, reservoirs and storage tanks,

rq. Incidental and accessory structures and uses located on the same site as a permitted use,

sf. Other uses which are added to this list according to the procedure in Section 17.16.020.

[...]

New text is shown by underline; deleted text is shown by ~~strikethrough~~

**Chapter 17.62 Central Lathrop Zoning Districts**

**Article 11. Residential Development Standards**

**Table 17.62.110(A) Central Lathrop Specific Plan: Residential Site Development Standards for Conventional Plotted Units**

Standard <sup>1413</sup>	Single Family Detached (SFD)		
	SFD Large Lot (5000 sq. ft. or larger)	SFD Medium Lot (4000-5000 sq. ft.)	SFD Small Lot (up to 4000 sq. ft.)
Front Yard Setback <sup>4, 5, 1213</sup>			
Living Area	15	12	10
Porch/Side-on Garage <sup>3</sup>	12	10	8
Side Yard Setback <sup>4, 5</sup>			
Interior Side	5	5	0/5 <sup>1110</sup>
Street Side	10	10	10
Rear-Yard Setback <sup>4, 5, 7</sup>			
Living Area	15 min./20 avg.	12 min./15 avg.	5 min./10 avg.
Garage Setback <sup>4, 1112, 1213</sup>			
Street-Primary	20	20	20
Street-Secondary	3-5 or 20+	3-5 or 20+	3-5 or 20+
Lot Size			
Minimum Width	45	40	32
Minimum Depth	85	75	60
Lot Coverage (%) <sup>2</sup>	50% /60%	50% /60%	65% /na
MUPYS (sq. ft.) <sup>1</sup>	400	300	180
Building Height (ft.)	40	40	40
Minimum Frontage <sup>8</sup>			
Lots 45' wide or greater	35	35	35
Lots less than 45' wide	30	30	30
Parking			
On-Street Parking	1 Space per Unit	1 Space per Unit	1 Space per Unit
Covered Parking <sup>9,10</sup>	2 Spaces per Unit	2 Spaces per Unit	2 Spaces per Unit

**All dimensions are in feet unless otherwise noted**

**na=not applicable**

**avg=average per lot**

**Notes to Table 17.62.110(A)**

- 1 MUPYS = Minimum Usable Private Yard Space. Ten (10') foot minimum dimension required.
- 2 Lot coverage percentage = multi-story/single story.
- 3 Side-on garage only on lots greater than 55'. A minimum 30' between the garage door and the side property line is required to accommodate back-up space.
- 4 Setbacks measured from property line.
- 5 Items such as, but not limited to, air conditioning condensers, porches, chimneys, bay windows, media centers, etc. may encroach 2' into the required setback provided a minimum of 36" flat and level area is maintained for access around the house.
- 6 Curbside parking may be counted toward required number of guest spaces. Tandem garages may be used to accommodate required parking stalls if not used towards fulfilling the minimum 2 required parking stalls. The CLDRB may consider and approve the use of tandem garages to meet parking standards if requested by a builder or developer, and approved by the community development director or the city manager's designee.
- 7 At cul-de-sac bulbs and knuckles where lot depths are less than the standard depth, minimum rear yard setback requirements may be reduced by an amount equal to the standard depth minus the actual depth of the lot (i.e., 100' - 90' = 10'). In no case will the rear yard setback be reduced to less than 10'.
- 8 Minimum frontage allows lots to be placed more efficiently around curves such as cul-de-sac bulbs and knuckles.
- ~~9 For any dwellings with 5 or more bedrooms, 3 covered parking spaces are required.~~
- ~~910~~ Two spaces for 2+ bedroom units, 1 space for 1 bedroom or less units.
- ~~1011~~ Zero lot line products are permitted if building separation is 10' minimum.
- ~~1112~~ Primary elevations contain more than 2 feature windows per floor. All other elevations are considered secondary walls (no more than 2 individual unit entries may occur on a secondary elevation).
- ~~1213~~ If 2nd story living is stacked on top of garage, minimum setback to drive aisle may be a minimum of 3' so long as there is 30' clear across the drive aisle to any obstruction.
- ~~1314~~ The development standard (large, medium, or small) applicable to a neighborhood is based on the nominal lot size as determined during the architectural design review process per Section 17.62.142 of this code. (Ord. 21-418 § 13; Ord. 10-298 § 1)

[...]

New text is shown by underline; deleted text is shown by ~~strikethrough~~

**Chapter 17.76 Off-Street Parking and Loading**

[...]

**17.76.020 Off-street parking facilities required.**

[...]

I. Joint Uses. The community development director~~building official~~ may, upon written application by the owner or lessee of any property, authorize the joint use of parking facilities by the following uses and activities, and under the conditions specified herein:

1. Seventy-five percent (75%) of the parking facilities required for a use considered to be primarily a daytime use may be provided by the parking facilities of a use considered to be primarily a nighttime use, or the reciprocal.

2. The following uses are typical daytime uses: banks, business offices, retail stores, personal services, manufacturing or wholesale uses and similar uses. The following uses are typical nighttime uses: dance halls, theaters, bars, auditoriums and restaurants that only serve dinners.

3. The following are conditions required for joint use:

a. The building or use for which application is made for authority to utilize the existing off-street parking facilities provided by another building or use shall be located within two hundred (200) feet from such parking facility.

b. The applicant shall show that there is no substantial conflict in the principal operating hours of the building or uses for which the joint use of off-street parking facilities is proposed.

c. If the building, structure or improvement requiring parking space is in one ownership and the required parking space provided is in another ownership, partially or wholly, there shall be a recording in the office of the county recorder of a covenant by such owners for the benefit of the city, in a form approved by the city, that such owner or owners will continue to maintain such parking space so long as the building structure or improvement is maintained by the owner within the city. The covenant herein required shall stipulate that the title to and right to use the parcel or parcels upon which the parking space is to be provided will be subservient to the title to the premises upon which the buildings to be erected and that the parcel or parcels are not, and will not be made subject to any other covenant or contract for use without prior written consent of the city.

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**CITY MANAGER’S REPORT** **PAGE 2**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**RATIFY THE PURCHASE OF TWO DIGITAL MARQUEES AND APPROVE A**  
**SERVICE AGREEMENT WITH ABV SCOREBOARD SERVICES, INC., FOR THE**  
**INSTALLATION OF TWO MARQUEES AT CITY HALL**

Staff solicited three quotes for digital marquees from vendors whose product was determined to meet the needs of the city. Three quotes were received; ABV Scoreboard Services, Inc., was determined to be the lowest and most responsible quote.

Table 1: Summary of Results for Digital Marquees

<b>Contractor</b>	<b>Quote Ranking</b>	<b>Quote Amount</b>
ABV Scoreboard Services, Inc.	1	\$68,175.00
Golden Rule Signs	2	\$92,436.52
Stewart Signs	3	\$92,839.00

Staff is requesting Council to ratify Purchase Order 2024-00000237 with ABV Scoreboard Services, Inc., for two digital marquees, approve the service contract with ABV Scoreboard Services, Inc., in the amount of \$12,500, and approve electrical work in the amount of \$1,697 for a grand total of \$82,372.

**FISCAL IMPACT:**

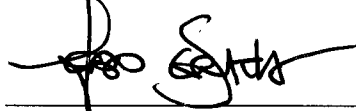
The purchase of two digital marquees with ABV Scoreboard Services, Inc., is \$68,175. The installation service agreement with ABV Scoreboard Services, Inc., is \$12,500 and the electrical work to power the marquees is \$1,697, for a project total of \$82,372. Sufficient funds were authorized in the approved FY 23- 24 budget for this project.

**ATTACHMENTS:**

- A. Resolution of the City Council of the City of Lathrop to Ratify Purchase Order 2024-00000237 with ABV Scoreboard Services, Inc., for Two Digital Marquees, Approve the Service Contract with ABV Scoreboard Services, Inc., in the Amount of \$12,500, and Approve the Electrical Work in the Amount of \$1,697, for a Grand Total of \$82,372
- B. Purchase Order 2024-00000237 with ABV Scoreboard Services, Inc., for Two Digital Marquees and Installation
- C. Service Contract with ABV Scoreboard Services, Inc

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**RATIFY THE PURCHASE OF TWO DIGITAL MARQUEES AND APPROVE A**  
**SERVICE AGREEMENT WITH ABV SCOREBOARD SERVICES, INC., FOR THE**  
**INSTALLATION OF TWO MARQUEES AT CITY HALL**

**APPROVALS:**



Todd Sebastian  
Director of Parks and Recreation

2.6.2024

Date



Ken Reed  
Senior Construction Manager

2-6-2024

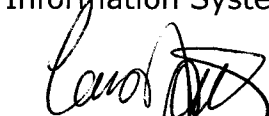
Date



Tony Fernandes  
Information Systems Director

2-6-2024

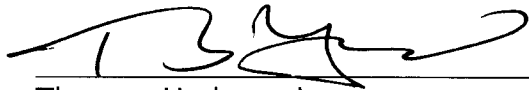
Date



Cari James  
Director of Finance

2/6/2024

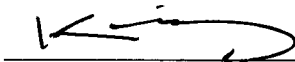
Date



Thomas Hedegard  
Deputy City Manager

2/6/2024

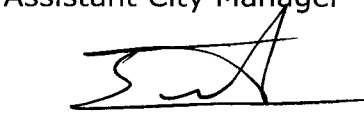
Date



Michael King  
Assistant City Manager

2/6/2024

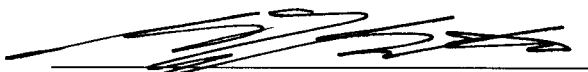
Date



Salvador Navarrete  
City Attorney

2.6.2024

Date



Stephen J. Salvatore  
City Manager

2/8/24

Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY LATHROP TO RATIFY THE PURCHASE ORDER FOR TWO DIGITAL MARQUEES AND A SERVICE CONTRACT WITH ABV SCORBOARD SERVICES, INC., FOR THE INSTALLATION OF TWO AT CITY HALL**

**WHEREAS**, Staff solicited three quotes from vendors for digital marquees for City Hall; and

**WHEREAS**, ABV Scoreboard Services, Inc., provided the lowest response quote of \$68,175; and

**WHEREAS**, a purchase order was processed with ABV Scoreboard Services, Inc., to purchase two marquees; and

**WHEREAS**, the City received the marquees and worked with ABV Scoreboard Services, Inc., to schedule the installation; and

**WHEREAS**, the installation is complete, and staff is requesting Council to approve the service contract with ABV Scoreboard Services, Inc., in the amount of \$12,500; and

**WHEREAS**, minor electrical work was performed to supply power and data to the marquees in the amount of \$1,697; and

**WHEREAS**, staff is requesting Council to approve the electrical work in the amount of \$1,697; and

**WHEREAS**, the purchase and installation of the two marquees is completed for a grand total of \$82,372; and

**WHEREAS**, sufficient funds were allocated in the FY 23/24 budget.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop approves and ratifies the purchase order for two digital marquees, a service contract with ABV Scoreboard Services, Inc., for the installation of two marquees, and an agreement for electrical work in the amount of \$82,372.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of:

AYES:

NOES:

ABSTAIN:

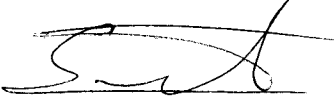
ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

# ATTACHMENT " B "



**Bill To**  
390 Towne Centre Dr  
Lathrop, CA 95330

## Purchase Order

No. 2024-00000237

Date 9/6/2023

## Resolution

The parties to this agreement are:

Vendor No. 3729

PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, SHIPPERS, BILL OF LADING AND CORRESPONDENCE

## DELIVER BY

**Vendor**  
ABV SCOREBOARD SERVICES, INC  
1270 AVENIDA ACASO SUITE F  
CAMARILLO, CA 93012

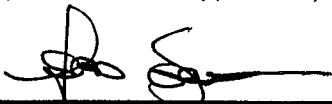
**Ship To**  
390 Towne Centre Dr  
Lathrop, CA 95330

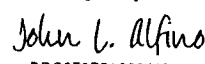
**SHIP VIA**  
**FREIGHT TERMS**  
**PAGE** 1 of 3  
**ORIGINATOR** Bonnie Evans

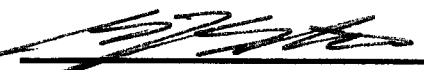
QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
2.00	EACH	Custom Marquees	\$31,000.0000	\$62,000.00
1.00	EACH	Shipping	\$750.0000	\$750.00
1.00	EACH	Sales Tax	\$5,425.0000	\$5,425.00

**\$68,175.00**

The contractor agrees to furnish all labor, equipment and materials necessary to perform the services describe herein and agrees to comply with the terms and conditions identified below which are made a part hereof by this reference (Outline exact detail what is to be done, where is to be done and include work specifications, if applicable.)

 9.7.23  
CITY OF LATHROP  
RECOMMENDED FOR APPROVAL DATE

DocuSigned by:  
 9/7/2023  
VENDOR (Signature)  
APPROVED BY DATE

 9.21.23  
CITY OF LATHROP  
APPROVED BY DATE

John L. Alfino 9/7/2023  
VENDOR (Print Name)  
APPROVED BY DATE

### Special Instructions

Two Custom Marquees for City Hall

STANDARD PURCHASE ORDER  
TERMS AND CONDITIONS

1. **ACCEPTANCE.** Acceptance of this Purchase Order, whether by written acknowledgement or by performance by Seller, shall be upon the terms and conditions hereof; no other terms or conditions shall be binding on Buyer unless written approval thereof specifically referring to such other terms and conditions shall have been given to Seller.
2. **INVOICES.** Separate invoice shall be supplied for each Purchase Order shipment. Each invoice shall be itemized and shall show Contract Number, terms, discounts, date of shipment or service dates, and Purchase Order Number. Failure to show said items may result in delay of payment with all rights reserved, including cash discounts. The Vendor name on this Purchase Order resulted from a quotation signed in the same name. Payment will not be made to a firm name other than that shown on the face hereof without written assignment.
3. **PAYMENT TERMS.** Seller shall receive payment either by One-Time payment (Lump Sum), Monthly or Quarterly ITEMIZED INVOICE. All payments are in arrears.
4. **ORDER CHANGES.** The Buyer shall have the right from time to time by written notices to make changes in quantities and/or delivery dates of any article, material, or services covered by this Purchase Order prior to the time the item or items are actually placed into final production by the Seller. If such changes are made after the article, material, or services are placed into final production by the Seller and such changes cause a substantial increase or decrease in Seller's performance will be made and this order will be modified in writing accordingly, provided that any claim for adjustment must be asserted by the Seller within a reasonable time (in no case to exceed twenty days) after the change is ordered.
5. **SHIPPING.** Seller will indicate plainly the Purchase Order Number on all bills of lading, all goods shipped pursuant to said order, and on all invoices, freight bills, and packages. Each package must contain a memorandum showing Seller's name, contents of package, and Purchase Order Number.  
  
Shipments of goods specified on this Purchase Order number should result in lowest possible freight rate unless otherwise specified by Buyer. Penalties or increased charges due to failure to observe this provision will be charged to Seller.  
  
Shipping costs for goods on back order shall be paid only at the rate which would have been applicable had the complete order been shipped at one time. All excess costs shall be borne by Seller. Partial shipments must be identified as such on shipping memoranda and invoices.  
  
When shipping, Seller will make no declaration of value to be carried, except where shipment is subject to released value ratings.  
  
Any materials supplied to City which are covered by the OSHA Hazard Communication Standard must be accompanied by the applicable Material Safety Data Sheet (MSDS) at the time of delivery.
6. **DELIVERY.** Unless otherwise expressly provided, Seller shall deliver all articles to Buyer's premises, free of all freight, handling, transportation, drayage, boxing and similar charges. All times in this contract are of the essence.
7. **TERMINATION.** Buyer may terminate all or part of this contract, with or without cause. If buyer terminates without cause, then Buyer shall pay all reasonable termination charges incurred by Seller.
8. **DECLINE IN PRICES.** Buyer shall be protected in the event of declining prices on the undelivered portion of this Purchase Order. If prices decline on items ordered, Seller may elect to meet priced reductions or other vendors, or its own lower prices to other purchasers, but if Seller should refuse to do so, Buyer shall have the right to cancel any or all of the balance due on this Purchase Order without cost to Buyer.
9. **FORCE MAJEURE.** Neither Seller nor Buyer shall be liable for nonperformance due to causes beyond reasonable control. Where only a part of Seller's capacity to perform is excused under this paragraph, Seller must allocate production and deliveries among the various customers then under contract for similar goods during the period. The allocation must be made in a fair and equitable manner. Where either Seller or Buyer claims an excuse for nonperformance under this paragraph, it must give notice in writing to the other party. Seller shall not be obligated to sell, nor Buyer obligated to purchase, at a later date, that portion of the goods that Seller is unable to deliver or Buyer is unable to receive or use due to any excused cause. No goods are to be tendered by Seller after the expiration of the terms specified in this Purchase Order without consent of Buyer.
10. **WARRANTY.** Seller warrants that all articles and services covered by this Purchase Order will conform to drawings, specifications, or samples and will be merchantable and of good material, design and workmanship, free from all defects, and suitable for the use intended. All articles will be subject to Buyer's inspection and rejection at the place of delivery. Defective articles may be returned to the Seller for full credit or replacement at the Seller's risk and expense, including transportation charges both ways, but no defective articles shall be replaced without formal replacement order signed by the Buyer.
11. **ASSIGNMENT.** Neither party shall assign or transfer this Purchase Order without the written consent of the other.
12. **INDEMNITY.** SELLER WARRANTS THAT GOODS FURNISHED UNDER THIS PURCHASE ORDER DO NOT INFRINGE ANY PATENT, TRADEMARK, OR TRADE NAME, OR COPYRIGHT AND AGREES TO INDEMNIFY AND SAVE HARMLESS BUYER OR ITS VENDEES FROM ANY AND ALL CLAIMS, SUITS, LIABILITIES, DAMAGES, LOSSES, OR EXPENSES INCURRED BY BUYER OR ITS VENDEES BY REASON OF ANY ALLEGED INFRINGEMENT OF ANY SUCH RIGHTS.

## PAGE 3 OF 3

**SELLER SHALL INDEMNIFY AND HOLD HARMLESS BUYER AND ITS AGENTS AND EMPLOYEES FROM AN AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING ATTORNEY'S FEES, ARISING OUT OF OR RESULTING FROM THE PERFORMANCE OF THE WORK CAUSED BY ANY NEGLIGENT ACT OR OMISSION OF SELLER, ANY SUBCONTRACTOR, OR ANYONE FOR WHOSE ACTS ANY OF THEM MAY BE LIABLE. IN CASE OF CONCURRING FAULT, EACH PARTY SHALL BEAR ITS SHARE OF THE LOSS.**

- 13 **BUYER'S PROPERTY.** Any property of Buyer in Seller's active or constructive possession or custody hereunder will be at Seller's risk and Seller agrees to reimburse Buyer for any loss or damage to such property however caused
- 14 **COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS** By acceptance hereof, Seller warrants.
- (a) that all goods, merchandise, and materials delivered and services rendered hereunder will have been produced and provided in compliance with all requirements of the Fair Labor Standards Act of 1938, as amended, and
  - (b) that all goods, materials, and equipment delivered hereunder shall comply with the applicable federal standards prescribed by the Occupational Safety and Health Act of 1970, or as amended.
  - (c) that Seller will comply with all applicable laws, rules and regulations of federal, state and local governments and agencies, thereof, including but not limited to Executive Orders 11246, 11701, and section 503 of Public Law 93-112, The Rehabilitation Act of 1973, the provisions of The Americans and Disabilities Act, Transient Employer Law (285.230 R. S. Mo. et seq.) and Excessive Unemployment Law (Section 290.550 et seq. R.S. Mo.) which are hereby incorporated by reference, unless this Purchase Order is exempt pursuant to said Executive Orders, or Acts and the regulations issued thereunder
- 15 **WORKER'S COMPENSATION, EMPLOYER'S LIABILITY, AND GENERAL LIABILITY.** When work is performed on Buyer's premises, Seller agrees to carry at Seller's own expense.
- (a) Worker's Compensation and Employer's Liability Insurance.
  - (b) General liability (including Contractual Liability and Products Liability/Completed Operations) Insurance and Auto Liability insurance each in amounts no less than \$1,000,000 per occurrence. Insurance certificates of such coverage shall be submitted to City Utilities' Risk Management upon request of Buyer
- 16 **INSOLVENCY.** If Seller shall become insolvent, file a petition in bankruptcy, or shall make an assignment for the benefit of creditors, or if a receiver or trustee shall be appointed of or for any of Seller's property or business, the Purchase Order may be cancelled at Buyer's option without liability.
- 17 **TAXES.** Seller agrees to cooperate with Buyer in opposing the imposition of any tax on any article covered by this Purchase Order, the legality of which is questioned by Buyer, and in securing any abatement or any refund thereof sought by Buyer
- 18 **FOREIGN SHIPMENTS** Foreign shipments must be preceded by execution of formal Consular Invoice. At time of shipment, Ocean Bills of Lading, Consular Invoice, and Commercial Invoices, in triplicate, shall be forwarded directly to the Purchasing Agent issuing this Purchase Order.
- 19 **VENUE.** This Purchase Order shall be governed by the law of the State of California
- 20 **BRANDING** Seller warrants that all materials covered by this Purchase Order are not altered or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act; not an article with may not, under provisions of Section 404 or 505 of said act, be introduced into interstate commerce, and not adulterated or misbranded within the meaning of the pure food and drug laws or the ordinances of any state or city which are applicable to such shipment or delivery, and Seller hereby agrees to indemnify and save the Buyer harmless from and against all claims, charges, action and proceedings brought against Buyer by any lawful government authority or by any person on account of any alleged adulteration or misbranding by Seller of any such material referred to above. Seller does not guarantee against any such material becoming adulterated or misbranded after delivery to Buyer by reason of causes beyond Seller's control
- 21 **CONFLICTING TERMS.** In case of a conflict between these terms and conditions and those of a separate written contract signed by both Buyer and Seller, the written contract shall prevail
- 22 **REVIEW OF RECORDS.** During the term of the purchase order agreement and for three years thereafter, City of Lathrop (City) shall have the right to review Seller's records, only for the purposes of verifying claims for payment and compliance with the terms and conditions of the purchase order agreement for at least three years after final payment.
- 23 **OFFSETTING BILLS.** City reserves the right to apply offsetting payments for goods and/or services that are due against delinquent utility bills which are due City
- 24 **NON-EXCLUSIVE AGREEMENT.** The purchase order is a non-exclusive contract and City reserves the right to purchase same or like materials and/or services from other sources as City deems necessary and appropriate.



Office of the City Manager

390 Towne Centre Dr. - Lathrop, CA 95330  
Phone (209) 941-7220 - fax (209) 941-7248  
[www.ci.lathrop.ca.us](http://www.ci.lathrop.ca.us)

## NOTICE TO PROCEED

ABV Scoreboard Services, Inc.  
John L. Alfino, President  
1270 Avenida Acaso, Unit F  
Camarillo, CA 93012

Dear Mr. Alfino:

Enclosed please find your original executed Service Contract to provide **the installation of custom marquees located at City Hall from ABV Scoreboards Services, Inc.** This is your Notice to Proceed to the attached Contract.

Should you have any questions regarding this project, please contact Todd Sebastian at (209) 941-7384, the staff member directly involved with this project.

Sincerely,



FOR  
Stephen J. Salvatore  
City Manager

Copy: Teresa Vargas, City Clerk  
Project File

**SERVICE CONTRACT BETWEEN THE CITY OF LATHROP AND ABV  
SCOREBOARD SERVICES, INC.**

**INSTALLATION OF TWO CUSTOM MARQUEES  
LOCATED AT CITY HALL**

**THIS SERVICE CONTRACT** (hereinafter "Contract") is made on the 8 of **February, 2024**, by and between the **City of Lathrop**, a municipal corporation of the State of California (hereinafter "City") and **ABV Scoreboard Services, Inc.** (hereinafter "Contractor"), whose Taxpayer Identification Number is **45-2695081**.

For and in consideration of the following covenants, terms and conditions, City and Contractor (the parties) agree:

**SCOPE OF WORK**

Contractor agreed to install two custom marquees located at City Hall in accordance with the scope of work and fee proposal provided by the Contractor, attached hereto as Exhibit "A" and incorporated herein by reference. Contractor agreed to diligently perform these services in accordance with the upmost standards of its profession and to the City's satisfaction.

**CONTRACT PRICE**

The City agrees to pay and the Contractor agrees to accept, in full payment for the work above agreed to be done based on time and materials basis not to exceed **\$12,500** set forth in Exhibit "A", for the installation of two custom marquees located at City Hall.

**TIME FOR PERFORMANCE**

The installation shall be completed no later than February 29, 2024.

**PERMITS; COMPLIANCE WITH LAW**

The Contractor shall, at its expense, obtain all necessary permits, licenses, easements, etc., for the construction of the project, give necessary notices, pay all fees required by law, and comply with all laws, ordinances, rules and regulations relating to the work and to the preservation of the public health and safety.

**INSPECTION BY CITY**

The Contractor shall at all times maintain proper facilities and provide safe access for inspection by the City to all parts of the work, and to the shops wherein the work is in preparation. Where the Specifications require work to be specially tested or approved, it shall not be tested or covered up without timely, written approval by the City.

**SERVICE CONTRACT  
INSTALLATION OF CUSTOM MARQUEES LOCATED AT CITY HALL**

Should any such work be covered up without such notice, approval, or consent, it must, if required by City, be uncovered for examination at the Contractor's expense.

**NOTICE**

Any notice from one party to the other under the Contract shall be in writing and shall be dated and signed by the party giving such notice or by a duly authorized representative of such party. Any such notice shall not be effective for any purpose whatsoever unless served in the following manner.

- (a) If the notice is given to the City, by personal delivery thereof to the City's Director of Parks, Recreation, and Maintenance Services, or by depositing the same in the United States mail, enclosed in a sealed envelope, addressed to the City's Director of Parks, Recreation, and Maintenance Services, postage prepaid and certified;
- (b) If the notice is given to the Contractor, by personal delivery thereof to said Contractor or to its duly authorized representative at the site of the project, or by depositing the same in the United States mail, enclosed in a sealed envelope, addressed to the Contractor at the address set forth in the Contractor's Bid postage prepaid and certified; or
- (c) If the notice is given to the surety or any other person, by personal delivery to such surety or other person, or by depositing the same in the United States mail, enclosed in a sealed envelope, addressed to such surety or other person, as the case may be, at the address of such surety or person last communicated by it to the party giving the notice, postage prepaid and certified.

**ACCIDENT PREVENTION**

Precautions shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Construction Safety Orders issued by the Occupational Safety and Health Standards Board of the State of California.

**CONTRACTOR'S WARRANTY**

The City shall not, in any way or manner, be answerable or suffer loss, damage, expense or liability for any loss or damage that may happen to said building, work, or equipment or any part thereof, or in, on, or about the same during its construction and before acceptance. Contractor unqualifiedly warrants all work and materials to be free of defects whether performed or installed by it or by any subcontractor or supplier in the project which is the subject of this Contract.

**SERVICE CONTRACT  
INSTALLATION OF CUSTOM MARQUEES LOCATED AT CITY HALL**

**APPRENTICES**

- (a) The Contractor's attention is directed to the provisions of Sections 1777.5, 1777.6, and 1777.7 of the California Labor Code concerning employment of apprentices by the Contractor or any subcontractor under him. In addition, Contractor shall obtain a certificate of apprenticeship before employing any apprentice pursuant to Sections 1777.5, 1777.6 and 1777.7 of the California Labor Code.
- (b) Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.
- (c) Knowing violations of Section 1777.5 will result in forfeiture not to exceed one hundred dollars (\$100) for each calendar day of non-compliance pursuant to Section 1777.7.

**HOURS OF WORK**

Eight (8) hours of work in any calendar day shall constitute a legal day's work. The Contractor and each subcontractor shall forfeit, as penalty to the City, twenty-five dollars (\$25) for each worker employed in the execution of work on the Project by the Contractor or any subcontractor under him for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any calendar week in violation of the provisions of the Labor Code, and in particular, Section 1810 to Section 1815, thereof, inclusive, except that work performed by employees of the Contractor and his subcontractors in excess of eight hours per day at not less than one and one half times the basic rate of pay, as provided in Labor Code section 1815.

**PAYROLL RECORDS**

Pursuant to Labor Code section 1776, as amended from time to time, the Contractor and each subcontractor shall keep records showing the name, address, social security number, work classification, straight time and overtime hours paid each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by him or her in connection with the work.

The certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the Division. The payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

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INSTALLATION OF CUSTOM MARQUEES LOCATED AT CITY HALL**

- (a) A certified copy of the employee's payroll records shall be made available for inspection or furnished to such employee or his or her authorized representative on request.
- (b) A certified copy of all payroll records shall be made available for inspection or furnished upon request, or as required by Labor Code section 1771.7 to the City, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations.
- (c) A certified copy of all payroll records shall be made available upon request to the public for inspection or copies thereof made; provided, however, that if request by the public shall be made through either the City, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement, if as requested, payroll records have been provided pursuant to paragraph (b), the requesting party shall, prior to being provided the records, reimburse the cost of preparation by the Contractor, subcontractors and the entity through which the request was made. The public shall not be given access to such records at the principal office of the Contractor.

The Contractor shall file a certified copy of the payroll records with the entity that requested such records within ten (10) calendar days after receipt of a written request. Any copy of records made available for inspection as copies and furnished upon request to the public or the City, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement, shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor or any subcontractor performing work on the Project shall not be marked or obliterated.

The Contractor shall inform the City of the location of the payroll records, including the street address, city and county, and shall, within five (5) calendar days, provide a notice of a change of location and address.

In the event of noncompliance with the requirements of this section, the Contractor shall have ten (10) calendar days in which to comply subsequent to receipt of written notice specifying in what respects the Contractor must comply with this section. Should noncompliance still be evident after such ten (10) calendar day period, the Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each calendar day, or portion thereof, for each worker until strict compliance is effectuated.

Upon the request of the Division of Labor Standards Enforcement, such penalties shall be withheld from payments due Contractor.

**PREVAILING WAGES**

- (a) The Contractor is aware of the requirements of California Labor Code Sections 1720 *et seq.* and 1770 *et seq.*, as well as California Code of Regulations, Title 8, section 16000 *et seq.* ("Prevailing Wage Laws") which

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require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Since this Contract involves an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. The Contractor shall obtain a copy of the prevailing rates of per diem wages applicable to the work to be performed by subcontractors from the website of the Division of Labor Statistics and Research of the Department of Industrial Relations located at <http://www.dir.ca.gov/dlsr/PWD/index.htm>. In the alternative, the City shall provide Contractor with a copy of the prevailing rates of per diem wages applicable to the work to be performed by subcontractors. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to perform work on the Project available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the Project site.

Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

- (b) The Contractor and each subcontractor shall forfeit as a penalty to the City not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the stipulated prevailing rate for any work done by him, or by any subcontract under him, in violation of the provisions of the California Labor Code. The difference between such stipulated prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Contractor.

**INSURANCE**

On or before beginning any of the services or work called for by any term of this Agreement, CONTRACTOR, at its own cost and expense, shall carry, maintain for the duration of the Agreement, and provide proof thereof that is acceptable to the CITY the insurance specified in subsections (a) through (c) below with insurers and under forms of insurance satisfactory in all respects to the CITY.

CONTRACTOR shall not allow any subcontractor to commence work on any subcontract until all insurance required of the CONTRACTOR has also been obtained for the subcontractor. Verification of this insurance shall be submitted and made part of this Agreement prior to execution.

- (a) Workers' Compensation. CONTRACTOR shall, at CONTRACTOR'S sole cost and expense, maintain Statutory

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Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by CONTRACTOR. Said Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than one million dollars (\$1,000,000). In the alternative, CONTRACTOR may rely on a self-insurance program to meet these requirements provided that the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the CONTRACTOR, if a program of self-insurance is provided, shall waive all rights of subrogation against the CITY for loss arising from work performed under this Agreement.

- (b) Commercial General and Automobile Liability Insurance. CONTRACTOR, at CONTRACTOR'S own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than two million dollars per occurrence (\$2,000,000), combined single limit coverage for risks associated with the work contemplated by this Agreement. If Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

Coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (ed. 11/88) and Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 1 (any auto).

Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- (i) CITY, its officers, employees, and volunteers are to be covered as insured with respect to each of the following: liability arising out of activities performed by or on behalf of CONTRACTOR, products and completed operations of CONTRACTOR; premises owned, occupied or used by CONTRACTOR. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents, or volunteers.

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- (ii) The insurance shall cover on an occurrence or an accident basis, and not on a claim made basis.
  - (iii) An endorsement must state that coverage is primary insurance and that no other insurance affected by the CITY will be called upon to contribute to a loss under the coverage.
  - (iv) Any failure of CONTRACTOR to comply with reporting provisions of the policy shall not affect coverage provided to CITY and its officers, employees, agents, and volunteers.
  - (v) Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A: VII.
  - (vi) Notice of cancellation or non-renewal must be received by CITY at least thirty days prior to such change.
- (c) Deductibles and Self-Insured Retentions. CONTRACTOR shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. During the period covered by this Agreement, upon express written authorization of CITY Manager, CONTRACTOR may increase such deductibles or self-insured retentions with respect to CITY, its officers, employees, agents, and volunteers. The CITY Manager may condition approval of an increase in deductible or self-insured retention levels upon a requirement that CONTRACTOR procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- (d) Notice of Reduction in Coverage. In the event that any coverage required under subsections (a), (b), or (c) of this section of the Agreement is reduced, limited, or materially affected in any other manner, CONTRACTOR shall provide written notice to CITY at CONTRACTOR'S earliest possible opportunity and in no case later than five days after CONTRACTOR is notified of the change in coverage.
- (e) In addition to any other remedies CITY may have if CONTRACTOR fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:
- (i) Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;



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- (ii) Order CONTRACTOR to stop work under this Agreement or withhold any payment which becomes due to CONTRACTOR hereunder, or both stop work and withhold any payment, until CONTRACTOR demonstrates compliance with the requirements hereof;
- (iii) Terminate this Agreement.

Exercise of any of the above remedies, however, is an alternative to other remedies CITY may have and is not the exclusive remedy for CONTRACTOR'S breach.

**INDEMNIFICATION**

Contractor agrees to protect, defend, indemnify and hold City, its City Council members, officers, employees, engineer, and consultants harmless from and against any and all claims, demands, liabilities, losses, damages, costs, expenses, liens, penalties, suits, or judgments, arising in whole or in part, directly or indirectly, at any time from any injury to or death of persons or damage to property as a result of the willful or negligent act or omission of Contractor, or which results from Contractor's noncompliance with any Law respecting the condition, use, occupation or safety of the Project site, or any part thereof, or which arises from Contractor's failure to do anything required under this Contract or for doing anything which Contractor is required not to do under this Contract, or which arises from conduct for which any Law imposes strict liability on Contractor in the performance of or failure to perform the terms and conditions of this Contract, except as may arise from the sole willful or negligent act or omission of City or any of its City Council members, officers, employees.

This indemnification shall extend to any and all claims, demands, or liens made or filed by reason of any construction, renovation, or remodeling work performed by Contractor under this Contract at any time during the term of this Contract, or arising thereafter.

**SEVERABILITY**

Nothing contained in the Contract shall be construed so as to require the commission of any act contrary to law. Should a conflict arise between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract or act, the latter shall prevail and the provision of this Contract which is affected shall be curtailed and limited but only to the extent necessary to bring it within the requirements of the law. If such curtailment or limitation is not possible, the affected provision shall be of no force and effect. Except as aforesaid, such illegality shall not affect the validity of this Contract.

**COMPLETE AGREEMENT**

This Contract supersedes any and all agreements, either oral or in writing, between the Parties with respect to the subject matter herein. Each party to this Contract

**SERVICE CONTRACT  
INSTALLATION OF CUSTOM MARQUEES LOCATED AT CITY HALL**

acknowledges that no representation by any party which is not embodied herein or any other agreement, statement, or promise not contained in this Contract shall be valid and binding.

**INTERPRETATION**

- (a) The parties hereto acknowledge and agree that each has been given the opportunity to independently review this Contract with legal counsel, and/or has the requisite experience and sophistication to understand, interpret and agree to the particular language of the provisions of the Contract.
- (b) In the event of a controversy or dispute between the parties concerning the provisions herein, this document shall be interpreted according to the provisions herein and no presumption shall arise concerning the draftsmanship of such provision.

**APPLICABLE LAW**

- (a) The parties hereto understand and agree that the terms of this Contract, and its Exhibits, have been negotiated and executed within the State of California and shall be governed by and construed under the laws of the State of California.
- (b) In the event of a dispute concerning the terms of this Contract, the parties hereto expressly agree that the venue for any legal action shall be with the appropriate court in the County of San Joaquin, State of California.

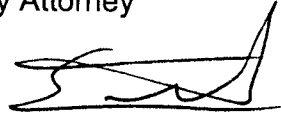
**SIGNATURES**

The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

**SERVICE CONTRACT  
INSTALLATION OF CUSTOM MARQUEES LOCATED AT CITY HALL**

Approved as to Form:

City of Lathrop  
City Attorney



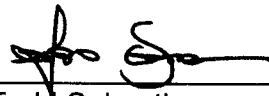
2-7-2024

Salvador Navarrete

Date

Recommended for Approval:

City of Lathrop  
Parks, Recreation, and Fleet Director



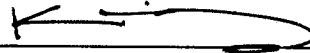
2.7.2024

Todd Sebastian

Date

Approved by:

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330



FOR

2/8/2024

Stephen J. Salvatore  
City Manager

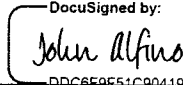
Date

Contractor:

ABV Scoreboard Services, Inc.  
1270 Avenida Acaso, Unit F  
Camarillo, CA 93012  
(800) 204-0402

Federal ID #45-2695081  
Business License #42513

DocuSigned by:



2/7/2024

Signature

Date

John Alfino - President

President

Print Name and Title

# EXHIBIT A



1270 Avenida Acaso, Unit F

Camarillo, CA 93012

Phone: (800) 204-0402

Fax: (805) 484-5020

## CONTRACT FOR MATERIALS/INSTALLATION SERVICES

### Client/Owner:

Name: City of Lathrop

Contact Person: Todd Sebastian

Business address:

Telephone: 209-941-7370

Job name: City of Lathrop City Hall

Job Street: 390 Towne Centre Drive

Job City, State, ZIP: Lathrop, CA 95330

ABV Scoreboard Service, Inc., agrees to furnish all labor and materials necessary to install two Vantage 6'x10' full color message boards for the sum of **Twelve Thousand Five Hundred Dollars(\$12,500)**.

1. **Scope of Work.** Includes preparing the displays for installation, securing necessary support structure and connecting data and electrical.

Client will provide electrical and data path within 10' of each location.

2. **Price.** The price for the work described above will be payable as follows:

A) Balance due upon completion of work.

3. **Time for Commencement of Work.** Work under this contract shall commence after: (1) Company and Client have both executed this contract.

4. **Additional Work or Changes.** Client/Owner may order additional work or changes in writing at any time, at a price agreed on or at Company's regular rates for time and material used in additional work or change-orders. Company shall not be required to perform any extra or change-order work without: (1) a written request from Client/Owner; and (2) a written acceptance by Company. All accepted written

requests for changes or extra work shall be incorporated into, and become part of, this contract.

**5. Contract Payments.** Company shall not be required to proceed with work if the payments due to Company have not been made as specified in this contract.

**6. Unavoidable Interruptions.** Company shall not be held responsible or liable for any loss, damage, or delay caused by fire, strikes, civil or military authority, or any other cause beyond Company's control.

**7. Charges to the Company.** Company shall not be liable for any charges for temporary wiring, electrical energy, heat, job cleanup, hoisting, job telephone, job office or storage space, etc., unless specifically stated in this contract.

**8. Damages.** Company shall not be liable for any damages resulting from delay in completion of the work caused by factors beyond Company's control.

**9. Acceleration of Obligation on Transfer of Title.** If Client/Owner disposes of the property on which work is pending under this contract by sale or otherwise, prior to completion of all payments, the full amount remaining unpaid on this contract shall be due at once and payable within 48 hours after date of disposal.

**10. Arbitration.** Any controversy or claim relating to this contract shall be submitted to arbitration in accordance with the rules of the American Arbitration Association. The result of that arbitration shall be binding on the parties to this contract. Judgment on any arbitration award may be entered in any court having appropriate jurisdiction.

**11. Default.** If Client/Owner does any of the following, Client/Owner shall be deemed in default under this Agreement: fails to pay any installment or installments on the contract price when due; declares bankruptcy; makes an assignment for the benefit of creditors; or permits an attachment or execution to be levied against Client/Owner. If Client/Owner is in default according to the terms of this Paragraph 11, then as long as Client/Owner remains on the premises, Company, at Company's option, may remove from the premises any materials or fixtures that have been installed or delivered by Company and may sell those materials or fixtures at private sale without notice, that notice being expressly waived. Company shall apply any amount received in that private sale on account for any indebtedness due to Company on the contract. The option provided for in this Paragraph shall be in addition to any and all other remedies the Company may have to enforce this contract. If Company initiates legal proceedings against Client/Owner to retake possession of or collect any money due under this contract, Client/Owner agrees to pay all costs, interests, and reasonable attorneys' fees.

**12. Release for Payment.** On satisfactory payment made for any portion of the work performed, Company shall, at the request of Client/Owner, furnish to Client/Owner a full and unconditional release from any claim or mechanics' lien for that portion of the work for which payment has been made.

COMPANY:  
ABV Scoreboard Services, Inc.

Client/Owner:

Stephen Warner  
By: Stephen Warner, SPM

\_\_\_\_\_  
Signature

Name and Title:  
  
\_\_\_\_\_



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/20/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Orr & Associates Insurance Services 28780 Single Oak Dr Ste 255 Temecula CA 92590		<b>CONTACT NAME:</b> Certificates <b>PHONE (A/C, No, Ext):</b> 951-506-5859 <b>FAX (A/C, No):</b> 800-474-3003 <b>E-MAIL ADDRESS:</b> certs@orrassociates.com	
License#: 0E63493 ABVGREE-01		<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> ABV Scoreboard Services Inc 1270 Avenida Acaso Ste F Camarillo CA 93012		<b>INSURER A :</b> California Auto Insurance Co.	<b>NAIC #</b> 38342
		<b>INSURER B :</b> Mt. Hawley Insurance Company	37974
		<b>INSURER C :</b> Insurance Company of the West	27847
		<b>INSURER D :</b> Great American Insurance Co.	16691
		<b>INSURER E :</b> Concert Specialty Insurance Co	17151
		<b>INSURER F :</b>	

**COVERAGES**

CERTIFICATE NUMBER: 2075811792

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL/INSR	SUBR/INSR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
E	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	CSTMGL0001143-00	5/2/2023	5/2/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	BA040000040946	1/28/2023	1/28/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			GXS0006721	3/6/2023	3/6/2024	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y	N/A	WSD506667100	7/24/2022	7/24/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Equipment Floater Equipment Floater Equipment Floater			IMPE976454 IMPE976454 IMPE976454	4/19/2023 4/19/2023 4/19/2023	4/19/2024 4/19/2024 4/19/2024	BPP Installation Floater Scheduled Equipment 165,000 200,000 10,500

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate is subject to policy limits, conditions and exclusions.

City of Lathrop its officers, employees and volunteers are named as Additional Insured as per attached endorsement form(s).

**CERTIFICATE HOLDER****CANCELLATION**

City of Lathrop  
 390 Towne Centre Dr  
 Lathrop, CA 95330

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Mark Smith*

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **Business Auto Broadening Endorsement**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

- I. NEWLY ACQUIRED OR FORMED ENTITY (BROAD FORM NAMED INSURED)
- II. EMPLOYEES AS INSUREDS
- III. AUTOMATIC ADDITIONAL INSURED
- IV. EMPLOYEE HIRED AUTO LIABILITY
- V. SUPPLEMENTARY PAYMENTS
- VI. FELLOW EMPLOYEE COVERAGE
- VII. ADDITIONAL TRANSPORTATION EXPENSE
- VIII. HIRED AUTO PHYSICAL DAMAGE COVERAGE
- IX. ACCIDENTAL AIRBAG DEPLOYMENT COVERAGE
- X. LOAN/LEASE GAP COVERAGE
- XI. GLASS REPAIR – DEDUCTIBLE WAIVER
- XII. TWO OR MORE DEDUCTIBLES
- XIII. AMENDED DUTIES IN EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS
- XIV. WAIVER OF SUBROGATION
- XV. UNINTENTIONAL ERROR, OMISSION, OR FAILURE TO DISCLOSE HAZARDS
- XVI. EMPLOYEE HIRED AUTO PHYSICAL DAMAGE
- XVII. PRIMARY AND NONCONTRIBUTORY IF REQUIRED BY CONTRACT
- XVIII. HIRED AUTO – COVERAGE TERRITORY
- XIX. BODILY INJURY REDEFINED TO INCLUDE RESULTANT MENTAL ANGUISH



## BUSINESS AUTO COVERAGE FORM

### I. NEWLY ACQUIRED OR FORMED ENTITY (Broad Form Named Insured)

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- d. Any business entity newly acquired or formed by you during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity. Coverage under this provision is afforded only until the end of the policy period. Coverage does not apply to an "accident" which occurred before you acquired or formed the organization.

### II. EMPLOYEES AS INSURED

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- e. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

### III. AUTOMATIC ADDITIONAL INSURED

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- f. Any person or organization that you are required to include as additional insured on the Coverage Form in a written contract or agreement that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

### IV. EMPLOYEE HIRED AUTO LIABILITY

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

- g. An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

### V. SUPPLEMENTARY PAYMENTS

SECTION II - LIABILITY COVERAGE, A. Coverage, 2. Coverage Extensions, a. Supplementary Payments, Subparagraphs (2) and (4) are replaced by the following:

- (2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We are not obligated to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

**VI. FELLOW EMPLOYEE COVERAGE:**

SECTION II – LIABILITY COVERAGE, B. Exclusions, 5. Fellow Employee

This exclusion does not apply if you have workers' compensation insurance in-force covering all of your "employees". Coverage is excess over any other collectible insurance.

**VII. ADDITIONAL TRANSPORTATION EXPENSE**

SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions, a. Transportation Expenses, is replaced with the following:

We will pay up to \$50 per day to a maximum of \$1000 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss". If your business shown in the Declarations is other than an auto dealership, we will also pay up to \$1,000 for reasonable and necessary costs incurred by you to return a stolen covered auto from the place where it is recovered to its usual garaging location.

**VIII. HIRED AUTO PHYSICAL DAMAGE COVERAGE**

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions, the following is added:

- c. If hired "autos" are covered "autos" for Liability Coverage in this policy and Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this coverage form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire, subject to the following limit:
- (1) The most we will pay for "loss" to any hired "auto" is \$50,000 or Actual Cash Value or Cost of Repair, whichever is less
  - (2) \$500 deductible will apply to any loss under this coverage extension, except that no deductible shall apply to "loss" caused by fire or lightning
- Subject to the above limit and deductible we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own of similar size and type. This coverage extension is excess coverage over any other collectible insurance.

**IX. ACCIDENTAL AIRBAG DEPLOYMENT COVERAGE**

SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 3.a., is amended to add the following:

This exclusion does not apply to the accidental discharge of an airbag.

**X. LOAN/LEASE GAP COVERAGE**

SECTION III - PHYSICAL DAMAGE COVERAGE C. Limit of Insurance, the following is added:

4. In the event of a "total loss" to a covered "auto" shown in the schedule or declarations for which Collision and Comprehensive Coverage apply, we will pay any unpaid amount due on the lease or loan for that covered "auto," less:
  - a. The amount paid under the Physical Damage Coverage Section of the policy; and
  - b. Any:
    - (1) Overdue lease/loan payments at the time of the "loss";
    - (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage.
    - (3) Security deposits not returned by the lessor;
    - (4) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
    - (5) Carry-over balances from previous loans or leases.

**XI. GLASS REPAIR – DEDUCTIBLE WAIVER**

SECTION III - PHYSICAL DAMAGE COVERAGE, D. Deductible, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

**XII. TWO OR MORE DEDUCTIBLES**

SECTION III -PHYSICAL DAMAGE COVERAGE, D. Deductible, the following is added:

If two or more "company" policies or coverage forms apply to the same accident:

1. If the applicable Business Auto deductible is the smallest, it will be waived; or
2. If the applicable Business Auto deductible is not the smallest, it will be reduced by the amount of the smallest deductible; or
3. If the loss involves two or more Business Auto coverage forms or policies the smallest deductible will be waived.

For the purpose of this endorsement "company" means the company providing this insurance and any of the affiliated members of the Mercury Insurance Group of companies.

**XIII. AMENDED DUTIES IN EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS**

The requirement in SECTION IV, BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit, Or Loss, a., In the event of "accident", you must notify us of an "accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) A member, if you are a limited liability company; or
- (4) An executive officer or insurance manager, if you are a corporation.

**XIV. WAIVER OF SUBROGATION**

SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer of Rights Of Recovery Against Others To Us, section is replaced by the following:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

**XV. UNINTENTIONAL ERROR, OMISSION, OR FAILURE TO DISCLOSE HAZARDS**

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 2. Concealment, Misrepresentation, or Fraud, the following is added:

Any unintentional omission of or error in information given by you, or unintentional failure to disclose all exposures or hazards existing as of the effective date or at any time during the policy period shall not invalidate or adversely affect the coverage for such exposure or hazard or prejudice your rights under this insurance. However, you must report the undisclosed exposure or hazard to us as soon as reasonably possible after its discovery. This provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

**XVI. EMPLOYEE HIRED AUTO PHYSICAL DAMAGE**

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance, b. For Hired Auto Physical Damage Coverage, is replaced by the following:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

**XVII. PRIMARY AND NONCONTRIBUTORY IF REQUIRED BY CONTRACT**

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance, the following is added and supersedes any provision to the contrary:

e. This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

**XVIII. HIRED AUTO - COVERAGE TERRITORY**

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 7. Policy Period, Coverage Territory, e. Anywhere in the world if; is replaced by the following:

e. Anywhere in the world if:

- (1) A covered "auto" is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
- (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

**XIX. BODILY INJURY REDEFINED TO INCLUDE RESULTANT MENTAL ANGUISH**

SECTION V – DEFINITIONS, C. "Bodily Injury" is amended by adding the following:

"Bodily injury" also includes mental anguish but only when the mental anguish arises from other bodily injury, sickness, or disease.

Policy Number: CS TMGL0001143-00  
 Effective Date: 5/2/2023 11:59:00 AM

**ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS –  
 AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION  
 AGREEMENT WITH YOU (PRIMARY & NONCONTRIBUTORY)**

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This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Section II - Who is An Insured** is amended to include as an insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf; in the performance of your ongoing operations for the additional insured.

A person's or organization's status as an insured under this endorsement ends when your operations for that additional insured are completed.

**B. With respect to the insurance afforded these additional insureds, the following additional exclusion apply:**

This insurance does not apply to:

1. "Bodily injury", "property damage", "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
  - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - b. Supervisory, inspection, architectural or engineering activities.
2. "Bodily injury", "property damage" occurring after:
  - a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
  - b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project; or
  - c. "Property Damage" which manifests after expiration of the Policy.

If required by written contract or agreement, such insurance as is afforded by this policy shall be primary insurance, and any insurance or self insurance maintained by the above additional insured(s) shall be excess of the insurance afforded to the Named Insured and shall not contribute to it.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

## ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS (PRIMARY)

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART:

Name of Additional Insured Person(s) Or Organization.	Location and Description of Completed Operations:
We shall name person(s) or organization(s) as additional insured(s) to this insurance as required under a legally enforceable, fully executed written contract with the Named Insured, entered into before the claim or loss for which this policy applies.	Any operations performed under a written contract or agreement as described in the schedule of Name of Additional Insured Person(s) or Organization(s)

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and including in the "products-completed operations hazard."

No coverage, indemnity and/or defense obligations shall be provided under this endorsement to any person(s) or organization(s) claiming to be additional insured(s) for claims or losses which do not arise from the Named Insured's work or operations under a written contract and completed during the policy period. The Named Insured's mere presence at a work site shall not be deemed sufficient cause to require coverage, indemnity and/or defense to any person(s) or organization(s) claiming to be an additional insured under this endorsement.

There shall be no coverage, indemnity, and/or duty to defend any person(s) or organization(s) claiming to be an additional insured under this endorsement if the claim or loss does not arise, in whole or in part, from the negligence and/or fault of the Named Insured.

We have a right of reimbursement for attorney's fees and litigation expenses that can be allocated solely to claims not potentially covered.

If required by written contract or agreement, such insurance as is afforded by this policy shall be primary insurance, and any insurance or self insurance maintained by the above additional insured(s) shall be excess of the insurance afforded to the Named Insured and shall not contribute to it.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

### **Primary And Noncontributory Insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and

- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.



POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY  
CG 24 04 12 19

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART DESIGNATED SITES  
POLLUTION LIABILITY LIMITED COVERAGE PART DESIGNATED SITES  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY DESIGNATED TANKS

### **SCHEDULE**

<p><b>Name Of Person(s) Or Organization(s):</b></p> <p>Persons or organizations as required under a legally enforceable, fully executed written contract with the named insured, entered into before the claim or loss for which this policy applies.</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

We waive any right of recovery against the person(s) or organization(s) shown in the Schedule above because of payments we make under this Coverage Part. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss. This endorsement applies only to the person(s) or organization(s) shown in the Schedule above.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

**Designated Construction Project(s):** All Projects of the Insured where required by written contract.  
The General Aggregate Limited is \$2,000,000 per project with an absolute General Aggregate Limit of \$5,000,000 all projects for this policy.  
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
  4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

**B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.

**C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.

**D.** If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.

**E.** The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/21/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b>		<b>CONTACT NAME:</b> Vicky Salgado	
Brown & Brown Insurance Services of California, Inc		<b>PHONE (A/C, No, Ext):</b> (805) 965-0071	<b>FAX (A/C, No):</b> (805) 690-3200
License #0D04053		<b>E-MAIL ADDRESS:</b> Vicky.Salgado@bbrown.com	
1001 Mark Avenue, Suite 201		<b>INSURER(S) AFFORDING COVERAGE</b>	
Carpinteria CA 93013		<b>INSURER A:</b> State Compensation Insurance Fund of CA	<b>NAIC #</b> 35076
<b>INSURED</b>		<b>INSURER B:</b>	
ABV Scoreboard Services, Inc.		<b>INSURER C:</b>	
1270 Avenida Acaso, Ste. F		<b>INSURER D:</b>	
Camarillo CA 93012		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

**COVERAGES****CERTIFICATE NUMBER:** 23/24**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b>						EACH OCCURRENCE \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
							MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$
	OTHER:						\$
	<b>AUTOMOBILE LIABILITY</b>						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> OWNED AUTOS ONLY						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS ONLY						PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS						\$
	<input type="checkbox"/> NON-OWNED AUTOS ONLY						
	<b>UMBRELLA LIAB</b>						EACH OCCURRENCE \$
	<input type="checkbox"/> EXCESS LIAB						AGGREGATE \$
	<input type="checkbox"/> OCCUR						\$
	<input type="checkbox"/> CLAIMS-MADE						
	DED <input type="checkbox"/> RETENTION \$						
<b>A</b>	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>						<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below			93429802023	07/24/2023	07/24/2024	E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Waiver of Subrogation applies to the Workers Compensation per the attached form SCIF FORM 10217 (REV. 4-2018), as required by written contract.

**CERTIFICATE HOLDER****CANCELLATION**

City of Lathrop 390 Towne Centre Dr.  Lathrop, CA 95330	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE  <i>Vicky Salgado</i>

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ENDORSEMENT AGREEMENT  
WAIVER OF SUBROGATION  
BLANKET BASIS

Page 1

HOME OFFICE  
SAN FRANCISCO

9342980-23

ALL EFFECTIVE DATES  
AT 12:01 AM PACIFIC  
STANDARD TIME OR THE  
TIME INDICATED AT  
PACIFIC STANDARD TIME

NEW

EFFECTIVE July 24, 2023 AT 12:01 AM.  
AND EXPIRING July 24, 2024 AT 12:01 AM

Los Angeles  
8672132

**ABV SCOREBOARD SERVICES, INC.**

1270 AVENIDA ACASO, STE F  
CAMARILLO, CA 93012

WE HAVE THE RIGHT TO RECOVER OUR PAYMENTS FROM ANYONE LIABLE FOR AN INJURY COVERED BY THIS POLICY. WE WILL NOT ENFORCE OUR RIGHT AGAINST THE PERSON OR ORGANIZATION NAMED IN THE SCHEDULE.

THIS AGREEMENT APPLIES ONLY TO THE EXTENT THAT YOU PERFORM WORK UNDER A WRITTEN CONTRACT THAT REQUIRES YOU TO OBTAIN THIS AGREEMENT FROM US.

THE ADDITIONAL PREMIUM FOR THIS ENDORSEMENT SHALL BE 2.00% OF THE TOTAL POLICY PREMIUM.

SCHEDULE

PERSON OR ORGANIZATION

JOB DESCRIPTION

ANY PERSON OR ORGANIZATION  
FOR WHOM THE NAMED INSURED  
HAS AGREED BY WRITTEN  
CONTRACT TO FURNISH THIS  
WAIVER

BLANKET WAIVER OF SUBROGATION

NOTHING IN THIS ENDORSEMENT SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS POLICY OTHER THAN AS ABOVE STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR LIMITATIONS IN THIS ENDORSEMENT

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO: July 21, 2023

AUTHORIZED REPRESENTATIVE

PRESIDENT AND CEO

2572

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - BLANKET**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us).

The additional premium for this endorsement shall be **2%** % of the total California Workers' Compensation premium otherwise due.

Schedule

Person or Organization	Job Description
<b>ANY PERSON OR ORGANIZATION FOR WHOM THE NAMED INSURED IS REQUIRED UNDER WRITTEN CONTRACT TO FURNISH THIS WAIVER.</b>	<b>CALIFORNIA OPERATIONS ONLY.</b>

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective **07/24/2022** Policy No. **WSD 5066671 00** Endorsement No.

Insured **ABV SCOREBOARD SERVICES INC** Premium \$ **INCL.**

Insurance Company **INSURANCE COMPANY OF THE WEST**

Countersigned By \_\_\_\_\_

## ITEM 4.6

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM:** **AUTHORIZE THE CITY OF LATHROP TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH SAN JOAQUIN COUNTY SHERIFF AND LOCAL LAW ENFORCEMENT AGENCIES TO CREATE A PUBLIC SAFETY DATA EXCHANGE CONSORTIUM FOR THE PERIOD FEBRUARY 2024 THROUGH JANUARY 2029**

**RECOMMENDATION:** **Adopt a Resolution Authorizing the City of Lathrop to Enter Into a Memorandum of Understanding with San Joaquin County Sheriff and Local Law Enforcement Agencies to Create a Public Safety Data Exchange Consortium for the Period February 2024 through January 2029**

---

#### **SUMMARY:**

The Accurint Virtual Crime Center (AVCC) is a LexisNexis information-sharing platform that provides law enforcement agencies the ability to share law enforcement data to enhance public safety efforts. AVCC allows investigators from member agencies access to various computer aided dispatch, records management systems, and jail booking data from participating law enforcement agencies, as well as offers extensive public records searches. Additionally, AVCC allows member agencies the ability to generate custom reports and community crime mapping to share information with the public in a safe and useful manner. Access to AVCC data serves as a valuable tool to assist investigators from member agencies with locating potential suspects, ascertain criminal history, determine criminal threats, and obtain offender data as the information provided extends beyond internal records and basic public records searches. The San Joaquin County Sheriff's Office has utilized AVCC program since 2021, and they are proposing to create an AVCC Consortium with local law enforcement agencies to enhance public safety efforts in communities throughout San Joaquin County.

Participation in the Consortium has been extended to all cities within the County and the San Joaquin County District Attorney. The majority of the cities have expressed initial interest to participate in the consortium pending execution of the final agreements. The total cost for Lathrop to participate is approximately \$21,271. The cost may fluctuate slightly based on number of licenses for sworn officers using the crime center software. The City's ISD Director and Police Chief have vetted the use and security of the proposed crime center software, and are requesting City Council approve the proposed Memorandum of Understanding (Attached B.3) with the San Joaquin County Sheriff and local law enforcement agencies to create a public safety data exchange Consortium, for a period of five (5) years.

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**APPROVAL OF THE ACCURINT VIRTUAL CRIME CENTER SERVICES**  
**MEMORANDUM OF UNDERSTANDING**

**Page 2**

**REASON FOR RECOMMENDATION:**

The AVCC information-sharing platform will provide sworn officers of the Lathrop Police Department the ability to share law enforcement data in order to enhance public safety efforts. Lathrop sworn officers will be able to access various computer aided dispatch data, records management systems, and jail booking data from other participating law enforcement agencies, as well as access to extensive public records searches.

**FISCAL IMPACT:**

The cost for the AVCC Consortium over five years is \$517,096. The cost for Year 1 is \$120,000, and it will be partially funded from the San Joaquin County Sheriff's budget, with 2021 State Homeland Security Grant funds.

Years 2-5 will be paid by the participating agencies based on a prorated share, determined by the percentage of the agency's number of allocated full-time sworn personnel in the Consortium. The Lathrop's Police Department prorated portion for Years 2- 5 is estimated to be between \$5,100 to 5,600 per year, or approximately \$21,271 total for the length of the MOU Agreement. Staff is proposing to use existing funds currently allocated in the Lathrop Police Department's FY 2023-2024 budget.

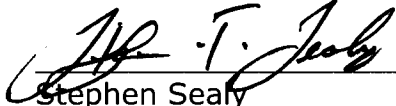
**ATTACHMENTS:**

- A. Resolution Authorizing a Memorandum of Understanding with San Joaquin County Sheriff and Local Law Enforcement Agencies To Create a Public Safety Data Exchange Consortium for the Period February 2024 Through January 2029
- B. San Joaquin County Board Packet presented January 9, 2024, which includes:
  - 1. Board Report from San Joaquin Sheriff
  - 2. Board Resolution
  - 3. Draft Memorandum of Understanding with Member Agencies



**CITY MANAGER'S REPORT  
FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
APPROVAL OF THE ACCURINT VIRTUAL CRIME CENTER SERVICES  
MEMORANDUM OF UNDERSTANDING**

**APPROVALS:**

  
\_\_\_\_\_  
Stephen Sealy  
Interim Chief of Police

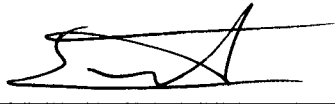
2/8/2024  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director

2/8/2024  
Date

  
\_\_\_\_\_  
Thomas Hedegard  
Deputy City Manager

2/8/2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

2.8.2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2.8.24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP AUTHORIZING A MEMORANDUM OF UNDERSTANDING WITH SAN JOAQUIN COUNTY SHERIFF AND LOCAL LAW ENFORCEMENT AGENCIES TO CREATE A PUBLIC SAFETY DATA EXCHANGE CONSORTIUM FOR THE PERIOD FEBRUARY 2024 THROUGH JANUARY 2029**

**WHEREAS**, Accurint Virtual Crime Center (AVCC) is a LexisNexis information-sharing platform that provides law enforcement agencies the ability to share law enforcement data to enhance public safety efforts; and

**WHEREAS**, the San Joaquin County Sheriff's Office has utilized AVCC program since 2021, and they are proposing to create an AVCC Consortium with local law enforcement agencies to enhance public safety efforts in communities throughout San Joaquin County; and

**WHEREAS**, participation in the Consortium has been extended to all cities within the County and the San Joaquin County District Attorney, and the majority of the cities have expressed initial interest to participate in the consortium pending execution of the final agreements;

**WHEREAS**, the total cost for Lathrop to participate is approximately \$21,271, however, this cost may fluctuate slightly based on number of licenses for sworn officers using the crime center software; and

**WHEREAS**, the City's ISD Director and Police Chief have vetted the use and security of the proposed crime center software, and are requesting City Council approval to enter into a Memorandum of Understanding with the San Joaquin County Sheriff and local law enforcement agencies to create a public safety data exchange Consortium, for a period of five (5) years; and

**WHEREAS**, the cost for the AVCC Consortium over five years is \$517,096, the cost for Year 1 is \$120,000, and it will be partially funded from the San Joaquin County Sheriff's budget with 2021 State Homeland Security Grant funds; and

**WHEREAS**, years 2-5 will be paid by the participating agencies based on a prorated share, determined by the percentage of the agency's number of allocated full-time sworn personnel in the Consortium; and

**WHEREAS**, the Lathrop's Police Department prorated portion for Years 2- 5 is estimated to be between \$5,100 to 5,600 per year, or approximately \$21,271 total for the length of the MOU Agreement, staff is proposing to use existing funds currently allocated in the Lathrop Police Department's FY 2023-2024 budget.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby authorize the City Manager to sign the proposed Memorandum of Understanding with San Joaquin County Sheriff and Local Law Enforcement Agencies to Create a Public Safety Data Exchange Consortium for the Period February 2024 through January 2029, in substantially the form attached as Attachment B.3.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

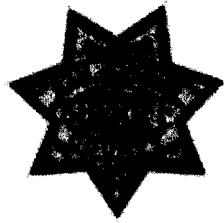
OFFICE OF

SHERIFF

COUNTY OF SAN JOAQUIN

7000 Michael N. Carls Blvd  
French Camp, California 95231-9781

December 21, 2023



**Patrick Withrow**  
Sheriff  
Public Administrator

Board of Supervisors  
County of San Joaquin  
44 N. San Joaquin St., Suite 627  
Stockton, California 95202

Dear Board Members:

**APPROVE A FIVE-YEAR AGREEMENT TOTALING \$517,096 WITH  
LEXISNEXIS FOR ACCURINT VIRTUAL CRIME CENTER SERVICES AND  
AUTHORIZE THE SHERIFF TO ENTER INTO A MEMORANDUM OF  
UNDERSTANDING WITH SAN JOAQUIN COUNTY LOCAL LAW  
ENFORCEMENT AGENCIES TO CREATE A PUBLIC SAFETY DATA  
EXCHANGE CONSORTIUM FOR THE  
PERIOD FEBRUARY 1, 2024 THROUGH JANUARY 31, 2029**

**RECOMMENDATION**

It is recommended that the Board of Supervisors authorize:

1. The Director of Purchasing to enter into a 5-year agreement totaling \$517,096 with LexisNexis for Accurint Virtual Crime Center services for the period February 1, 2024 through January 31, 2029; and
2. The Sheriff to enter into a Memorandum of Understanding with San Joaquin County law enforcement agencies to create a San Joaquin County public safety data exchange consortium.

**REASON FOR RECOMMENDATION**

Accurint Virtual Crime Center (AVCC) is a LexisNexis information sharing platform that provides law enforcement agencies the ability to share law enforcement data to enhance public safety efforts.

AVCC allows investigators access to various computer aided dispatch, records management system, and jail booking data from participating law enforcement agencies, as well as offers extensive public records searches.

Board of Supervisors  
 RE: SO - AVCC Consortium  
 December 21, 2023  
 Page 2

Additionally, AVCC allows agencies the ability to generate custom reports and community crime mapping to share information with the public in a safe and meaningful way. Access to AVCC data serves as a valuable tool to assist investigators with locating individuals, ascertain criminal history, determine criminal threats, and obtain offender data as the information provided extends beyond internal records and basic public records searches.

The Sheriff's Office has utilized AVCC since 2021 and proposes to create an AVCC Consortium with local law enforcement agencies to enhance public safety efforts in communities throughout San Joaquin County. Participation in the Consortium has been extended to the cities within the County and the San Joaquin County District Attorney. The majority of the cities have expressed initial interest to participate in the consortium pending execution of the final agreements.

#### **FISCAL IMPACT**

The cost for an AVCC Consortium over five years is \$517,096. Year one costs of \$120,000 will be partially funded with 2021 State Homeland Security Grant funds of \$113,240 budgeted in the Office of Emergency Services Homeland Security budget (#2026000150) and the remaining balance of \$6,760 in the Sheriff's Information Systems budget (#2021649000). Years 2-5 will be paid by participating agencies based on a prorated share, determined by the percentage of the agency's number of allocated full-time sworn personnel in the Consortium. The Sheriff's Office prorated portion for years 2-5 is estimated to be between \$40,000 and \$50,000.

Appropriations, offsetting revenues, and cost reimbursements for years 2-5 will be budgeted in the Sheriff's Information Systems budget (#2021649000) for fiscal years 2024-2025 through 2027-2028.

#### **ACTION TO BE TAKEN FOLLOWING APPROVAL**

The Sheriff's Office will work with the Purchasing Department to execute the agreement and participating agencies to execute the MOU.

Sincerely,



PATRICK WITHROW  
 Sheriff-Public Administrator


Board of Supervisors  
RE: SO - AVCC Consortium  
December 21, 2023  
Page 3

c: County Administrator  
County Counsel  
Board Clerk for Agenda 01-09-2024

Reviewed by County Administrator's Office:

Reviewed by County Counsel's Office:

  
\_\_\_\_\_  
Mo Hater 12/26/2023

  
\_\_\_\_\_  
Richard V. Sordello 12/26/2023

# Before the Board of Supervisors

County of San Joaquin, State of California

B-

APPROVE A FIVE-YEAR AGREEMENT TOTALING \$517,096 WITH LEXISNEXIS FOR ACCURINT VIRTUAL CRIME CENTER SERVICES AND AUTHORIZE THE SHERIFF TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH SAN JOAQUIN COUNTY LOCAL LAW ENFORCEMENT AGENCIES TO CREATE A PUBLIC SAFETY DATA EXCHANGE CONSORTIUM FOR THE PERIOD FEBRUARY 1, 2024 THROUGH JANUARY 31, 2029

THIS BOARD OF SUPERVISORS DOES HEREBY authorize the Director of Purchasing to enter into a 5-year agreement totaling \$517,096 with LexisNexis for Accurint Virtual Crime Center for the period February 1, 2024 through January 31, 2029; and

FURTHER, authorizes the Sheriff to enter into a Memorandum of Understanding with San Joaquin County law enforcement agencies to create a San Joaquin County public safety data exchange consortium.

I HEREBY CERTIFY that the above order was passed and adopted on by the following vote of the Board of Supervisors, to wit:

MOTION:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: RACHÉL DeBORD  
Clerk of the Board of Supervisors  
County of San Joaquin  
State of California



By: \_\_\_\_\_  
Deputy Clerk

Attachment: Board Order (SO - AVCC Consortium)

**SAN JOAQUIN COUNTY DATA SHARING INITIATIVE  
MEMORANDUM OF UNDERSTANDING  
ACCURINT VIRTUAL CRIME CENTER  
Administrative and Financial Sharing Agreement**

This Memorandum of Understanding (MOU) is entered into by and between San Joaquin County Sheriff-Public Administrator (Lead Agency) and [insert legal name of Agency] (Participating Agency / Associate Member) (each a Party, and together with additional Participating Agencies and Associate Members, the Parties).

WHEREAS, [Participating Agency] desires to collaborate on data sharing, as part of the San Joaquin County Data Sharing Initiative (Initiative), to improve the effectiveness of the San Joaquin County criminal justice system, and

WHEREAS, the Lead Agency and local San Joaquin County Law Enforcement Chiefs (Chiefs Council) finds that Lexis Nexis Risk Solutions (LexisNexis) Accurint Virtual Crime Center (AVCC) is a sustainable data sharing solution that best meets the needs of San Joaquin County and permits effective data sharing between all San Joaquin County related law and justice agencies and other AVCC nodes throughout the United States, and

WHEREAS, this MOU outlines Initiative expectations, formalizes relationships between Parties, and outlines the commitments necessary for the successful continuance of the Initiative. Upon execution of this MOU, the Parties agree to adhere to the following:

**I. PURPOSE**

The purpose of this MOU is to provide Parties access to LexisNexis AVCC software for the purpose of data sharing to gain awareness with respect to the communities for which they serve, to facilitate departmental investigations, to enhance interagency cooperation through multijurisdictional investigations, and to establish a means for long-term governance of the Initiative to ensure sustainability and obtain AVCC funding, and to amend this MOU, as necessary, to more fully integrate the automation and processes that serve the San Joaquin County criminal justice system.

**II. INITIATIVE COMPOSITION**

The Initiative shall be composed of the following members:

Lead Agency – An agency which serves as the central point of contact for all Parties and is assigned to organize the interagency oversight and implementation of AVCC.

Participating Agency – An agency that agrees to contribute law enforcement data such as, but not limited to, Records Management System (RMS), Computer Aided Dispatch (CAD), and/or Jail Management System (JMS) data with Initiative Parties.

Attachment: SJC Data Sharing MOU (SO - AVCC Consortium)



Associate Member – An agency that shall be limited to “read-only” AVCC access and does not contribute CAD/RMS/JMS data with Initiative Parties.

The Chiefs Council may approve a Participating Agency and/or Associate Member upon a two-thirds majority vote and shall assess charges for accessing AVCC as stated in Section IV – Financial Implications.

**III. AVCC IMPLEMENTATION**

AVCC shall be implemented by LexisNexis project management personnel, in coordination with the Lead Agency, through the AVCC Implementation Team consisting of, at minimum, one (1) sworn law enforcement officer and one (1) technology specialist from each Participating Agency. LexisNexis shall be authorized to form working groups of personnel from any Participating Agency and LexisNexis, as necessary, to integrate automation systems of Initiative members. Parties shall agree that personnel assigned to working groups shall participate as required to achieve the Initiative’s goals.

All Participating Agencies and Associate Members shall be responsible for executing the LexisNexis Consortium Sub-Agency Addendum in order to participate and gain access to AVCC.

**IV. FINANCIAL IMPLICATIONS**

The first year of AVCC subscription fees will be covered by Homeland Security Grant (HSGP) funding. Participating agencies shall agree to provide funding for years two (2) through (5), in assessed amounts based on the number of sworn personnel, of AVCC annual subscription and maintenance fees. AVCC maintenance fees are anticipated to increase three percent (3%) each year.

Parties’ assessments shall be reevaluated annually or when there is a change in Initiative membership, using the number of full-time equivalent sworn personnel. Any disputes regarding sworn officer data or other assessment criteria shall be determined by a two-thirds majority vote of the Chiefs Council.

Each Party shall assume all personnel costs for its personnel and/or officers (Authorized Users) assigned to the Initiative, including salaries, benefits, and overtime. All payments made by any Lead Agency, Participating Agency, and/or Associate Member pursuant to this MOU are non-refundable.

**V. POLICY AND DIRECTION**

The policies and management of the Initiative shall be consistent with this MOU and shall be at the direction of the Chiefs Council.

**VI. INITIATIVE ADMINISTRATION**

Project Management – The Lead Agency and shall provide administrative assistance to Parties to assist with Initiative implementation.

Administrative Support – Parties shall provide any administrative assistance to the Initiative as required.

Tracking and Resolving of Initiative Implementation Issues – Lead Agency shall track and address all issues affecting Initiative implementation and shall be assisted by the AVCC Implementation Team, as needed; issues shall not be directly related to conflict resolution.

Records and Reports – Lead Agency shall maintain all records associated with AVCC Implementation. Lead Agency shall also maintain records regarding Participating Agency and/or Associate Member financial contributions and grant funding.

Conflict Resolution – Any conflict resolution during the term of the MOU shall be managed by the Chief’s Council.

Media Relations – Participating agencies may release information to the press or make social media posts consistent with the participating agency’s media related press policy. Participating agencies releasing information directly associated with or gained from AVCC in which the participating agency does not have jurisdiction, shall consult with the agency with jurisdiction over the investigation or matter prior to release.

The Lead Agency may release information related to the overall use, functionality, and purpose of AVCC.

**VII. RESTRICTIONS ON USE**

Parties shall limit AVCC access to Authorized Users assigned to gather data solely for the purpose of this MOU as stated in Section I. – Purpose. Parties shall not, and will not, permit access to AVCC by third-parties, or any personnel not deemed as Authorized Users.

**VIII. DATA ACCESS AND SECURITY**

Data Access – Parties shall comply with the Federal Bureau of Investigation’s (FBI) Criminal Justice Information Service (CJIS) Security Policy Requirements and be aware of any CJIS addendums. Parties’ Authorized Users shall be provided query capabilities through their agency’s internet service. The information residing in the data repositories shall generally be available. Participating Agencies shall inform the Lead Agency in advance whenever possible, of scheduled downtime of specific data feeds, system outages, or significant upgrades.

Data Sharing – Parties shall collectively share data to AVCC with comprehensive, timely, and accurate information about suspects or offenders including, but not limited to, identity, prior agency contacts, citations, arrests, and investigations.

Security – Parties shall maintain and enforce security requirements for personnel accessing AVCC. Each Party shall be responsible for maintaining internal security of their agency’s records and any technical support necessary to ensure proper security.

**IX. NETWORK EQUIPMENT AND MAINTENANCE**

Parties shall provide all network equipment necessary to connect to AVCC. Parties shall perform routine maintenance on any intermediary server that their agency may require including, but not limited to, routine operating system upgrades and troubleshooting at the request of LexisNexis. All network equipment and system maintenance required by a Party shall be completed at the sole expense of the Party and shall in no way be construed as a financial obligation by other Parties.

**X. AUTHORIZED USER TRAINING**

Parties shall ensure Authorized Users receive requisite training, either virtually or in-person, as provided by LexisNexis personnel.

**XI. TERM AND TERMINATION**

This MOU shall be effective upon the date of full execution by all Parties and shall continue up to and including [insert date], with the option to extend the MOU up to five (5) one-year periods upon written agreement between the Lead Agency and LexisNexis. Participating Agency Parties may withdraw their participation from the Initiative upon a 30-day advance written notification to the Lead Agency and the Chiefs Council. A Party’s withdrawal from the Initiative shall not negate the remaining Parties’ participation and agreement under the existing MOU. The Lead Agency shall facilitate any and all documentation to properly withdraw the Party from the Initiative on behalf of the Chiefs Council.

**XII. MOU AMENDMENTS**

Parties agree any alterations, variations, modifications, termination, or waivers of the provisions of this MOU, shall be valid only when reduced to writing, approved by a two-thirds majority vote of the Chiefs Council, executed and attached to the original MOU and approved by the person(s) authorized to do so on behalf of the Parties. Any amendments to this MOU shall be facilitated by the Lead Agency and no amendments shall be deemed valid unless signed by the Sheriff-Public Administrator through the delegation of authority assigned via the County Board of Supervisors.

**XIII. INTERAGENCY AGREEMENTS**

The Lead Agency shall be authorized by the Chiefs Council to enter into Interagency Agreements with AVCC nodes for the purpose of data sharing and access. The Lead Agency shall obtain approval for the Interagency Agreements from the Association and the San Joaquin County Board of Supervisors before entering into such Interagency Agreements.

**XIV. INDEMNIFICATION**

Each Party agrees to indemnify , defend (with counsel reasonably approved by the other party) and hold harmless any other Party, its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of the indemnitor’s conduct related to this MOU from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the indemnified party on account of

any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees.

#### **XV. LIMITATION OF LIABILITY**

The provisions contained herein include any violation of applicable law, ordinance, regulation, or rule, including where the claim, loss, damage, charge, or expense was caused by deliberate, willful, or criminal acts of any Party, or any of its agents, officers, or employees in its, or their, performance hereunder.

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the Agencies who are parties to this agreement pursuant to Government Code section 895.6, the Parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead, pursuant to Government Code section 895.4, each Party hereto shall fully indemnify and hold each of the other Parties, their officers, board members, employees, and agents harmless from any claim, expense or cost, and damage or liability imposed for injury (as defined by Government Code section 810.8) occurring by reason of the negligent acts, omissions, or willful misconduct of the indemnifying party, its officers, board members, employees, or agents, under or in connection with or arising out of any work, authority, or jurisdiction delegated to such party under this Agreement. No party, nor any officer, board member, employee, or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other Parties hereto, their officers, board members, employees, or agents, under or in connection with or arising out of any work, authority, or justification delegated to such other Parties under this Agreement.

Parties shall establish procedures to notify other Parties where appropriate of any claims, administrative actions, or legal actions concerning any of the matters described in this indemnification provision. Parties shall cooperate in defense of such actions brought by others concerning the matters covered in this MOU. Nothing set forth in this MOU shall establish a standard of care for, or create any legal rights in, any person not a party to this MOU.

#### **XVI. CHOICE OF LAW**

This MOU shall be governed by and construed according to the laws of the State of California.

#### **XVII. VENUE**

The Parties acknowledge and agree that this MOU was entered into and intended to be performed in San Joaquin County, California. The Parties agree that the venue of any action or claim brought by any party to the MOU will be the Superior Court of California, San Joaquin County. Each Party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue.

#### **XVIII. LEGALITY AND SEVERABILITY**

The Parties' actions under this MOU shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. The provisions of this MOU are specifically made

severable. If a provision of this MOU is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

**XIX. AMBIGUITY**

Each Party has carefully reviewed, and agreed to, the provisions of this MOU. No ambiguity shall be presumed to be construed against any other Party.

**XX. INSURANCE**

Each Party is either an insured, or authorized self-insured, public entity for purposes of Professional Liability, General Liability, Automobile Liability, Worker’s Compensation and Property Damage and warrants that through their respective programs of insurance or self-insurance, they have adequate coverage or resources to protect against liabilities arising out of the performance of the terms, conditions, or obligations of this MOU.

**XXI. ENTIRE AGREEMENT**

This MOU, including all Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the Parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of the MOU not expressly set forth herein are of no force or effect. This MOU is executed without reliance upon any promise, warranty or representation by any Party or any representative of any Party other than those expressly contained herein. Each Party has carefully read the MOU and signs the same of its own free will.

**XXII. ELECTRONIC SIGNATURES**

This MOU may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same MOU. The Parties shall be entitled to sign and transmit an electronic signature of this MOU (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the Party whose name is contained therein. Each Party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed MOU upon request.

IN WITNESS WHEREOF, San Joaquin County Sheriff-Public Administrator and the [Participating Agency/Associate Member] have each caused the MOU to be subscribed by its respective duly authorized officers, on its behalf.

IN WITNESS WHEREOF, San Joaquin County Sheriff-Public Administrator and the [Participating Agency] have each caused the MOU to be subscribed by its respective duly authorized officers, on its behalf.

Attachment: SJC Data Sharing MOU (SO - AVCC Consortium)

**San Joaquin County**

**Participating Agency**

County Counsel

City Attorney

Richard Sordello \_\_\_\_\_ Date

NAME \_\_\_\_\_ Date

Sheriff- Public Administrator

Agency Chief

Patrick Withrow \_\_\_\_\_ Date

Agency Chief Name \_\_\_\_\_ Date

Attachment: SJC Data Sharing MOU (SO - AVCC Consortium)

**ITEM: APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH PFM ASSET MANAGEMENT LLC FOR INVESTMENT ADVISORY SERVICES**

**RECOMMENDATION: Adopt Resolution to Approve a Professional Services Agreement with PFM Asset Management LLC for Investment Advisory Services for a Term of Two (2) Years with an Option to Renew Two (2) Additional One-Year Periods**

---

**SUMMARY:**

The City of Lathrop has received Investment Advisory Services from PFM Asset Management LLC (PFMAM) since 1994. PFMAM provides Investment Advisory Services that align with the City's investment objectives of the governing body (in order of priority) which include: Safety – Preservation of the principal of invested funds, Liquidity – Ability to liquidate one or more of the City's investments if unexpected expenditures arise, and Return – Attainment of a market rate of return. In the last Quarterly Treasurer Report presented to Council on January 8, 2024, the City's pooled assets totaled \$288 million through the Quarter that ended on September 30, 2023.

Since late 2021, market conditions have drastically improved for safe investments targeted by the City's investment policy. In an effort to capitalize on changing market conditions, the City has directed additional assets to its PFM Asset Management account. With the increase in the assets under management, the managing fees have reached an amount that exceeds the City Manager's signing authority. Staff is recommending council adopt a resolution approving a professional services agreement with PFM Asset Management LLC for Investment Advisory Services for a term of two (2) years with an option to renew two (2) additional one-year periods.

The City has continually relied upon PFMAM to manage the City's portfolio over the years with assets under management now totaling more than \$150 million. In the last year, the City has earned an estimated \$1.6 million in interest from its PFMAM investments. With the additional assets under management the return is expected to increase from favorable market conditions paired with the increase in invested City assets.

**BACKGROUND:**

PFM Asset Management, LLC (PFMAM) manages over \$166.3 billion for public entities nationwide and has a strong history of providing professionals dedicated to actively managing and supporting the administration of fixed-income operating funds, capital funds and reserves, and bond proceeds. PFMAM takes a client-first approach to

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**APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH PFM ASSET**  
**MANAGEMENT LLC FOR INVESTMENT ADVISORY SERVICES**

understand the specific challenges the City faces today so that they can build solutions that last into the future.

PFMAM is nationally recognized as one of the leading investment advisory agency, specializing in providing services to the public sector. Some of the services PFM provides are:

- Annual review of the City's Investment Policy
- Cash flow analysis to determine current and future liquidity needs
- Develop and implement investment strategy and benchmarks

PFMAM has helped the City implement safe investment programs that optimized investment returns, provide liquidity, and complies with the requirements of the California Government Code and the City's Investment Policy. Since 2015, the City has earned \$4.8 million in interest, \$1.6 million coming in the last year.

As of January 31, 2024, the City's portfolio with PFMAM has reached more than \$150 million. Since late 2021, market conditions have drastically improved for safe investments targeted by the City's investment policy. In an effort to capitalize on changing market conditions the City has directed additional assets to its PFM Asset Management account. With the increase in the assets under management, the managing fees have reached an amount that exceeds the City Manager's signing authority. Staff is recommending council adopt a resolution approving a professional services agreement with PFM Asset Management LLC for Investment Advisory Services.

**REASON FOR RECOMMENDATION:**

The City's current investment policy provides the Finance Department with direction as to the investment objectives of the City Council: 1) Safety, 2) Liquidity, and 3) Yield/ Return. It also establishes standards by Council concerning the prudent care of City invested funds, the ethics of the investment officer, and internal controls/ reporting procedures. PFMAM's focus is solely on institutional clients, including cities, counties, school districts, pension funds, utilities, insurance pools, higher education, and healthcare institutions.

PMFAM assists the City with implementation of safe investment programs that optimize investment returns, provide liquidity and complies with the requirements of the California Government Code and the City's Investment Policy. Staff is recommending council adopt a resolution approving a professional services agreement with PFM Asset Management LLC for Investment Advisory Services for a term of two (2) years with an option to renew two (2) additional one-year periods.



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**FISCAL IMPACTS:**

PFMAM’s fees are asset-based with a minimum annual fee of \$40,000. Table 1 below is the City’s current fee schedule. PFMAM is not proposing any changes to the current schedule.

Table 1:

<b>Assets Under Management</b>	<b>Annual Fee Rate</b>
<b>\$0 to \$50 million</b>	9 basis points (0.09%)
<b>Next \$50 million</b>	7 basis points (0.07%)
<b>Assets greater than \$100 million</b>	6 basis points (0.06%)


With the City’s current assets under management of \$159 million, the annual fee is estimated to be \$115,400. Fees are charged monthly in arrears based on the daily net assets under management on an amortized cost basis, including accrued interest, for the month. The fees are subject to change as the assets under management increases or decreases.

**ATTACHMENTS:**

- A. Resolution to Approve a Professional Services Agreement with PFM Asset Management LLC for Investment Advisory Services
- B. PFM Asset Management LLC Professional Services Agreement

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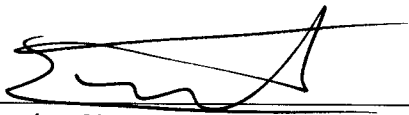
**APPROVALS:**

  
\_\_\_\_\_  
Cari James  
Director of Finance

2/5/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Thomas Hedegard  
Deputy City Manager

1/30/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

2-1-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/6/24  
\_\_\_\_\_  
Date

**RESOLUTION NO. 24-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH PFM  
ASSET MANAGEMENT LLC FOR INVESTMENT ADVISORY SERVICES**

**WHEREAS**, the City of Lathrop has received Investment Advisory Services from PFM Asset Management LLC (PFMAM) since 1994; and

**WHEREAS**, PFMAM assists the City with implementation of safe investment programs that optimize investment returns, provide liquidity and complies with the requirements of the California Government Code and the City’s Investment Policy; and

**WHEREAS**, the City’s current investment policy provides the Finance Department with direction as to the investment objectives of the City Council (in order of priority):

1. Safety – Preservation of the principal of invested funds
2. Liquidity – Ability to liquidate one or more of the City’s investments if unexpected expenditures arise
3. Yield/Return – Attainment of a market rate of return; and

**WHEREAS**, the City has continually relied upon PFMAM to manage the City’s portfolio over the years with assets under management now totaling more than \$150 million; and

**WHEREAS**, with the City’s current assets under management of \$159 million, the annual fee is estimated to be \$115,400; and

**WHEREAS**, PFMAM’s fees are asset-based with a minimum annual fee of \$40,000. Table 1 below is the City’s current fee schedule and fees are charged monthly in arrears based on the daily net assets under management on an amortized cost basis, including accrued interest, for the month;

Table 1:

<b>Assets Under Management</b>	<b>Annual Fee Rate</b>
<b>\$0 to \$50 million</b>	9 basis points (0.09%)
<b>Next \$50 million</b>	7 basis points (0.07%)
<b>Assets greater than \$100 million</b>	6 basis points (0.06%)

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop, does hereby approve a Professional Services Agreement with PFM Asset Management LLC for Investment Advisory Services.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:


ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Teresa Vargas, City Clerk

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

## AGREEMENT FOR INVESTMENT ADVISORY SERVICES BETWEEN THE CITY OF LATHROP AND PFM ASSET MANAGEMENT, LLC

THIS AGREEMENT, dated for convenience this 12<sup>th</sup> day of February 2024, is by and between **PFM ASSET MANAGEMENT, LLC** ("ADVISOR") and the **CITY OF LATHROP**, a California municipal corporation ("CITY");

### RECITALS:

**WHEREAS**, ADVISOR is specially trained, experienced, and competent to perform investment advisory services, which are required by this Agreement; and

**WHEREAS**, CITY selected the ADVISOR pursuant to said qualifications; and

**WHEREAS**, ADVISOR is willing to render such investment advisory services, as hereinafter defined, on the following terms and conditions;

**NOW, THEREFORE**, ADVISOR and the CITY agree as follows:

### AGREEMENT

(1) **Scope of Service.**

ADVISOR agrees to perform investment advisory services in accordance with the scope of work and fee proposal provided by ADVISOR, attached hereto as Exhibit "A" and incorporated herein by reference. ADVISOR agrees to diligently perform these services in accordance with the upmost standards of the industry.

- (a) **Additional Work.** If changes in the work seem merited by ADVISOR or the CITY, and informal consultations with the other party indicate that a change is warranted, it shall be processed in the following manner: ADVISOR shall forward a letter outlining the changes to the CITY with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the CITY and executed by both Parties before performance of such services, or the CITY will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

(2) **Compensation.**

Subject to Section 14 below, CITY hereby agrees to pay ADVISOR an annual fee, in monthly installments, based on the daily net assets under management as set forth in Exhibit "A" for investment advisory services and incorporated herein by

**CITY OF LATHROP – INVESTMENT ADVISORY SERVICES  
PFM ASSET MANAGEMENT LLC**

reference. “Daily net assets” is defined to include the amortized value of securities, accrued interest and the market value of cash or any money market fund balance.

ADVISOR shall be paid any uncontested sum due and payable within thirty (30) days of receipt of billings containing all information pursuant to Section 5 below. In no event shall ADVISOR be entitled to compensation for work not included in Exhibit “A”, unless a written change order or authorization describing the extra work and payment terms has been executed by CITY’s authorized representative prior to the commencement of the work.

**(3) Effective Date and Term.**

The effective date of this Agreement is February 12, 2024, and it shall terminate no later than June 30, 2025 (which includes fiscal years ending June 30, 2024 and 2025), provided that the CITY may renew this agreement for an additional two (2) fiscal year periods, commencing on July 1 of 2025 and 2026. Each such renewal shall be automatic unless ADVISOR is given thirty (30) days written notice of CITY’s intention not to renew this agreement.

**(4) Independent Contractor Status.**

It is expressly understood and agreed by both parties that ADVISOR, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and not an employee of the CITY. As an independent contractor, ADVISOR is responsible for controlling the means and methods to complete the scope of work described in Exhibit “A” to City’s satisfaction. ADVISOR expressly warrants not to represent, at any time or in any manner, that ADVISOR is an employee of the CITY.

**(5) Billings.**

Except as specifically authorized by CITY, ADVISOR shall not bill CITY for duplicate services performed by more than one person. In no event shall ADVISOR submit any billing for an amount in excess of the rates or the maximum amount of compensation provided in Section 2 for either task or for the entire Agreement, unless modified by a properly executed change order.

**(6) Advice and Status Reporting.**

ADVISOR shall provide the CITY with timely reports, orally or in writing, of all significant developments arising during performance of its services hereunder, and shall furnish to CITY such information as is necessary to enable CITY to monitor the performance of this Agreement.

**CITY OF LATHROP – INVESTMENT ADVISORY SERVICES  
PFM ASSET MANAGEMENT LLC**

**(7) Assignment of Personnel.**

ADVISOR shall assign only competent personnel to perform services pursuant to this Agreement. If CITY asks ADVISOR to remove a person assigned to the work called for under this Agreement, ADVISOR agrees to do so promptly, without requiring the CITY to process a reason or explanation for its request.

**(8) Assignment and Subcontracting.**

It is recognized by the parties hereto that a substantial inducement to CITY for entering into this Agreement was, and is, the professional reputation and competence of ADVISOR. Neither this Agreement nor any interest therein may be assigned by ADVISOR without the prior written approval of CITY'S authorized representative except if the rights and obligations of the Advisor are assigned to the Advisor's parent company, U.S. Bancorp Asset Management, Inc., or any other U.S. Bancorp affiliated registered investment adviser, provided, however, that the CITY be provided seven (7) days' prior written notice of such assignment. ADVISOR shall not subcontract any portion of the performance contemplated and provided for herein, other than the subcontractors noted in the proposal, without prior written approval of the CITY'S authorized representative.

**(9) Insurance.**

On or before beginning any of the services or work called for by any term of this Agreement, ADVISOR, at its own cost and expense, shall carry, maintain for the duration of the Agreement, and provide proof thereof that is acceptable to the CITY the insurance specified in subsections (a) through (c) below with insurers and under forms of insurance satisfactory in all respects to the CITY. ADVISOR shall not allow any subcontractor to commence work on any subcontract until all insurance required of the ADVISOR has also been obtained for the subcontractor. Verification of this insurance shall be submitted and made part of this Agreement prior to execution.

- (a) Workers' Compensation. ADVISOR shall, at ADVISOR'S sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by ADVISOR. Said Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than one million dollars. In the alternative, ADVISOR may rely on a self-insurance program to meet these requirements provided that the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the ADVISOR, if a program of self-insurance is provided, shall waive all rights of subrogation

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against the CITY for loss arising from work performed under this Agreement.

- (b) Commercial General and Automobile Liability Insurance. ADVISOR, at ADVISOR'S own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than one million dollars per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of non-owned automobiles.

Coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (ed. 11/88) and Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 1 (any auto).

Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- (i) CITY, its officers, employees, agents, and volunteers are to be covered as insured with respect to each of the following: liability arising out of activities performed by or on behalf of ADVISOR, including the insured's general supervision of ADVISOR; products and completed operations of ADVISOR; premises owned, occupied or used by ADVISOR. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents, or volunteers.
- (ii) The insurance shall cover on an occurrence or an accident basis, and not on a claim made basis.
- (iii) An endorsement must state that coverage is primary insurance and that no other insurance affected by the CITY will be called upon to contribute to a loss under the coverage.
- (iv) Any failure of ADVISOR to comply with reporting provisions of



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**PFM ASSET MANAGEMENT LLC**

the policy shall not affect indemnification provided to CITY and its officers, employees, agents, and volunteers.

- (v) Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A-: VII.
- (vi) Notice of cancellation or non-renewal must be received by CITY at least thirty days prior to such change.
- (c) Professional Liability. ADVISOR, at ADVISOR'S own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for professionals performing work pursuant to this Agreement in an amount not less than One Million Dollars (\$1,000,000) per claim made and per policy aggregate covering the licensed professionals' errors and omissions, as follows:
  - (i) Any deductible or self-insured retention shall be the sole responsibility of the ADVISOR.
  - (ii) Notice of cancellation or non-renewal must be received by the CITY at least thirty days prior to such change.
  - (iii) The following provisions shall apply if the professional liability coverages are written on a claims made form:
    1. The retroactive date of the policy must be before the date of the Agreement.
    2. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
    3. If coverage is canceled or not renewed and it is not replaced with another claims made policy form with a retroactive date that precedes the date of this Agreement, ADVISOR must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The CITY shall have the right to exercise at the ADVISOR'S cost, any extended reporting provisions of the policy should the ADVISOR cancel or not renew the coverage.

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- (d) Deductibles and Self-Insured Retentions. Self-insured retentions and deductibles are the sole responsibility of the ADVISOR.
- (e) Notice of Reduction in Coverage. In the event that any coverage required under subsections (a), (b), or (c) of this section of the Agreement is cancelled and non-renewed, ADVISOR shall provide written notice to CITY at ADVISOR'S earliest possible opportunity and in no case later than five days after ADVISOR is notified of the change in coverage.

In addition to any other remedies CITY may have if ADVISOR fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:

- (i) Order ADVISOR to stop work under this Agreement or withhold any payment which becomes due to ADVISOR hereunder, or both stop work and withhold any payment, until ADVISOR demonstrates compliance with the requirements hereof;
- (ii) Terminate this Agreement.

Exercise of any of the above remedies, however, is an alternative to other remedies CITY may have and is not the exclusive remedy for ADVISOR'S breach.

**(10) Indemnification - ADVISOR'S Responsibility.**

As to the ADVISOR'S work hereunder, it is understood and agreed that (a) ADVISOR has the professional skills necessary to perform the work, (b) CITY relies upon the professional skills of ADVISOR to perform the work in a skillful and professional manner, and (c) ADVISOR thus agrees to so perform.

Acceptance by CITY of the work performed under this Agreement does not operate as a release of said ADVISOR from such professional responsibility for the work performed. It is further understood and agreed that ADVISOR is apprised of the scope of the work to be performed under this Agreement and ADVISOR agrees that said work can and shall be performed in a fully competent manner in accordance with the standard of care applicable to ADVISOR'S profession.

ADVISOR shall indemnify, defend, and hold CITY, its officers, employees, agents, and volunteers harmless from and against any and all liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily

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injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused by the willful misconduct or negligent acts or omissions of ADVISOR, its employees, subcontractors, or agents, or on account of the performance or character of this work, except for any such claim arising out of the negligence or willful misconduct of the CITY, its officers, employees, agents, or volunteers. It is understood that the duty of ADVISOR to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve ADVISOR from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

CITY shall indemnify, defend, and hold ADVISOR, its officers, employees and agents harmless from and against any and all liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused by the willful misconduct or negligent acts or omissions of CITY, its employees, subcontractors, or agents, or volunteers in connection with this Agreement, except for any such claim arising out of the negligence or willful misconduct of the ADVISOR, its officers, employees or agents. It is understood that the duty of CITY to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code.

**(11) Licenses.**

If a license of any kind, which term is intended to include evidence of registration, is required of ADVISOR, its employees, agents, or subcontractors by federal or state law, ADVISOR warrants that such license has been obtained, is valid and in good standing, and ADVISOR shall keep it in effect at all times during the term of this Agreement, and that any applicable bond has been posted in accordance with all applicable laws and regulations.

**(12) Business Licenses.**

ADVISOR shall obtain and maintain a CITY of Lathrop Business License until all Agreement services are rendered and accepted by the CITY.

**(13) Termination.**

Either CITY or ADVISOR may cancel this Agreement upon 30 days written notification to the other party. In the event of termination, the ADVISOR shall be entitled to compensation for services performed to the effective date of termination; provided, however, that the CITY may condition payment of such compensation

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upon ADVISOR'S delivery to the CITY of any or all documents, photographs, computer software, video and audio tapes, and other materials provided to ADVISOR or prepared by or for ADVISOR or the CITY in connection with this Agreement.

**(14) Funding.**

ADVISOR agrees and understands that funding of this agreement beyond the current fiscal year is contingent upon action by the City Council consistent with the appropriations limits of Article XIII (B) of the California Constitution and that the Council may determine not to fund this agreement in subsequent years. CITY agrees to provide ADVISOR with prompt written notice of any event of nonappropriation.

**(15) Notices.**

All contracts, appointments, approvals, authorizations, claims, demands, change orders, consents, designations, notices, offers, requests and statements given by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if (1) personally served, (2) sent by the United States mail, postage prepaid, (3) sent by private express delivery service, or (4) in the case of a facsimile transmission, if sent to the telephone fax number set forth below during regular business hours of the receiving party and followed with two (2) days by delivery of a hard copy of the material sent by facsimile transmission. Personal service shall include, without limitation, service by delivery and service by facsimile transmission.

To CITY:  
City of Lathrop  
City Clerk  
390 Towne Centre Drive  
Lathrop, CA 95330

Copy to:  
City of Lathrop  
Finance Department  
390 Towne Centre Drive  
Lathrop, CA 95330  
Phone: (209) 941-7320  
Fax: (209) 941-7339

To ADVISOR:  
PFM Asset Management LLC  
1 California Street  
Suite 1000  
San Francisco, CA 94111  
Attn: Monique Spyke

Copy to:  
PFM Asset Management LLC  
1735 Market Street  
43<sup>rd</sup> Floor  
Philadelphia, PA 19103  
Attn: Legal

CITY OF LATHROP – INVESTMENT ADVISORY SERVICES  
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(16) **Miscellaneous.**

- (a) **Consent.** Whenever in this Agreement the approval or consent of a party is required, such approval or consent shall be in writing and shall be executed by a person having the express authority to grant such approval or consent.
- (b) **Controlling Law.** The parties agree that this Agreement shall be governed and construed by and in accordance with the Laws of the State of California.
- (c) **Definitions.** The definitions and terms are as defined in these specifications.
- (d) **Force Majeure.** Neither party shall be deemed to be in default on account of any delay or failure to perform its obligations under this Agreement, which directly results from an Act of God or an act of a superior governmental authority.
- (e) **Headings.** The paragraph headings are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.
- (f) **Incorporation of Documents.** All documents constituting the Agreement documents described in Section 1 hereof and all documents which may, from time to time, be referred to in any duly executed amendment hereto are by such reference incorporated in the Agreement and shall be deemed to be part of this Agreement.
- (g) **Integration.** This Agreement and any amendments hereto between the parties constitute the entire Agreement between the parties concerning the Project and Work, and there are no other prior oral or written agreements between the parties that are not incorporated in this Agreement.
- (h) **Modification of Agreement.** This Agreement shall not be modified or be binding upon the parties unless such modification is agreed to in writing and signed by the parties.
- (i) **Provision.** Any agreement, covenant, condition, clause, qualification, restriction, reservation, term or other stipulation in the Agreement shall define or otherwise control, establish or limit the performance required or permitted or to be required of or permitted by either party. All provisions, whether covenants or conditions, shall be deemed to be both covenants and conditions.

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- (j) Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the provisions of this Agreement not so affected shall remain in full force and effect.
- (k) Status of ADVISOR. In the exercise of rights and obligations under this Agreement, ADVISOR acts as an independent contractor and not as an agent (except with respect to the purchase and sale of securities in the Managed Funds, as such term is hereinafter defined) or employee of CITY. ADVISOR shall not be entitled to any rights and benefits accorded or accruing to the City Council members, officers or employees of CITY, and ADVISOR expressly waives any and all claims to such right and benefits.
- (l) Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and shall apply to and bind, the successors and assigns of the parties.
- (m) Time. Time is of the essence of this Agreement and each of its provisions. In the calculation of time hereunder, the time in which an act is to be performed shall be computed by excluding the first Day and including the last. If the time in which an act is to be performed falls on a Saturday, Sunday or any Day observed as a legal holiday by CITY, the time for performance shall be extended to the following Business Day.
- (n) Venue. In the event that suit is brought by either party hereunder, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of San Joaquin or in the United States District Court for the Eastern District of California.
- (o) Recovery of Costs. The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs, including reasonable attorney's fees, incurred or expended in connection with such action against the non-prevailing party.

**(17) Notice to Proceed.**

Prior to commencing work under this agreement, ADVISOR shall receive a written "Notice to Proceed" from CITY. A Notice to Proceed shall not be issued until all necessary bonds and insurances have been received. CITY shall not be obligated to pay ADVISOR for any services prior to issuance of the Notice to Proceed.

CITY OF LATHROP – INVESTMENT ADVISORY SERVICES  
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(18) **Investment Advisor Provisions.**

(a) **Services of ADVISOR.** CITY hereby engages ADVISOR to serve as investment advisor under the terms of this Agreement with respect to the funds described in this Agreement and such other funds as CITY may from time to time assign by written notice to ADVISOR (collectively the "Managed Funds"), and ADVISOR accepts such appointment. In connection therewith, ADVISOR will provide investment research and supervision of the Managed Funds investments and conduct a continuous program of investment, evaluation and, when appropriate, sale and reinvestment of the Managed Funds assets. ADVISOR shall continuously monitor investment opportunities and evaluate investments of the Managed Funds. ADVISOR shall furnish CITY with statistical information and reports with respect to investments of the Managed Funds. ADVISOR shall place all orders for the purchase, sale, loan or exchange of portfolio securities for CITY's account with brokers or dealers recommended by ADVISOR and/or CITY, and to that end ADVISOR is authorized as agent of CITY to give instructions to the custodian designated by CITY (the "Custodian") as to deliveries of securities and payments of cash for the account of CITY. In connection with the selection of such brokers and dealers and the placing of such orders, ADVISOR is directed to seek for CITY the most favorable execution and price, the determination of which may take into account, subject to any applicable laws, rules and regulations, whether statistical, research and other information or services have been or will be furnished to ADVISOR by such brokers and dealers. The Custodian shall have custody of cash, assets and securities of CITY. ADVISOR shall not take possession of or act as custodian for the cash, securities or other assets of CITY and shall have no responsibility in connection therewith. Authorized investments shall include only those investments which are currently authorized by the state investment statutes and the applicable covenants and as supplemented by such other written instructions as may from time to time be provided by CITY to ADVISOR. ADVISOR shall be entitled to rely upon CITY's written advice with respect to anticipated drawdowns of Managed Funds. ADVISOR will observe the instructions of CITY with respect to broker/dealers who are approved to execute transactions involving the Managed Funds and in the absence of such instructions will engage broker/dealers which ADVISOR reasonably believes to be reputable, qualified and financially sound.

(b) **Pool Compensation.** Assets invested by ADVISOR under the terms of this Agreement may from time to time be invested in a money

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market mutual fund managed by ADVISOR, or an affiliate of ADVISOR or local government investment pool managed by ADVISOR (either, a "Pool") or in individual securities. Average daily net assets subject to the fees described in this Agreement shall not take into account any funds invested in the Pool. Expenses of the Pool, including compensation for ADVISOR and the Pool custodian, are described in the relevant prospectus or information statement and are paid from the Pool.

- (c) Other Compensation. If and to the extent that CITY shall request ADVISOR to render services other than those to be rendered by ADVISOR under this Agreement, such additional services shall be compensated separately on terms to be agreed upon between ADVISOR and CITY.
- (d) Expenses. ADVISOR shall furnish at its own expense all necessary administrative services, office space, equipment, clerical personnel, telephone and other communication facilities, investment advisory facilities, and executive and supervisory personnel for managing the Managed Funds. Except as expressly provided otherwise herein, CITY shall pay all of its own expenses including, without limitation, taxes, commissions, fees and expenses of CITY's independent auditors and legal counsel, if any, brokerage and other expenses connected with the execution of portfolio security transactions, insurance premiums, and fees and expenses of the Custodian.
- (e) Registered Advisor; Duty of Care. ADVISOR hereby represents it is a registered investment advisor under the Investment Advisers Act of 1940. ADVISOR shall immediately notify CITY if at any time during the term of this Agreement it is not so registered or if its registration is suspended. ADVISOR agrees to perform its duties and responsibilities under this Agreement with reasonable care. The federal securities laws impose liabilities under certain circumstances on persons who act in good faith. Nothing herein shall in any way constitute a waiver or limitation of any rights which CITY may have under any federal securities laws. CITY hereby authorizes ADVISOR to sign I.R.S. Form W-9 on behalf of CITY and to deliver such form to broker-dealers or others from time to time as required in connection with securities transactions pursuant to this Agreement.
- (f) ADVISOR's Other Clients. CITY understands that ADVISOR performs investment advisory services for various other clients which may include investment companies, commingled trust funds and/or individual portfolios. CITY agrees that ADVISOR, in the exercise of its professional judgment, may give advice or take action with respect



**CITY OF LATHROP – INVESTMENT ADVISORY SERVICES  
PFM ASSET MANAGEMENT LLC**

to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the Managed Funds. ADVISOR shall not have any obligation to purchase, sell or exchange any security for the Managed Funds solely by reason of the fact that ADVISOR, its principals, affiliates, or employees may purchase, sell or exchange such security for the account of any other client or for itself or its own accounts.

- (g) Disciplinary Actions. ADVISOR shall promptly give notice to CITY if ADVISOR shall have been found to have violated any state or federal securities law or regulation in any final and unappealable judgment in any criminal action or civil suit in any state or federal court or in any disciplinary proceeding before the Securities and Exchange Commission or any other agency or department of the United States, any registered securities exchange, FINRA, or any regulatory authority of any State based upon the performance of services as an investment advisor.
- (h) Books. ADVISOR shall maintain records of all transactions in the Managed Funds for a period of time as required by the Investment Advisers Act of 1940. ADVISOR shall provide CITY with a monthly statement showing deposits, withdrawals, purchases and sales (or maturities) of investments, earnings received, and the value of assets held on the last business day of the month. The statement shall be in the format and manner that is mutually agreed upon by ADVISOR and CITY.
- (i) Brochure and Brochure Supplement. ADVISOR warrants that it has delivered to CITY prior to the execution of this Agreement ADVISOR's current Securities and Exchange Commission Form ADV, Part 2A (brochure) and Part 2B (brochure supplement). CITY acknowledges receipt of such brochure and brochure supplement prior to the execution of this Agreement.

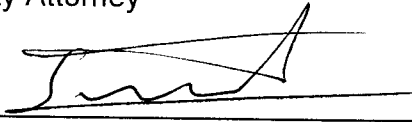
**(19) Signature.**

The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the ADVISOR and the CITY. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

**CITY OF LATHROP – INVESTMENT ADVISORY SERVICES  
PFM ASSET MANAGEMENT LLC**

Approved as to Form:

City of Lathrop  
City Attorney

  
\_\_\_\_\_  
Salvador Navarrete 2. 5. 2024  
Date

Recommended for Approval:

City of Lathrop  
Director of Finance

  
\_\_\_\_\_  
Cari James 2/5/2024  
Date

Approved By:

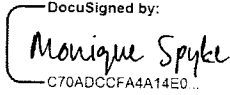
City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

\_\_\_\_\_  
Stephen J. Salvatore Date  
City Manager

ADVISOR:

PFM Asset Management LLC  
Monique Spyke  
1 California Street  
Suite 1000  
San Francisco, CA 94111

Fed ID #: 41-2003732  
Business License #20953

DocuSigned by:  
  
C70ADCCFA4A14E0... 2/5/2024  
\_\_\_\_\_  
Signature Date  
Monique Spyke Managing Director  
\_\_\_\_\_  
Print Name / Title



## PFMAM Proposed Scope of Work

### 1. Review City's Investment Policy.

PFMAM will continue to review the City's investment policy on an annual basis to confirm that it meets the requirements of the California Government Code and is consistent with the City's tolerances for risk. As we do now, we will also continue to keep the City apprised of any legislative changes that might impact the City's investment policy.

### 2. Manage City's investment portfolio in a fiduciary capacity and efficiently execute purchases and sales with approved brokers or dealers in accordance with the governing laws and City's investment policy.

Our portfolio management team will continue to review the City's portfolio on a daily basis. As part of daily practices, portfolio managers and traders discuss how market developments, product offerings, new issues, and the potential impact of pending economic announcements may affect each portfolio. The team also reviews portfolio holdings, upcoming maturities, cash flows, and other City-specific needs. If an opportunity for a trade is identified, our trade process starts with a review of market conditions and relative value relationships. In strict compliance with the City's Investment Policy, we will then decide what sector and maturity to purchase—the one with the best combination of return and risk characteristics and one that fulfills a need within the portfolio. Security selection is heavily dependent on the current make-up of the portfolio, the client's investment policy, and the long-term investment strategy.

Once executed, full details of all trades, including competitive bids and offers, are provided to the City on the same day as execution. The City has access to all trading activity through our internet reporting site, Connect, the day after the trade and receives a complete reconciled report of transactions and holdings on a monthly basis. In addition, Allison reviews trade activity at meetings and is available anytime to answer the City's questions as needed.

### 3. Perform credit analysis of investment instruments in the portfolio and monitor the creditworthiness of all investments.

While the City does not currently allow credit instruments in its portfolio, if the City were to change that policy sometime in the future, the City can feel confident in PFMAM's credit review and monitoring process.

We employ a market-driven approach to credit based upon a proprietary methodology incorporating quantitative and qualitative analysis of issuers and industries. This approach includes leveraging research from our credit analysts and sector specialists from our trading desk. Credit analysts and portfolio managers work in tandem so that our views on credit conditions are integrated seamlessly with trading processes. While important to our fundamental assessment of an issuer, an overreliance on quantitative analysis has proven to be insufficient to effectively assess credit risk.

PFMAM monitors all approved issuers on a daily basis. Once an issuer is approved, it is added to a database that notifies investment personnel of significant news events or rating changes involving that issuer. Because our credit process is fully integrated into the investment process, portfolio managers can respond quickly to significant news events to reduce exposure or capture an opportunity for our clients. If



there is sufficient cause, the Credit Committee may remove an issuer from the approved list, suspend purchases of an issuer, or recommend a sale of holdings. The extent of the action would be dependent on the individual circumstances surrounding an issuer.

For instance, due to the coronavirus pandemic, we temporarily halted all credit purchases until we could re-assess issuers' ability to withstand the volatility and consequences of prolonged lockdowns and an unforeseen economic downturn. We erred on the side of caution on behalf of our governmental clients and held nearly daily Credit Committee meetings to discuss the evolving credit and market conditions. As the situation improved, we reapproved most credit names for purchase, but some issuers were taken off of our approved list permanently as we concluded their financial risk exceeded our clients' risk tolerance. We believe this proactive focus on credit monitoring is essential in our role as fiduciary to our clients.

#### 4. Back office support and investment reports.

Summarized in the following table are the reports the City currently receives and will continue to receive. Our comprehensive reports are designed to support the City's needs and therefore contain all information needed for state reporting standards. **Our reports follow GAAP and comply with GASB requirements.** At any time, authorized personnel from the City can log in through PFMAM's portfolio reporting website, connect.pfmam.com, to view past monthly portfolio statements, holdings as of the prior trading day, and the current month's transactions through the prior trading day.











Report	Frequency/ Delivery	Content/Features
Daily Holdings	Daily 	Holdings report showing securities, par, cost, duration, purchase yields and discounts as of the prior business day.
Month-to-Date Transactions	Daily 	Description of any security transactions month-to-date as of the prior business day.
Portfolio Holdings and Activity Report	Monthly  	This report includes a detailed description of all securities in the portfolio; a summary of realized and unrealized earnings for the month; a report of all purchases, sales, maturities, interest deposits, and withdrawals for each separate account; and all the information required by <b>GASB 31</b> , and provides the month-end credit quality ratings to comply with the Credit Risk Disclosure requirement and duration by investment type to facilitate compliance with the Interest Rate Disclosure requirement of <b>GASB 40</b> .
Market Update	Monthly 	Summary of recent market events and the outlook for investment opportunities moving forward.

EXHIBIT "A"

# pfm asset management

Report	Frequency/ Delivery	Content/Features
Performance Reports	Quarterly  	Quarterly reports typically include an aggregate portfolio sector, maturity, and credit-quality distribution; an aggregate view of performance portfolios by investment strategy; a portfolio strategy recap and market outlook, including recommended changes to strategy; individual portfolio sector, maturity, and credit quality distribution; performance statistics compared to a market benchmark; and a high level economic and investment-sector performance synopsis. .

Key:  Online access,  mailed,  emailed

## 5. Perform cash flow analysis, as needed.

At the start of our engagement with the City, we analyzed historical balances in order to help determine the optimal allocation between the City's funds that should be kept liquid to fund operational needs and those funds that could be invested out longer to increase opportunities to grow the portfolio over time. We will continue to work with the City to monitor the allocations and can provide additional analysis as needed.

## 6. Review strategy and benchmark.

PFMAM's overall fixed income strategy is formally reviewed on a monthly basis by PFMAM's Fixed Income Investment Committee, which is supported by data and analysis produced by our Portfolio Strategies Group. The Committee reviews our overall strategy, sector allocation decisions, duration positioning, yield curve placement, and individual security assessment. Market and account performance attribution is also discussed in detail. Formal targets are established for each of the key strategy elements, documented in written minutes, and portfolio manager teams implement any changes for their accounts within individual client guidelines and investment policies. The process includes PFMAM's CIO, portfolio managers, traders, strategy and research staff, and a representative from PFMAM's Compliance Group.

Strategies are then implemented by each client's portfolio manager, with adjustments made to address each client's investment policy, cash flow needs, risk tolerances, and investment objectives. Allison has kept the City informed about its portfolio through quarterly reports and meetings: reviewing current asset allocation and strategy, current economic and market conditions, and the City's investment goals and policies.

Since the start of our engagement with the City, at the City's direction, we have maintained a conservative investment portfolio. The portfolio is managed according to a 1-3 year strategy and, at the start of our engagement, allowed investment in U.S. Treasuries and Federal Agencies only. At past meetings, we have discussed the benefits and risks of expanding the investment opportunities of the portfolio and, in early 2019, with PFMAM's recommendation, the City decided to allow for investment in

EXHIBIT "A"



highly rated supranationals. We will continue to bring ideas to the City, providing information on ways the City can continue to safely enhance its investment program.

#### 7. Client service through our dedicated client service team.

The engagement team, led by Allison Kaune, will continue to be supported by over 200 professionals dedicated to supporting the investment needs of our public sector clients. The City will continue to receive the full breadth of our investment management resources, including:

- Sector specialists on PFAM's trading desk.
- In-house credit analysis and support.
- Research from our Portfolios Strategies Group.
- GASB-compliant reporting from our Accounting Group and dedicated analyst team.
- Responsive service from our Client Services Group.
- Coordinated trade execution, settlement, and compliance systems maintained by separate teams (Trading Desk, Investment Services Group, Compliance Group).

## Fees

For the services described in this scope of work, PFAM proposes we maintain the current fee schedule:

Assets Under Management	Annual Fee Rate
\$0 to \$50 million	9 basis points (0.09%)
Next \$50 million	7 basis points (0.07%)
Assets greater than \$100 million	6 basis points (0.06%)

The actual annual fees will depend on the average amount of assets under management. *For a \$124 million portfolio,<sup>1</sup> PFAM's annual fee would be \$94,400.*

Fees are charged monthly in arrears based on the daily net assets under management on an amortized cost basis, including accrued interest and the market value of any money market fund balance, for the month. The fee schedule does not apply to assets held in any LGIP that PFAM administers. Our minimum annual fee is \$40,000, payable in equal monthly installments, if applicable. No fees would be charged for funds invested in the Local Agency Investment Fund ("LAIF").

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<sup>1</sup> Source: Estimated total par amount of the securities in the City's PFAM-managed portfolio in February 2024.

## ITEM 4.8

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM:** **APPROVE CONTRACT CHANGE ORDER NO. 1 WITH ST. FRANCIS ELECTRIC AND APPROVE BUDGET AMENDMENT FOR CIP GG 19-07 CITYWIDE SURVEILLANCE SYSTEMS**

**RECOMMENDATION:** **Adopt a Resolution to Approve Contract Change Order No. 1 With St. Francis Electric and Approve Budget Amendment for CIP GG 19-07 Citywide Surveillance Systems**

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#### **SUMMARY:**

Capital Improvement Project (CIP) GG 19-07 Citywide Crime Deterrent Camera Systems is a project in the Council approved CIP Budget for FY23/24 and FY24/25. This project allows for enhanced public safety by giving officers an immediate tool to investigate and solve the crimes they respond to and acts as a deterrent to criminal activity.

The camera system is being installed at intersections throughout the City to aide in deterring criminal activity and providing a follow-up tool for Police Department investigations. Through a competitive bidding process, St. Francis Electric was previously awarded a contract through the Public Works department for installation of the traffic control cameras along with maintenance and repair of the traffic light signals and cameras. This vendor is the only authorized 3<sup>rd</sup> party with physical access to the network security cabinets and the traffic control cabinets. They also have received exclusive network security access to install the cameras, and facilitating work pertaining to the traffic signals. This vendor is providing the same installation services at the same rate from the previously awarded contract. Originally, an install contract in the amount of \$50,000 was entered into for the installation of the crime deterrent cameras at the same time as the traffic control cameras to cost effectively install each at the same time.

The City continues to expand the crime deterrent camera network and staff is requesting City Council approve contract change order No.1 for an additional \$60,000. This will amend the contract total to \$110,000, for installation and expansion of the crime deterrent camera network. Due to the requests for additional intersections staff is requesting a budget amendment of \$110,000 to cover the install expenses of the contract. By doing so this will free up funds already budgeted in the project for additional future intersections to be added to the network.

**CITY MANAGER’S REPORT: FEBRUARY 12, 2024** **PAGE 2**  
**APPROVE CONTRACT CHANGE ORDER NO. 1 WITH ST. FRANCIS ELECTRIC**  
**AND APPROVE BUDGET AMENDMENT FOR CIP GG 19-07 CITYWIDE**  
**SURVEILLANCE SYSTEMS**

**BACKGROUND:**

CIP GG 19-07 Citywide Crime Deterrent Camera System was created April 2019 initially. Since then it has allowed for the installation of crime deterrent cameras at the intersections throughout the city, therefore providing enhanced safety for the public. This system acts as a deterrent to criminal activity and gives police officers an immediate tool to investigate and solve the crimes they respond to.

Originally, an install contract in the amount of \$50,000 was entered into for the installation of the crime deterrent cameras at the same time as the traffic control cameras to cost effectively install each at the same time. Installation of the surveillance cameras at additional intersection locations has been requested and staff projects an additional expense of \$60,000 in installation expenses.

To save on expenses related to installation, staff is coordinating the installation of the surveillance cameras with installation on the traffic signals for CIP PS 23-01 Citywide Traffic Systems & Safety Upgrades. Through a competitive bidding process, St. Francis Electric was previously awarded a contract through the Public Works department for the installation of the traffic control cameras and maintenance and repair of the traffic light signals and cameras and is providing installation of the surveillance cameras at the same rate schedule included in the contract. Installation for CIP GG 19-07 is to be completed on the same traffic lights that work is being completed on for this previously awarded contract. Coordinating the camera installation while installation is ongoing on the same traffic signals will save the City installation costs as the technicians will not have to visit the same locations multiple times. St. Francis is familiar with the City’s systems and where the cameras should be placed and is an authorized installer of the cameras, capable of installing the equipment competently. This vendor is used exclusively when performing work on the traffic signals and cameras and is the only authorized vendor with physical access to the network security cabinets and the traffic control cabinets as well as exclusive network security access to install the cameras. Therefore, pursuant to Lathrop Municipal Code (LMC) 2.36.110 this service contract with St. Francis Electric is exempt from bidding because they are the only authorized vendor for work pertaining to the traffic light signals due to security.

The City continues to expand the crime deterrent camera network and staff is requesting City Council approve the contract change order No.1 for an additional \$60,000 to amend the total of the contract to \$110,000 for installation and expansion of the crime deterrent camera network. Due to the requests for additional intersections staff is requesting a budget amendment of \$110,000 to cover the expenses of the install. This will free up already budgeted funds in the project for additional intersections to be added to the network.



**CITY MANAGER’S REPORT: FEBRUARY 12, 2024** **PAGE 3**  
**APPROVE CONTRACT CHANGE ORDER NO. 1 WITH ST. FRANCIS ELECTRIC**  
**AND APPROVE BUDGET AMENDMENT FOR CIP GG 19-07 CITYWIDE**  
**SURVEILLANCE SYSTEMS**

**REASON FOR RECOMMENDATION:**

The Camera Surveillance System installed by St. Francis Electrical for CIP GG 19-07 Citywide Surveillance Systems represents an effort to utilize technology to deter crimes, expedite crime solving, and proactively screen activities to enhance crime prevention and public safety.

**FISCAL IMPACT:**

Due to the addition of new intersections staff is requesting a budget amendment of \$110,000 to cover the expenses of the installation. The budget amendment will free up already budgeted funds in the project for additional intersections to be added to the network. Therefore, staff recommends a budget amendment of \$110,000 from Measure C Fund 1060 to CIP GG 19-07 to cover the cost associated with expanding the citywide crime deterrent camera system.

Staff is requesting Council approve the below budget amendment to increase the budget for CIP GG 19-07.

<u>Increase Transfer Out</u>			
1060-9900-990-9010			\$110,000
 <u>Increase Transfer In</u>			
3010-9900-393-00	GG 19-07		\$110,000
 <u>Increase Appropriation</u>			
3010-8000-430-37-00	GG 19-07		\$110,000

**ATTACHMENTS:**

- A. A Resolution Approving Contract Change Order No. 1 with St. Francis Electrical and Approving Budget Amendment for CIP GG 19-07 Citywide Surveillance Systems
- B. Service Contract with St. Francis Electric to Install Surveillance Cameras for CIP GG 19-07
- C. Contract Change Order No. 1 with St. Francis Electric for Additional Installation of Surveillance Cameras for CIP GG 19-07

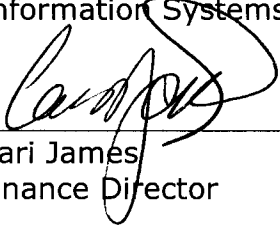
APPROVE CONTRACT CHANGE ORDER NO. 1 WITH ST. FRANCIS ELECTRIC AND APPROVE BUDGET AMENDMENT FOR CIP GG 19-07 CITYWIDE SURVEILLANCE SYSTEMS

APPROVALS:



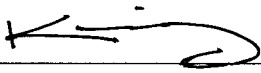
Tony Fernandes  
Information Systems Director

2-6-2024  
Date



Cari James  
Finance Director

2/6/2024  
Date



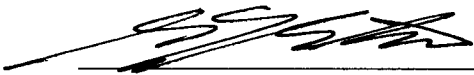
Michael King  
Assistant City Manager

2/6/2024  
Date



Salvador Navarrete  
City Attorney

2.6.2024  
Date



Stephen J. Salvatore  
City Manager

2/7/24  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE CONTRACT CHANGE ORDER NO. 1 WITH ST. FRANCIS ELECTRIC AND APPROVE BUDGET AMENDMENT FOR CIP GG 19-07 CITYWIDE SURVEILLANCE SYSTEMS**

**WHEREAS**, Capital Improvement Project (CIP) GG 19-07 Citywide Crime Deterrent Camera Systems is a project in the Council approved CIP Budget for FY23/24 and FY24/25; and

**WHEREAS**, this project allows for enhanced public safety by giving officers an immediate tool to investigate and solve the crimes they respond to and acts as a deterrent to criminal activity; and

**WHEREAS**, the camera system is being installed at intersections throughout the City to aid in deterring criminal activity and providing a follow-up tool for Police Department investigations; and

**WHEREAS**, coordinating the camera installation while installation is ongoing on the same traffic signals for the Iteris cameras will save the City installation costs; and

**WHEREAS**, pursuant to Lathrop Municipal Code (LMC) 2.36.110 this service contract with St. Francis Electric is exempt from bidding because they are the only authorized vendor for work pertaining to the traffic light signals; and

**WHEREAS**, through their contract, St. Francis is used exclusively when performing work on the traffic signals and is the only authorized vendor with physical access to the network security cabinets and the traffic control cabinets as well as exclusive network security access to install the cameras; and

**WHEREAS**, the City continues to expand the crime deterrent camera network, and staff is requesting City Council ratify Contract Change Order No.1 for an additional \$60,000 to amend the total of the contract to \$110,000 for installation and expansion of the crime deterrent camera network; and

**NOW, THEREFORE, BE IT RESOLVED**, the City Council of the City of Lathrop does hereby approve Contract Change Order No. 1 with St. Francis Electric and approve the budget amendment for CIP GG 19-07 Citywide Surveillance Systems.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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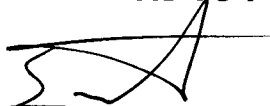
Sonny Dhaliwal, Mayor

**ATTEST:**

---

Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**



---

Salvador Navarrete, City Attorney

**SERVICE CONTRACT BETWEEN THE CITY OF LATHROP AND ST. FRANCIS ELECTRIC.  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

**THIS SERVICE CONTRACT** (hereinafter "Contract") is made on **November 2, 2023**, by and between the **City of Lathrop**, a municipal corporation of the State of California (hereinafter "City") and **St. Francis Electric**. (hereinafter "Contractor"), whose Taxpayer Identification Number is .47-2615956

For and in consideration of the following covenants, terms and conditions, City and Contractor (the parties) agree:

**SCOPE OF WORK**

Contractor agrees to perform the installation of surveillance cameras for CIP GG 19-07 in accordance with the scope of work and fee proposal provided by the Contractor, attached hereto as Exhibit "A" and incorporated herein by reference. Contractor agrees to diligently perform these services in accordance with the upmost standards of its profession and to City's satisfaction.

**CONTRACT PRICE**

The City agrees to pay and the Contractor agrees to accept, in full payment for the work above agreed to be done based on time and materials basis not to exceed \$50,000.

**TIME FOR PERFORMANCE**

The Contractor shall commence work within five (5) working days of the Notice to Proceed, and diligently prosecute the work to completion before June 30, 2024.

**PERMITS; COMPLIANCE WITH LAW**

The Contractor shall, at its expense, obtain all necessary permits, licenses, easements, etc., for the construction of the project, give necessary notices, pay all fees required by law, and comply with all laws, ordinances, rules and regulations relating to the work and to the preservation of the public health and safety.

**INSPECTION BY CITY**

The Contractor shall at all times maintain proper facilities and provide safe access for inspection by the City to all parts of the work, and to the shops wherein the work is in preparation. Where the Specifications require work to be specially tested or approved, it shall not be tested or covered up without timely, written approval by the City.

Should any such work be covered up without such notice, approval, or consent, it must, if required by City, be uncovered for examination at the Contractor's expense.

**SERVICE CONTRACT WITH ST. FRANCIS ELECTRIC  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19 – 07**

**NOTICE**

Any notice from one party to the other under the Contract shall be in writing and shall be dated and signed by the party giving such notice or by a duly authorized representative of such party. Any such notice shall not be effective for any purpose whatsoever unless served in the following manner.

- (a) If the notice is given to the City, by personal delivery thereof to the City's Director of Public Works, or by depositing the same in the United States mail, enclosed in a sealed envelope, addressed to the City's Director of Public Works, postage prepaid and certified;
- (b) If the notice is given to the Contractor, by personal delivery thereof to said Contractor or to its duly authorized representative at the site of the project, or by depositing the same in the United States mail, enclosed in a sealed envelope, addressed to the Contractor at the address set forth in the Contractor's Bid postage prepaid and certified; or
- (c) If the notice is given to the surety or any other person, by personal delivery to such surety or other person, or by depositing the same in the United States mail, enclosed in a sealed envelope, addressed to such surety or other person, as the case may be, at the address of such surety or person last communicated by it to the party giving the notice, postage prepaid and certified.

**ACCIDENT PREVENTION**

Precaution shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Construction Safety Orders issued by the Occupational Safety and Health Standards Board of the State of California.

**CONTRACTOR'S WARRANTY**

The City shall not, in any way or manner, be answerable or suffer loss, damage, expense or liability for any loss or damage that may happen to said building, work, or equipment or any part thereof, or in, on, or about the same during its construction and before acceptance. Contractor unqualifiedly warrants all work and materials to be free of defects whether performed or installed by it or by any subcontractor or supplier in the project which is the subject of this Contract.

## **SERVICE CONTRACT WITH ST. FRANCIS ELECTRIC TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

### **APPRENTICES**

- (a) The Contractor's attention is directed to the provisions of Sections 1777.5, 1777.6, and 1777.7 of the California Labor Code concerning employment of apprentices by the Contractor or any subcontractor under him. In addition, Contractor shall obtain a certificate of apprenticeship before employing any apprentice pursuant to Sections 1777.5, 1777.6 and 1777.7 of the California Labor Code.
- (b) Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.
- (c) Knowing violations of Section 1777.5 will result in forfeiture not to exceed one hundred dollars (\$100) for each calendar day of non-compliance pursuant to Section 1777.7.

### **HOURS OF WORK**

Eight (8) hours of work in any calendar day shall constitute a legal day's work. The Contractor and each subcontractor shall forfeit, as penalty to the City, twenty-five dollars (\$25) for each worker employed in the execution of work on the Project by the Contractor or any subcontractor under him for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any calendar week in violation of the provisions of the Labor Code, and in particular, Section 1810 to Section 1815, thereof, inclusive, except that work performed by employees of the Contractor and his subcontractors in excess of eight hours per day at not less than one and one half times the basic rate of pay, as provided in Labor Code section 1815.

### **PAYROLL RECORDS**

Pursuant to Labor Code section 1776, as amended from time to time, the Contractor and each subcontractor shall keep records showing the name, address, social security number, work classification, straight time and overtime hours paid each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by him or her in connection with the work.

The certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the Division. The payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

**SERVICE CONTRACT WITH ST. FRANCIS ELECTRIC  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

- (a) A certified copy of the employee's payroll records shall be made available for inspection or furnished to such employee or his or her authorized representative on request.
- (b) A certified copy of all payroll records shall be made available for inspection or furnished upon request, or as required by Labor Code section 1771.7 to the City, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations.
- (c) A certified copy of all payroll records shall be made available upon request to the public for inspection or copies thereof made; provided, however, that if request by the public shall be made through either the City, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement, if as requested, payroll records have been provided pursuant to paragraph (b), the requesting party shall, prior to being provided the records, reimburse the cost of preparation by the Contractor, subcontractors and the entity through which the request was made. The public shall not be given access to such records at the principal office of the Contractor.

The Contractor shall file a certified copy of the payroll records with the entity that requested such records within ten (10) calendar days after receipt of a written request. Any copy of records made available for inspection as copies and furnished upon request to the public or the City, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement, shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor or any subcontractor performing work on the Project shall not be marked or obliterated.

The Contractor shall inform the City of the location of the payroll records, including the street address, city and county, and shall, within five (5) calendar days, provide a notice of a change of location and address.

In the event of noncompliance with the requirements of this section, the Contractor shall have ten (10) calendar days in which to comply subsequent to receipt of written notice specifying in what respects the Contractor must comply with this section. Should noncompliance still be evident after such ten (10) calendar day period, the Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each calendar day, or portion thereof, for each worker until strict compliance is effectuated.

Upon the request of the Division of Labor Standards Enforcement, such penalties shall be withheld from payments due Contractor.



**SERVICE CONTRACT WITH ST. FRANCIS ELECTRIC  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

**PREVAILING WAGES**

- (a) The Contractor is aware of the requirements of California Labor Code Sections 1720 *et seq.* and 1770 *et seq.*, as well as California Code of Regulations, Title 8, section 16000 *et seq.* ("Prevailing Wage Laws") which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Since this Contract involves an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. The Contractor shall obtain a copy of the prevailing rates of per diem wages applicable to the work to be performed by subcontractors from the website of the Division of Labor Statistics and Research of the Department of Industrial Relations located at <http://www.dir.ca.gov/dlsr/PWD/index.htm>. In the alternative, the City shall provide Contractor with a copy of the prevailing rates of per diem wages applicable to the work to be performed by subcontractors. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to perform work on the Project available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the Project site.

Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

- (b) The Contractor and each subcontractor shall forfeit as a penalty to the City not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the stipulated prevailing rate for any work done by him, or by any subcontract under him, in violation of the provisions of the California Labor Code. The difference between such stipulated prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Contractor.

**INSURANCE**

On or before beginning any of the services or work called for by any term of this Agreement, CONTRACTOR, at its own cost and expense, shall carry, maintain for the duration of the Agreement, and provide proof thereof that is acceptable to the CITY the insurance specified in subsections (a) through (c) below with insurers and under forms of insurance satisfactory in all respects to the CITY.

**SERVICE CONTRACT WITH ST. FRANSC ELECTRIC  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

CONTRACTOR shall not allow any subcontractor to commence work on any subcontract until all insurance required of the CONTRACTOR has also been obtained for the subcontractor. Verification of this insurance shall be submitted and made part of this Agreement prior to execution.

- (a) Workers' Compensation. CONTRACTOR shall, at CONTRACTOR'S sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by CONTRACTOR. Said Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than one million dollars (\$1,000,000). In the alternative, CONTRACTOR may rely on a self-insurance program to meet these requirements provided that the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the CONTRACTOR, if a program of self-insurance is provided, shall waive all rights of subrogation against the CITY for loss arising from work performed under this Agreement.
  
- (b) Commercial General and Automobile Liability Insurance. CONTRACTOR, at CONTRACTOR'S own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than two million dollars per occurrence (\$1,000,000), combined single limit coverage for risks associated with the work contemplated by this Agreement. If Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

Coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (ed. 11/88) and Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 1 (any auto).

Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

**SERVICE CONTRACT WITH ST. FRANSIC ELECTRIC  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

- (i) CITY, its officers, employees, and volunteers are to be covered as insured with respect to each of the following: liability arising out of activities performed by or on behalf of CONTRACTOR, products and completed operations of CONTRACTOR; premises owned, occupied or used by CONTRACTOR. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents, or volunteers.
  - (ii) The insurance shall cover on an occurrence or an accident basis, and not on a claim made basis.
  - (iii) An endorsement must state that coverage is primary insurance and that no other insurance affected by the CITY will be called upon to contribute to a loss under the coverage.
  - (iv) Any failure of CONTRACTOR to comply with reporting provisions of the policy shall not affect coverage provided to CITY and its officers, employees, agents, and volunteers.
  - (v) Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A: VII.
  - (vi) Notice of cancellation or non-renewal must be received by CITY at least thirty days prior to such change.
- (c) Deductibles and Self-Insured Retentions. CONTRACTOR shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. During the period covered by this Agreement, upon express written authorization of CITY Manager, CONTRACTOR may increase such deductibles or self-insured retentions with respect to CITY, its officers, employees, agents, and volunteers. The CITY Manager may condition approval of an increase in deductible or self-insured retention levels upon a requirement that CONTRACTOR procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- (d) Notice of Reduction in Coverage. In the event that any coverage required under subsections (a), (b), or (c) of this section of the Agreement is reduced, limited, or materially affected in any other manner, CONTRACTOR shall provide written notice to CITY at CONTRACTOR'S earliest possible opportunity and in no case later than five days after CONTRACTOR is notified of the change in coverage.

**SERVICE CONTRACT WITH ST. FRANSC ELECTRIC  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

- (e) In addition to any other remedies CITY may have if CONTRACTOR fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:
  - (i) Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
  - (ii) Order CONTRACTOR to stop work under this Agreement or withhold any payment which becomes due to CONTRACTOR hereunder, or both stop work and withhold any payment, until CONTRACTOR demonstrates compliance with the requirements hereof;
  - (iii) Terminate this Agreement.

Exercise of any of the above remedies, however, is an alternative to other remedies CITY may have and is not the exclusive remedy for CONTRACTOR'S breach.

**INDEMNIFICATION**

Contractor agrees to protect, defend, indemnify and hold City, its City Council members, officers, employees, engineer, and consultants harmless from and against any and all claims, demands, liabilities, losses, damages, costs, expenses, liens, penalties, suits, or judgments, arising in whole or in part, directly or indirectly, at any time from any injury to or death of persons or damage to property as a result of the willful or negligent act or omission of Contractor, or which results from Contractor's noncompliance with any Law respecting the condition, use, occupation or safety of the Project site, or any part thereof, or which arises from Contractor's failure to do anything required under this Contract or for doing anything which Contractor is required not to do under this Contract, or which arises from conduct for which any Law imposes strict liability on Contractor in the performance of or failure to perform the terms and conditions of this Contract, except as may arise from the sole willful or negligent act or omission of City or any of its City Council members, officers, employees.

This indemnification shall extend to any and all claims, demands, or liens made or filed by reason of any construction, renovation, or remodeling work performed by Contractor under this Contract at any time during the term of this Contract, or arising thereafter.

**SERVICE CONTRACT WITH ST. FRANSIC ELECTRIC  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

**SEVERABILITY**

Nothing contained in the Contract shall be construed so as to require the commission of any act contrary to law. Should a conflict arise between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract or act, the latter shall prevail and the provision of this Contract which is affected shall be curtailed and limited but only to the extent necessary to bring it within the requirements of the law. If such curtailment or limitation is not possible, the affected provision shall be of no force and effect. Except as aforesaid, such illegality shall not affect the validity of this Contract.

**COMPLETE AGREEMENT**

This Contract supersedes any and all agreements, either oral or in writing, between the Parties with respect to the subject matter herein. Each party to this Contract acknowledges that no representation by any party which is not embodied herein or any other agreement, statement, or promise not contained in this Contract shall be valid and binding.

**INTERPRETATION**

- (a) The parties hereto acknowledge and agree that each has been given the opportunity to independently review this Contract with legal counsel, and/or has the requisite experience and sophistication to understand, interpret and agree to the particular language of the provisions of the Contract.
- (b) In the event of a controversy or dispute between the parties concerning the provisions herein, this document shall be interpreted according to the provisions herein and no presumption shall arise concerning the draftsmanship of such provision.

**APPLICABLE LAW**

- (a) The parties hereto understand and agree that the terms of this Contract, and its Exhibits, have been negotiated and executed within the State of California and shall be governed by and construed under the laws of the State of California.
- (b) In the event of a dispute concerning the terms of this Contract, the parties hereto expressly agree that the venue for any legal action shall be with the appropriate court in the County of San Joaquin, State of California.

**SERVICE CONTRACT WITH ST. FRANSIC ELECTRIC  
TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07**

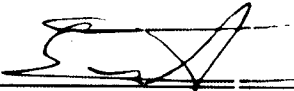
**SIGNATURES**

The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

### SERVICE CONTRACT WITH ST. FRANCIS ELECTRIC TO INSTALL SURVEILLANCE CAMERAS FOR CIP GG 19-07

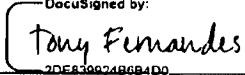
Approved as to Form:

City of Lathrop  
City Attorney

  
\_\_\_\_\_  
Salvador Navarrete 10/26/2023  
Date

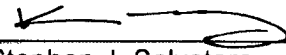
Recommended for Approval:

City of Lathrop  
Director Information Systems

DocuSigned by:  
  
\_\_\_\_\_  
Tony Fernandes 10/17/2023  
Date

Approved By:

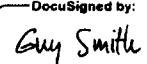
City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

  
\_\_\_\_\_  
Stephen J. Salvatore 11-2-2023  
Date  
City Manager

Contractor:

St. Francis Electric  
PO Box 2057  
San Leandro, CA 94577

Fed ID # 47-2615956  
Lathrop Business License # : 41604

DocuSigned by:  
  
\_\_\_\_\_  
Signature 10/17/2023  
Date

Guy Smith Vice President

\_\_\_\_\_  
Print Name and Title

**COST PROPOSAL SCHEDULE "B" – UNSCHEDULED/EMERGENCY WORK ("EXTRA WORK")**

The position titles and descriptions listed hereon may not accurately reflect the position titles and descriptions of employees of your firm. For those positions that are not employed by your firm, cross out and mark as "N/A" to indicate that the position is not applicable to the services to be provided by your firm.

Title	Description	Hourly Straight Time	Hourly Overtime
Operations Superintendent	All repair work, both field and laboratory, subject to his approval and direction	\$ 100.00	\$ 165.00
Traffic Signal Technician – Field	Primary duties are to field troubleshoot and repair wiring, cabinet wiring, controllers, and perform routine duties of Preventive maintenance.	\$ 85.00	\$ 150.00
Traffic Signal Technician – Laboratory	Performs complete repair and maintenance of all controllers, detectors, and associated device that are brought from the field for repairs.	\$ 85.00	\$ 150.00
Street Light Technician – Field	Primary duties are to field troubleshoot and repair wiring, and perform routine duties of Preventive maintenance.	\$ 85.00	\$ 150.00
Traffic Signal/Street Light Laborer	Primary duties are to assist the signalman and crew in knockdown repairs and modifications as directed.	\$ 75.00	\$ 105.00

**St. Francis Electric** | Class A and C-10 Licensed Contractor  
 975 Carden Street, San Leandro, CA 94577 | Phone (510) 439-0639  
[stfranciselectric.com](http://stfranciselectric.com) | 24/7/365 Traffic Signal & Street Lighting Services 1-(844)-LIGHT88



CHANGE ORDER NO. 1

Attachment C

Service Contract For Surveillance Camera  
Installation Services for CIP GG 19-07

City of Lathrop

CONTRACT CHANGE ORDER NO. 1  
Surveillance Camera Installation Services for CIP GG 19-07

**Contractor:** St. Francis Electric  
**Address:** PO Box 2057  
San Leandro, CA, 94577  
**Change Order Date:** February \_\_\_\_\_, 2024  
**Notice to Proceed Date:** November 2, 2023  
**Contract Execution Date:** November 2, 2023

Through a competitive bidding process, St. Francis Electric was previously awarded a contract through the Public Works department for maintenance and repair of the traffic light signals. ISD is requiring work to be completed on the same traffic lights that work is being completed on for this previously awarded contract. Coordinating the camera installation while work is being ongoing on the same traffic signals will save the City installation costs. St. Francis is familiar with the City's systems and where the cameras should be placed and is an authorized installer of the cameras, capable of installing the equipment competently. This Vendor is used exclusively when performing work on the traffic lights as the vendor who was awarded the associated contract through the competitive bidding process and as the vendor with exclusive network security access along with exclusive physical access to the traffic control and network system control boxes. Therefore, pursuant to Lathrop Municipal Code (LMC) 2.36.110 this service contract with St. Francis Electric is exempt from bidding because they are a sole source for work pertaining to the traffic light signals.

This contract change order augments or changes the following:

1) ONE TIME ADDITION TO CONTRACT

Pursuant to the provisions of the original Contract Specifications as **Exhibit A**, you are hereby directed to make the herein described changes to the contract amount within the terms of the agreement between the **City of Lathrop** and **St. Francis Electric** dated **November 2, 2023**

I. **CHANGES IN THE SPECIFICATIONS**

NONE.

II. **CHANGES TO CONTRACT**

NO.	DESCRIPTION	QTY	AMOUNT
1	Surveillance Camera Installation for CIP GG 19-07	1	\$60,000
<b>SUBTOTAL</b>			<b>\$60,000</b>

<b>COST OF CHANGE ORDER NO. 1</b>	<b>\$60,000</b>
<b>TOTAL REVISED ONE-TIME ADDITIONS TO CONTRACT AMOUNT</b>	<b>\$60,000</b>

<b>ORIGINAL ANNUAL CONTRACT AMOUNT</b>	<b>\$50,000</b>
<b>REVISED ANNUAL CONTRACT AMOUNT AFTER CHANGE ORDER NO. 1</b>	<b>\$110,000</b>

**CHANGE ORDER NO. 1**

**Service Contract For Surveillance Camera  
Installation Services for CIP GG 19-07**

**City of Lathrop**

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*(END OF CHANGES)*

**TIME OF COMPLETION**

N/A

**RELEASE AND WAIVER**

Acceptance of this Contract Change Order constitutes a full and final resolution of all pending disputes between City and Contractor regarding scope of work and payment for work. Contractor accepts this Contract Change Order as full payment for all work performed to date and hereafter to be performed, up to and including Contract Change Order No. 1.

Contractor releases and discharges City from any and all claims, demands, damages, actions and causes of actions and causes of action for injuries, damages or losses, whether known or unknown, foreseen or unforeseen, arising directly from Contractor's work on this contract. Contractor expressly waives the provisions of California Civil Code, Section 1542, which reads as follows:

*A general release does not extend to claims which the Creditor does not know or suspect to exist in his favor at time of executing the release, which if known by him must have materially affected his settlement with the debtor.*

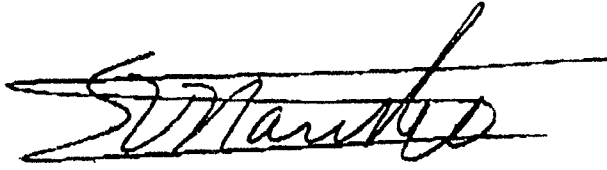
**(END OF SECTION)**

CHANGE ORDER NO. 1

Service Contract For Surveillance Camera  
Installation Services for CIP GG 19-07

City of Lathrop

Approved As  
To Form:



Salvador Navarrete  
City Attorney  
City of Lathrop

11/3/2024  
Date

Recommended  
By:

Tony Fernandes  
Director Information Systems  
City of Lathrop

Date

Approved By:

Stephen J. Salvatore  
City Manager  
City of Lathrop

Date

Resolution No. \_\_\_\_\_

Accepted By  
Contractor:

St. Francis Electric

Date \_\_\_\_\_

Print Name and Title

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## ITEM 4.9

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:** APPROVE AMENDMENT NO. 1 TO PROFESSIONAL ENGINEERING SERVICES WITH O'DELL ENGINEERING, INC. FOR THE HISTORIC LATHROP BEAUTIFICATION PROJECT, CIP GG 24-23 AND APPROVE BUDGET AMENDMENT

**RECOMMENDATION:** Adopt Resolution Approving Amendment No. 1 to Professional Engineering Services with O'Dell Engineering, Inc. for the Historic Lathrop Beautification Project, CIP GG 24-23, and Approving Budget Amendment

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#### **SUMMARY:**

Capital Improvement Project (CIP) GG 24-23 for Historic Lathrop Beautification (Project) consists of installing gateway arches on 5<sup>th</sup> Street near the Lathrop Road and Louise Avenue intersections and constructing a water fountain on the Green Belt Park. On November 7, 2023, City Council approved a professional engineering services agreement with (O'Dell Engineering) to design the gateway arches on 5<sup>th</sup> Street. The scope of work included preparation of civil, electrical, and architectural plans of the arches for a contract amount of \$56,640.

On January 8, 2024, City Council reviewed a conceptual layout and provided feedback on the elements to be incorporated within the gateway arches. City Council also reviewed locations within the Green Belt Park for the construction of the water fountain. With a selected location and guidance on the aesthetics, staff requested a proposal from O'Dell Engineering for services that include topographic surveying and completion of the improvement plans with landscape, electrical and structural components of the water fountain. O'Dell Engineering provided a proposal (Attachment B) for those additional services to the water fountain for \$69,151.

Staff is requesting City Council approve Amendment No. 1 to the professional engineering services with O'Dell Engineering for the additional design in the Green Belt Park.

Sufficient funds were not allocated in the approved FY 23-24 budget to pay for the additional cost for designing the water fountain. Thus, staff is requesting City Council approve a budget amendment transferring \$30,000 from Measure C Fund (1060) subject to review and approval by the Measure C Oversight Committee.

**CITY MANAGER’S REPORT** **PAGE 2**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**APPROVE AMENDMENT NO. 1 TO PROFESSIONAL ENGINEERING SERVICES**  
**WITH O’DELL ENGINEERING, INC. FOR THE HISTORIC LATHROP**  
**BEAUTIFICATION PROJECT, CIP GG 24-23 AND APPROVE BUDGET**  
**AMENDMENT**

**BACKGROUND:**

At the July 10, 2023 City Council meeting, Council created CIP GG 24-23 for installation of gateway arches on 5<sup>th</sup> Street near the Lathrop Road and Louise Avenue intersections and construct a water fountain at the Green Belt Park.

Staff contacted several consultants and after reviewing all proposals received, approved a Professional Engineering Services Agreement to O’Dell Engineering to design the gateway arches on 5th Street. The scope of work included preparation of civil, electrical, and architectural plans for a contract amount of \$56,640.

On January 8, 2024, City Council reviewed a conceptual layout and provided feedback on the design elements for the gateway arches. City Council also selected a preferred location within the Green Belt Park to construct the water fountain. With a selected location and guidance on the aesthetics, staff requested O’Dell Engineering a proposal to also design the water fountain.

O’Dell Engineering provided a proposal for the additional design services that include topographic surveying and completion of the improvement plans with landscape, electrical and structural components of the water fountain. Staff is requesting City Council approve Amendment No. 1 to the professional engineering services with O’Dell Engineering to include the design of the water fountain on the Green Belt Park.

**REASON FOR RECOMMENDATION:**

Approval of Amendment No. 1 with O’Dell Engineering will allow staff to move forward with the Project and complete the design of the water fountain concurrent with the gateway arches. Staff will return to Council at a later date to request approval of a construction contract for both improvements.

**FISCAL IMPACT:**

The initial professional services agreement with O’Dell Engineering to design the gateway arches on 5<sup>th</sup> Street was for \$56,640. The cost to complete the additional design services for the water fountain is \$69,151. Sufficient funds were not allocated within the Project. Therefore, staff is requesting City Council approve a budget amendment transferring \$30,000 from Measure C Fund (1060) subject to review and approval by the Measure C Oversight Committee.

Increase Transfer Out 1060-9900-990-9010		\$30,000
Increase Transfer In 3010-9900-393-0000	GG 24-23	\$30,000

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**APPROVE AMENDMENT NO. 1 TO PROFESSIONAL ENGINEERING SERVICES WITH O'DELL ENGINEERING, INC. FOR THE HISTORIC LATHROP BEAUTIFICATION PROJECT, CIP GG 24-23 AND APPROVE BUDGET AMENDMENT**

Increase Expenditures

3010-8000-420-12-00

GG 24-23


\$30,000

**ATTACHMENTS:**

- A. Resolution Approving Amendment No. 1 to the Professional Services Agreement with O'Dell Engineering, Inc. for the Historic Lathrop Beautification Project, CIP GG 24-23, and Approving Budget Amendment
- B. Amendment No. 1 to Professional Services Agreement with O'Dell Engineering, Inc. for the Historic Lathrop Beautification Project, CIP GG 24-23

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**APPROVE AMENDMENT NO. 1 TO PROFESSIONAL ENGINEERING SERVICES**  
**WITH O'DELL ENGINEERING, INC. FOR THE HISTORIC LATHROP**  
**BEAUTIFICATION PROJECT, CIP GG 24-23 AND APPROVE BUDGET**  
**AMENDMENT**

**APPROVALS:**

  
\_\_\_\_\_  
Angel Abarca  
Assistant Engineer


01-31-2024  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

1/31/2024  
Date

  
\_\_\_\_\_  
Todd Sebastian  
Director of Parks & Recreation

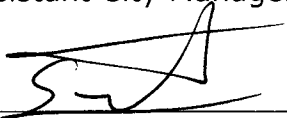
1/31/2024  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director

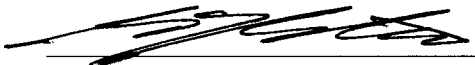
2/3/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

1-31-2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1-31-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/6/24  
Date



**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING AMENDMENT NO. 1 TO PROFESSIONAL ENGINEERING SERVICES WITH O'DELL ENGINEERING, INC. FOR THE LATHROP BEAUTIFICATION PROJECT, CIP GG 24-23 AND APPROVING BUDGET AMENDMENT**

**WHEREAS**, Capital Improvement Project (CIP) GG 24-23 for Historic Lathrop Beautification (Project) consists of installing gateway arches on 5<sup>th</sup> Street near the Lathrop Road and Louise Avenue intersections, and constructing a water fountain on the Green Belt Park; and

**WHEREAS**, on November 7, 2023, the City of Lathrop contracted O'Dell Engineering, Inc. (O'Dell Engineering) to provide professional engineering services to design the gateway arches on 5<sup>th</sup> Street; and

**WHEREAS**, the scope of work included preparation of civil, electrical, and architectural plans of the arches for a contract amount of \$56,640; and

**WHEREAS**, on January 8, 2024, City Council reviewed a conceptual layout and provided feedback on the elements to be incorporated within the gateway arches; and

**WHEREAS**, City Council also reviewed locations within the Green Belt Park to construct the water fountain; and

**WHEREAS**, with a selected location and guidance on the aesthetics, staff requested a proposal from O'Dell Engineering for services that include topographic surveying and completion of the improvement plans with landscape, electrical and structural components of the water fountain; and

**WHEREAS**, O'Dell Engineering provided a proposal for those additional services to the water fountain for \$69,151; and

**WHEREAS**, staff is requesting City Council approve Amendment No. 1 to the professional engineering services with O'Dell Engineering to include the design of the water fountain on the Green Belt Park; and

**WHEREAS**, the initial professional engineering services agreement with O'Dell Engineering to design the gateway arches on 5<sup>th</sup> Street was for \$56,640. The cost to complete the additional design services and topographic surveying for the water fountain is \$69,151; and

**WHEREAS**, sufficient funds were not allocated within the Project. Therefore, staff is requesting City Council approve a budget amendment transferring \$30,000 from Measure C Fund (1060), subject to review and approval by the Measure C Oversight Committee, as follows:

Increase Transfer Out 1060-9900-990-9010		\$30,000
Increase Transfer In 3010-9900-393-0000	GG 24-23	\$30,000
Increase Expenditures 3010-8000-420-12-00	GG 24-23	\$30,000

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby approves Amendment No. 1 to the Professional Services Agreement with O'Dell Engineering, Inc. for the Historic Lathrop Beautification Project, CIP GG 24-23; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop hereby approves a budget amendment transferring \$30,000 from General Fund (1010) to the CIP Project Fund (3010), to be reimbursed by Measure C Fund (1060) subject to review and approval by the Measure C Oversight Committee as detailed above.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2024 by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

**AMENDMENT NO. 1**

**TO THE AGREEMENT FOR PROFESSIONAL SERVICES WITH O'DELL  
ENGINEERING, INC. FOR THE HISTORIC LATHROP BEAUTIFICATION PROJECT,  
CIP GG 24-23**

This Amendment No. 1 (hereinafter "AMENDMENT") to the agreement between O'Dell Engineering and the City of Lathrop dated November 7, 2023, (hereinafter "AGREEMENT") dated for convenience this February 12, 2024, is by and between **O'Dell Engineering, Inc.** ("CONSULTANT") and the **CITY OF LATHROP**, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to provide Professional Services to design the gateway arches and water fountain associated with the Historic Lathrop Beautification Project, CIP GG 24-23; and

**WHEREAS**, CITY selected the CONSULTANT pursuant to said qualifications; and

**WHEREAS**, on November 7, 2023, staff approved the AGREEMENT with O'Dell Engineering, Inc. to provide Professional Services in the amount of \$56,640; and

**WHEREAS**, CONSULTANT is willing to render such Professional Services for the design of the Historic Lathrop Beautification Project, as hereinafter defined, on the following terms and conditions.

**NOW, THEREFORE**, CONSULTANT and CITY agree as follows:

**AMENDMENT No. 1 to AGREEMENT**

- (1) **Scope of Service. Section (1) of the AGREEMENT for Consulting is hereby amended to the following:**

CONSULTANT agrees to perform additional services in conformance with the scope of work and fee proposal submitted by the CONSULTANT, attached hereto as Exhibit "A" and incorporated herein by reference.

The aforementioned work is in addition to the scope of work in the original AGREEMENT dated November 7, 2023 for Professional Engineering Consulting Services for the Historic Lathrop Beautification Project, CIP GG 24-23. The scope of work is hereby amended by adding Exhibit "A". CONSULTANT agrees to diligently perform these services in accordance with the upmost standards of its profession and the CITY'S satisfaction.

(2) **Compensation.** Section (2) of the Agreement for Consulting Services is hereby amended to add the following:

City hereby agrees to pay CONSULTANT an additional sum not to exceed **\$66,391** for the professional services set forth in Exhibit "A". CONSULTANT shall be paid any uncontested sum due and payable within thirty (30) days of receipt of billings containing all information contained in Paragraph 5 of the original AGREEMENT. Compensation for any task must be equal to or less than the percentage of task complete. In no event shall CONSULTANT be entitled to compensation for work not included in Exhibit "A", unless a written change order or authorization describing the extra work and payment terms has been executed by CITY'S Authorized Representative prior to the commencement of the work.

(3) **Effective Date and Term**

The effective date of AMENDMENT No. 1 is February 12, 2024 and it shall terminate no later than June 30, 2024. All other terms of the original AGREEMENT shall remain in full force and effect.

(4) **Applicability To Original Consultant Agreement**

All terms and conditions set forth in the AGREEMENT dated November 7, 2023 are still in effect and are incorporated by reference herein and said AGREEMENT is incorporated by reference herein.

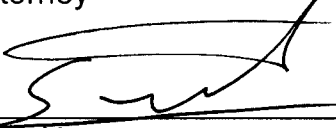
(5) **Signatures**

The individuals executing this AMENDMENT represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this AMENDMENT on behalf of the respective legal entities of the CONSULTANT and the CITY. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

CITY OF LATHROP – AMEND. NO. 1 WITH O'DELL ENGINEERING, INC. FOR THE DESIGN OF THE HISTORIC LATHROP BEAUTIFICATION PROJECT, CIP GG 24-23

Approved as to Form:

City of Lathrop  
City Attorney



\_\_\_\_\_  
Salvador Navarrete

1-31-2024

\_\_\_\_\_  
Date

Recommended for Approval:

City of Lathrop  
Assistant City Manager

\_\_\_\_\_  
Michael King

\_\_\_\_\_  
Date

Approved By:  
(Resolution # \_\_\_\_\_)

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

\_\_\_\_\_  
Date

CONSULTANT:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Fed ID # \_\_\_\_\_

Business License # \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Print Name and Title)



## CONTRACT CHANGE ORDER

Contract Change Order Number: 001  
 Original Contract Date: October 2, 2023  
 Client: City of Lathrop, Brad Taylor  
 Project Number: 42820  
 Project Name: Lathrop Gateway Arches  
 Date/Time: February 05, 2024

### Description of Change:

As requested by the City of Lathrop, O'Dell Engineering and team is pleased to provide additional design support services to expand the original scope of the project to create a new multi-tier water fountain at Green Belt Park near the main pedestrian entrance on Long Barn Drive in Lathrop California. The fountain design as requested, is anticipated to have a base diameter range between 40' to 50', and will have seating, lighting, and landscaping around the fountain area within the central north end of the park. This additional scope of work will encroach into an existing detention basin, requiring the regrading of the existing turf basin area to create a level pad where the fountain is proposed. The added scope will also require water and electrical tie-ins to the existing infrastructure including extending 3-Phase power from the existing City sanitary sewer lift station across Woodfield Drive.

A topographic survey is needed to provide an accurate current base in the area required for the design work of the expanded scope as depicted in 'Exhibit A.' O'Dell Engineering will be responsible for providing a comprehensive landscape design for the project in addition to joint trench design & coordination with PGE. Furthermore, the project structural engineer (PWF) will provide structural design support for the fountain, and the project electrical engineer (HCS) will provide electrical design support for both the fountain and the new pedestrian areas. We have also added an experienced fountain specialist company, Fountain People, to the team to provide MEP technical design services for the fountain and related equipment.

### Additional Scope:

#### TASK 1: TOPOGRAPHIC SURVEY BASE MAPPING

- Perform cross-section survey of linear corridor at 25-foot intervals.
- Perform topographic survey of all hardscape and softscape, including: grade breaks, high points, low points. In flat areas, measure spot elevations in a grid pattern.
- Locate surface-visible utility features and improvements, such as: signs, fences, walls, buildings, striping, driveways, walkways, drainages, structures, lights, poles, bollards, general limits of vegetated or landscaped areas, USA markings, vaults, valves, meters, boxes, pedestals, cleanouts, manholes, drain inlets, catch basins, culverts, outfalls, and standpipes.
- Trees 6" in diameter or larger will be located.
- Create existing ground Civil 3D TIN surface model.
- Prepare topographic survey base map drawing at a 1" = 20' scale.

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CHANGE ORDER

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O'Dell Engineering

DELIVERABLES, Task 1:

- Digital copy of the topographic survey base map drawing in AutoCAD Civil 3D 2022 format.
- PDF copy of topographic survey on O'Dell title block.

Task Cost: \$9,964

**TASK 2: CONCEPTUAL BOUNDARY BASE MAPPING**

- Prepare a conceptual property boundary/road right-of-way linework base map drawing covering the subject mapping limits area. Linework will be based solely on record information from filed survey maps, recorded documents, and any other client-provided information, then placed relative to other deliverables using a limited amount of physical evidence.
- This is not a resolved boundary; no boundary analysis or adjustment will be performed. The following limitations apply:
  - Excludes setting of monuments or filing maps/corner records.
  - Excludes review of adjoining property deeds or resolution of conflicting title evidence.
  - Excludes obtaining a title report. However, if one is provided it will be reviewed and any applicable exceptions will be plotted from record where possible.
  - Plotting of easements or other encumbrances is limited to readily available information obtained by or discovered throughout the process of researching relevant maps, documents, and title reports (if provided). Additional encumbrances may exist. No guarantee is made as to the completeness of said information.
- This item is conditional on finding sufficient corners set by previous surveys. If property corner monuments of record have been destroyed, do not fit, or were never set, then pursuant to the Professional Land Surveyors' Act, additional surveying and a "Record of Survey" or a "Corner Record" may be required to resolve the boundary. If additional surveying is necessary, a briefing with the Client will be arranged, and work will proceed only after authorization from the Client.

DELIVERABLES, Task 2:

- Digital copy of the conceptual boundary linework drawing in AutoCAD Civil 3D 2022 format.

Task Cost: \$2,617

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2	<b>CHANGE ORDER</b>
	O'Dell Engineering



### TASK 3: CONCEPTUAL DESIGN

- Preparation of preliminary conceptual design options will be led by an O’Dell licensed landscape architect, and will prepare up to three (3) alternative conceptual design options for initial City review and comment. Conceptual documents may include the following graphics and exhibits:
  - Conceptual site design in full color;
  - Conceptual fountain design including plan and section/elevation;
  - Preliminary electric service layout and meter placement; and
  - Precedent supporting imagery
- After the City provides direction on a preferred preliminary conceptual design, O’Dell will prepare a final conceptual design package for City approval prior to improvement plan preparation. Conceptual documents may include the following graphics and exhibits:
  - Conceptual site design in full color;
  - Conceptual fountain design including plan and section/elevation;
  - Conceptual intent of electric design from point of connection to meter; and
  - Precedent supporting imagery

#### DELIVERABLES, Task 3:

- Electronic copies in PDF format

Task Cost: \$13,705

### TASK 4: IMPROVEMENT PLANS (50% & FINAL SUBMITTAL)

- Based upon the topographic survey and conceptual boundary base mapping provided in Tasks 1 and 2 above, and City approved conceptual design package in task 3, the O’Dell design team will prepare complete improvement plans, technical specs, cost opinion and structural calculations for City review and comment.

All plans will be consistent with the most recent additions of California Building Code, CalGreen, the State of California Water Efficiency Ordinances, and all City requirements. Plans are expected to include the following:

- Cover sheet
  - Project data
- Notes sheet
- Demolition plans (based off topographic survey base file)
- Erosion control plans
- Grading plans
- Layout and horizontal control plans
- Landscape renovation plans
  - Irrigation plan conforming to city and state MWELo requirements.
  - Irrigation water use calculations (MAWA/ EWU)
  - Irrigation schedule (pre and post establishment)
  - Planting plans
    - Planting plan to conform to MWELo requirements.
  - Planting legend
- Landscape construction details:
  - Hardscape details
  - Fountain design details
  - Standard irrigation details

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<b>3</b>	<b>CHANGE ORDER</b> O’Dell Engineering
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- Standard planting details
  - Electrical site plan:
    - New electrical service and coordination with City staff
    - Power connections to improvement areas.
  - Electrical details
  - Electrical calculations
  - Structural foundation plans
  - Structural framing plans/ elevations
  - Structural details, notes & plan specifications
  - Fountain MEP plans & details
- Cost opinion (at each submittal phase)
- Technical specifications
  - TOC spec outline (50% Submittal)
  - Full technical specifications (100% Submittal), excluding division 00.
  - Bid item list
  - Bid descriptions
- Respond to Client feedback.
- Project coordination with Client.

DELIVERABLES, Task 4:

- Electronic copies in PDF format

Task Cost: \$41,465

**TASK 5: MEETING AND COORDINATION**

- Attend virtual kick-off meeting with city and design team (1).
- Attend one progress meeting for each improvement plan submittal phase.
  - Assumes one virtual meeting per submittal = two (2) total.
  - Additional meetings will be billed at hourly rates provided in original contract.

Task Cost: \$900

**TOTAL FEES, TASK 1 - 5: \$68,651**

**TASK 6: REIMBURSABLES FOR THE FOLLOWING ITEMS:**

- Mileage.
- Printing 11x17 conceptual hard copies (up to three (3) sets) if requested.
- Printing final submittal package hard copies (up to three (3) sets) if requested.

Task Cost: \$500

**TOTAL FEES WITH REIMBURSABLES: \$69,151**

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<b>4</b>	<b>CHANGE ORDER</b>
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**Client to Provide:**

- Existing utility records, including as-builts, record drawings, plans, or GIS information, knowingly possessed by or available to client/owner.
- All other items in this section are per the original contract.

**Limitations/ Assumptions:**

- Does not include bidding and construction support services. We can provide this service upon request from the City.
- Does not include architectural design for fountain or related fountain vault. Vault is assumed to be a pre-packaged unit.
- Does not include utility extensions beyond 100 feet from the project site.
- Does not include temporary electric service for construction trailer.
- Does not include field supervision of construction forces.
- Does not include inspection and/or testing services.
- Does not include utility designs beyond connections/ meters.
- Pricing subject to increase based on PGE Globals provided after application and JT Intent and Form A.
- Does not include QSP services. We can provide this service upon request from the City.
- Does not include construction staking. We can provide this service upon request from the City.
- All other items in this section are per the original contract.

**Note:**

- All other conditions remain per the original contract.

**IMPACT ON SCHEDULE:**

TBD.

**IMPACT ON BUDGET:**

Impact on Budget: \$69,151  
Proposed Contract Total: \$125,791

\_\_\_\_\_  
**CLIENT SIGNATURE**

\_\_\_\_\_  
**CONSULTANT SIGNATURE**

**CLIENT SIGNATURE WILL AMEND THE CONTRACT AS SHOWN AND AUTHORIZES THE WORK TO BE PERFORMED.**

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**CHANGE ORDER**

O'Dell Engineering

Exhibit A –Survey Limits



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odellengineering.com

MAPPING LIMITS EXHIBIT			
SCALE:	1"=100'	DATE:	2024-01-26
JOB NO.:	42820 LATHROP GATEWAY ARCHES		
FILE:	M3892-EXH-MAPPING LIMITS.DWG		

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of  
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6	<b>CHANGE ORDER</b>
	O'Dell Engineering

## ITEM 4.10

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM: APPROVE COOPERATIVE AGREEMENT WITH CALTRANS TO COMPLETE THE PROJECT INITIATION DOCUMENT PHASE FOR ROTH ROAD AND I-5 INTERCHANGE, CIP PS 14-04**

**RECOMMENDATION: Adopt a Resolution to Approve a Cooperative Agreement with the California Department of Transportation (Caltrans) to complete the Project Initiation Document phase for the Roth Road and I-5 Interchange, CIP PS 14-04**

---

#### **SUMMARY:**

On November 13, 2023, City Council approved a Professional Consulting Services Agreement with Dokken Engineering, Inc. (Dokken Engineering) to complete the Project Initiation phase for the Roth Road and Interstate 5 (I-5) Interchange Capital Improvement Project (CIP) PS 14-04 (Project). During this phase, a Project Initiation Document (PID) will be prepared to define the scope of work for traffic and environmental studies and to review the feasible design alternatives for this interchange project.

The Project Initiation is also the first project phase in developing a planning process toward interchange improvements and approval from the California Department of Transportation (Caltrans). Pursuant to State and federal laws, Caltrans requires a cooperative agreement to establish the rights, duties, decisions, and commitments made with the City of Lathrop (City) for planning, designing, and constructing the Project.

Caltrans drafted a standard cooperative agreement (Attachment B) in accordance with the State's Project Development Procedures Manual. With collaboration from Dokken Engineering, staff reviewed and agreed with the scope, cost, and schedule established within the cooperative agreement.

Staff is requesting City Council approves the cooperative agreement with Caltrans for the Roth Road and I-5 Interchange project. The cost associated with this cooperative agreement is \$60,000. Sufficient funds have been allocated to the Project within Fiscal Year (FY) 2023-24.

#### **BACKGROUND:**

The City contracted Dokken Engineering to prepare the PID to define the scope of work for traffic and environmental studies for the Roth Road and I-5 Interchange Project. The Project Initiation is also the first project phase in developing a planning process and approval from Caltrans toward interchange improvements.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
APPROVE COOPERATIVE AGREEMENT WITH CALTRANS TO COMPLETE THE  
PROJECT INITIATION DOCUMENT PHASE FOR ROTH ROAD AND I-5  
INTERCHANGE, CIP PS 14-04**

Pursuant to State and federal laws, a cooperative agreement between the City and Caltrans is required to establish the rights, duties, and decisions for planning, designing, and constructing the Project. The Cooperative Agreement will ensure that agencies complete their obligations according to Caltrans' policies and procedures, applicable Federal Highway Administration (FHWA) policies and procedures, and State and federal laws.

Caltrans prepared the standard cooperative agreement (Attachment B) in accordance with the State's Project Development Procedures Manual. Staff and Dokken Engineering reviewed and agreed with the scope, cost, and schedule established within the cooperative agreement. Thus, staff requests City Council to approve the cooperative agreement with Caltrans for the Roth Road and I-5 Interchange project.

**REASON FOR RECOMMENDATION:**

According to California Streets and Highways Code Section 114, a Cooperative Agreement is required between the City and Caltrans prior to initiating the process to complete the PID phase. The Agreement will set forth the expectations and responsibilities for completing the first project phase of the Roth Road and I-5 Interchange Project.

**FISCAL IMPACT:**


The cost associated with this cooperative agreement is \$60,000. Sufficient funds have been approved in the adopted FY 2023-24 budget to fund the cooperative agreement.

**ATTACHMENTS:**

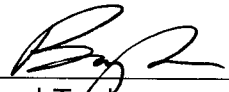
- A. Resolution to Approve a Cooperative Agreement with the California Department of Transportation (Caltrans) to complete the Project Initiation Document phase for the Roth Road and I-5 Interchange, CIP PS 14-04
- B. Cooperative Agreement between the California Department of Transportation (Caltrans) and the City of Lathrop to Complete the Project Initiation Document Phase for Roth Road and I-5 Interchange, CIP PS 14-04

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**APPROVE COOPERATIVE AGREEMENT WITH CALTRANS TO COMPLETE THE**  
**PROJECT INITIATION DOCUMENT PHASE FOR ROTH ROAD AND I-5**  
**INTERCHANGE, CIP PS 14-04**


**APPROVALS:**

  
\_\_\_\_\_  
Angel Abarca  
Assistant Engineer

1-17-2024  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer


1/17/2024  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director

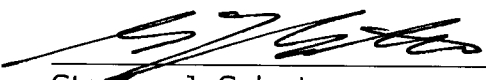
1/19/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

1-17-2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1-17-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/5/24  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE A COOPERATIVE AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) TO COMPLETE THE PROJECT INITIATION DOCUMENT PHASE FOR ROTH ROAD AND I-5 INTERCHANGE, CIP PS 14-04**

**WHEREAS**, on November 13, 2023, City Council approved a Professional Consulting Services Agreement with Dokken Engineering, Inc. (Dokken Engineering) to complete the Project Initiation phase for the Roth Road and Interstate 5 (I-5) Interchange Capital Improvement Project (CIP) PS 14-04 (Project); and

**WHEREAS**, during this phase, a Project Initiation Document (PID) will be prepared to define the scope of work for traffic and environmental studies and to review the feasible design alternatives for this interchange project

**WHEREAS**, the Project Initiation is also the first project phase in developing a planning process toward interchange improvements and approval from the California Department of Transportation (Caltrans); and

**WHEREAS**, pursuant to State and federal laws, Caltrans requires a cooperative agreement to establish the rights, duties, decisions, and commitments made with the City of Lathrop (City) for planning, designing, and constructing the Project; and

**WHEREAS**, Caltrans drafted a standard cooperative agreement in accordance with the State's Project Development Procedures Manual; and

**WHEREAS**, with collaboration from Dokken Engineering, staff reviewed and agreed with the scope, cost, and schedule established within the cooperative agreement; and

**WHEREAS**, staff is requesting City Council approves the cooperative agreement with Caltrans for the Roth Road and I-5 Interchange project; and

**WHEREAS**, the cost associated with this cooperative agreement is \$60,000. Sufficient funds have been allocated to the Project within Fiscal Year (FY) 2023-24; thus there is no fiscal impact.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby approve a Cooperative Agreement with the Department of Transportation Caltrans to complete the Project Initiation Document (PID) Phase for Roth Road and I-5 Interchange, CIP PS 14-04.



The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:


ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

## **COOPERATIVE AGREEMENT COVER SHEET**

### **Work Description**

THE CONSTRUCTION OF A NEW INTERCHANGE AT ROTH ROAD AND INTERSTATE 5 IN SAN JOAQUIN COUNTY IN AND NEAR THE CITY OF LATHROP AT POST MILE R19.6

### **Contact Information**

The information provided below indicates the primary contact information for each PARTY to this AGREEMENT. PARTIES will notify each other in writing of any personnel or location changes. Contact information changes do not require an amendment to this AGREEMENT.

#### CALTRANS

**DRAFT**

Charlie Do, Project Manager

1976 E. Dr. Martin Luther King Jr. Blvd

Stockton, CA 95205

Office Phone: (209) 986-0692

Mobile Phone: (209) 986-0692

Email: Charlie.do@dot.ca.gov

#### CITY OF LATHROP

Angel Abarca, Assistant Engineer

390 Towne Centre Dr

Lathrop, CA 95330

Office Phone: (209) 941-7498

Mobile Phone: (209) 992-1466

Email: aabarca@ci.lathrop.ca.us

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DRAFT

## COOPERATIVE AGREEMENT

This AGREEMENT, executed on and effective from \_\_\_\_\_, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and:

City of Lathrop, a body politic and municipal corporation or chartered city of the State of California, referred to hereinafter as CITY.

An individual signatory agency in this AGREEMENT is referred to as a PARTY. Collectively, the signatory agencies in this AGREEMENT are referred to as PARTIES.

### RECITALS

1. PARTIES are authorized to enter into a cooperative agreement for improvements to the State Highway System (SHS) per the California Streets and Highways Code, Sections 114 and 130 and California Government Code, Section 65086.5.
2. For the purpose of this AGREEMENT, *the construction of a new interchange at Roth Road and Interstate 5 in San Joaquin County in and near the City of Lathrop at Post Mile R19.6*, will be referred to hereinafter as PROJECT. CITY desires that a Project Initiation Document (PID) be developed for the PROJECT. The Project Initiation Document will be a Project Study Report-Project Development Support (PSR-PDS).
3. All obligations and responsibilities assigned in this AGREEMENT to complete the following PROJECT COMPONENT will be referred to hereinafter as WORK:

- PROJECT INITIATION DOCUMENT (PID)

Each PROJECT COMPONENT is defined in the CALTRANS Workplan Standards Guide as a distinct group of activities/products in the project planning and development process.

4. The term AGREEMENT, as used herein, includes this document and any attachments, exhibits, and amendments.

This AGREEMENT is separate from and does not modify or replace any other cooperative agreement or memorandum of understanding between the PARTIES regarding the PROJECT.

PARTIES intend this AGREEMENT to be their final expression that supersedes any oral understanding or writings pertaining to the WORK. The requirements of this AGREEMENT will preside over any conflicting requirements in any documents that are made an express part of this AGREEMENT.

If any provisions in this AGREEMENT are found by a court of competent jurisdiction to be, or are in fact, illegal, inoperative, or unenforceable, those provisions do not render any or all other AGREEMENT provisions invalid, inoperative, or unenforceable, and those provisions will be automatically severed from this AGREEMENT.

Except as otherwise provided in the AGREEMENT, PARTIES will execute a written amendment if there are any changes to the terms of this AGREEMENT.

AGREEMENT will terminate 180 days after PID is signed by PARTIES or as mutually agreed by PARTIES in writing. However, all indemnification articles will remain in effect until terminated or modified in writing by mutual agreement.

5. No PROJECT deliverables have been completed prior to this AGREEMENT.
6. In this AGREEMENT capitalized words represent defined terms, initialisms, or acronyms.
7. PARTIES hereby set forth the terms, covenants, and conditions of this AGREEMENT.

## **DRAFT** **RESPONSIBILITIES**

### **Sponsorship**

8. A SPONSOR is responsible for establishing the scope of the PROJECT and securing the financial resources to fund the WORK. A SPONSOR is responsible for securing additional funds when necessary or implementing PROJECT changes to ensure the WORK can be completed with the funds committed in this AGREEMENT.

PROJECT changes, as described in the CALTRANS Project Development Procedures Manual, will be approved by CALTRANS as the owner/operator of the State Highway System.

9. CITY is the SPONSOR for the WORK in this AGREEMENT.

### **Implementing Agency**

10. The IMPLEMENTING AGENCY is the PARTY responsible for managing the scope, cost, schedule, and quality of the work activities and products of a PROJECT COMPONENT.

- CITY is the Project Initiation Document (PID) IMPLEMENTING AGENCY.

The PID identifies the PROJECT need and purpose, stakeholder input, project alternatives, anticipated right-of-way requirements, preliminary environmental analysis, initial cost estimates, and potential funding sources.

11. CITY will provide a Quality Management Plan (QMP) for the WORK in every PROJECT COMPONENT that they are implementing. The QMP describes the IMPLEMENTING AGENCY's quality policy and how it will be used. The QMP will include a process for resolving disputes between the PARTIES at the team level. The QMP is subject to CALTRANS review and concurrence.
12. Any PARTY responsible for completing WORK will make its personnel and consultants that prepare WORK available to help resolve WORK-related problems and changes for the entire duration of the PROJECT including PROJECT work that may occur under separate agreements.

**Funding**

13. CITY is the only PARTY committing funds in this AGREEMENT and will fund the cost of the WORK in accordance with this AGREEMENT.  
  
If, in the future, CALTRANS is allocated state funds and Personnel Years (PYs) for PID review or development of this PROJECT, PARTIES will agree to amend this AGREEMENT to change the reimbursement arrangement for PID review.
14. Funding sources, PARTIES committing funds, funding amounts, and invoicing/payment details are documented in the Funding Summary section of this AGREEMENT.
15. PARTIES will not be reimbursed for costs beyond the funding commitments in this AGREEMENT.
16. Unless otherwise documented in the Funding Summary, overall liability for project costs within a PROJECT COMPONENT, subject to program limitations, will be in proportion to the amount contributed to that PROJECT COMPONENT by each fund type.
17. Unless otherwise documented in the Funding Summary, any savings recognized within a PROJECT COMPONENT will be credited or reimbursed, when allowed by policy or law, in proportion to the amount contributed to that PROJECT COMPONENT by each fund type.
18. WORK costs, except those that are specifically excluded in this AGREEMENT, are to be paid from the funds obligated in the Reimbursement Summary. Costs that are specifically excluded from the funds obligated in this AGREEMENT are to be paid by the PARTY incurring the costs from funds that are independent of this AGREEMENT.

**CALTRANS' Quality Management**

19. CALTRANS, as the owner/operator of the State Highway System (SHS), will perform quality management work including Quality Management Assessment (QMA) and owner/operator approvals for the portions of WORK within the existing and proposed SHS right-of-way.
20. CALTRANS' Quality Management Assessment (QMA) efforts are to ensure that CITY's quality assurance results in WORK that is in accordance with the applicable standards and the PROJECT's

quality management plan (QMP). QMA does not include any efforts necessary to develop or deliver WORK or any validation by verifying or rechecking WORK.

When CALTRANS performs QMA, it does so for its own benefit. No one can assign liability to CALTRANS due to its QMA.

21. CALTRANS, as the owner/operator of the State Highway System, will approve WORK products in accordance with CALTRANS policies and guidance and as indicated in this AGREEMENT.
22. CITY will provide WORK-related products and supporting documentation upon CALTRANS' request for the purpose of CALTRANS' quality management work.

**Project Initiation Document (PID)**

23. As the PID IMPLEMENTING AGENCY, CITY is responsible for all PID WORK except those activities and responsibilities that are assigned to another PARTY in this AGREEMENT and those activities that may be specifically excluded.
24. Should CITY request CALTRANS to perform any portion of PID preparation work, except as otherwise set forth in this AGREEMENT, CITY agrees to reimburse CALTRANS for such work and PARTIES will amend this AGREEMENT.
25. CALTRANS will be responsible for completing the following PID activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)	AGREEMENT Funded Cost
100.05.10.xx Quality Management	YES
150.05.05.xx Review of Existing Reports, Data, Studies, and Mapping	YES
150.25.20 PID Circulation, Review, and Approval	YES

26. CALTRANS will provide relevant existing proprietary information and maps related to:
  - Geologic and Geotechnical information
  - Utility information
  - Environmental constraints
  - Traffic modeling/forecasts
  - Topographic and Boundary surveys
  - As-built centerline and existing right-of-way

Due to the potential for data loss or errors, CALTRANS will not convert the format of existing proprietary information or maps.

27. When required, CALTRANS will perform pre-consultation with appropriate resource agencies in order to reach consensus on need and purpose, avoidance alternatives, and feasible alternatives.



28. CALTRANS will actively participate in the Project Delivery Team meetings.
29. The PID will be signed on behalf of CITY by a Civil Engineer registered in the State of California.
30. CALTRANS will review and approve the Project Initiation Document (PID) as required by California Government Code, Section 65086.5.

CALTRANS will complete a review of the draft PID and provide its comments to CITY within 60 calendar days from the date CALTRANS received the draft PID from CITY. CITY will address the comments provided by CALTRANS. If any interim reviews are requested of CALTRANS by CITY, CALTRANS will complete those reviews within 30 calendar days from the date CALTRANS received the draft PID from CITY.

After CITY revises the PID to address all of CALTRANS' comments and submits the revised draft PID and all related attachments and appendices, CALTRANS will complete its review and final determination of the revised draft PID within 30 calendar days from the date CALTRANS received the revised draft PID from CITY. Should CALTRANS require supporting data necessary to defend facts or claims cited in the revised Draft PID, CITY will provide all available supporting data in a reasonable time so that CALTRANS may conclude its review. The 30 day CALTRANS review period will be stalled during that time and will continue to run after CITY provides the required data.

No liability will be assigned to CALTRANS, its officers and employees by CITY under the terms of this AGREEMENT or by third parties by reason of CALTRANS' review and approval of the PID.

### **Additional Provisions**

#### *Standards*

31. PARTIES will perform all WORK in accordance with federal and California laws, regulations, and standards; Federal Highway Administration (FHWA) standards; and CALTRANS standards. CALTRANS standards include, but are not limited to, the guidance provided in the:
  - CADD Users Manual
  - CALTRANS policies and directives
  - Plans Preparation Manual
  - Project Development Procedures Manual (PDPM)
  - Workplan Standards Guide
  - Encroachment Permits Manual

#### *Noncompliant Work*

32. CALTRANS retains the right to reject noncompliant WORK. CITY agrees to suspend WORK upon request by CALTRANS for the purpose of protecting public safety, preserving property rights, and ensuring that all WORK is in the best interest of the State Highway System.

Qualifications

33. Each PARTY will ensure that personnel participating in WORK are appropriately qualified or licensed to perform the tasks assigned to them.

Consultant Selection

34. CITY will invite CALTRANS to participate in the selection of any consultants that participate in the WORK.

Encroachment Permits

35. CALTRANS will issue, upon proper application, the encroachment permits required for WORK within State Highway System (SHS) right-of-way. CITY, their contractors, consultants, agents, and utility owners will not work within the SHS right-of-way without an encroachment permit which specifically allows them to do so. CALTRANS will provide encroachment permits to CITY at no cost. CALTRANS will provide encroachment permits to utility owners at no cost. If the encroachment permit and this AGREEMENT conflict, the requirements of this AGREEMENT will prevail.

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36. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will coordinate, prepare, obtain, implement, renew, and amend any encroachment permits needed to complete the WORK.

Protected Resources

37. If any PARTY discovers unanticipated cultural, archaeological, paleontological, or other protected resources during WORK, all WORK in that area will stop and that PARTY will notify all PARTIES within 24 hours of discovery. WORK may only resume after a qualified professional has evaluated the nature and significance of the discovery and CALTRANS approves a plan for its removal or protection.

Disclosures

38. PARTIES will hold all administrative drafts and administrative final reports, studies, materials, and documentation relied upon, produced, created, or utilized for the WORK in confidence to the extent permitted by law and where applicable, the provisions of California Government Code, Section 7921.505(c)(5) will protect the confidentiality of such documents in the event that said documents are shared between PARTIES.

PARTIES will not distribute, release, or share said documents with anyone other than employees, agents, and consultants who require access to complete the WORK without the written consent of the PARTY authorized to release them, unless required or authorized to do so by law.

39. If a PARTY receives a public records request pertaining to the WORK, that PARTY will notify PARTIES within five (5) working days of receipt and make PARTIES aware of any disclosed public records.

Hazardous Materials

40. If any hazardous materials, pursuant to Health and Safety Code 25260(d), are found within the PROJECT limits, the discovering PARTY will notify all other PARTIES within twenty-four (24) hours of discovery.
41. PARTIES agree to consider alternatives to PROJECT scope and/or alignment, to the extent practicable, in an effort to avoid any known hazardous materials within the proposed PROJECT limits.
42. If hazardous materials are discovered within PROJECT limits, but outside of State Highway System right-of-way, it is the responsibility of CITY in concert with the local agency having land use jurisdiction over the property, and the property owner, to remedy before CALTRANS will acquire or accept title to such property.

Claims

43. Any PARTY that is responsible for completing WORK may accept, reject, compromise, settle, or litigate claims arising from the WORK without concurrence from the other PARTY.
44. PARTIES will confer on any claim that may affect the WORK or PARTIES' liability or responsibility under this AGREEMENT in order to retain resolution possibilities for potential future claims. No PARTY will prejudice the rights of another PARTY until after PARTIES confer on the claim.
45. If the WORK expends state or federal funds, each PARTY will comply with the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of 2 CFR, Part 200. PARTIES will ensure that any for-profit consultant hired to participate in the WORK will comply with the requirements in 48 CFR, Chapter 1, Part 31. When state or federal funds are expended on the WORK these principles and requirements apply to all funding types included in this AGREEMENT.

Accounting and Audits

46. PARTIES will maintain, and will ensure that any consultant hired by PARTIES to participate in WORK will maintain, a financial management system that conforms to Generally Accepted Accounting Principles (GAAP), and that can properly accumulate and segregate incurred PROJECT costs and billings.
47. PARTIES will maintain and make available to each other all WORK-related documents, including financial data, during the term of this AGREEMENT.

PARTIES will retain all WORK-related records for three (3) years after the final voucher.

PARTIES will require that any consultants hired to participate in the WORK will comply with this Article.

48. PARTIES have the right to audit each other in accordance with generally accepted governmental audit standards.

CALTRANS, the State Auditor, FHWA (if the PROJECT utilizes federal funds), and CITY will have access to all WORK-related records of each PARTY, and any consultant hired by a PARTY to participate in WORK, for audit, examination, excerpt, or transcription.

The examination of any records will take place in the offices and locations where said records are generated and/or stored and will be accomplished during reasonable hours of operation. The auditing PARTY will be permitted to make copies of any WORK-related records needed for the audit.

The audited PARTY will review the draft audit, findings, and recommendations, and provide written comments within thirty (30) calendar days of receipt.

Upon completion of the final audit, PARTIES have forty-five (45) calendar days to refund or invoice as necessary in order to satisfy the obligation of the audit.

Any audit dispute not resolved by PARTIES is subject to mediation. Mediation will follow the process described in the General Conditions section of this AGREEMENT.

49. If the WORK expends state or federal funds, each PARTY will undergo an annual audit in accordance with the Single Audit Act in the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards as defined in 2 CFR, Part 200.
50. When a PARTY reimburses a consultant for WORK with state or federal funds, the procurement of the consultant and the consultant overhead costs will be in accordance with the Local Assistance Procedures Manual, Chapter 10.

#### Interruption of Work

51. If WORK stops for any reason, IMPLEMENTING AGENCY will place the PROJECT right-of-way in a safe and operable condition acceptable to CALTRANS.

#### Penalties, Judgments and Settlements

52. The cost of awards, judgments, fines, interest, penalties, attorney's fees, and/or settlements generated by the WORK are considered WORK costs.
53. Any PARTY whose action or lack of action causes the levy of fines, interest, or penalties will indemnify and hold all other PARTIES harmless per the terms of this AGREEMENT.

### **GENERAL CONDITIONS**

54. All portions of this AGREEMENT, including the RECITALS section, are enforceable.

### **Venue**

55. PARTIES understand that this AGREEMENT is in accordance with and governed by the Constitution and laws of the State of California. This AGREEMENT will be enforceable in the State of California. Any PARTY initiating legal action arising from this AGREEMENT will file and maintain that legal action in the Superior Court of the county in which the CALTRANS district office that is signatory to this AGREEMENT resides, or in the Superior Court of the county in which the PROJECT is physically located.

### **Exemptions**

56. All CALTRANS' obligations and commitments under this AGREEMENT are subject to the appropriation of resources by the Legislature, the State Budget Act authority, programming and allocation of funds by the California Transportation Commission (CTC).

### **Indemnification**

57. Neither CALTRANS nor any of its officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CITY under this AGREEMENT. It is understood and agreed that CITY, to the extent permitted by law, will defend, indemnify, and save harmless CALTRANS and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
58. Neither CITY nor any of its officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS under this AGREEMENT. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless CITY and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under this AGREEMENT.

### **Non-parties**

59. PARTIES do not intend this AGREEMENT to create a third- party beneficiary or define duties, obligations, or rights for entities in PARTIES not signatory to this AGREEMENT. PARTIES do not

intend this AGREEMENT to affect their legal liability by imposing any standard of care for fulfilling the WORK different from the standards imposed by law.

60. PARTIES will not assign or attempt to assign obligations to entities not signatory to this AGREEMENT without an amendment to this AGREEMENT.

### **Ambiguity and Performance**

61. Neither PARTY will interpret any ambiguity contained in this AGREEMENT against the other PARTY. PARTIES waive the provisions of California Civil Code, Section 1654.

A waiver of a PARTY's performance under this AGREEMENT will not constitute a continuous waiver of any other provision.

62. A delay or omission to exercise a right or power due to a default does not negate the use of that right or power in the future when deemed necessary.

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### **Defaults**

63. If any PARTY defaults in its performance of the WORK, a non-defaulting PARTY will request in writing that the default be remedied within thirty (30) calendar days. If the defaulting PARTY fails to do so, the non-defaulting PARTY may initiate dispute resolution.

### **Dispute Resolution**

64. PARTIES will first attempt to resolve AGREEMENT disputes at the PROJECT team level as described in the Quality Management Plan. If they cannot resolve the dispute themselves, the CALTRANS District Director and the Executive Officer of CITY will attempt to negotiate a resolution. If PARTIES do not reach a resolution, PARTIES' legal counsel will initiate mediation. PARTIES agree to participate in mediation in good faith and will share equally in its costs.

Neither the dispute nor the mediation process relieves PARTIES from full and timely performance of the WORK in accordance with the terms of this AGREEMENT. However, if any PARTY stops fulfilling its obligations, any other PARTY may seek equitable relief to ensure that the WORK continues.

Except for equitable relief, no PARTY may file a civil complaint until after mediation, or forty-five (45) calendar days after filing the written mediation request, whichever occurs first.

PARTIES will file any civil complaints in the Superior Court of the county in which the CALTRANS District Office signatory to this AGREEMENT resides or in the Superior Court of the county in which the PROJECT is physically located.

65. PARTIES maintain the ability to pursue alternative or additional dispute remedies if a previously selected remedy does not achieve resolution.

**Prevailing Wage**

66. When WORK falls within the Labor Code § 1720(a)(1) definition of "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code § 1771, PARTIES will conform to the provisions of Labor Code §§ 1720-1815, and all applicable provisions of California Code of Regulations, Title 8, Division 1, Chapter 8, Subchapter 3, Articles 1-7. PARTIES will include prevailing wage requirements in contracts for public work and require contractors to include the same prevailing wage requirements in all subcontracts.

Work performed by a PARTY's own employees is exempt from the Labor Code's Prevailing Wage requirements.

If WORK is paid for, in whole or part, with federal funds and is of the type of work subject to federal prevailing wage requirements, PARTIES will conform to the provisions of the Davis-Bacon and Related Acts, 40 U.S.C. §§ 3141-3145.

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When applicable, PARTIES will include federal prevailing wage requirements in contracts for public works. WORK performed by a PARTY's employees is exempt from federal prevailing wage requirements.

**REIMBURSEMENT SUMMARY**

FUNDING TABLE			
<u>IMPLEMENTING AGENCY:</u>		<u>CITY</u>	<u>Totals</u>
Source	Party	PID	
LOCAL	CITY	\$50,000	\$50,000
Totals		\$50,000	\$50,000

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SPENDING TABLE			
Fund Type	PID		Totals
	CALTRANS	CITY	
Local	\$50,000		\$50,000
Totals	\$50,000		\$50,000

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**Funding**

67. Per the State Budget Act of 2012, Chapter 603, amending item 2660-001-0042 of Section 2.00, the cost of any engineering support performed by CALTRANS towards any local government agency-sponsored PID project will only include direct costs. Indirect or overhead costs will not be applied during the development of the PID document.

**Invoicing and Payment**

68. PARTIES will invoice for funds where the SPENDING TABLE shows that one PARTY provides funds for use by another PARTY. PARTIES will pay invoices within forty-five (45) calendar days of receipt of invoice when not paying with Electronic Funds Transfer (EFT). When paying with EFT, CITY will pay invoices within five (5) calendar days of receipt of invoice.
69. If CITY has received EFT certification from CALTRANS then CITY will use the EFT mechanism and follow all EFT procedures to pay all invoices issued from CALTRANS.
70. When a PARTY is reimbursed for actual cost, invoices will be submitted each month for the prior month's expenditures. After all PROJECT COMPONENT WORK is complete, PARTIES will submit a final accounting of all PROJECT COMPONENT costs. Based on the final accounting, PARTIES will invoice or refund as necessary to satisfy the financial commitments of this AGREEMENT.

**Project Initiation Document (PID)**

71. CALTRANS will invoice CITY for a \$5,000 initial deposit after execution of this AGREEMENT and forty-five (45) working days prior to the commencement of PROJECT INITIATION DOCUMENT (PID) expenditures. This deposit represents two (2) months' estimated costs.

Thereafter, CALTRANS will invoice and CITY will reimburse for actual costs incurred and paid.

**SIGNATURES**

PARTIES are authorized to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and hereby covenants to have followed all the necessary legal requirements to validly execute this AGREEMENT. By signing below, the PARTIES each expressly agree to execute this AGREEMENT electronically.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

**STATE OF CALIFORNIA DEPARTMENT  
OF TRANSPORTATION**

**CITY OF LATHROP**

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Eric Mather  
Acting District Director

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Stephen J. Salvatore  
City Manager

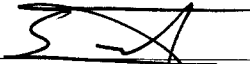
**Verification of Funds and Authority:**

**Approved as to Form and Procedure:**

---

Michelle Ishaya  
District Budget Manager

---



Salvador Navarrete  
City Attorney

**Certified as to financial terms and policies:**

**Attest:**

---

Lai Saephan  
HQ Accounting Supervisor

---

Teresa Vargas  
City Clerk

**Approved as to form and procedure:**

---

HQ Legal Representative  
HQ Legal Rep Title

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## ITEM 4.11

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 REGULAR CITY COUNCIL MEETING

**ITEM:** **AUTHORIZE THE FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 2024-1 (EAGLES LANDING SERVICES)**

**RECOMMENDATION:** **Adopt a Resolution of Intention to Establish City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services) to Finance Public Services**

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#### **SUMMARY:**

As part of their development agreement requirements, master developers are required to submit to the City a fiscal impact analysis. The purpose of a fiscal impact analysis is to estimate the overall financial impacts a development will have on the City. This analysis enables the City to estimate the difference between the costs of providing services to a new development and the revenue the new development will generate.

The City and DR Horton (developer) have recently completed a fiscal impact analysis for the Eagles Landing project. The fiscal impact analysis projected that the development would produce a shortfall to the City's General Fund. In order for the City to ensure that development continues to pay its own way, Community Facilities District (CFD) No. 2024-1 (Eagles Landing Services) needs to be formed to cover the shortfalls.

It is recommended Council authorize the attached Resolution of Intention to establish the City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services) (the "District") and to levy a special tax to finance the costs of certain public facilities and services of benefit to the properties within the District.

#### **BACKGROUND:**

City Staff, the Financing Team and the Developer have had several discussions to help formulate the proposed District and the special tax to be levied, which has been approved by the developer and will be calculated and levied as set forth in the Rate and Method of Apportionment of Special Tax (Exhibit B of Attachment A).

The District will include 95 parcels and will have a single tax rate formula, for the levy of the "Special Tax", for the purpose of funding City services.

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2024 REGULAR CITY COUNCIL MEETING  
COMMUNITY FACILITIES DISTRICT NO. 2024-1 FORMATION**

The description of the services authorized to be paid for by the Special Tax, are described in the "Description of Services" (Exhibit A of Attachment A). The services shall include:

**Services**

- Police Protection Services
- Maintenance of open space; including irrigation and vegetation control
- Maintenance of roads and roadways; including street sweeping, street repair, street striping and repair and repainting of sound walls
- Storm protection; including operation and maintenance of storm drainage system
- Landscaping of public areas; including irrigation, tree trimming and vegetation maintenance and control

The City Council has four documents for consideration:

1. *The Resolution of Intention (Attachment A)* - The resolution sets forth the intention to establish the District, designates the name of the District, identifies the services and facilities to be funded, and states the City's intention to levy a special tax to pay for the services and in the future to pay for the acquisition, construction, and associated costs of the public facilities. The Resolution also sets April 8, 2024 as the date for a hearing on the matters set forth therein.
2. *Description of Services (Exhibit A of Attachment A)* - Description of the services that are authorized to be funded from special tax revenues generated within the District.
3. *The Rate and Method of Apportionment of Special Tax (Exhibit B of Attachment A)* is a key document in that it provides for the security for the funding of the District. This document presents how the revenues from the District are to be collected and also sets forth the purpose and level of the taxes from the various different types of properties.
4. *The District Boundary Map (Attachment B)* - Details the legal parcels which will make up the properties within the boundaries of the District.

Today's resolution sets the public hearing date, at which time the City Council will hear a presentation on the proposed District. At the same time, the election of the property owners is expected to be completed. The election results will unanimously favor the District formation, as the Developer, as the only property owner within the District boundaries, will be voting. It is expected that the Developer will waive a number of noticing and election procedures that make it possible for the proposed district to be formed in a relatively short period of time.

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2024 REGULAR CITY COUNCIL MEETING  
COMMUNITY FACILITIES DISTRICT NO. 2024-1 FORMATION**

At the public hearing on the District, protests against the establishment of the District, the extent of the District, or the furnishing of specified types of services within the District may be made orally or in writing by any interested persons or taxpayers. Any protests pertaining to the regularity or sufficiency of the proceedings shall be made in writing and shall clearly set forth the irregularities and defects to which objection is made. All written protests shall be filed with the City Clerk on or before the time fixed for the hearing. The City Council may waive any irregularities in the form or content of any written protest and at the hearing may correct minor defects in the proceedings. Written protests may be withdrawn in writing at any time before the conclusion of the hearing. If the City Council determines at the conclusion of the hearings to proceed with the establishment of the District, the proposed voting procedure shall be by landowners voting in accordance with the Mello-Roos Community Facilities District Act of 1982, as there are less than twelve registered electors residing within the proposed district boundaries.

Notice of the Public Hearing will be published in the same manner as the City's other public hearing notifications at least seven days prior to the hearing date. Furthermore, a notice of the hearing will be mailed to each property owner and registered voter within the proposed District boundaries (unless otherwise waived).

**REASON FOR RECOMMENDATION:**

Staff has worked with DR Horton to complete a fiscal impact analysis for their project. The fiscal impact analysis has determined that the proposed development will produce a shortfall to the City's General Fund. In order for the City to ensure that development continues to pay its own way, a Community Facilities District (CFD) needs to be formed to cover the shortfalls.

In order to form the CFD, Council needs to adopt the Resolution of Intention. The Resolution is required to be adopted by a majority approval of the City Council.

**FISCAL IMPACT:**

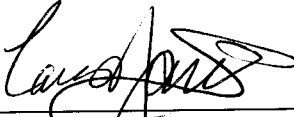
DR Horton has funded the forming of the CFD.

**ATTACHMENTS:**

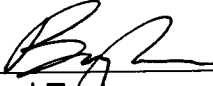
- A. Resolution of Intention to Establish Community Facilities District  
Exhibits to Attachment A:
  - A. Description of Authorized Services
  - B. Rate and Method of Apportionment of Special Tax
  
- B. Community Facilities District No. 2024-1 Boundary Map

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2024 REGULAR CITY COUNCIL MEETING  
COMMUNITY FACILITIES DISTRICT NO. 2024-1 FORMATION**


**APPROVALS:**

  
\_\_\_\_\_  
Cari James  
Director of Finance


1/17/2024  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

1/18/2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1-18-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/5/24  
Date



**RESOLUTION NO. 24-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP DECLARING INTENTION TO ESTABLISH CITY OF LATHROP COMMUNITY FACILITIES DISTRICT NO. 2024-1 (EAGLES LANDING SERVICES) TO FINANCE PUBLIC SERVICES**

**WHEREAS**, under the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act"), the City Council (the "Council") of the City of Lathrop (the "City") is authorized to establish a community facilities district and to act as its legislative body; and

**WHEREAS**, this Council, having received a request from the owners of the area of developing land proposed to be included in the proposed community facilities district within the City, now desires to proceed with the establishment of such community facilities district to finance costs of certain public services required to meet the demands of new development of such land; and

**NOW, THEREFORE, IT IS RESOLVED** as follows:

1. Authority. This Council proposes to conduct proceedings to establish a community facilities district pursuant to the Act, and hereby determines that public convenience and necessity require that it be established pursuant to the Act.

2. Name of CFD. The name proposed for the community facilities district is City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services) (the "CFD").

3. Boundaries Described. The proposed boundaries of the CFD are as shown on the map of it on file with the City Clerk, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. This Council finds that the map is in the form and contains the matters prescribed by Section 3110 of the California Streets and Highways Code. This Council directs the City Clerk to certify the adoption of this resolution on the face of the map, and to file a copy of the map in the office of the City Clerk in accordance with Section 3111 of the California Streets and Highways Code, and within 15 days of the date of adoption of this resolution but in no event later than 15 days prior to the public hearing provided for herein transmit the map to the County Recorder for recording in the Book of Maps of Assessment and Community Facilities Districts in the office of the County Recorder of the County of San Joaquin.

4. Services. The types of public services proposed to be provided within the CFD are set forth on Exhibit A attached to this Resolution (the "Services"). The Council hereby finds that these Services are necessitated by new development occurring and anticipated within the CFD and the Council hereby determines that the increased Services are necessary to meet increased demands placed upon local agencies as the result of development occurring or to occur within the CFD.

The Services are in addition to those provided in the territory of the CFD as of the date hereof and will not supplant services already available within the territory of the CFD as of the date hereof.

5. Special Tax. Except to the extent that funds are otherwise available, the City will levy the special taxes (together, the "Special Tax") to pay directly for the Services. The Special Tax will be secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the CFD, and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as this Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are described in Exhibit B attached hereto and hereby incorporated herein (the "Rate and Method").

6. Exempt Property. Except as may otherwise be provided by the Act, by law or by the rate and method of apportionment of the Special Tax for the CFD, all lands owned by any public entity, including the United States, the State of California and/or the City, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax to be made to cover the costs and expenses of the Services and the CFD. In the event that a portion of the property within the CFD shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, this Council will, on behalf of the CFD, increase the levy to the extent necessary upon the remaining property within the CFD which is not exempt in order to yield the required annual expenses of the CFD, subject to the provisions of the rate and method of apportionment of the Special Tax.

7. Election. The levy of the Special Tax shall be subject to the approval of the qualified electors of the CFD at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the proposed CFD, with each owner having one vote for each acre or portion of an acre such owner owns in the CFD.

8. CFD Report. The City's Finance Director, as the officer having charge and control of the Services in and for the CFD, or the designee of such officer, is hereby directed to study said proposed Services and to make, or cause to be made, and file with the City Clerk a report in writing, (the "CFD Report") presenting the following:

(a) A description of the Services by type which will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Services and incidental expenses in connection therewith.

The CFD Report shall be made a part of the record of the public hearing specified below.

9. Public Hearing. Monday, April 8, 2024, at 7:00 p.m. or as soon as possible thereafter, in the Council Chambers, 390 Towne Centre Drive, Lathrop, California 95330, be, and the same are hereby appointed and fixed as the time and place when and where this Council, as legislative body for the CFD, will conduct a public hearing on the establishment of the CFD and consider and finally determine whether the public interest, convenience and necessity require the formation of the CFD and the levy of the Special Tax.

At the hearing, testimony concerning the CFD, the extent of the CFD or the furnishing of the particular types of Services will be heard and protests will be considered from registered voters residing within the CFD and persons owning real property within the CFD. Written protests by a majority of the registered voters (if at least six such voters protest), or by the owners of a majority of the land (by acreage) which would be subject to special taxation within the proposed the CFD will require the suspension of proceedings for at least one year. Written protests must be filed with the City Clerk at or before the time fixed for the hearing. If such protests are directed only against certain elements of the proposed Services or proposed special tax, and if such protests constitute a majority protest, only those elements shall be deleted from the proceedings.

10. Notice of Hearing. The City Clerk is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper published in the area of the CFD. The publication shall be completed at least seven days before the date of the public hearing specified above. The City may also cause notice of the hearing to be given to each property owner within the CFD by first class mail, postage prepaid, to each such owner's address as it appears on the most recent tax records of San Joaquin County or as otherwise known to the City to be correct. Such mailing shall be completed not less than 15 days before the date of the public hearing. Each of the notices shall be substantially in the form specified in Section 53322 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

11. Billing of Special Tax. It is anticipated that the special tax will be billed as a separate line item on the regular property tax bill. However, this Council reserves the right, under Section 53340, to utilize any method of collecting the special tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing.

12. Further Action. The Mayor, City Manager, Finance Director, Treasurer, City Attorney, City Clerk and all other officers and agents of the City are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

13. No Obligation. This Resolution shall in no way obligate the Council of the City to form the CFD. The formation of the CFD shall be subject to the approval of this Council by resolution following the holding of the public hearing referred to above.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

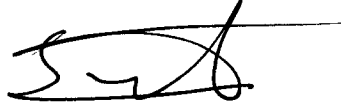
ABSTAIN:

ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:



\_\_\_\_\_  
Teresa Vargas, City Clerk

\_\_\_\_\_  
Salvador Navarrete, City Attorney

## **EXHIBIT A**

### **CITY OF LATHROP Community Facilities District No. 2024-1 (Eagles Landing Services)**

#### DESCRIPTION OF SERVICES TO BE FINANCED BY THE CFD

##### **Services**

The services to be funded, in whole or in part, by the community facilities district (CFD) include all direct and incidental costs related to providing public services and maintenance of public infrastructure within the Eagles Landing area included in the CFD. More specifically, the services shall include, but not be limited to: (i) police protection services, (ii) maintenance of open space, including trails and habitat areas, with services to include, but not be limited to, irrigation and vegetation control; (iii) maintenance of roads and roadways, with services to include, but not be limited to, regularly scheduled street sweeping, repair of public streets, striping of streets and repair and repainting of sound walls and other appurtenances; (iv) storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, (v) landscaping in public areas and in the public right of way along public streets, including, but not limited to, irrigation, tree trimming and vegetation maintenance and control; and (vi) any other public services authorized to be funded under Section 53313 of the California Government Code that are not already funded by another community facilities district on the property within the CFD.

The CFD may fund any of the following related to the services described in the preceding paragraph: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of personnel necessary or convenient to provide the services, payment of insurance costs and other related expenses and the provision of reserves for repairs and replacements and for the future provision of services. The services to be financed by the CFD are in addition to those provided in the territory of the CFD before the date of formation of the CFD and will not supplant services already available within that territory when the District is created.

##### **Administrative Expenses**

The administrative expenses to be funded by the CFD include the direct and indirect expenses incurred by the City of Lathrop (City) in carrying out its duties with respect to the CFD including, but not limited to, the levy and collection of the special taxes, the fees and expenses of attorneys, any fees of the County of San Joaquin related to the CFD or the collection of special taxes, an allocable share of the salaries of any City staff directly related thereto and a proportionate amount of the City's general administrative overhead related thereto, any amounts paid by the City from its general fund with respect to the CFD or the services authorized to be financed by the CFD, and expenses incurred by the City in undertaking action to

foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the City in any way related to the CFD.

**Other**

The incidental expenses that may be funded by the CFD include, in addition to the administrative expenses identified above, the payment or reimbursement to the CFD of all costs associated with the establishment and ongoing administration of the CFD.

**EXHIBIT B**

**CITY OF LATHROP  
Community Facilities District No. 2024-1  
(Eagles Landing Services)**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

[begins on following page]

**RATE AND METHOD OF APPORTIONMENT  
FOR CITY OF LATHROP  
COMMUNITY FACILITIES DISTRICT NO. 2024-1  
(EAGLES LANDING SERVICES)**

A Special Tax, as hereinafter defined, shall be levied and collected in City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services) ("CFD No. 2024-1") each Fiscal Year commencing in Fiscal Year 2024/25, in an amount determined by the application of the procedures below. All Taxable Property, as hereinafter defined, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meaning:

**"Accessory Dwelling Unit" or "ADU"** means all Assessor's Parcels of Single-Family Residential Detached Property for which a building permit(s) has been issued for an "Accessory Dwelling Unit" as defined in California Government Code Section 65852.2(j)(1), as may be amended from time to time, which is accessory to a primary Unit. The ADU may be located on the same Assessor's Parcel as the primary Unit or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU Unit only.

**"Acre or Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event the Assessor's Parcel Map or Assessor's Data shows no Acreage, the Acreage for any Assessor's Parcel shall be determined by the CFD Administrator based upon the applicable final map, parcel map, condominium plan, or other recorded County parcel map. If the preceding maps are not available, the Acreage of an Assessor's Parcel may be determined utilizing GIS.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State.

**"Administrative Expenses"** means the actual or reasonably estimated costs directly related to the administration of CFD No. 2024-1 including, but not limited to, the following: the costs of computing the Annual Special Tax Requirement and of preparing the Special Tax collection schedules; the costs of collecting the Special Tax, including any charges levied by the County Auditor's Office, Tax Collector's Office or Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements of the California Government Code (including the Act), including public inquiries regarding the Special Tax; the costs of the City or designee related to an appeal of the Special Tax; and the costs of commencing and pursuing to completion any action arising from any delinquent Special Tax in CFD No. 2024-1. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2024-1 for any other administrative purposes, including, but not limited to, attorney's fees.



**“Annual Services Costs”** means the respective amounts determined by the CFD Administrator required to fund services authorized to be funded by CFD No. 2024-1 for the applicable yearly period.

**“Annual Special Tax Requirement”** means that amount with respect to CFD No. 2024-1 determined by the City Council or designee as required in any Fiscal Year to pay: (1) the Administrative Expenses, (2) the Annual Services Costs, (3) any amount required to establish or replenish any reserve or replacement fund established in connection with CFD No. 2024-1, and (4) any reasonably anticipated delinquent Special Tax based on the delinquency rate for any Special Tax levied in the previous Fiscal Year.

**“Assessor’s Data”** means Assessor’s Parcel Number, Units, Acreage, or other information contained in the records of the County Assessor for each Assessor’s Parcel.

**“Assessor’s Parcel”** or **“Parcel”** means a lot or parcel shown in an Assessor’s Parcel Map and/or Assessor’s Data with an assigned Assessor’s Parcel Number.

**“Assessor’s Parcel Map”** means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

**“Assessor’s Parcel Number”** means, with respect to an Assessor’s Parcel, that number assigned to such Assessor’s Parcel by the County Assessor for purposes of identification.

**“Building Square Feet”** or **“BSF”** means all of the square footage within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Building Square Feet shall be made by reference to the Assessor’s Data. If the Assessor’s Data does not show Building Square Feet, building permit(s) issued for such structure, or other records of the City shall be used, as determined by the CFD Administrator.

**“City”** means the City of Lathrop, California.

**“City Council”** means the City Council of the City, acting as the legislative body of CFD No. 2024-1.

**“CFD Administrator”** means an official of the City, or designee thereof, responsible for determining the Annual Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**“CFD No. 2024-1”** means the City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services).

**“County”** means the County of San Joaquin.

**“County Assessor”** means the County Assessor of the County.

**“Developed Property”** means, in any Fiscal Year, all Taxable Property in CFD No. 2024-1 for which a building permit for new construction was issued by the City prior to June 1 of the preceding Fiscal Year.

**“Exempt Property”** means all Assessors’ Parcels within the boundary of CFD No. 2024-1 which are exempt from the Special Tax pursuant to Section E.

**"Final Subdivision Map"** means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code 4120, that creates individual lots for which residential building permits may be issued without further subdivision of such property.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"GIS"** means a geographic information system.

**"Initiative #1935"** means initiative constitutional amendment 1935 which is eligible for the November 5, 2024, general election ballot and will be certified as qualified unless withdrawn by the proponent prior to June 27, 2024.

**"Maximum Special Tax"** means the maximum Special Tax authorized to fund the Annual Special Tax Requirement in any Fiscal Year that may apply to Taxable Property as described in Section C.

**"Mixed-Use Property"** means all Assessor's Parcels of Developed Property that have more than one land use category, allowing for both a Single-Family Residential Detached Property Unit and an ADU Unit on each such Assessor's Parcel. For an Assessor's Parcel of Mixed-Use Property, the Special Tax shall be calculated and levied for each use type present on the Assessor's Parcel.

**"Open Space Property"** means property within the boundaries of CFD No. 2024-1 which (i) has been designated with specific boundaries and Acreage on a Final Subdivision Map as open space, (ii) is classified by the County Assessor as open space, (iii) has been irrevocably offered for dedication as open space to the federal government, the State, the County, the City, or any other public agency, or (iv) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

**"Property Owner's Association"** means any property owner's association. As used in this definition, a Property Owner's Association includes any home-owner's association, condominium owner's association, master or sub-association or non-residential owner's association.

**"Property Owner's Association Property"** means any property within the boundaries of CFD No. 2024-1 which is (a) owned by a Property Owner's Association or (b) designated with specific boundaries and acreage on a Final Subdivision Map as property owner association property.

**"Proportionately"** means for Taxable Property that the ratio of the Special Tax levy to the Maximum Annual Special Tax is equal for all Assessors' Parcels of Taxable Property levied within each property land use classification within CFD No. 2024-1.

**"Public Property"** means any property within the boundaries of CFD No. 2024-1 which (i) is owned by a public agency, (ii) has been irrevocably offered for dedication to a public agency, or (iii) is designated with specific boundaries and Acreage on a Final Subdivision Map as property which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State, the County, the City, school districts, or any other public agency.

**“Single Family Residential Detached Property”** means all Assessor’s Parcels of Developed Property for which a building permit(s) has been issued for a detached residential structure intended as a single primary Unit.

**“Special Tax”** means the amount levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Annual Special Tax Requirement.

**“State”** means the State of California.

**“Taxable Property”** means all of the Assessor’s Parcels within the boundaries of CFD No. 2024-1 that are not Exempt Property.

**“Undeveloped Property”** means all of the Assessor’s Parcels within the boundaries of CFD No. 2024-1 that is not classified as Developed Property, Open Space Property, Property Owner’s Association Property, or Public Property.

**“Unit”** means (i) for Single Family Residential Detached Property, an individual single family detached residential unit and (ii) for ADUs, each residential unit. The number of Units assigned to each Assessor’s Parcel may be determined by (i) referencing Assessor’s Data, (ii) site surveys and physical unit counts, and/or (iii) other research by the CFD Administrator.

**“Welfare Exempt Property”** means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 2024-1 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor’s Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act.

**B. DETERMINATION OF TAXABLE PARCELS**

Each Fiscal Year, the CFD Administrator shall determine the valid Assessor’s Parcel Numbers for all Taxable Property within CFD No. 2024-1. If any Assessor’s Parcel Numbers are no longer valid, the CFD Administrator shall determine the new Assessor’s Parcel Number or Numbers in effect for the then-current Fiscal Year. To the extent a Parcel or Parcels of Taxable Property are subdivided, consolidated, or otherwise reconfigured, the Maximum Special Tax shall be assigned to the new Assessor’s Parcels Numbers pursuant to Section C. The CFD Administrator shall also determine: (i) which Parcels are Taxable Property; (iii) the number of Units or Building Square Footage each Parcel contains; (iv) the property type, i.e., Single-Family Residential Detached Property, Accessory Dwelling Unit, or Mixed-Use Property; and (v) the Annual Special Tax Requirement for the Fiscal Year.

**C. MAXIMUM ANNUAL SPECIAL TAX RATES**

The Maximum Special Taxes for each Assessor’s Parcel of Taxable Property shall be assigned below:

**1. Maximum Special Taxes**

The Maximum Special Tax for each Assessor’s Parcel of Taxable Property shall be assigned according to Table 1 below:

**TABLE 1  
MAXIMUM SPECIAL TAX RATES  
FISCAL YEAR 2024/25\***

<b>Land Use Category</b>	<b>Maximum Special Tax Rate</b>	<b>Per</b>
Single-Family Residential Detached Property	\$1,625.00	Unit
Accessory Dwelling Unit	See Below	Unit

**Accessory Dwelling Unit**

The Maximum Special Tax for an Accessory Dwelling Unit shall be calculated as a percentage of the Maximum Special Tax for the primary Unit the ADU is accessory to, based on Building Square Footage. For example, if a primary Single-Family Residential Detached Property Unit with 2,000 BSF has an ADU of 800 BSF, the Maximum Special Tax for the ADU shall be calculated by the following steps:

1.  $800 \text{ BSF} / 2,000 \text{ BSF} = 0.40$  or 40%
2.  $\$1,625.00 \text{ Maximum Special Tax per Unit} \times 40\% = \$650.00 \text{ Maximum Special Tax for such ADU}$

\*On July 1 of each Fiscal Year, commencing on July 1, 2025, the Maximum Special Tax rates shall be increased by the lesser of (i) the increase from the prior Fiscal Year, if any, in the Local Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward Area for All Urban Consumers, or (ii) four percent (4%). The CPI used shall be as determined by the Bureau of Labor Statistics from April-to-April beginning with the period from April 2024 to April 2025.

In some instances, an Assessor’s Parcel of Developed Property may be Mixed-Use Property. The Maximum Special Tax levied on an Assessor’s Parcel shall be the sum of the Maximum Special Tax for all Units of each property type on that Assessor’s Parcel.

**2. Assignment of Assessor’s Parcel(s) to Property Land Use Category**

When an Assessor’s Parcel changes from being classified as Undeveloped Property to another land use category and is considered Developed Property, that assignment shall not change due to future changes in land use.

**3. Assignment of Maximum Special Tax to Newly Created Assessor’s Parcel(s)**

After a Final Subdivision Map has been recorded, if there are changes to the overall planned development within CFD No. 2024-1, the process for assigning the Maximum Special Tax to each

Assessor’s Parcel expected to be classified as Single-Family Residential Detached Property is as follows:

Step 1: Determine the then-current total expected Maximum Special Tax for CFD No. 2024-1, by referencing Table 2.

Step 2: Identify the Assessor’s Parcel(s) of Taxable Property expected to be classified as Single-Family Residential Detached Property and assign the Maximum Special Tax to each Assessor’s Parcel of Taxable Property expected to be classified as Single-Family Residential Detached Property according to the then-current Maximum Special Tax Rates for such category. Sum the Maximum Special Tax assigned to each Assessor’s Parcel of Taxable Property expected to be classified as Single-Family Residential Detached Property.

Step 3: Divide the total expected Maximum Special Tax in Step 1 by the total Maximum Special Tax assigned in Step 2 to arrive at a fraction.

Step 4: Apportion the total expected Maximum Special Tax from Step 1 to each Assessor’s Parcel of Taxable Property expected to be classified as Single-Family Residential Detached Property by multiplying each Assessor’s Parcel fraction, determined in Step 3, by the then-current Maximum Special Tax Rates for Single-Family Residential Detached Property.

Step 5: The Maximum Special Tax assigned to each Assessor’s Parcel of Taxable Property expected to be classified as Single-Family Residential Detached Property shall be the greater of the Maximum Special Tax assigned in Step 2 or the Maximum Special Tax calculated in Step 4.

If there are no changes to the planned development within CFD No. 2024-1, the Maximum Special Tax shall be assigned according to Table 1.

The planned development is provided in the table below:

**TABLE 2  
PLANNED DEVELOPMENT AND TOTAL EXPECTED MAXIMUM SPECIAL TAX  
FISCAL YEAR 2024/25\***

Land Use Category	Planned Development	Total Expected Maximum Special Tax
Single-Family Residential Detached Property	95 Units	\$154,375.00

\*On July 1 of each Fiscal Year, commencing on July 1, 2025, the Maximum Special Tax rates shall be increased by the lesser of (i) the increase from the prior Fiscal Year, if any, in the Local Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward Area for All Urban Consumers, or (ii) four percent (4%). The CPI used shall be as determined by the Bureau of Labor Statistics from April-to-April beginning with the period from April 2024 to April 2025.

Once created, if a newly created Assessor’s Parcel(s) of Taxable Property further changes or subdivides, the above steps shall be repeated to determine the Maximum Special Tax for the

additional newly created Assessor's Parcel(s) of Taxable Property created from the change or subdivision.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAXES**

All Taxable Property shall be subject to the Special Tax defined as follows. The Special Tax shall be levied each Fiscal Year by the CFD Administrator.

The Annual Special Tax Requirement shall be apportioned to each Parcel within CFD No. 2024-1 by the method shown below.

First: Determine the Annual Special Tax Requirement.

Second: Levy the Special Tax on each Parcel of Developed Property, Proportionately, up to the applicable Maximum Special Tax.

Under no circumstances will the Special Taxes on any Assessor's Parcel of Developed Property be increased by more than 10% as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2024-1.

**E. EXEMPTIONS**

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Open Space Property, Property Owner's Association Property, Undeveloped Property, Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement, or Public Property, except as otherwise provided in Sections 53317.3, 53317.5 and 533401 of the Act.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property.

**F. APPEAL OF SPECIAL TAX LEVY**

Any property owner may file a written appeal of the Special Tax with the CFD Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of the Special Tax. In addition, during the term of the appeal process, all Special Tax levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then an adjustment shall be made to credit the Special Tax in future years.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

**G. INTERPRETATIONS OF RATE AND METHOD OF APPORTIONMENT**

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

**H. MANNER AND DURATION OF SPECIAL TAX**

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided that the City may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if needed to meet the financial obligations of CFD No. 2024-1, and may collect delinquent Special Taxes through available methods.

A Special Tax shall be levied commencing in Fiscal Year 2024/25 to the extent necessary to satisfy the Annual Special Tax Requirement and shall be levied each Fiscal Year thereafter for as long as required to satisfy the Annual Special Tax Requirement. However, should Initiative #1935 be included as an initiative measure at election and subsequently be approved by voters, the duration of the Special Tax is 500 years.

**I. PREPAYMENT OF SPECIAL TAX**

The Special Tax may not be prepaid.

# PROPOSED BOUNDARIES OF CITY OF LATHROP COMMUNITY FACILITIES DISTRICT NO. 2024-1 (EAGLES LANDING SERVICES)

CITY OF LATHROP  
COUNTY OF SAN JOAQUIN  
STATE OF CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LATHROP THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 202\_\_.

CITY CLERK  
CITY OF LATHROP  
SAN JOAQUIN COUNTY, CALIFORNIA

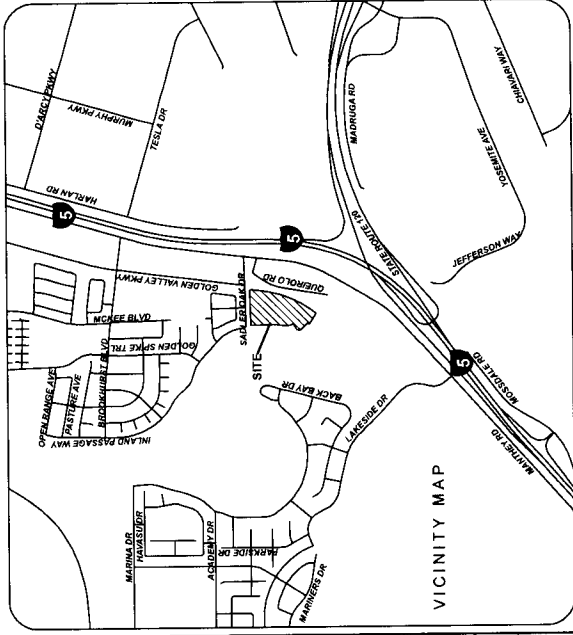
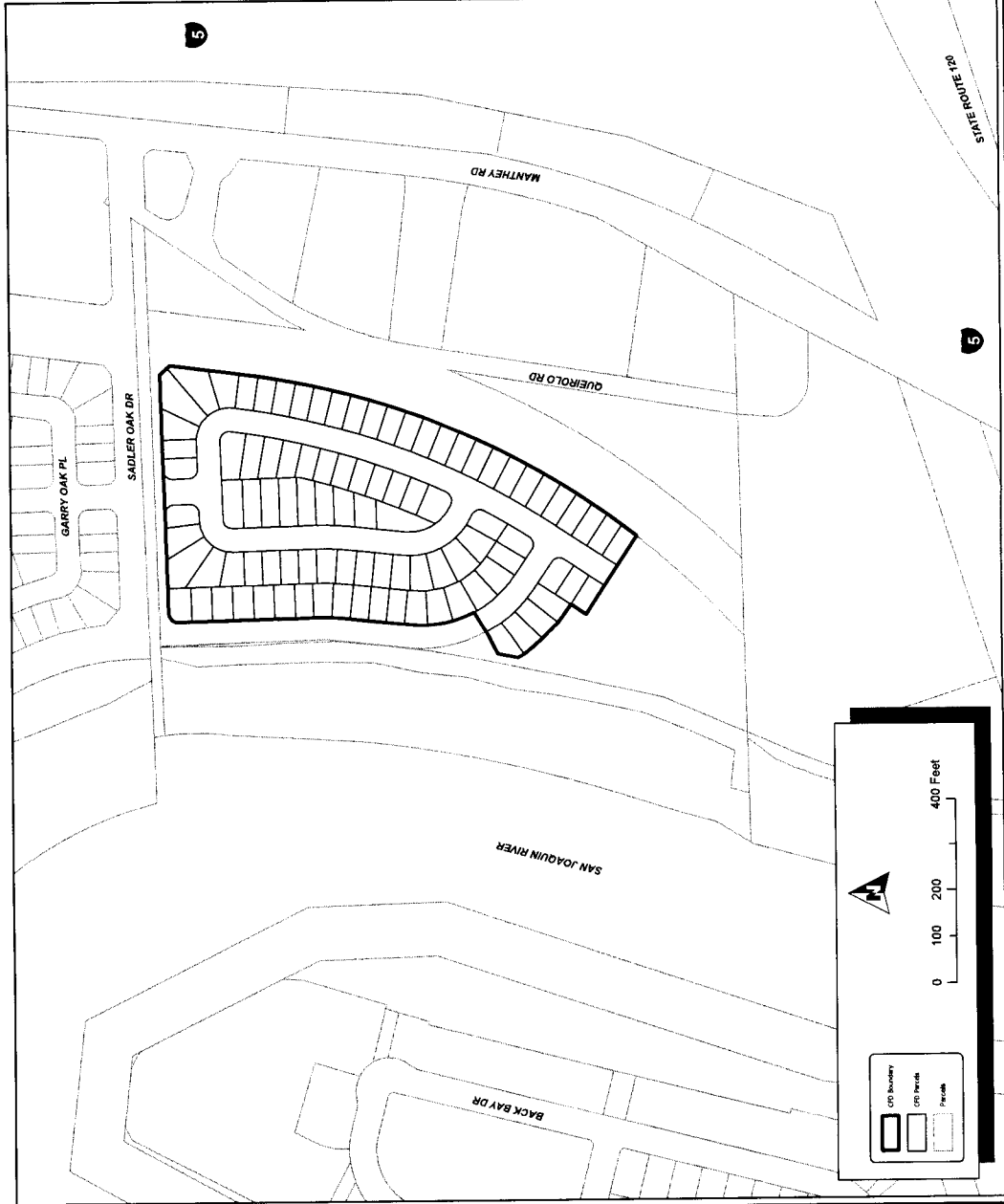
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF CITY OF LATHROP COMMUNITY FACILITIES DISTRICT NO. 2024-1 (EAGLES LANDING SERVICES), CITY OF LATHROP, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LATHROP AT A REGULAR MEETING THEREOF, HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 202\_\_, BY ITS RESOLUTION NO. \_\_\_\_\_.

CITY CLERK  
CITY OF LATHROP  
SAN JOAQUIN COUNTY, CALIFORNIA

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 202\_\_, AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M. IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA. INSTRUMENT NUMBER \_\_\_\_\_.

COUNTY RECORDER  
COUNTY OF SAN JOAQUIN, CALIFORNIA

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.



Source: San Joaquin County GIS  
Geographic Coordinate Reference: GCS North American 1983  
Projection: NAD 1983 StatePlane California III FIPS 0403 Feet



## ITEM 4.12

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM: CREATE CIP GG 24-28 FOR ELECTRIC VEHICLE CHARGING STATIONS AT THE LATHROP COMMUNITY CENTER / LATHROP SENIOR CENTER AND APPROVE BUDGET AMENDMENT**

**RECOMMENDATION: Adopt Resolution Creating CIP GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center and Approving Budget Amendment**

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#### **SUMMARY:**

The San Joaquin Council of Governments (SJCOG) solicited a call for projects for the 2023 Combined Carbon Reduction Program (CPR) / Congestion Mitigation and Air Quality (CMAQ) Improvement Program. The City applied for the grant and was awarded \$850,000 towards a new project to install electric vehicle (EV) charging stations to support the reduction of transportation emissions.

Staff is proposing the creation of Capital Improvement Project (CIP) GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center (Project). The Project will utilize the existing parking at the Community Center / Senior Center to install five (10) charging units – refer to Attachment B for Location Map.

Publicly accessible during business hours and powered by solar energy, the proposed EV stations will consist of standard (Level 2) and fast-charging (Level 3) charging units for most electric vehicles and plug-in hybrids. Canopies with solar panels, street lighting, pavement resurfacing, signing, striping and other parking lot improvements will be analyzed at the design phase to accommodate the new EV charging stations. Staff is requesting Council create CIP GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center.

CMAQ funds are reimbursable federal aid funds, subject to the requirements of Title 23, United States Code. The grant award was for \$850,000 with a local match requirement of 11.47%. Staff is requesting Council approve a budget amendment recognizing \$850,000 in revenue from Federal Grant Fund (2150) to the CIP Project Fund (3010). With approval from Measure C Committee, staff is also requesting the allocation of \$97,495 from Measure C Fund (1060) for the local match requirement.

#### **BACKGROUND:**

The 2023 Combined CRP/CMAQ Program was created to support surface transportation projects contributing to air quality improvements and providing congestion relief.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING****CREATE CIP GG 24-28 FOR ELECTRIC VEHICLE CHARGING STATIONS AT THE LATHROP COMMUNITY CENTER / LATHROP SENIOR CENTER AND APPROVE BUDGET AMENDMENT**

Approximately \$22 million in federal funding was available for eligible projects in San Joaquin County. On April 7, 2023, SJCOG solicited a call-for-projects that decrease transportation related carbon emissions resulting from on-road and highway sources. On May 10, 2023, the City submitted an application proposing to use parking at public facilities to install EV charging stations. SJCOG Board reviewed and approved the City's proposed charging stations and granted \$850,000 in federal funds towards completion.

In order to coordinate with SJCOG on the release of granted funding, staff is proposing to create CIP GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center. The Project consists of installing (10) new EV charging units on the existing parking lot at the Lathrop Community Center. These proposed stations will be publicly accessible during business hours and powered by solar energy. Canopies with solar panels, street lighting, pavement resurfacing, signing, striping and other parking lot improvements will be analyzed to accommodate the new EV charging stations.

The proposed Project will also include:

- Preliminary environmental studies
- Design of Improvement Plans
- Construction and installation of the new EV charging units

**REASON FOR RECOMMENDATION:**

Creation of CIP GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center is needed to request the authorized funding from SJCOG. Approving the creation of the Project will allow the City to support reduction of transportation emissions, and begin Planning and Designing phases for the proposed scope of work. Staff will return to Council at a later date to award a construction contract.

**FISCAL IMPACT:**

The City was awarded \$850,000 in federal funds from the 2023 Combined CRP/CMAQ Program to complete the environmental, design, and construction phases of the proposed Project. CMAQ funds are reimbursable federal aid funds, subject to the requirements of Title 23, United States Code.

Staff is also requesting Council approve a budget amendment recognizing \$850,000 in revenue from Federal Grant Fund (2150) and upon approval from Measure C Committee, allocating \$97,495 from Measure C Fund (1060) as follows:

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**CREATE CIP GG 24-28 FOR ELECTRIC VEHICLE CHARGING STATIONS AT THE LATHROP COMMUNITY CENTER / LATHROP SENIOR CENTER AND APPROVE BUDGET AMENDMENT**

<u>Increase Revenue</u>		
2150-8000-333-0300		\$850,000
<u>Increase Transfer Out</u>		
1060-9900-990-9010		\$97,495
<u>Increase Transfer Out</u>		
2150-9900-990-9010		\$850,000
<u>Increase Transfer In</u>		
3010-9900-393-0000	GG 24-28	\$947,495
<u>Increase Expenditures</u>		
3010-8000-420-12-00	GG 24-28	\$947,495

**ATTACHMENTS:**


- A. Resolution Creating CIP GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center and Approving Budget Amendment
- B. Project Location Map

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**CREATE CIP GG 24-28 FOR ELECTRIC VEHICLE CHARGING STATIONS AT THE**  
**LATHROP COMMUNITY CENTER / LATHROP SENIOR CENTER AND APPROVE**  
**BUDGET AMENDMENT**

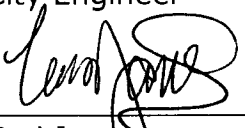
**APPROVALS:**

  
\_\_\_\_\_  
Angel Abarca  
Assistant Engineer

02-01-2024  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

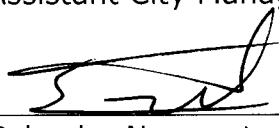
2/1/2024  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director


2/3/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

2-1-2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

2-1-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/6/24  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP CREATING CIP GG 24-28 FOR ELECTRIC VEHICLE CHARGING STATIONS AT THE LATHROP COMMUNITY CENTER / LATHROP SENIOR CENTER AND APPROVING BUDGET AMENDMENT**

**WHEREAS**, on April 7, 2023, the San Joaquin Council of Governments (SJCOG) solicited a call for projects for the 2023 Combined Carbon Reduction Program (CPR) / Congestion Mitigation and Air Quality (CMAQ) Improvement Program; and

**WHEREAS**, on May 10, 2023, the City submitted an application proposing to use parking at public facilities to install electric vehicle (EV) charging stations; and

**WHEREAS**, SJCOG Board reviewed and approved the City's proposed charging stations and granted \$850,000 of federal funds towards completion; and

**WHEREAS**, staff is proposing the creation of Capital Improvement Project (CIP) GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center (Project); and

**WHEREAS**, the Project will utilize the existing parking at the Community Center / Senior Center to install a total of ten (10) charging units that will be publicly accessible during business hours and powered by solar energy; and

**WHEREAS**, canopies with solar panels, street lighting, pavement resurfacing, and other parking lot improvements will be analyzed to accommodate the new EV charging stations; and

**WHEREAS**, the proposed EV stations will provide standard (Level 2) and fast-charging (Level 3) charging units for most electric vehicles and plug-in hybrids; and

**WHEREAS**, the proposed Project will also include preliminary environmental studies, design and construction services of the new EV charging stations; and

**WHEREAS**, staff is requesting Council create CIP GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center; and

**WHEREAS**, staff is also requesting Council approve a budget amendment recognizing \$850,000 in revenue from Federal Grant Fund (2150) to the CIP Project Fund (3010) and allocating \$97,495 from Measure C Fund (1060) as follows:

Increase Revenue 2150-8000-333-0300		\$850,000
Increase Transfer Out 1060-9900-990-9010		\$97,495
Increase Transfer Out 2150-9900-990-9010		\$850,000
Increase Transfer In 3010-9900-393-0000	GG 24-28	\$947,495
Increase Expenditures 3010-8000-420-12-00	GG 24-28	\$947,495

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby create CIP GG 24-28 for Electric Vehicle Charging Stations at the Lathrop Community Center / Lathrop Senior Center; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop approve a budget amendment recognizing \$850,000 in revenue from Federal Grant Fund (2150) and allocating \$97,495 from Measure C Fund (1060) for the local match requirement as detailed above.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

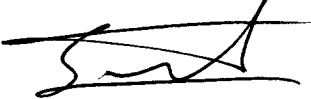
ABSENT:

ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

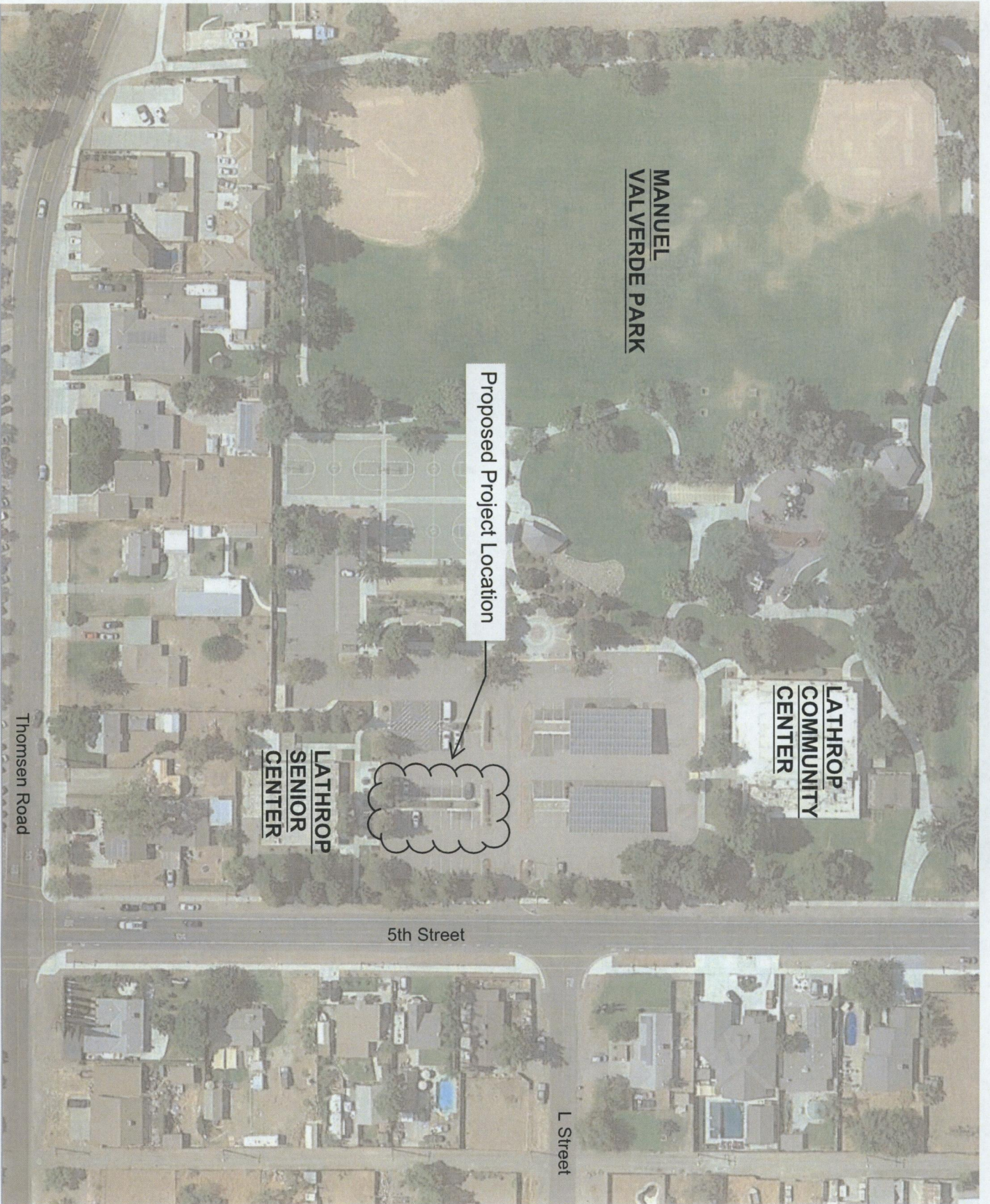
**APPROVED AS TO FORM:**



\_\_\_\_\_  
Teresa Vargas, City Clerk

\_\_\_\_\_  
Salvador Navarrete, City Attorney

# PROJECT LOCATION MAP





**CITY MANAGER’S REPORT  
FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM: CREATE CIP PS 24-29 PAVEMENT REHABILITATION ON CHERRY HILLS DRIVE, CHERRY HILLS COURT, KILARNEY DRIVE, AND KILARNEY COURT, AND APPROVE BUDGET AMENDMENT**

**RECOMMENDATION: Adopt Resolution Creating CIP PS 24-29 Pavement Rehabilitation on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court, and Approve Budget Amendment**

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**SUMMARY:**

Staff is proposing to create Capital Improvement Project (CIP) PS 24-29 Pavement Rehabilitation (Project) to correct existing road deficiencies in the Woodfield community area. The proposed Project will repair the deteriorated pavement on the residential streets listed below:

- Cherry Hills Drive
- Cherry Hills Court
- Kilarney Drive
- Kilarney Court

Through a full-reconstruction pavement treatment, the Project will use the existing pavement section material as the base for the new roadway-wearing surface. This treatment produces a cost-effective solution to alligator, transverse, longitudinal, and reflection pavement cracking.

Staff requests that City Council approve the creation of CIP PS 24-29 Pavement Rehabilitation on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court. Sufficient funds were not allocated in the approved FY 23/24 budget, thus staff is also requesting the approval of a budget amendment transferring \$100,000 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) to create the project and fund the design engineering services.

**BACKGROUND:**

Staff utilizes the City’s Pavement Management System (PMS) to assess the condition of roadway sections and determine the pavement locations that are in need of repair and rehabilitation. Through the PMS and field observations, staff identified the need to repair the Woodfield community area bounded. Refer to Attachment B for vicinity map. On July 2023, CIP PS 22-45 Road Maintenance and Rehabilitation Project completed the reconstruction of Prairie Dunes Drive. To continue the repair and rehabilitation of that area, staff is proposing to create CIP PS 24-29.

**CITY MANAGER’S REPORT** **PAGE 2**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**CREATE CIP PS 24-29 PAVEMENT REHABILITATION ON CHERRY HILLS DRIVE, CHERRY HILLS COURT, KILARNEY DRIVE, AND KILARNEY COURT, AND APPROVE BUDGET AMENDMENT**

The proposed Project will implement a full-reconstruction pavement treatment to rehabilitate the project locations using the existing pavement section material as the base for the new roadway-wearing surface. This treatment produces a cost-effective solution to alligator, transverse, longitudinal, and reflection pavement cracking.

Staff is requesting City Council to approve the creation of CIP PS 24-29 Pavement Rehabilitation on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court.

**REASON FOR RECOMMENDATION:**

Creation of CIP PS 24-29 Pavement Rehabilitation is needed to correct existing roadway pavement deficiencies and increase motorists’ safety. Approving the creation of CIP PS 24-29 will allow the City to begin planning and designing phases for the proposed project.

**FISCAL IMPACT:**

Sufficient funds were not allocated in the approved FY 23/24 budget, thus staff is also requesting the approval of a budget amendment transferring \$100,000 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) as follows:

<u>Decrease Street Repair Reserves</u>		
1010-251-03-00		\$100,000
<u>Increase Transfer Out</u>		
1010-9900-990-9010		\$100,000
<u>Increase Transfer In</u>		
3310-9900-393-0000	PS 24-29	\$100,000
<u>Increase Appropriation</u>		
3310-8000-420-1200	PS 24-29	\$100,000


Staff will complete planning and designing phases and return to Council at a later date to award a construction contract.

**ATTACHMENTS:**

- A. Resolution Creating CIP PS 24-29 Pavement Rehabilitation on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court, and Approving Budget Amendment
- B. Project Location Map

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**CREATE CIP PS 24-29 PAVEMENT REHABILITATION ON CHERRY HILLS DRIVE, CHERRY HILLS COURT, KILARNEY DRIVE, AND KILARNEY COURT, AND APPROVE BUDGET AMENDMENT**

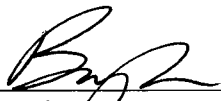
**APPROVALS:**

  
\_\_\_\_\_  
Angel Abarca  
Assistant Engineer


1-17-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Ken Reed  
Senior Construction Manager


1-17-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

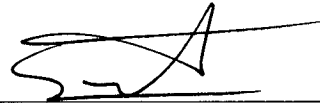
1/17/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director

1/18/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

1-17-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1-18-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/5/24  
\_\_\_\_\_  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP CREATING CIP PS 24-29 PAVEMENT REHABILITATION ON CHERRY HILLS DRIVE, CHERRY HILLS COURT, KILARNEY DRIVE, AND KILARNEY COURT, AND APPROVING BUDGET AMENDMENT**

**WHEREAS**, staff utilizes the City’s Pavement Management System (PMS) to assess the condition of roadway sections and help determine the pavement locations to repair and rehabilitate; and

**WHEREAS**, on July 2023, CIP PS 22-45 Road Maintenance and Rehabilitation Project completed the reconstruction of Prairie Dunes Drive; and

**WHEREAS**, to continue the repair and rehabilitation of that area, staff is proposing to create Capital Improvement Project (CIP) PS 24-29 Pavement Rehabilitation (Project) on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court; and

**WHEREAS**, through a full-reconstruction pavement treatment, the Project will use the existing pavement section material as the base for the new roadway-wearing surface; and

**WHEREAS**, this treatment produces a cost-effective solution to alligator, transverse, longitudinal, and reflection pavement cracking; and

**WHEREAS**, staff requests that City Council approve the creation of CIP PS 24-29 Pavement Rehabilitation on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court; and

**WHEREAS**, sufficient funds were not allocated in the approved FY 23/24 budget, thus staff is also requesting the approval of a budget amendment transferring \$100,000 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) as follows:

<u>Decrease Street Repair Reserves</u>		
1010-251-03-00		\$100,000
<u>Increase Transfer Out</u>		
1010-9900-990-9010		\$100,000
<u>Increase Transfer In</u>		
3310-9900-393-0000	PS 24-29	\$100,000
<u>Increase Appropriation</u>		
3310-8000-420-1200	PS 24-29	\$100,000

**WHEREAS**, staff will complete planning and designing phases and return to Council at a later date to award a construction contract.

**NOW, THEREFORE, BE IT RESOLVED**, the City Council of the City of Lathrop does hereby approve the creation of CIP PS 24-29 Pavement Rehabilitation on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop also approves a budget amendment transferring \$100,000 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) as detailed above.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

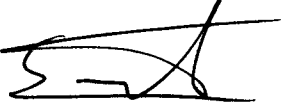
ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

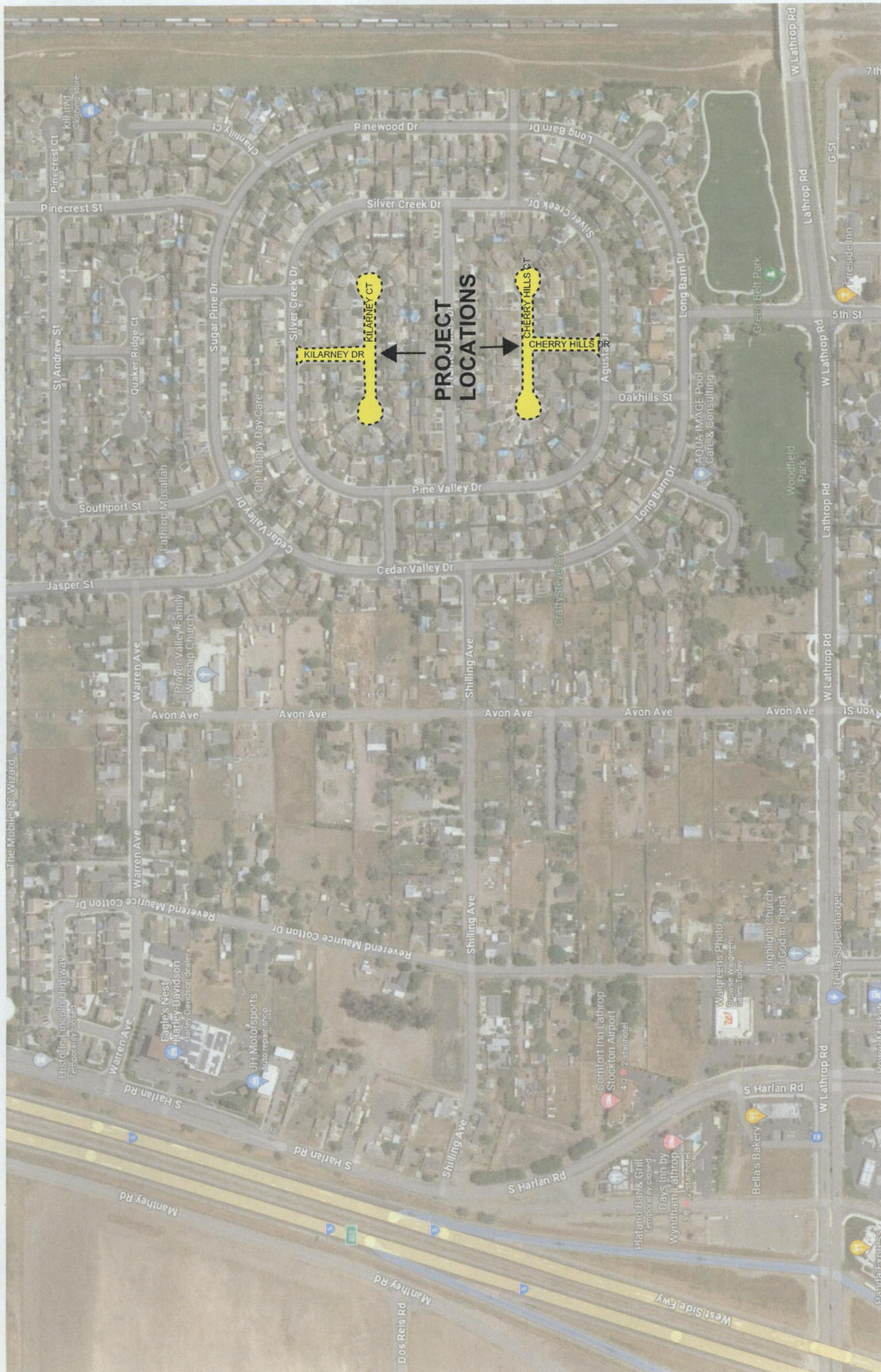
\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney



ATTACHMENT  
"B"



**PROJECT LOCATION MAP**

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## ITEM 4.14

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM: CREATE CIP PS 24-31, YOSEMITE AVENUE PAVEMENT REHABILITATION, APPROVE REIMBURSEMENT AGREEMENT WITH YOSEMITE LATHROP 2, LLC, AND APPROVE BUDGET AMENDMENT**

**RECOMMENDATION: Adopt Resolution Creating CIP PS 24-31, Yosemite Avenue Pavement Rehabilitation, Approving Reimbursement Agreement with Yosemite Lathrop 2, LLC, and Approving Budget Amendment**

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#### **SUMMARY:**

Staff is proposing City Council approve the creation of Capital Improvement Project (CIP) PS 24-31 for Yosemite Avenue Pavement Rehabilitation (Project) to address and repair the deteriorating pavement surface on Yosemite Avenue. Yosemite Avenue is an east-west arterial road with significant traffic due to the City's rapid growth. The project limits will be from SR120 to the eastern City limits, as depicted in Attachment "C".

The Gateway Specific Plan area developer, Yosemite Lathrop 2, LLC (Phelan), is currently repaving and expanding the south side of Yosemite Avenue along the entire frontage of the development as required by the Subdivision Improvement Agreement. Staff recognizes that improvements on the north side of Yosemite Avenue are also necessary in order to maintain safe road conditions. Phelan has agreed, contingent on Council approval of the proposed reimbursement agreement, to repave a portion of Yosemite Avenue to the extent shown in Attachment "D" (Portion of Yosemite Avenue), concurrently with the improvements on the south side of Yosemite Avenue.

The cost to improve the Portion of Yosemite Avenue is equal to or less than quotes City has received for similar work and Phelan has agreed to reduce or waive mobilization costs for the City since Phelan is already required to pay mobilization costs for the required improvements on the south side of Yosemite Avenue fronting the development. The remaining unpaved section of Yosemite Avenue will be improved as a City project at a later date.

Staff recommends City Council approve the creation of CIP PS 24-31, approve Public Infrastructure Reimbursement Agreement Between City of Lathrop and Yosemite Lathrop 2, LLC Relating to Capital Improvement Project (CIP) PS 24-31 Yosemite Avenue Pavement Rehabilitation (Reimbursement Agreement) and approve a budget amendment transferring \$799,551 from the General Fund Street Repair Reserves (1010).

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
CREATE CIP PS 24-31, YOSEMITE AVENUE PAVEMENT REHABILITATION,  
APPROVE REIMBURSEMENT AGREEMENT WITH YOSEMITE LATHROP 2, LLC,  
AND APPROVE BUDGET AMENDMENT****BACKGROUND:**

Yosemite Avenue is an east-west arterial that has seen significant traffic due to the rapid growth of the City and the increase in warehouse facilities fronting the road. The road is bound by commercial and industrial zoning, and is utilized for access to SR120.

Through field observations, staff assessed the condition of Yosemite Avenue from SR120 to the eastern City limits and determined that it requires rehabilitation. Staff proposes to create CIP PS 24-31 for Yosemite Avenue Pavement Rehabilitation to repair the deteriorated pavement surface.

Currently, the developers of the Gateway development, Phelan, are repaving and expanding the south side of Yosemite Avenue along the entire frontage of their development, as required by their Subdivision Improvement Agreement. Phelan has agreed, contingent on Council approval of the proposed Reimbursement Agreement, to repave the Portion of Yosemite Avenue to the extent shown in Attachment "D", concurrently with the improvements on the south side of Yosemite Avenue.

The cost to improve the Portion of Yosemite Avenue is equal to or less than the quotes the City received for similar work and Phelan has agreed to reduce or waive mobilization costs for the City since Phelan is already required to pay mobilization costs for the required improvements on the south side of Yosemite Avenue fronting the development. The remaining unpaved section of Yosemite Avenue will be improved as a City project at a later date.

After completing the construction work, Phelan will fund the entire cost of the improvements and provide the City proof of payment. City staff will then inspect the work, and if deemed complete to City specification by the City Engineer, staff will return to City Council to request Council's acceptance of the completed public improvements.

**REASON FOR RECOMMENDATION:**

The Project is needed to bolster the structure and improve the wearing course of Yosemite Avenue. The proposed creation of CIP PS 24-31, the budget amendment, and Reimbursement Agreement would allow the Project to move forward and the City to fund the improvements for the portion of Yosemite Avenue.

**FISCAL IMPACT:**

Sufficient funds were not allocated in the approved FY 23-24 budget, therefore, staff is requesting the approval of budget amendment transferring \$799,551 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) as follows:

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
CREATE CIP PS 24-31, YOSEMITE AVENUE PAVEMENT REHABILITATION,  
APPROVE REIMBURSEMENT AGREEMENT WITH YOSEMITE LATHROP 2, LLC,  
AND APPROVE BUDGET AMENDMENT**

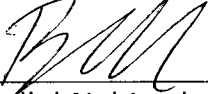
<u>Decrease Street Repair Reserves</u>		
1010-251-03-00		\$799,551
<u>Increase Transfer Out</u>		
1010-9900-990-9010		\$799,551
<u>Increase Transfer In</u>		
3310-9900-393-0000	PS 24-31	\$799,551
<u>Increase Appropriation</u>		
3310-8000-420-1200	PS 24-31	\$749,551
<u>Increase Appropriation</u>		
3310-8000-420-8400	PS 24-31	\$50,000

**ATTACHMENTS:**


- A. Resolution Creating CIP PS 24-31, Yosemite Avenue Pavement Rehabilitation, Approve Reimbursement Agreement with Yosemite Lathrop 2, LLC, and Approve Budget Amendment
- B. Public Infrastructure Reimbursement Agreement with Yosemite Lathrop 2, LLC CIP PS 24-31
- C. CIP PS 24-31 Limits Map – Yosemite Avenue Pavement Rehabilitation
- D. Improvement Location Map - Gateway Frontage – Yosemite Avenue

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**CREATE CIP PS 24-31, YOSEMITE AVENUE PAVEMENT REHABILITATION,**  
**APPROVE REIMBURSEMENT AGREEMENT WITH YOSEMITE LATHROP 2, LLC,**  
**AND APPROVE BUDGET AMENDMENT**

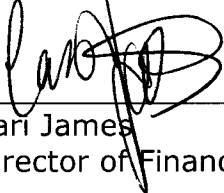
**APPROVALS:**

  
\_\_\_\_\_  
Bellal Nabizadah  
Assistant Engineer


2-5-24  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

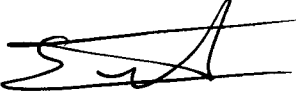
2/5/2024  
Date

  
\_\_\_\_\_  
Cari James  
Director of Finance


2/5/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

2-5-2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

2.6.2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/6/24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP CREATING CIP PS 24-31, YOSEMITE AVENUE PAVEMENT REHABILITATION, APPROVING REIMBURSEMENT AGREEMENT WITH YOSEMITE LATHROP 2, LLC, AND APPROVING BUDGET AMENDMENT**

**WHEREAS**, Yosemite Avenue is an east-west arterial that has seen significant traffic due to the rapid growth of the City and the increase in warehouse facilities fronting the road. The road is bound by commercial and industrial zoning, and is utilized for access to SR120; and

**WHEREAS**, through field observations, staff has assessed the condition of Yosemite Avenue from SR120 to the eastern City limits and determined that it requires rehabilitation; and

**WHEREAS**, Staff proposes to create CIP PS 24-31 for Yosemite Avenue Pavement Rehabilitation to maintain and repair the deteriorated pavement surface; and

**WHEREAS**, currently, the developers of the Gateway development, Phelan, is repaving and expanding the south side of Yosemite Avenue along the entire frontage of their development as is required by their Subdivision Improvement Agreement; and

**WHEREAS**, Phelan has agreed, contingent on Council approval of proposed Public Infrastructure Reimbursement Agreement Between City of Lathrop and Yosemite Lathrop 2, LLC Relating to Capital Improvement Project (CIP) PS 24-31 Yosemite Avenue Pavement Rehabilitation (Reimbursement Agreement), to repave the Portion of Yosemite Avenue to the extent shown in Attachment "D" of the City Manager's Report that accompanies this Resolution (Portion of Yosemite Avenue), concurrently with the improvements on the south side of Yosemite Avenue; and

**WHEREAS**, the cost to improve the Portion of Yosemite Avenue is equal to or less than quotes City has received for similar work and Phelan has agreed to reduce or waive mobilization costs for the City since Phelan is already required to pay mobilization costs for the required improvements on the south side of Yosemite Avenue fronting the development; and

**WHEREAS**, the remaining unpaved section of Yosemite Avenue will be improved as a City project at a later date; and

**WHEREAS**, after completing the construction work, Phelan will fund the entire cost of the improvements and provide the City proof of payment. City staff will then inspect the work, and if deemed complete to City specifications by the City Engineer, staff will return to City Council to request Council's acceptance of the completed public improvements; and

**WHEREAS**, staff requests City Council approve the creation of CIP PS 24-31, Yosemite Avenue Pavement Rehabilitation; and

**WHEREAS**, staff also requests the approval of a budget amendment transferring \$799,551 from the General Fund Street Repair Reserves to the CIP Project Fund to create the project and fund the design and construction as follows; and

<u>Decrease Street Repair Reserves</u>		
1010-251-03-00		\$799,551
<u>Increase Transfer Out</u>		
1010-9900-990-9010		\$799,551
<u>Increase Transfer In</u>		
3310-9900-393-0000	PS 24-31	\$799,551
<u>Increase Appropriation</u>		
3310-8000-420-1200	PS 24-31	\$749,551
<u>Increase Appropriation</u>		
3310-8000-420-8400	PS 24-31	\$50,000

**WHEREAS**, staff further requests City Council approve the execution of a Reimbursement Agreement with Yosemite Lathrop 2, LLC for a reimbursement amount not to exceed \$749,551.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby approves the creation of Capital Improvement Project (CIP) PS 24-31, Yosemite Avenue Pavement Rehabilitation; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop also approves a budget amendment transferring \$799,551 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) as detailed above; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop also approves a Reimbursement Agreement with Yosemite Lathrop 2, LLC for a total reimbursement amount not-to-exceed \$749,551.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2024 by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

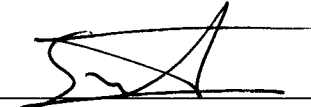
ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

CITY OF LATHROP

**PUBLIC INFRASTRUCTURE REIMBURSEMENT AGREEMENT  
BETWEEN THE CITY OF LATHROP AND YOSEMITE LATHROP 2,  
LLC RELATING TO CAPITAL IMPROVEMENT PROJECT (CIP) PS 24-  
31 YOSEMITE AVENUE PAVEMENT REHABILITATION**

This Public Infrastructure Reimbursement Agreement Relating to CIP PS 24-31, Yosemite Avenue Pavement Rehabilitation, Lathrop, CA ("**Agreement**") is made and entered into this **12th day of February 2024** ("**Effective Date**") by and between the City of Lathrop, a municipal corporation of the State of California ("**City**"), and Yosemite Lathrop 2, LLC ("**Developer**"). City and Developer may be collectively referred to herein as the "**Parties**" or individually as a "**Party**".

**RECITALS**

A. Lathrop Municipal Code (LMC) 3.22 provides a mechanism to reimburse developers for certain public improvements as detailed therein.

B. The "**Project**," as referenced in this Agreement, consists of (1) removal and replacement of 3 inch asphalt with glass grid for portions of roadway with concrete panels under the existing asphalt (2) removal and replacement of 3 inch asphalt and removal and replacement of 12 inch aggregate base for portions of the roadway with no concrete panels under the existing asphalt, centerline and edgeline striping, and markers on the North side of Yosemite Avenue which includes two 12' travel lanes and 1' of shoulder, as shown in **Exhibit A**.

C. Developer will pay expenses for the Project and is entitled to a reimbursement from the City of Lathrop ("**Reimbursement**") as outlined herein. The purpose of this Agreement is to detail the mechanisms for the payment of Reimbursement to Developer only for those items set forth in **Exhibit B** to this Agreement.

D. As detailed below, upon completion of the Project, the City agrees to reimburse Project expenses paid by Developer, with total Reimbursement not to exceed \$749,551.

NOW, THEREFORE, for good and valuable consideration, City and Developer agree as follows:

**AGREEMENT**

1. Recitals. The recitals set forth above are true and correct and made a part of this Agreement.

2. City and Developer Obligations.

(a) City Obligations:



- (i) City shall accept the subject public improvements from the Developer following Developer's satisfaction of all obligations as listed in Section 2(b) of this Agreement.
- (ii) Subject to the limitation herein, City shall reimburse Developer for the Project cost of construction, with Reimbursement not to exceed \$749,551 following City's acceptance of the Public Improvements contemplated by this Agreement.

(b) Developer Obligations:

- (i) Developer has submitted an exhibit and specifications to the City pursuant to LMC 3.22.010E.
- (ii) Developer will complete all construction of the Project in compliance with the Subdivision Improvement Agreement for Parcel Map 21-02.
- (iii) Developer shall provide reasonable documentation of the actual costs incurred for Project (which may include, among others, unconditional lien releases, invoices, proof of payment, confirmation on letterhead from relevant contractor(s)/subcontractor(s) of payment, and/or any other reasonable documentation similar in detail and content as has been previously provided to City); City shall then have the right, but not the obligation, to reasonably review and audit said documentation, to the extent it determines reasonably appropriate, with any such audit being completed within thirty (30) days. No later than thirty (30) days of either (a) the receipt of said documentation, or (b) the completion of any audit.

3. Reimbursement.

(a) Timing of Reimbursement.

- (i) Timing of Reimbursement to Developer shall occur within a reasonable time after City Engineer's approval of the Project pursuant to LMC 3.22.010 and acceptance of the Public by City Council. City shall deliver such Reimbursement to the address set forth in Section 10 below.

4. Term of Agreement; Termination.

- (a) This Agreement shall commence on the Effective Date and shall terminate on the sooner of (i) one year after the date of execution or (ii) when Developer has received Reimbursement.

5. Indemnification. Developer agrees to protect, defend, indemnify and hold City, its City Council members, officers, employees, engineer, and construction manager harmless from and against any and all claims, demands, liabilities, losses, damages, costs, expenses, liens, penalties, suits, or judgments, arising in whole or in part, directly or indirectly, at any time from any injury to or death of persons or damage to property as a result of the willful or negligent act or omission of Developer or its Contractors, or which results from Developer's noncompliance with any Law respecting the condition, use, occupation or safety of the Project site, or any part thereof, or which arises from conduct in the performance of or failure to perform the terms and conditions of this Agreement, except as may arise from the sole willful or negligent act or omission of City or any of its City Council members, officers, employees. This indemnification shall extend to any and all claims, demands, or liens made or filed by reason of any construction, renovation, or remodeling work performed by Developer under this Agreement at any time during the term of this Agreement, or arising thereafter.

6. Governing Law. This Agreement shall be governed by the laws of the State of California.

7. Binding Effect. This Agreement is for the benefit of and shall be binding upon both Parties and their respective successors, heirs, executors, administrators, permitted assigns and successors in interest.

8. Assignment. Not Applicable.

9. Notices. For purposes of this Agreement, "**notice**" means any notice, demand, request, or other communication to be provided under this Agreement. All notices shall be in writing and shall be sent to the below addresses or at such other addresses as either Party may later specify for that purpose. All notices required or permitted under this Agreement shall be personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid or by a nationally recognized overnight courier, such as FedEx or UPS, with charges prepaid for next business day delivery, addressed to the Parties as follows:

If to City: City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330  
Attn: City Clerk

With a concurrent copy to: City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330  
Attn: Salvador Navarrete, City Attorney  
Email: snavarrete@ci.lathrop.ca.us

If to Developer: Yosemite Lathrop 2, LLC  
220 Montgomery Street, Suite 315  
San Francisco, CA 94104  
Attn: David Haugen  
Email: dhaugen@phelandevco.com

The date of any notice shall be the date of receipt, provided that rejection or other refusal to accept or the inability to deliver because of a change in address of which no notice was given shall be deemed to constitute receipt of the notice sent. Either Party may change its address for notice by giving notice to the other Party in accordance with this Section 9.

10. Payments to Developer. All reimbursement payments due to Developer hereunder shall be sent to the following address or at such other address (or wiring instructions) as Developer shall from time to time specify in writing to City:

Yosemite Lathrop 2, LLC  
220 Montgomery Street, Suite 315  
San Francisco, CA 94104  
Attn: David Haugen

11. Amendments. Any modifications to this Agreement shall be in writing and signed by authorized representatives of both Parties.

12. Attorney's Fees and Venue. In the event of a dispute arising under this Agreement between the Parties, the prevailing Party shall be entitled to an award against the other Party of reasonable and actual attorney's fees and costs incurred in connection with the dispute. The venue for any litigation shall be in San Joaquin County, California.

13. Cumulative Rights; Waiver. The failure by either Party to exercise, or delay in exercising any rights under this Agreement, shall not be construed or deemed a waiver thereof, nor shall any single or partial exercise by either Party preclude any other or future exercise thereof or the exercise of any other right. Any waiver of any provision or any waiver of any breach of any provision of this Agreement must be in writing, and any waiver by either Party of any breach of any provision of this Agreement shall not operate as or be construed as a waiver of any other breach of that provision or of any breach of any other provision of this Agreement.

14. Severability. If any provision of this Agreement is deemed by a court of competent jurisdiction to be invalid, illegal or unenforceable, such provision shall be deemed to be severed or deleted from this Agreement and the balance of this Agreement shall remain in full force and effect notwithstanding such invalidity, illegality or unenforceability.

15. Headings. All headings herein are inserted only for convenience and ease of reference and are not considered in the construction or interpretation of any provision of this Agreement.

16. Signing Authority. The individuals signing this Agreement represent and agree that they have full and actual authority to bind their respective Parties to this Agreement.

17. Entire Agreement. This Agreement constitutes the entire agreement between the Parties regarding its subject. This Agreement supersedes all proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the Parties related to the subject matter of this Agreement.

18. No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. In particular, and without limitation, no merchant builder or other purchaser of land from Developer shall have any right to enforce this Agreement.

19. Minor Modifications. Not applicable.

20. Counterparts; Electronic Signatures. This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument. Signatures may be given by facsimile, emailed PDF, or other electronic means with the same force and effect as signed, wet originals.

[Signatures to follow on next page]

IN WITNESS WHEREOF, City and Developer have executed this Agreement as of the Effective Date.

**CITY:**

CITY OF LATHROP,  
A California municipal corporation

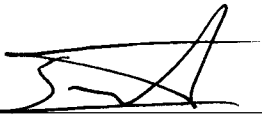
By: \_\_\_\_\_  
Stephen J. Salvatore  
City Manager

**ATTEST:**

City Clerk of and for the City  
of Lathrop, State of California

By: \_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Salvador Navarrete  
City Attorney

**DEVELOPER:**

**YOSEMITE LATHROP 2, LLC,**  
A Delaware limited liability company

By: Phelan-Haugen, LLC,  
a California limited liability company,  
Its Managing Member

By: Haugen Investments, LLC,  
a California limited liability company,  
Its Manager

By: \_\_\_\_\_  
David M. Haugen, Manager

**EXHIBIT A**  
**DEPICTION OF PROJECT SITE**

# Exhibit A

## Improvement Limits Per Reimbursement Agreement

### With Yosemite Lathrop 2, LLC



#### Scope of Work:

1. Removal and replacement of 3 inch asphalt with glass grid for portions of roadway with concrete panels under the existing asphalt
2. Removal and replacement of 3 inch asphalt and removal and replacement of 12 inch aggregate base for portions of the roadway with no concrete panels under the existing asphalt.
3. Centerline and edgeline striping, and markers on the North side of Yosemite Avenue

**EXHIBIT B**  
**CONTRACTOR'S ESTIMATE**





ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
3100	Grind 2" Conforms @ Ends Only	750.00	SF	4.00	3,000.00
3150	Glass Grid 8502 for Lap Joint & 3" Overlay	51,078.00	SF	2.05	104,709.90
3200	19" AB under 10" AC for Full Depth Portion ONLY	8,096.00	SF	6.45	52,219.20
3225	10" AC Pavement	20,922.00	SF	8.30	173,652.60
3235	3" AC Pavement Overlay	45,326.00	SF	2.70	122,380.20
3250	NOT BID Shoulder Backing - None Shown		LF		
3300	NOT BID AC Dike/Berm None Shown		LF		
3500	Tack Oil - Final Lift of 10", Overlay & Conforms	67,748.00	SF	0.20	13,549.60
3600	NOT BID Driveway Repairs or Conforms		SF		
3999	<b>SUBTOTAL SURFACE IMPROVEMENTS</b>				<b>469,511.50</b>
	<b>WATER</b>				
4400	Raise Existing Water Valves	6.00	EA	1,100.00	6,600.00
4999	<b>SUBTOTAL WATER</b>				<b>6,600.00</b>
	<b>STRIPING AND SIGNAGE</b>				
5300	NOT BID Additional Roadside Signs- None Shown		LS		
5350	Striping & Markings ROM	1.00	LS	30,000.00	30,000.00
5999	<b>SUBTOTAL STRIPING AND SIGNAGE ITEMS</b>				<b>30,000.00</b>
	<b>SIGNALS AND LIGHTING/JT</b>				
6200	NOT BID Detector Loop Replacement - None Shown		LS		
6300	NOT BID additional Signal Work - None Shown		LS		
6400	NOT BID additional Lighting or JT work - Non Shown		LS		
6999	<b>SUBTOTAL SIGNALS &amp; LIGHTING/JT</b>				
	<b>LANDSCAPE &amp; IRRIGATION</b>				
7200	NOT BID additional Landscape & Irrig - None shown		LS		
7999	<b>SUBTOTAL LANDSCAPE &amp; IRRIGATION</b>				
	<b>EROSION CONTROL AND SWPPP</b>				
22100	Construction Entrances (or Sweeping)	2.00	EA	3,900.00	7,800.00
22150	NOT BID Straw Fiber Rolls		LF		
22300	NOT BID Hydroseed - None Shown		AC		
22400	NOT BID Temp Inlet Protection - None Shown		EA		
22450	NOT BID QSP/QSD Services		MO		
22999	<b>SUBTOTAL EROSION CONTROL AND SWPPP ITEMS</b>		LS		<b>7,800.00</b>
<b>GRAND TOTAL</b>					<b>749,550.70</b>

**NOTES:**

Exclusions:  
Quantities and Scope based on Teichert provided Exhibit.  
Adjusting of dry utility boxes.  
Inspection, Permits, Fees, Testing.

Design, Engineering and Surveying/staking. SWPPP.

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## ITEM 4.15

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:** **ACCEPT PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITIONS FOR EP NO. 2021-09 LOCATED ON GOLDEN VALLEY PARKWAY AND RIVER ISLANDS PARKWAY FROM EVERGREEN AND APPROVE CHANGE ORDER NO. 32 FOR LANDSCAPE MAINTENANCE**

**RECOMMENDATION:** **Adopt Resolution Accepting Public Improvements with Associated Conditions for Encroachment Permit No. 2021-09 Located Golden Valley Parkway and River Islands Parkway, from Evergreen and Approve Change Order No. 32 for Landscape Maintenance**

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#### **SUMMARY:**

Evergreen-Golden Valley & River Islands, LLC, (Evergreen), the developer of the improvements at 16460, 16446, 16434 and 16412 Golden Valley Parkway, has substantially completed the public improvements associated with Encroachment Permit No 2021-09 (EP 2021-09). Staff has inspected the improvements and they have been deemed complete and in accordance with the approved plans and city specifications by the City Engineer with the exception noted below. A Vicinity Map of the improvements is included in Attachment "B".

Due to delays associated with Pacific Gas & Electric (PG&E) for electrical and gas connections, some portions of the construction are not complete. Therefore, staff recommends Council accept the PG&E related public improvements contingent on the completion of the electric and gas connections.

The approximate value of the public improvements constructed is \$216,798, as shown in the GASB 34 Report included as Attachment "C". Evergreen provided a one-year warranty bond based on 10% of the construction costs, as well as lien releases for the improvements offered for acceptance.

Staff requests City Council accept the completed public improvements associated with the EP 2021-09, conditionally accept the PG&E related improvements, and approve a change order with the City's landscape contractor for future landscape maintenance.

#### **BACKGROUND:**

The City of Lathrop Community Development Department, Planning Division, and the Central Lathrop Design Review Board approved the Site Plan Review No 20-108 (SPR-20-108) to authorize the following: 1) construction of a 5,934 square feet Chevron Gas Station and a 4,800 square feet fuel canopy on a 1.40-acre parcel (Lot 1); 2) construction of a new 3,479 square feet Blue Rain Car Wash on a 1.01-acre parcel

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ACCEPT PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITIONS FOR EP NO. 2021-09 LOCATED ON GOLDEN VALLEY PARKWAY AND RIVER ISLANDS PARKWAY FROM EVERGREEN AND APPROVE CHANGE ORDER NO. 32 FOR LANDSCAPE MAINTENANCE**

(Lot 2); 3) Construction of two quick serve restaurants (Lots 3 and 4). The Conditions of Approval (COAs) associated with the entitlement of the project required the installation of frontage improvements along Golden Valley Parkway and River Islands Parkway, including but not limited to paving, landscaping, and sidewalk.

Due to delays with PG&E for the electrical and gas connections, some portions of the construction are not complete. Therefore, staff recommends Council accept the PG&E related public improvements contingent on the completion of the electric and gas connections.

Council acceptance of improvements with a condition of completion will accelerate the construction of the commercial area in the Central Lathrop Specific Plan by allowing Evergreen to sell the land to developers quickly.

To guarantee the completion of the unfinished improvements, Evergreen has provided a performance bond rider (LICX12030656) to reduce the original performance bond (LICX12030656), as shown in Table 1 below. The reduced performance bond will remain in place until the electrical and gas connections are inspected by staff and deemed complete by the City Engineer. Upon completion, the performance bond (LICX12030656) will be released.

Evergreen has also provided a one-year warranty bond based on 10% of the construction cost which will cover the completed and remaining improvements, as well as developer lien releases and contractor lien releases. The warranty bond is detailed in Table 1 below.

*Table 1*

<b>Description</b>	<b>Original Performance Bond</b>	<b>Performance Bond Rider</b>	<b>Warranty Bond Number &amp; Amount</b>
Encroachment Permit 2021-09	LICX1203065 \$301,620	LICX1203065 \$163,200	5326023 \$21,680

**REASON FOR RECOMMENDATION:**

Construction of the public improvements associated with EP 2021-09 is substantially complete and have been inspected by City staff to ensure conformance with the approved plans, excluding the electrical and gas connection. Evergreen has submitted lien releases, performance bond rider (LICX1203065) to guarantee the electrical and gas connection, a one-year warranty bond (5326023), and as-built drawings, for the improvements being accepted.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ACCEPT PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITIONS FOR EP NO. 2021-09 LOCATED ON GOLDEN VALLEY PARKWAY AND RIVER ISLANDS PARKWAY FROM EVERGREEN AND APPROVE CHANGE ORDER NO. 32 FOR LANDSCAPE MAINTENANCE**

To avoid delay in acceptance of public improvements while we wait for PG&E, staff request Council accept the completed public improvements and accept the PG&E related public improvements contingent on the completion of the electric and gas connections. If accepted as proposed, the developer will notify staff when PG&E connections are completed and City staff will confirm when the remaining improvements have been completed and will subsequently release the performance bond (LICX1203065).

**FISCAL IMPACT:**

The one-year warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements.

The City’s Service Maintenance CFD 2019-02 has been established to help fund City maintenance and operating costs. The improvements listed in the GASB 34 Report detail the \$216,798 expended on public improvements, and the City’s maintenance costs will increase because of the additional improvements that have to be maintained.

Staff is also requesting City Council adopt resolution approving Contract Change Order (CCO) No. 32 with Dave Silva, dba Silva Landscape (Attachment “D”) to add this new landscape to future maintenance service.

**ATTACHMENTS:**

- A. Adopt Resolution Accepting Public Improvements with Associated Conditions for Encroachment Permit No. 2021-09 Located on Golden Valley Parkway and River Islands Parkway from Evergreen-Golden Valley & River Islands, LLC and Approve Change Order No. 32 for Landscape Maintenance
- B. Vicinity Map
- C. GASB 34 Report – 16460 Golden Valley Parkway
- D. Contract Change Order No. 32 with Dave Silva dba Silva Landscape

FEBRUARY 12, 2024, CITY COUNCIL REGULAR MEETING

ACCEPT PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITIONS FOR EP NO. 2021-09 LOCATED ON GOLDEN VALLEY PARKWAY AND RIVER ISLANDS PARKWAY FROM EVERGREEN-GOLDEN VALLEY & RIVER ISLANDS, LLC AND APPROVE CHANGE ORDER FOR LANDSCAPE MAINTENANCE


APPROVALS:



Bellal Nabizadah  
Assistant Engineer

2-1-24


Date



Ken Reed  
Senior Construction Manager

2-1-2024

Date



Brad Taylor  
City Engineer

2/1/2024

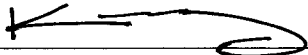
Date



Cari James  
Finance Director

2/1/2024

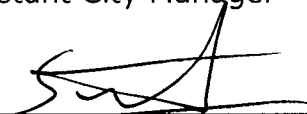
Date



Michael King  
Assistant City Manager

2-5-2024

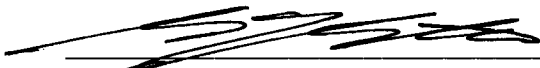
Date



Salvador Navarrete  
City Attorney

2.6.2024

Date



Stephen J. Salvatore  
City Manager

2/6/24

Date



**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITIONS FOR ENCROACHMENT PERMIT NO. 2021-09 LOCATED ON GOLDEN VALLEY PARKWAY AND RIVER ISLANDS PARKWAY FROM EVERGREEN AND APPROVE CHANGE ORDER NO. 32 FOR LANDSCAPE MAINTENANCE**

**WHEREAS**, the City of Lathrop Community Development Department, Planning Division, and the Central Lathrop Design Review Board approved the Site Plan Review No 20-108 (SPR-20-108) to authorize the following: 1) construction of a 5,934 square feet Chevron Gas Station and a 4,800 square feet fuel canopy on a 1.40-acre parcel (Lot 1); 2) construction of a new 3,479 square feet Blue Rain Car Wash on a 1.01-acre parcel (Lot 2); 3) Construction of two quick serve restaurants (Lots 3 and 4); and

**WHEREAS**, the Conditions of Approval (COAs) associated with the entitlement of the project required the installation of frontage improvements along Golden Valley Parkway and River Islands Parkway, including but not limited to paving, landscaping, and sidewalk; and

**WHEREAS**, due to delays with Pacific Gas & Electric (PG&E) for the electrical and gas connections, some portions of the construction are not complete. Therefore, staff recommends Council accept the PG&E related public improvements contingent on the completion of the electric and gas connections; and

**WHEREAS**, Council acceptance of improvements conditioned on completion will accelerate the construction of the commercial area in the Central Lathrop Specific Plan by allowing Evergreen-Golden Valley & River Islands, LLC, (Evergreen) to sell the land to developers quickly; and

**WHEREAS**, to guarantee the completion of the unfinished improvements, Evergreen has provided a performance bond rider (LICX12030656) to reduce the original performance bond (LICX12030656), as shown in Table 1 below. The reduced performance bond will remain in place until the electrical and gas connections are inspected by staff and deemed complete to City specifications by the City Engineer. Upon completion, the performance bond (LICX12030656) will be released; and

**WHEREAS**, Evergreen has also provided a one-year warranty bond based on 10% of the construction cost which will cover the completed and remaining improvements. The warranty bond is detailed in Table 1 below; and

*Table 1*

<b>Description</b>	<b>Original Performance Bond</b>	<b>Performance Bond Rider</b>	<b>Warranty Bond Number &amp; Amount</b>
Encroachment Permit 2021-09	LICX1203065 \$301,620	LICX1203065 \$163,200	5326023 \$21,680

; and

**WHEREAS**, construction of the public improvements associated with EP 2021-09 is substantially complete excluding the electrical and gas connection and have been inspected by City staff to ensure conformance with the approved plans and City specification; and

**WHEREAS**, Evergreen has submitted lien releases, performance bond rider (LICX1203065) to guarantee the electrical and gas connection, a one-year warranty bond (5326023), and as-built drawings, for the improvements being accepted; and

**WHEREAS**, to avoid delay in acceptance of public improvements while waiting for PG&E, staff request Council to accept the completed public improvements and accept the PG&E related public improvements (electric and gas connections) contingent on the completion of the electric and gas connections; and

**WHEREAS**, with the condition on PG&E related public improvements, developer will be required to notify City staff when PG&E related improvements are completed and City staff will confirm that those PG&E related public improvements have been completed to City specifications and will subsequently release the performance bond (LICX1203065); and

**WHEREAS**, the one-year warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements; and

**WHEREAS**, the City's Service Maintenance CFD 2019-02 has been established to help fund City maintenance and operating costs. The improvements listed in the GASB 34 Report detail the \$216,798 expended on public improvements, and the City's maintenance costs will increase because of the additional improvements that have to be maintained; and

**WHEREAS**, staff is also requesting City Council approve Contract Change Order (CCO) No. 32 with Dave Silva, dba Silva Landscape (Attachment "D") to add this new landscape for future maintenance.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby accept the completed public improvements listed in the GASB 34 Report included in Attachment "C" of the City Manager's Report that accompanies this Resolution from Evergreen; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop does hereby accept the PG&E related public improvements from Evergreen contingent on the completion of the electric and gas connections to City specification and confirmation of the same by the City Engineer; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop does hereby approve Contract Change Order No. 32 with David Silva, dba Silva Landscape to add this new landscape to future maintenance services.

**PASSED AND ADOPTED** by the City Council of the City of Lathrop this 12<sup>th</sup> day of February 2024 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney



**CITY OF LATHROP  
PROJECT ACCEPTANCE  
(GASB 34 REPORT)**

Date: 01/22/2024

Prepared By: MacKay & Soms

Evergreen Commercial Development - River Islands and Golden Valley - Lathrop, CA

Street Work and Water Systems Improvements costs provided by Pickett & Sons Construction, Inc., Landscape contract quantities and costs provided by Landscape Development, Inc.

ITEM	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
<b>A. STREET WORK</b>					
1.	1	EA	6" Commercial Driveway per std. detail R-13	\$6,768.00	\$6,768.00
2	4,800	SF	Sidewalk	\$7.07	\$33,936.00
3	4	EA	Curb Ramps with truncated domes	\$1,668.00	\$6,672.00
4	1	EA	"Sidewalk Ends in 30 ft" Sign	\$312.00	\$312.00
5	1	EA	Sidewalk Barricade Per Std. Detail R-44	\$1,488.00	\$1,488.00
<b>TOTAL STREET WORK:</b>					<b>\$ 49,176</b>
<b>B. WATER SYSTEMS</b>					
	175	LF	2" Water Services	\$27.54	\$4,820.00
	122	LF	6" Main Including Valves and Fittings	\$31.20	\$3,810.00
	8	EA	Meter Boxes	\$594.00	\$4,750.00
<b>TOTAL WATER SYSTEMS WORK</b>					<b>\$ 13,380</b>
<b>C. LANDSCAPING</b>					
	1	LS	Irrigation	\$53,206.00	\$53,206.00
	1	LS	Landscape	\$57,547.00	\$57,547.00
	1	LS	90-day Maintenance	\$2,586.00	\$2,586.00
	1	LS	Dry Creek Bed	\$15,624.00	\$15,624.00
	1	LS	Finish Grading	\$4,288.00	\$4,288.00
	1	LS	Irrigation Audit	\$835.00	\$835.00
	1	LS	CO#1 Skidsteer/operation-FC-1887	\$1,400.00	\$1,400.00
	1	LS	CO#1 SK/operator-FC-1887	\$1,200.00	\$1,200.00
	1	LS	CO#2 Foreman Excavating-FC-1955	\$640.00	\$640.00
	1	LS	CO#2 Laborer Excavating-FC-1955	\$960.00	\$960.00
<b>TOTAL WATER SYSTEMS WORK</b>					<b>\$ 138,286</b>
<b>C. SOFT COSTS</b>					
	1	LS	Inspection Fees (City of Lathrop)		
	1	LS	Landscape Architecture (Perry Design)	\$4,406.00	\$4,406.00
	1	LS	Civil Engineering (MacKay & Soms)	\$11,550.00	\$11,550.00
<b>TOTAL SOFT COSTS</b>					<b>\$ 15,956</b>
<b>TOTAL COSTS</b>					<b>\$ 216,798</b>

**CHANGE ORDER NO. 32**

Monthly Fee – Landscape Maintenance for Evergreen  
Offsites

City of Lathrop

**CONTRACT CHANGE ORDER NO. 32**  
**MONTHLY FEE – Landscape Maintenance for Evergreen Offsites**

**Contractor:** David Silva DBA Silva Landscape

**Address:** PO Box 607  
Patterson, CA 95363

**Change Order Date:** February 12, 2024

**Contract Execution Date:** September 1, 2017

**Notice to Proceed Date:** August 29, 2017

This contract change order augments or changes the following:

1) ADDITIONS TO CONTRACT

Pursuant to the provisions of the Contract Specifications and proposal attached as **Exhibit A**, you are hereby directed to make the herein described changes to the plans and specifications, and scope of work contracted for within the terms of the agreement between the **City of Lathrop** and **David Silva DBA Silva Landscape** dated **September 1, 2017**.

I. **CHANGES IN THE SPECIFICATIONS**

A. None

II. **ADDITION(S) TO CONTRACT**

Monthly Fee – Landscape Maintenance for Evergreen Offsites	\$1,200/mo.
<b>MONTHLY FEE COST FROM CHANGE ORDER NO. 32 (MONTHLY FEE)</b>	<b>\$1,200/mo.</b>

<b>ORIGINAL CONTRACT AMOUNT (MONTHLY FEE)</b>	<b>\$57,214.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 1 (MONTHLY FEE)</b>	<b>\$13,900.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 5 (MONTHLY FEE)</b>	<b>\$985.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 8 (MONTHLY FEE)</b>	<b>\$1,850.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 11 (MONTHLY FEE)</b>	<b>\$425.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 14 (MONTHLY FEE)</b>	<b>\$3,500.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 15 (MONTHLY FEE)</b>	<b>\$8,500.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 23 (MONTHLY FEE)</b>	<b>\$465.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 25 (MONTHLY FEE)</b>	<b>\$250.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 26 (MONTHLY FEE)</b>	<b>\$825.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 27 (MONTHLY FEE)</b>	<b>\$625.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 28 (MONTHLY FEE)</b>	<b>\$675.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 29 (MONTHLY FEE)</b>	<b>\$450.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 30 (MONTHLY FEE)</b>	<b>\$3,725.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 31 (MONTHLY FEE)</b>	<b>\$9,500.00</b>
<b>TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 32 (MONTHLY FEE)</b>	<b>\$1,200.00</b>
<b>TOTAL REVISED MONTHLY CONTRACT AMOUNT</b>	<b>\$104,089.00</b>

**CHANGE ORDER NO. 32**

**Monthly Fee – Landscape Maintenance for Evergreen  
Offsites**

**City of Lathrop**

TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 2 (ONE TIME FEE)	\$14,989.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 3 (ONE TIME FEE)	\$22,800.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 4 (ONE TIME FEE)	\$3,200.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 6 (ONE TIME FEE)	\$11,400.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 7 (ONE TIME FEE)	\$1,780.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 9 (ONE TIME FEE)	\$2,200.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 10 (ONE TIME FEE)	\$950.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 12 (ONE TIME FEE)	\$3,800.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 13 (ONE TIME FEE)	\$925.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 16 (ONE TIME FEE)	\$1,200.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 17 (ONE TIME FEE)	\$2,400.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 18 (ONE TIME FEE)	\$1,650.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 19 (ONE TIME FEE)	\$2,400.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 20 (ONE TIME FEE)	\$2,200.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 21 (ONE TIME FEE)	\$1,300.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 22 (ONE TIME FEE)	\$1,200.00
TOTAL ADDITIONAL COST FROM CHANGE ORDER NO. 24 (ONE TIME FEE)	\$4,500.00
<b>TOTAL ONE-TIME ADDITIONS TO CONTRACT AMOUNT</b>	<b>\$78,900.00</b>

*(END OF CHANGES)*

**DESCRIPTION OF WORK**

See additions to contract. The contractor provided all labor, material, equipment and performed all incidental tasks as necessary to complete the change order.

**TIME OF COMPLETION**

The work is to begin as soon as Notice to Proceed is received. To run throughout the duration of the contract.

**RELEASE AND WAIVER**

Acceptance of this Contract Change Order constitutes a full and final resolution of all pending disputes between City and Contractor regarding scope of work and payment for work. Contractor accepts this Contract Change Order as full payment for all work performed to date and hereafter to be performed, up to and including Contract Change Order No. 32. Contractor releases and discharges City from any and all claims, demands, damages, actions and causes of actions and causes of action for injuries, damages or losses, whether known or unknown, foreseen or unforeseen, arising directly from Contractor's work on this contract. Contractor expressly waives the provisions of California Civil Code, Section 1542, which reads as follows:

A general release does not extend to claims which the Creditor does not know or suspect to exist in his favor at time of executing the release, which if known by him must have materially affected his settlement with the debtor.

*(END OF SECTION)*



CHANGE ORDER NO. 32

Monthly Fee – Landscape Maintenance for Evergreen  
Offsites

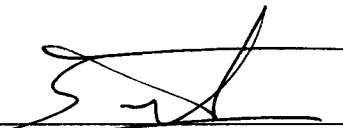
City of Lathrop

Recommended  
By:

\_\_\_\_\_  
Ken Reed  
Sr. Construction Manager  
City of Lathrop

\_\_\_\_\_  
Date

Approved As  
To Form:

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney  
City of Lathrop

\_\_\_\_\_  
2-1-2024  
Date

Approved By:

\_\_\_\_\_  
Stephen J. Salvatore  
City Manager  
City of Lathrop

\_\_\_\_\_  
Date

Accepted By  
Contractor:

\_\_\_\_\_  
David Silva DBA Silva Landscape

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name and Title



**Silva Landscape**  
PO Box 607  
Patterson, CA 95363 US  
+1 9254133192  
david.silvalandscape@gmail.com

**EXHIBIT " A "**

# Estimate

**ADDRESS**

City of Lathrop  
390 Towne Centre Drive  
Lathrop  
CA  
95330

**ESTIMATE #** 2055  
**DATE** 01/25/2024

SERVICES	AMOUNT
Landscape Maintenance for Evergreen off-sites	1,200.00

Monthly Maintenance to follow City of Lathrop's Landscape Maintenance Spec's

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Thank you for your business. **TOTAL** **\$1,200.00**

Accepted By

Accepted Date

## ITEM 4.16

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM:**                               **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY SINCLAIR GENERAL ENGINEERING CONSTRUCTION, INC. FOR FUELING FACILITY TANK FOOTINGS, CIP GG 21-13**

**RECOMMENDATION:**   **Adopt Resolution Accepting Public Improvements Constructed by Sinclair General Engineering Construction, Inc. for Fueling Facility Tank Footings, CIP GG 21-13, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds**

---

#### **SUMMARY:**

Sinclair General Engineering Construction, Inc. (Sinclair) has completed the construction of Fueling Facility Tank Footings, CIP GG 21-13 (Project). Staff inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

Sinclair has submitted lien releases confirming all subcontractors and suppliers have been paid in full and provided a one-year warranty bond (based on 10% of the construction contract) for the improvements to be accepted.

Staff requests City Council accept the completed improvements constructed by Sinclair for the Project. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to Sinclair of \$4,887 within forty-five (45) days after recording the Notice of Completion, and the release of performance and payment bonds.

#### **BACKGROUND:**

On August 14, 2022, City Council awarded a construction contract to Sinclair for the construction of the Project in the amount of \$81,664, with a 20% construction contingency of \$16,322 for staff to use as necessary to achieve the goals of the Project. The Project scope included constructing concrete footings and a slab for the placement of fuel tanks, piping and dispensers.

During construction, contract change orders (CCO) were issued for a final contract amount of \$97,744. The Project's costs referenced below capture all construction expenditures:

**CITY MANAGER'S REPORT** **PAGE 2**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY SINCLAIR GENERAL**  
**ENGINEERING CONSTRUCTION, INC. FOR FUELING FACILITY TANK**  
**FOOTINGS, CIP GG 21-13**

A. Construction Contract	\$81,664
B. Contract Change Orders	\$16,080
	\$97,744
 Total Construction Contract Costs	 \$97,744

Upon acceptance of the improvements, the performance bond (Bond No. 2332607, \$81,664) and payment bond (Bond No. 2332607, \$81,664) will be released and replaced with a one-year warranty bond (Bond No. 2332607, \$8,166). The one-year warranty bond covers any repairs or replacements that may become necessary during the one-year period beginning with this acceptance due to any defective materials or workmanship in connection with the completed improvements. Sinclair has also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council accept the improvements constructed by Sinclair for Fueling Facility Tank Footings, CIP GG 21-13. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to Sinclair for \$4,887 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

**REASON FOR RECOMMENDATION:**

Sinclair has completed the Project pursuant to the contract documents dated August 14, 2022. Staff inspected the improvements and they have been deemed complete and in accordance with the plans and specifications approved by the City Engineer.

Sinclair has submitted a one-year warranty bond for the improvements to be accepted (based on 10% of the construction contract) and lien releases confirming all sub-contractors and suppliers have been paid in full. The warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements.

The performance bond and payment bond will be released and replaced with the one-year warranty bond upon City Council's acceptance of the improvements.

**FISCAL IMPACT:**

The final construction contract amount with G&G for the Project is \$538,543.


Adequate funds have been allocated in the FY 2023-24 budget to close out Installation of Rubberized Surfacing, CIP PK 22-44. With the completion of the Project, staff requests that unused funds be transferred back to the original funding sources.

**ATTACHMENTS:**

- A. Resolution Accepting Public Improvements Constructed by Sinclair General Engineering Construction, Inc. for Fueling Facility Tank Footings, CIP GG 21-13, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
  
- B. Notice of Completion – Fueling Facility Tank Footings, CIP GG 21-13

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY SINCLAIR GENERAL**  
**ENGINEERING CONSTRUCTION, INC. FOR FUELING FACILITY TANK**  
**FOOTINGS, CIP GG 21-13**

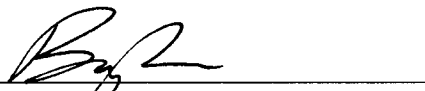
**APPROVALS:**

  
\_\_\_\_\_  
Steven Hollenbeak  
Assistant Engineer


1.16.24  
Date

  
\_\_\_\_\_  
Ken Reed  
Senior Construction Manager

1-16-24  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

1/17/2024  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director

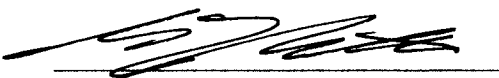
1/18/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

1-17-2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1-18-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/5/24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS CONSTRUCTED BY SINCLAIR GENERAL ENGINEERING CONSTRUCTION, INC. FOR FUELING FACILITY TANK FOOTINGS, CIP GG 21-13, AUTHORIZING THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS**

**WHEREAS**, on August 14, 2022, City Council awarded a construction contract to Sinclair General Engineering Construction, Inc. (Sinclair) for the construction of Fueling Facility Tank Footings, CIP GG 21-13 (Project) in the amount of \$81,664 with a 20% construction contingency of \$16,322 for staff to use as necessary to achieve the goals of the Project; and

**WHEREAS**, the scope of work consisted of constructing concrete footings and slab for the placement of fuel tanks, piping and dispensing equipment; and

**WHEREAS**, during construction, contract change orders were issued for a final contract amount of \$97,744 the cost of which captures all construction expenditures; and

**WHEREAS**, staff inspected the improvements and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications; and

**WHEREAS**, Sinclair has provided the necessary lien releases for the materials supplied and completed work and a one-year warranty bond (based on 10% of total Project cost) for the improvements being accepted; and

**WHEREAS**, the performance bond (Bond No. 2332607, \$81,664) and payment bond (Bond No. 2332607, \$81,664) will be released and replaced with a one-year warranty bond (Bond No. 2332607, \$8,166) upon City Council's acceptance of the improvements; and

**WHEREAS**, the one-year warranty bond covers any repairs or replacements that may become necessary during the one-year period beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements; and

**WHEREAS**, adequate funds have been allocated in the FY 2023-24 budget to close out the Project. With the completion of the Project, staff requests that unused funds be transferred back to the source Fund; and

**WHEREAS**, staff requests City Council accept the public improvements constructed by Sinclair for Fueling Facility Tank Footings, CIP GG 21-13; and

**WHEREAS**, staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to

Sinclair in the amount of \$4,887 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby accept the completed public improvements constructed by Sinclair General Engineering Construction, Inc. for Fueling Facility Tank Footings, CIP GG 21-13, pursuant to the contract documents dated August 14, 2022; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop authorizes the filing of the Notice of Completion with the San Joaquin County Clerk and the release of the contract retention to Sinclair, in the amount of \$4,887 within forty-five (45) days after the recording of the Notice of Completion, and authorizes the release of the performance and payment bonds; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop approves the transfer of unused funds back to the original funding source.



The foregoing resolution was passed and adopted this 12th day of February, 2024 by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

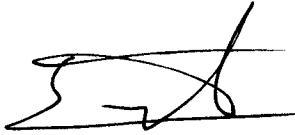
ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney



**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the NOTICE OF COMPLETION dated **February 12, 2024** by **Sinclair General Engineering Construction, Inc.** to the **City of Lathrop**, a political corporation and/or governmental agency, is hereby accepted by the undersigned officer or agent on behalf of the City Council pursuant to authority conferred by minute action of the City Council adopted on **February 12, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By

\_\_\_\_\_  
Stephen J. Salvatore, City Manager

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## ITEM 4.17

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:** ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION, INC. DBA DIEDE CONSTRUCTION FOR LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP GG 22-04

**RECOMMENDATION:** Adopt Resolution to Accept Public Improvements Constructed by Diede Construction, Inc. dba Diede Construction for the Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04, authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds

---

#### **SUMMARY:**

Diede Construction Inc. dba Diede Construction (Diede Construction) has completed the improvements of the Council Chamber dais (Project). The improvements consisted of removing a non-compliant ADA ramp, construction of two wood steps, fabrication and installation of a metal door and posts, and the relocation of network cables. Staff inspected the improvements and have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

Diede Construction has submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year maintenance bond (based on 10% of the construction contract) for the improvements to be accepted.

Staff requests City Council accept the completed improvements constructed by Diede Construction and authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Diede Construction in the amount of \$3,216 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

#### **BACKGROUND:**

On May 8, 2023, City Council awarded a construction contract to Diede Construction associated with CIP GG 22-04 for the construction improvements of the City Council Chamber.

During the construction, Change Order No. 1 was issued for the design and construction of a compartment under the dais to store an ADA ramp which resulted in a deduction of \$17,220 from the original contract amount of \$81,836. Due to lack of space under the dais the contractor was not able to build the compartment per the contract. The final contract amount was \$64,316 after the change order was issued.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION  
FOR THE LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP  
GG 22-04**

Staff has inspected the improvements which have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

Diede Construction has submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year maintenance bond (based on 10% of the construction contract) for the improvements to be accepted.

Upon acceptance of the improvements, the performance and payment bonds (No. 9423696) will be released and replaced with a warranty bond (No.9423696, \$6,431). The warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements. Diede Construction has also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council accept the improvements constructed by Diede Construction for Lathrop City Hall ADA Improvements associated with CIP GG 22-04. Staff is also requesting City Council to authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Diede Construction in the amount of \$3,216 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

**REASON FOR RECOMMENDATION:**

The Project was completed by Diede Construction pursuant to the contract documents. Staff has inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

**FISCAL IMPACT:**

The approved contract with Diede Construction was for \$81,836 during construction, Change Order No.1 for \$17,220 was deducted for a final contract amount of \$64,316.

Staff is requesting for remaining funds to be transferred back to the original funding source.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION  
FOR THE LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP  
GG 22-04**

**ATTACHMENTS:**

- A. Resolution to Accept Public Improvements Constructed by Diede Construction Inc. dba Diede Construction for the Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04, Authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
  
- B. Notice of Completion – Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION**  
**FOR THE LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP**  
**GG 22-04**

**APPROVALS:**



Carlos Carrillo  
Management Analyst II

1/18/24


Date



Ken Reed  
Senior Construction Manager

1-19-2024

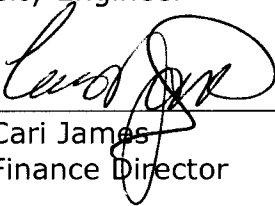
Date



Brad Taylor  
City Engineer

1/19/2024

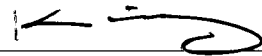
Date



Cari James  
Finance Director

1/24/2024


Date



Michael King  
Assistant City Manager

1.19.2024

Date



Salvador Navarrete  
City Attorney

1-23-2024

Date



Stephen J. Salvatore  
City Manager

2/5/24

Date



**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION, INC. DBA DIEDE CONSTRUCTION FOR LATHROP CITY HALL ADA IMPROVEMENTS, CIP GG 22-04, AUTHORIZE THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS**

**WHEREAS,** On May 8, 2023, City Council awarded a construction contract to Diede Construction, Inc. (Diede Construction) associated with Capital Improvement Project (CIP) GG 22-04 for the removal of an existing ADA ramp on the East side of the Council Chamber dais, which was not in compliance with ADA standards; and

**WHEREAS,** during the construction, Change Order No. 1 was issued for the design and construction of a compartment under the dais to store an ADA ramp which resulted in a deduction of \$17,220 from the original contract amount of \$81,836; and

**WHEREAS,** due to lack of space under the dais the contractor was not able to build the compartment per the contract. The final contract amount was \$64,316 after the change order was issued.

**WHEREAS,** Diede Construction has completed these improvements. Staff has inspected the improvements which have been deemed complete and in accordance with the approved plans and specifications by the City Engineer; and

**WHEREAS,** Diede Construction has provided the necessary lien releases for the materials supplied and completed work; and

**WHEREAS,** Diede Construction has submitted a one-year warranty bond (based on 10% of total project cost) for the improvements being accepted; and

**WHEREAS,** the performance and payment bonds (No.9423696) will be released and replaced with a one-year warranty bond (No.9423696, \$6,431) upon City Council's acceptance of the improvements; and

**WHEREAS,** staff is requesting City Council accept the public improvements constructed by Diede Construction for the Lathrop City Hall ADA Improvements , CIP GG 22-04; and

**WHEREAS,** staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk upon acceptance of the improvements and the release of the contract retention to Diede Construction, in the amount of \$3,216, within forty-five (45) days after the recording of the Notice of Completion and the release of the performance and payment bonds; and

**WHEREAS,** staff is requesting for remaining funds be transferred back to the original funding source account.

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby accept the public improvements constructed by Diede Construction for the Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04, for a total contract amount of \$64,316; and

**BE IT FURTHER RESOLVED,** that any remaining funds be transferred back to the original funding source account.

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop authorizes the filing of the Notice of Completion with the San Joaquin County Clerk and the release of the contract retention to Diede Construction, in the amount of \$3,216 within forty-five (45) days after the recording of the Notice of Completion, and authorizes the release of the performance and payment bonds.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney



**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the NOTICE OF COMPLETION dated **February 12, 2024** by **Diède Construction Inc.** to the **City of Lathrop**, a political corporation and/or governmental agency, is hereby accepted by the undersigned officer or agent on behalf of the City Council pursuant to authority conferred by minute action of the City Council adopted on **February 12, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By \_\_\_\_\_

Stephen J. Salvatore, City Manager

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## ITEM 4.18

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:** **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY LUMA ENGINEERING CONTRACTORS, INC. DBA LUMA ENGINEERING FOR FACILITIES ADA IMPROVEMENTS, CIP GG 23-14**

**RECOMMENDATION:** **Adopt Resolution to Accept Public Improvements Constructed by Luma Engineering Contractors, Inc. dba Luma Engineering for the Facilities ADA Improvements, CIP GG 23-14, authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds**

---

#### **SUMMARY:**

Luma Engineering has completed the installation of automatic doors at the Lathrop Senior Center, Community Center, and Generations Center, GG CIP 23-14 (Project). Staff inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

Luma Engineering has submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year maintenance bond (based on 10% of the construction contract) for the improvements to be accepted.

Staff requests City Council accept the improvements constructed by Luma Engineering and authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Luma Engineering in the amount of \$6,900 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

#### **BACKGROUND:**

On September 11, 2023, City Council ratified the City Manager Approval for a construction Contract with Luma Engineering in the amount of \$138,000 with a 10% contingency (\$13,800) for a total project cost of \$151,800 for the installation of the doors. The Project improved the Lathrop Senior Center, Community Center, and Generation Center by enhancing accessibility for individuals with disabilities by installing automatic doors and improving security. It also includes energy efficiency and conformance with Americans with Disabilities Act (ADA) regulations.

Upon acceptance of the improvements, the performance and payment bonds (No. SU1198097-0000) will be released and replaced with a warranty bond (Bond No.SU1198097-0000, \$13,800).

**CITY MANAGER’S REPORT** **PAGE 2**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY LUMA ENGINEERING**  
**FOR CITY OF LATHROP FACILITIES ADA IMPROVEMENTS, CIP GG 23-14**

The warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements. Luma Engineering has also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council accept the improvements constructed by Luma Engineering for Lathrop Facilities ADA Improvements associated with CIP GG 23-14. Staff is also requesting City Council to authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Luma Engineering in the amount of \$6,900 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

**REASON FOR RECOMMENDATION:**

The door improvements were completed by Luma Engineering pursuant to the contract documents. Staff has inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

**FISCAL IMPACT:**

The contract with Luma Engineering has been approved for \$138,000, with a 10% contingency, for a total project of \$151,800. Adequate funds have been allocated in the FY 2023-24 budget for the Lathrop Facilities ADA Improvements, CIP GG 23-17.

Staff is requesting that unused funds be returned to its original funding source.

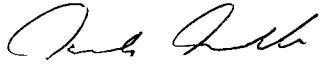
**ATTACHMENTS:**

- A. Resolution to Accept Public Improvements Constructed by Luma Engineering Contractors, Inc. dba Luma Engineering for City of Lathrop Facilities ADA Improvements , CIP GG 23-14, Authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
  
- B. Notice of Completion – Lathrop Facilities ADA Improvements, CIP GG 23-14



**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY LUMA ENGINEERING**  
**FOR CITY OF LATHROP FACILITIES ADA IMPROVEMENTS, CIP GG 23-14**

**APPROVALS:**



\_\_\_\_\_  
Carlos Carrillo  
Management Analyst II

1/18/24

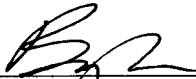
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\_\_\_\_\_  
Ken Reed  
Senior Construction Manager

1-18-2024

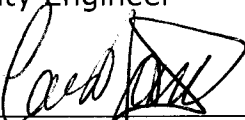
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\_\_\_\_\_  
Brad Taylor  
City Engineer

1/18/2024

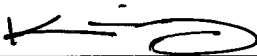
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Date



\_\_\_\_\_  
Cari James  
Finance Director

1/24/24

\_\_\_\_\_  
Date



\_\_\_\_\_  
Michael King  
Assistant City Manager

1-24-2024

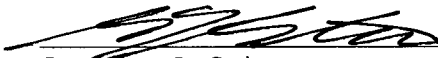
\_\_\_\_\_  
Date



\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1-24-2024

\_\_\_\_\_  
Date



\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/5/24

\_\_\_\_\_  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS CONSTRUCTED BY LUMA ENGINEERING, INC. DBA LUMA ENGINEERING FOR CITY OF LATHROP FACILITIES ADA IMPROVEMENTS, CIP GG 23-14, AUTHORIZE THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS**

**WHEREAS**, Capital Improvement Project (CIP) GG 23-14 City of Lathrop Facilities ADA Improvements consisted of the installation of automatic doors at the Lathrop Senior Center, Community Center, and Generations Center; and

**WHEREAS**, the Project improved the Lathrop Senior Center, Community Center, and Generation Center by enhancing accessibility for individuals with disabilities by installing automatic doors and improving security. It also includes energy efficiency and conformance with Americans with Disabilities Act (ADA) regulations; and

**WHEREAS**, on September 11, 2023, City Council ratified the City Manager approval for a construction contract with Luma Engineering Contractors, Inc. (Luma Engineering) for the installation of the doors; and

**WHEREAS**, the approved contract with Luma Engineering was for \$138,000 with a 10% contingency (\$13,800) for a project cost of \$151,800; and

**WHEREAS**, staff is requesting for remaining funds be transferred back to the original funding source account; and

**WHEREAS**, Luma Engineering has completed these improvements which have been deemed complete and in accordance with the approved plans and specifications by the City Engineer; and

**WHEREAS**, Luma Engineering has provided the necessary lien releases for the materials supplied and completed work; and

**WHEREAS**, Luma Engineering has submitted a one-year warranty bond (based on 10% of total project cost) for the improvements being accepted; and

**WHEREAS**, the performance and payment bonds (No. SU1198097-0000) will be released and replaced with a one-year warranty bond (No.SU1198097-0000, \$13,800) upon City Council's acceptance of the improvements; and

**WHEREAS**, staff is requesting City Council accept the public improvements constructed by Luma Engineering for the City of Lathrop Facilities ADA Improvements CIP GG 23-14; and

**WHEREAS,** staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk upon acceptance of the improvements and the release of the contract retention to Luma Engineering, in the amount of \$6,900, within forty-five (45) days after the recording of the Notice of Completion and the release of the performance and payment bonds.

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby accept the public improvements constructed by Luma Engineering for the City of Lathrop Facilities ADA Improvements, CIP GG 23-14, pursuant to the contract documents dated September 6, 2023; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop authorizes the filing of the Notice of Completion with the San Joaquin County Clerk and the release of the contract retention to Luma Engineering, in the amount of \$6,900 within forty-five (45) days after the recording of the Notice of Completion, and authorizes the release of the performance and payment bonds ; and

**BE IT FURTHER RESOLVED,** that any remaining funds be transferred back to the original funding source account.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney



**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the NOTICE OF COMPLETION dated **February 12, 2024** by **Luma Engineering Contractors Inc.** to the **City of Lathrop**, a political corporation and/or governmental agency, is hereby accepted by the undersigned officer or agent on behalf of the City Council pursuant to authority conferred by minute action of the City Council adopted on **February 12, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By \_\_\_\_\_  
Stephen J. Salvatore, City Manager

## ITEM 4.19

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:**                               **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37**

**RECOMMENDATION:**   **Adopt Resolution Accepting Public Improvements Constructed by Commercial Pump & Mechanical for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds**

---

#### **SUMMARY:**

Commercial Pump & Mechanical (CPM) has completed the construction of improvements associated with CIP PW 22-37 (Project) for Well 10 Testing, Analysis and Modifications (Project). Staff inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

CPM has submitted lien releases confirming all sub-contractors and suppliers have been paid in full and provided a one-year warranty bond for the improvements to be accepted.

Staff requests City Council accept the completed improvements constructed by CPM for the Project. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to CPM of \$14,611 within forty-five (45) days after recording the Notice of Completion, and the release of performance and payment bonds.

#### **BACKGROUND:**

On February 14, 2022, City Council awarded a construction contract to CPM for the construction contract of the Project for \$87,664 and an additional \$112,336 authorized for contingencies related to the construction of the Project. During the construction, contract change orders (CCO) were issued by staff pursuant to the approved contingency or approved by City Council for a total final contract amount of \$378,280. The costs referenced below include all construction expenditures associated with the Project:

A. Construction Contract	\$87,664
B. Contract Change Orders	\$290,616
	<hr/>
Total Construction Contract Costs	\$378,280

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING****ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37**

Upon acceptance of the improvements, the performance bond and payment bond will be released and replaced with a one-year warranty bond (Bond No. 5958118, \$37,748). The one-year warranty bond covers any repairs or replacements that may become necessary during the one-year period beginning with this acceptance due to any defective materials or workmanship in connection with the completed improvements. CPM has also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council accept the improvements constructed by CPM for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to CPM for \$14,611 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

**REASON FOR RECOMMENDATION:**

CPM has completed the Project pursuant to the construction contract documents dated November 14, 2022 and subsequent CCOs. Staff inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

CPM has submitted a one-year warranty bond for the improvements to be accepted and lien releases confirming all sub-contractors and suppliers have been paid in full. The warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements.

The performance bond and payment bond will be released and replaced with the one-year warranty bond upon City Council's acceptance of the improvements.

**FISCAL IMPACT:**

The final construction cost amount with CPM for the Project is \$378,280.

Adequate funds have been allocated in the FY 2023-24 budget to close out for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37. With the completion of the Project, staff requests that unused funds be transferred back to the original funding sources.

Staff requests that unused funds be transferred back into the Water Replacement CIP Fund (5600).



**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37**

**ATTACHMENTS:**

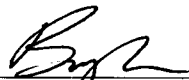
- A. Resolution to Accept Public Improvements Constructed by Commercial Pump & Mechanical for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
- B. Notice of Completion – Well 10 Testing, Analysis and Modifications, CIP PW 22-37
- C. Vicinity Map

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37**

**APPROVALS:**

  
\_\_\_\_\_  
Greg Gibson  
Senior Civil Engineer

01/25/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

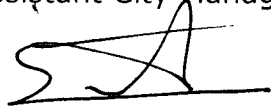
1/25/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director

1/30/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

1.26.2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1-29-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/5/24  
\_\_\_\_\_  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37, AUTHORIZING THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS**

**WHEREAS**, Well 10 Testing, Analysis and Modifications (Project), CIP PW 22-37 was created to address sanding and other maintenance items for the City's Well 10, one of four active wells comprising the City's groundwater supply; and

**WHEREAS**, on February 14, 2022, City Council awarded a construction contract in the amount of \$87,664 to Commercial Pump & Mechanical (CPM) for the construction of the Project; and

**WHEREAS**, the scope of work included recommended maintenance and repairs, in addition to testing and analysis to evaluate whether additional modifications are needed to improve the performance and efficiency of Well 10.; and

**WHEREAS**, during construction, contract change orders were issued to CPM in the amount of \$290,616 for a final contract amount of \$378,280; and

**WHEREAS**, staff inspected the improvements and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications; and

**WHEREAS**, CPM has provided the necessary lien releases for the materials supplied and completed work and a one-year warranty bond (based on 10% of total project cost) for the improvements being accepted; and

**WHEREAS**, the performance bond (Bond No. 5958118, \$87,664) and payment bond (Bond No. 5958118, \$43,832) will be released and replaced with a one-year warranty bond (Bond No. 5958118, \$37,748) upon City Council's acceptance of the improvements; and

**WHEREAS**, the one-year warranty bond covers any repairs or replacements that may become necessary during the one-year period beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements; and

**WHEREAS**, adequate funds have been allocated in the FY 2023-24 approved budget to close out the Project. With the completion of the Project, staff requests that unused funds be transferred back to the source CIP Fund (5600); and

**WHEREAS,** staff request City Council accept the completed public improvements constructed by CPM for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37; and

**WHEREAS,** staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to CPM in the amount of \$14,611 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby accept the completed public improvements constructed by CPM for Fueling Facility Tank Footings, CIP PW 22-37, pursuant to the contract documents dated February 14, 2022; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop authorizes the filing of the Notice of Completion with the San Joaquin County Clerk and the release of the contract retention to CPM, in the amount of \$14,611, within forty-five (45) days after the recording of the Notice of Completion, and authorizes the release of the performance and payment bonds; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop approves the unused funds be transferred back into the Water Replacement CIP Fund (5600).

The foregoing resolution was passed and adopted this 12th day of February, 2024 by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:


ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

**RECORDING REQUESTED BY, AND**  
WHEN RECORDED MAIL TO:

CITY OF LATHROP  
ATTN: CITY CLERK  
390 TOWNE CENTRE DRIVE  
LATHROP, CA 95330  
*Exempt from payment of recording fees (GC 11922)*

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**NOTICE OF COMPLETION**

NOTICE IS HEREBY GIVEN:

1. That the interest or estate stated in paragraph 3 herein in the real property herein described is owned by:  
NAME                      STREET AND NO.                      CITY                      STATE AND ZIP CODE

City of Lathrop              390 Towne Centre Drive              Lathrop                      CA              95330  
(If more than one owner of the interest stated, the name and address of each must be stated)

2. That the full name and address of the owner of said interest or estate, if there is only one owner, and that the full names and addresses of all the co-owners who own said interest or estate as tenants in common, as joint tenants, or otherwise, if there is more than one owner, are set forth in the preceding paragraph.

3. That the nature of the title of stated owner, or if more than one owner, then of the stated owner and co-owners is fee (e.g. fee, leasehold, joint tenancy, etc.).

4. That on the 12th day of February, 2024 a work of improvement on the real property herein described was completed.

5. That the name of the original contractor, if any, for said work of improvement was: Commercial Pump & Mechanical

6. That the name and address of the transferor is:  
NAME                      STREET AND NO.                      CITY                      STATE AND ZIP CODE

Commercial Pump & Mechanical              11254 Midway              Chico,                      CA              95928

7. That the real property herein referred to is situated in the City of Lathrop, County of San Joaquin, State of California, and is described as follows:

CIP PW 22-37 Well 10 Testing, Analysis and Modifications, Lathrop, CA 95330

That the undersigned has knowledge of the contents herein and states under penalty of perjury that the foregoing is true and correct.

**CITY OF LATHROP**

By: \_\_\_\_\_  
Stephen J. Salvatore, City Manager              Date

By: \_\_\_\_\_  
Teresa Vargas, City Clerk              Date

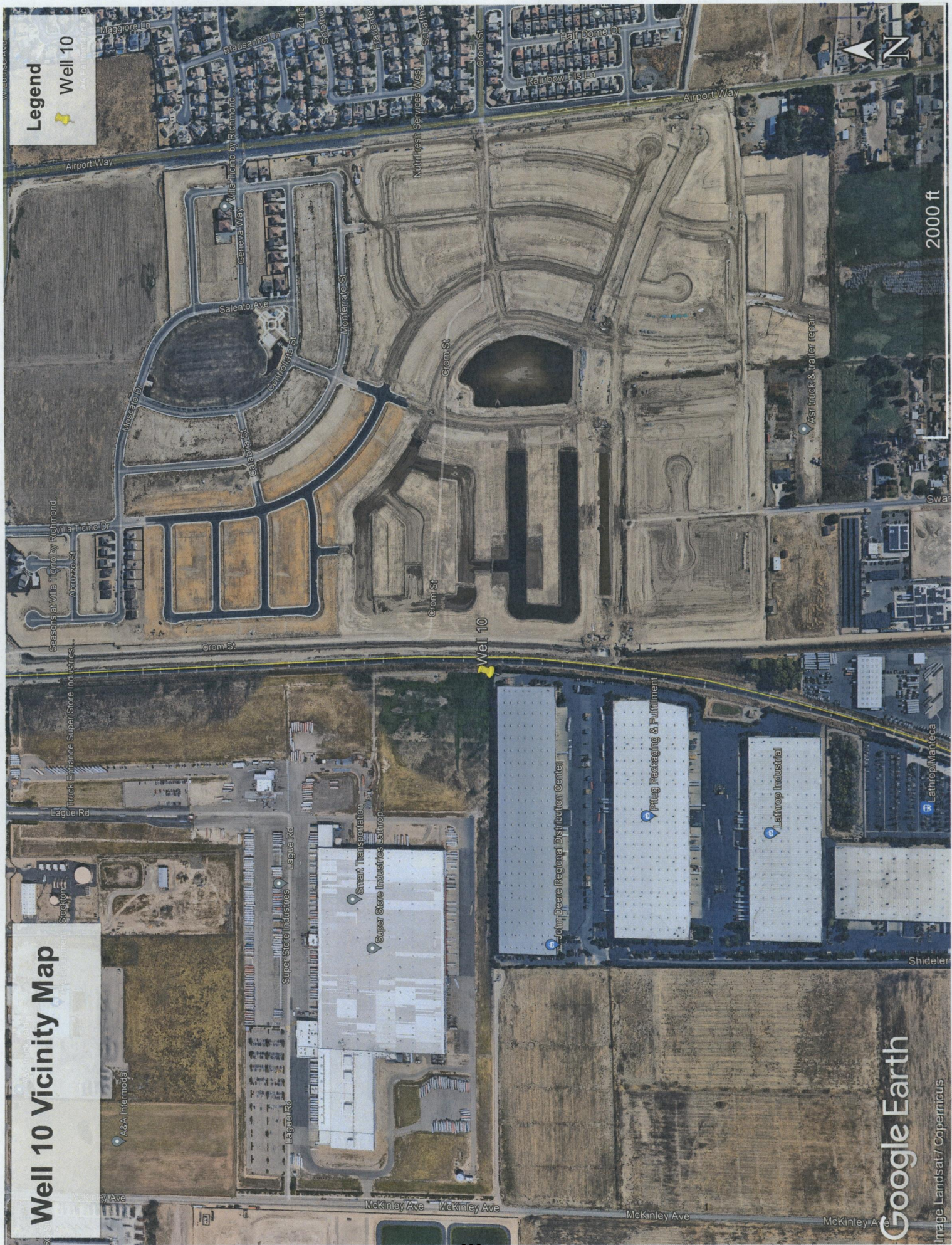
**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the NOTICE OF COMPLETION dated **February 12, 2024** by **Commercial Pump & Mechanical** to the **City of Lathrop**, a political corporation and/or governmental agency, is hereby accepted by the undersigned officer or agent on behalf of the City Council pursuant to authority conferred by minute action of the City Council adopted on **February 12, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By

\_\_\_\_\_  
Stephen J. Salvatore, City Manager



# Well 10 Vicinity Map

Legend  
Well 10

Google Earth

Image Landsat / Copernicus



## ITEM 4.20

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM: AWARD CONSTRUCTION CONTRACT TO AMERINE SYSTEMS, INC. FOR THE POLICE EVIDENCE BUILDING LANDSCAPE ASSOCIATED WITH CORPORATION YARD IMPROVEMENTS, CIP GG 21-13**

**RECOMMENDATION: Adopt Resolution Awarding a Construction Contract to Amerine Systems, Inc. for the Police Evidence Building Landscape associated with Corporation Yard Improvements, CIP GG 21-13**

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#### **SUMMARY:**

On April 12, 2021, City Council approved the creation of Corporation Yard Improvements, Capital Improvement Project (CIP) GG 21-13 to add new buildings and services to the property, including a Property & Evidence Building for the Police Department (Police Evidence Building). Construction of the Police Evidence Building commenced in July of 2023. As the construction of this building nears completion, site landscape construction is needed.

The plans and specifications for the construction of the Police Evidence Building Landscape (Project) were advertised on December 19, 2023 in accordance with Bidding Procedures in California Public Contract Code (PCC) 20160 and Lathrop Municipal Code (LMC) 2.36.060. The City Clerk received and opened ten (10) bids on January 18, 2024. Based on the review and evaluation of the bids, the responsible bidder with the lowest responsive bid for the Project was determined to be Amerine Systems, Inc. (Amerine) with a base bid of \$205,000 and bid alternate 1 of \$45,000, for a total bid of \$250,000.

Staff requests City Council award a construction contract to Amerine for the construction of the Project in the amount of \$250,000. Staff also requests City Council authorize a 20% construction contingency of \$50,000 for a total cost not to exceed \$300,000.

Sufficient funds were allocated in the approved Fiscal Year (FY) 2023-24 budget to award the contact.

#### **BACKGROUND:**

On April 12, 2021, City Council approved the creation of Corporation Yard Improvements, Capital Improvement Project (CIP) GG 21-13 to add new buildings and services to the property, including a Property & Evidence Building for the Police Department (Police Evidence Building).

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**AWARD CONSTRUCTION CONTRACT TO AMERINE SYSTEMS, INC. FOR THE POLICE EVIDENCE BUILDING LANDSCAPE ASSOCIATED WITH CORPORATION YARD IMPROVEMENTS, CIP GG 21-13**

On June 12, 2023, City Council awarded a contract for the construction of the Police Evidence Building. Construction began in late July, and by December of 2023, sufficient progress on the building’s construction allowed for the start of landscape construction.

O’Dell Engineering prepared the plans and technical specifications for the Project, which includes drought-tolerant landscape comprised of accent trees, shrubs, irrigation, artificial turf, concrete walkways, grouted cobbles and decomposed granite surfacing. To match the existing landscape theme on City arterial streets, five palm trees will also be planted on the south side of Louise Avenue in the property’s frontage.

Staff released the plans and specifications for bid solicitation on December 19, 2023 in accordance with CA PCC 20160 and LMC 2.36.060. Ten (10) bids were received and opened by the City Clerk on January 18, 2024, all determined to be responsive and from responsible bidders. The bid results are summarized in Table 1 below:

**Table 1: Summary of Bid Results- Police Evidence Building Landscape**

<b>Contractor</b>	<b>Base Bid</b>	<b>Bid Alt 1</b>	<b>Total Bid</b>
Amerine Systems	\$205,000.00	\$45,000.00	\$250,000.00
Odyssey Environmental Services	\$258,137.57	\$92,057.87	\$350,195.44
Takehara Landscape, Inc.	\$274,372.40	\$94,863.05	\$369,235.45
Marina Landscape, Inc.	\$298,173.35	\$86,786.75	\$384,960.10
California Turf & Landscaping, Inc.	\$321,094.08	\$78,112.95	\$399,207.03
Elite Landscape Construction, Inc.	\$342,320.00	\$90,770.00	\$433,090.00
Westside Landscape & Concrete, Inc.	\$348,723.32	\$110,105.24	\$458,828.56
Early Birds Landscaping	\$364,119.00	\$104,254.58	\$468,373.58
Landscape Pros ML, Inc.	\$358,712.00	\$154,991.50	\$513,703.50
Joe’s Landscaping & Concrete, Inc.	\$441,051.96	\$133,682.15	\$574,734.11

Staff reviewed and evaluated the bids, and determined that the lowest responsible bidder is Amerine, with a base bid of \$205,000 and bid alternate 1 of \$45,000, for a total bid of \$250,000. Staff requests City Council adopt a resolution awarding a construction contract to Amerine for \$250,000 for the construction of the Project. Staff also requests City Council authorize a 20% construction contingency of \$50,000, and authorize staff to spend the contingency as necessary to achieve the goals of the Project for a total cost not to exceed \$300,000.

**REASON FOR RECOMMENDATION:**

The proposed improvements will provide an aesthetically pleasing and drought-tolerant landscape for the new Police Property & Evidence Building and the existing Corporation Yard site.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**AWARD CONSTRUCTION CONTRACT TO AMERINE SYSTEMS, INC. FOR THE POLICE EVIDENCE BUILDING LANDSCAPE ASSOCIATED WITH CORPORATION YARD IMPROVEMENTS, CIP GG 21-13**

**FISCAL IMPACT:**

The proposed construction contract with Amerine is for \$250,000. A 20% construction contingency is requested in the amount of \$50,000 for a total cost not to exceed \$300,000.

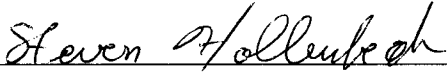
Sufficient funds were allocated in the approved Fiscal Year (FY) 2023/24 budget for CIP GG 21-13 to award the contract; therefore, no budget amendment is needed.

**ATTACHMENTS:**

- A. Resolution Awarding a Construction Contract to Amerine Systems, Inc. for the Police Evidence Building Landscape associated with Corporation Yard Improvements, CIP GG 21-13
- B. Construction Contract with Amerine Systems, Inc. for the Police Evidence Building Landscape associated with Corporation Yard Improvements, CIP GG 21-13.

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**AWARD CONSTRUCTION CONTRACT TO AMERINE SYSTEMS, INC. FOR THE**  
**POLICE EVIDENCE BUILDING LANDSCAPE ASSOCIATED WITH**  
**CORPORATION YARD IMPROVEMENTS, CIP GG 21-13**

**APPROVALS:**

  
\_\_\_\_\_  
Steven Hollenbeak  
Assistant Engineer

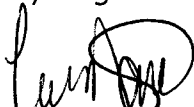
1.19.24  
Date

  
\_\_\_\_\_  
Ken Reed  
Senior Construction Manager

1-19-2024  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer


1/22/2024  
Date

  
\_\_\_\_\_  
Cari James  
Director of Finance

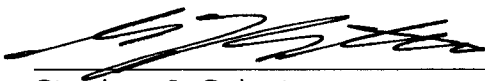
1/24/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

1-23-2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1.23.2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/5/24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP AWARDING A CONSTRUCTION CONTRACT TO AMERINE SYSTEMS, INC. THE FOR POLICE EVIDENCE BUILDING LANDSCAPE ASSOCIATED WITH CORPORATION YARD IMPROVEMENTS, CIP GG 21-13**

**WHEREAS**, on April 12, 2021, City Council approved the creation of Corporation Yard Improvements, Capital Improvement Project (CIP) GG 21-13 to add new buildings and services to the property, including a Police Evidence Building; and

**WHEREAS**, on December 19, 2023, 2023, the City solicited bids for the construction of landscape improvements (Project) for the Police Evidence Building nearing completion; and

**WHEREAS**, a total of ten (10) bids were received and opened by the City Clerk on January 18, 2024; and

**WHEREAS**, upon review and evaluation of the bids, the responsible bidder with the lowest responsive bid for the Project was determined to be Amerine Systems, Inc. (Amerine) with a base bid of \$205,000 and Bid Alternate 1 of \$45,000 for a total contract award of \$250,000; and

**WHEREAS**, staff requests City Council award a construction contract to Amerine in the amount of \$250,000 for the construction of the Project; and

**WHEREAS**, staff also requests Council authorize a 20% construction contingency in the amount of \$50,000 and authorize staff to spend the contingency as necessary to achieve the goals of the Project for a total cost not to exceed \$300,000; and

**WHEREAS**, sufficient funds were allocated in the approved Fiscal Year (FY) 2023/24 budget for the construction of the Project.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby awards a construction contract to Amerine Systems, Inc. for the construction of the Police Evidence Building Landscape associated with Corporation Yard Improvements, CIP GG 21-13 with a base bid of \$205,000 and Bid Alternate 1 of \$45,000 for a total contract award of \$250,000; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop does hereby approve a 20% construction contingency of \$50,000 for a total cost not to exceed \$300,000 for the construction of the Project and authorizes staff to spend up to this amount as necessary to accomplish the goals of the Project.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2024 by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

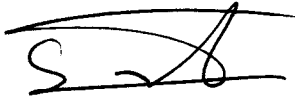
ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

**CONSTRUCTION CONTRACT**

This Contract, dated February 12, 2024, is entered into by and between the **City of Lathrop**, a municipal corporation of the State of California (City), and **Amerine Systems, Inc.**, (Contractor), whose Taxpayer Identification Number is \_\_\_\_\_.

For and in consideration of the following covenants, terms and conditions, City and Contractor (the parties) agree:

1. **Term.** This Contract shall commence on, and be binding on the parties on, the date of execution of this Contract, and shall expire on the date of recordation of the Notice of Substantial Completion, or, if no such notice is required to be filed, on the date that final payment is made hereunder, subject to the earlier termination of this Contract.
2. **General Scope of Project and Work.** Construction Documents for **Police Evidence Building Landscape, CIP GG 21-13** (Project). Contractor shall furnish labor, services, materials and equipment in connection with the construction of the Project and complete the Work in accordance with the covenants, terms and conditions of this Contract to the satisfaction of City.

The work to be performed under this contract includes all work contained in the Construction Documents, as detailed in Paragraph 3 below, including, but not limited to to construction and installation of hardscape, irrigation, plant material and other amenities; and any task necessary to accomplish the aforementioned tasks.

The work shall be **completed within 60 working days** following issuance of Notice to Proceed.

The Work shall be complete, and all appurtenant work, materials, and services not expressly shown or called for in the Construction Documents which may be necessary for the complete and proper construction of the Work in good faith shall be performed, furnished, and installed by the Contractor as though originally specified or shown. The Contractor will be compensated for actual work performed in accordance with the unit prices and provisions contained in these Construction Documents.

**Base Bid + Bid Alt 1 Total: \$250,000 (Two Hundred Fifty Thousand Dollars)**

3. **Construction Documents.** This Contract shall include the Construction Documents which are on file with the Public Works Department and are hereby incorporated by reference (i.e. Project Specifications, Project Plans, addenda, performance bond, labor and materials bond, certification of insurance, workers compensation certification, and Warranty Bond Acknowledgement) and the Bid Documents submitted by Amerine Systems, Inc. on January 18, 2024. For the purposes of construing, interpreting and resolving inconsistencies between the provisions of this Contract, these documents and the provisions thereof are set forth in the order of precedence described in Article 3 of the General Conditions.

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POLICE EVIDENCE BUILDING LANDSCAPE  
CIP GG 21-13

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4. Compensation. In consideration of Contractor's performance of its obligations hereunder, City shall pay to Contractor the amount set forth in Contractor's Bid in accordance with the provisions of this Contract and upon the receipt of written invoices and all necessary supporting documentation within the time set forth in the Construction Documents. Contractor hereby shall not be permitted to invoice the City nor accept compensation for work not yet complete. In no event, shall the Contractor be entitled to payment for work not included in the approved scope of work, a written task order, or change order signed by the City's Public Works Director prior to commencement of any work.
5. Insurance. On or before the Date of Execution, Contractor shall obtain and maintain the policies of insurance coverage described in Section 5.2 of the General Conditions on terms and conditions and in amounts as may be required by the City. City shall not be obligated to take out insurance on Contractor's personal property or the personal property of any person performing labor or services or supplying materials or equipment under the Project. Contractor shall furnish City with the certificates of insurance and with original endorsements affecting coverage required under this Contract on or before the Date of Execution. The certificates and endorsements for each insurance policy shall be signed by a person who is authorized by that insurer to bind coverage in its behalf. Proof of insurance shall be mailed to the Project Manager to the address set forth in Section 15 of this Contract.
6. Indemnification. Contractor agrees to protect, defend, indemnify and hold City, its City Council members, officers, employees, engineer, and construction manager harmless from and against any and all claims, demands, liabilities, losses, damages, costs, expenses, liens, penalties, suits, or judgments, arising in whole or in part, directly or indirectly, at any time from any injury to or death of persons or damage to property as a result of the willful or negligent act or omission of Contractor, or which results from Contractor's noncompliance with any Law respecting the condition, use, occupation or safety of the Project site, or any part thereof, or which arises from Contractor's failure to do anything required under this Contract or for doing anything which Contractor is required not to do under this Contract, or which arises from conduct for which any Law imposes strict liability on Contractor in the performance of or failure to perform the terms and conditions of this Contract, except as may arise from the sole willful or negligent act or omission of City or any of its City Council members, officers, employees. This indemnification shall extend to any and all claims, demands, or liens made or filed by reason of any construction, renovation, or remodeling work performed by Contractor under this Contract at any time during the term of this Contract, or arising thereafter.
7. Assumption of Risk. Contractor agrees to voluntarily assume any and all risk of loss, damage, or injury to the property of Contractor which may occur in, on, or about the Project site at any time and in any manner, excepting such loss, injury, or damage as may be caused by the sole willful or negligent act or omission of City or any of its City Council members, officers, or employees.
8. Waiver. The acceptance of any payment or performance, or any part thereof, shall not operate as a waiver by City of its rights under this Contract. A waiver by City of any breach of any part or provision of this Contract by Contractor shall not operate as a waiver or



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continuing waiver of any subsequent breach of the same or any other provision, nor shall any custom or practice which may arise between the parties in the administration of any part or provision of this Contract be construed to waive or to lessen the right of City to insist upon the performance of Contractor in strict compliance with the covenants, terms and conditions of this Contract.

9. Compliance with Laws. Contractor shall comply with all Laws now in force or which may hereafter be in force pertaining to the Project and Work and this Contract, with the requirement of any bond or fire underwriters or other similar body now or hereafter constituted, with any discretionary license or permit issued pursuant to any Law of any public agency or official as well as with any provision of all recorded documents affecting the Project site, insofar as any are required by reason of the use or occupancy of the Project site, and with all Laws pertaining to nondiscrimination and affirmative action in employment and hazardous materials.

DEPARTMENT OF INDUSTRIAL RELATIONS- COMPLIANCE MONITORING UNIT

**DIR Registration.**

- a) Contractor and Subcontractor Compliance. Strict compliance with DIR registration requirements pursuant to Labor Code Section 1725.5 is a material obligation of the Contractor under the Contract Documents. The foregoing includes without limitation, compliance with DIR Registration requirements at all times during performance of the Work by the Contractor and all Subcontractors of any tier. The failure of the Contractor and all Subcontractors of every tier to be DIR registered at all times during the performance of the Work is the Contractor's default of a material obligation of the Contractor under the Contract Documents.
- b) No Subcontractor Performance of Work Without DIR Registration. No portion of the Work is permitted to be performed by a Subcontractor of any tier unless the Subcontractor is a DIR Registered contractor.
- c) Contractor Obligation to Verify Subcontractor DIR Registration Status. An affirmative and on-going obligation of the Contractor under the Contract Documents is the Contractor's verification that all Subcontractors, of all tiers, are at all times during performance of Work in full and strict compliance with DIR Registration requirements. The Contractor shall not permit or allow any Subcontractor of any tier to perform any Work without the Contractor's verification that all such Subcontractors are in full and strict compliance with DIR Registration requirements.
- d) Contractor Obligation to Request Substitution of Non-DIR Registered Subcontractor. If any Subcontractor identified in the Contractor's Subcontractor List submitted with the Contractor's proposal for the Work is not DIR Registered at the time of opening of proposals for the Work or if a Subcontractor's DIR registration lapses prior to or during a Subcontractor's performance of Work, the Contractor shall request the CITY's consent to

substitute the non-DIR registered Subcontractor pursuant to Labor Code Section 1771.1(c)(3) and/ or Labor Code Section 1771.1(d).

**Certified Payroll Records**

- a) Compliance with Labor Code Section 1771.4 and 1776. A material obligation of the Contractor under the Contract Documents is: (i) the Contractor's strict compliance with the requirements pursuant to Labor Code Section 1771.4 and 1776 for preparation and submittal of Certified Payroll Records ("CPR"); and (ii) the Contractor's enforcement of CPR preparation and submittal for all Subcontractors of every tier.
- b) Express Condition Precedent to Payment of Contract Price. Strict compliance with CPR requirements established pursuant to Labor Code Section 1776 is an express condition precedent to the CITY's obligation to: (i) process any request for payment of any portion of the Contract Price; or (ii) to disburse any portion of the Contract Price to the Contractor. The Contractor shall demonstrate strict compliance with CPR preparation and submittal requirements by delivery to the CITY of electronic files or hard copies of all CPR's submitted by the Contractor and/ or Subcontractors for Work pursuant to Labor Code Section 1771.4 and 1776 concurrently with the submittal thereof to the Labor Commissioner. The CITY: (i) shall not be obligated to process or disburse any portion of the Contract Price; or (ii) shall not be deemed in default of the CITY's obligations under the Contract Documents unless the Contractor's demonstrates strict compliance with CPR preparation and submittal requirements.
- c) PWR Monitoring and Enforcement. During the Work pursuant to Labor Code Section 1771.4(a)(4), the Department of Industrial Relations shall monitor and enforce the obligation of the Construction and Subcontractors of every tier to pay the laborers performing any portion of the work the PWR established for the classification of work/ labor performed.

**RECORD OF WAGES PAID: INSPECTION**

Pursuant to Labor Code section 1776, Contractor stipulates to the following:

- a) Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work under the Facilities lease and Construction Provisions. Such records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information of such forms. The payroll records may consist of payroll data that are maintained as computer records, if printouts contain the same information as the forms provided by the division and the printouts are verified as specified in subdivision (a) of Labor Code section 1776.

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POLICE EVIDENCE BUILDING LANDSCAPE  
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- b) The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor on the following basis:
- (1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employees or his or her authorized representative on request.
  - (2) A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the CITY, the Division of Labor Standards Enforcement, and Division of Apprenticeship Standards of the Department of Industrial Relations.
  - (3) A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or copies thereof. However, a request by the public shall be made through either the CITY, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by Contractor, subcontractors, and the entity through which the request was made. The public shall not be given access to such records at the principal office of Contractor.
- c) Contractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested such records within ten (10) days after receipt of the written request.
- d) Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency, by the CITY, the Division of Apprenticeship Standards, or the division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address and social security number. The name and address of contractor awarded the contract or performing the contract shall not be marked or obliterated.
- e) Contractor shall inform the CITY of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within (5) working days, provide a notice of a change of location and address.
- f) In the event of noncompliance with the requirements of this Article, Contractor shall have ten (10) days in which to comply subsequent to receipt of written notice specifying in what respects Contractor must comply with this Article. Should noncompliance still be evident after such 10-day period, Contractor shall pay a penalty of One- Hundred Dollars (\$100.00) to the CITY for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from the progress payment then due.

SECTION 00500

The responsibility for compliance with this Article shall rest upon Contractor.

10. Bonds. As a condition precedent to City's obligation to pay compensation to Contractor, and on or before the date of Execution, Contractor shall furnish to the Project Manager the Bonds as required under *Section 00700 - 5.1A*.
11. Representations and Warranties. In the supply of any materials and equipment and the rendering of labor and services during the course and scope of the Project and Work, Contractor represents and warrants:
  - (1) Any materials and equipment which shall be used during the course and scope of the Project and Work shall be vested in Contractor;
  - (2) Any materials and equipment which shall be used during the course and scope of the Project and Work shall be merchantable and fit to be used for the particular purpose for which the materials are required;
  - (3) Any labor and services rendered and materials and equipment used or employed during the course and scope of the Project and Work shall be free of defects in workmanship for a period of one (1) year after the recordation of the Notice of Substantial Completion, or, if no such notice is required to be filed, on the date that final payment is made hereunder;
  - (4) Any manufacturer's warranty obtained by Contractor shall be obtained or shall be deemed obtained by Contractor for and on behalf of City.
  - (5) Any information submitted by Contractor prior to the award of Contract, or thereafter, upon request, whether or not submitted under a continuing obligation by the terms of the Contract to do so, is true and correct at the time such information is submitted or made available to the City;
  - (6) Contractor has not colluded, conspired, or agreed, directly or indirectly, with any person in regard to the terms and conditions of Contractor's Bid, except as may be permitted by the Notice to Contractors;
  - (7) Contractor has the power and the authority to enter into this Contract with City, that the individual executing this Contract is duly authorized to do so by appropriate resolution, and that this Contract shall be executed, delivered and performed pursuant to the power and authority conferred upon the person or persons authorized to bind Contractor;
  - (8) Contractor has not made an attempt to exert undue influence with the Project Manager or any other person who has directly contributed to City's decision to award the Contract to Contractor;
  - (9) There are no unresolved claims or disputes between Contractor and City which would materially affect Contractor's ability to perform under the Contract;

SECTION 00500

- (10) Contractor has furnished and will furnish true and accurate statements, records, reports, resolutions, certifications, and other written information as may be requested of Contractor by City from time to time during the term of this Contract;
  - (11) Contractor and any person performing labor and services under this Project is duly licensed as a contractor with the State of California as required by California Business & Professional Code Section 7028, as amended; and
  - (12) Contractor has fully examined and inspected the Project site and has full knowledge of the physical conditions of the Project site.
12. Assignment. This Contract and the performance required hereunder is personal to Contractor, and it shall not be assigned by Contractor. Any attempted assignment shall be null and void.
13. Claims of Contractor. All claims pertaining to extra work, additional charges, or delays within the Contract Time or other disputes arising out of the Contract shall be submitted by Contractor in accordance with the General Conditions.
14. Audits by City. During the term of this Contract and for a period of not less than three (3) years after the expiration or earlier termination of this Contract, City shall have the right to audit Contractor's Project-related and Work-related writings and business records, as such terms are defined in California Evidence Code Sections 250 and 1271, as amended, during the regular business hours of Contractor, or, if Contractor has no such hours, during the regular business hours of City.
15. Notices. All contracts, agreements, appointments, approvals, authorizations, claims, demands, Change Orders, consents, designations, notices, offers, requests and statements given by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if (1) personally served, (2) sent by the United States mail, postage prepaid, (3) sent by private express delivery service, or (4) in the case of a facsimile transmission, if sent to the telephone FAX number set forth below during regular business hours of the receiving party and followed with two (2) days by delivery of a hard copy of the material sent by facsimile transmission, in accordance with (1), (2) or (3) above. Personal service shall include, without limitation, service by delivery and service by facsimile transmission.

To City: City of Lathrop  
City Clerk  
390 Towne Centre Drive  
Lathrop, CA 95330

Copy to: City of Lathrop  
Department of Public Works  
390 Towne Centre Drive  
Lathrop, CA 95330

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POLICE EVIDENCE BUILDING LANDSCAPE  
CIP GG 21-13

CONTRACT

PHONE: (209) 941-7363  
FAX: (209) 941-7449  
ATTN: Senior Construction Manager

To Contractor: Amerine Systems, Inc.  
Mailing Address: 10866 Cleveland Ave Oakdale, CA 95361  
Phone: 209.847.5968  
Email: gda@amerinesystems.com  
ATTN: Garrett Amerine

16. Miscellaneous.

- (1) Bailee Disclaimer. The parties understand and agree that City does not purport to be Contractor's bailee, and City is, therefore, not responsible for any damage to the personal property of Contractor.
- (2) Consent. Whenever in this Contract the approval or consent of a party is required, such approval or consent shall be in writing and shall be executed by a person having the express authority to grant such approval or consent.
- (3) Controlling Law. The parties agree that this Contract shall be governed and construed by and in accordance with the Laws of the State of California.
- (4) Definitions. The definitions and terms are as defined in these specifications.
- (5) Force Majeure. Neither party shall be deemed to be in default on account of any delay or failure to perform its obligations under this Contract, which directly results from an Act of God or an act of a superior governmental authority.
- (6) Headings. The paragraph headings are not a part of this Contract and shall have no effect upon the construction or interpretation of any part of this Contract.
- (7) Incorporation of Documents. All documents constituting the Construction Documents described in Section 3 hereof and all documents which may, from time to time, be referred to in any duly executed amendment hereto are by such reference incorporated in this Contract and shall be deemed to be part of this Contract.
- (8) Integration. This Contract and any amendments hereto between the parties constitute the entire contract between the parties concerning the Project and Work, and there are no other prior oral or written contracts between the parties that are not incorporated in this Contract.
- (9) Modification of Contract. This Contract shall not be modified or be binding upon the parties unless such modification is agreed to in writing and signed by the parties.

SECTION 00500

- (10) Provision. Any contract, covenant, condition, clause, qualification, restriction, reservation, term or other stipulation in the Contract shall define or otherwise control, establish, or limit the performance required or permitted or to be required of or permitted by either party. All provisions, whether covenants or conditions, shall be deemed to be both covenants and conditions.
- (11) Resolution. Contractor shall submit with its Bid a copy of any corporate or partnership resolution or other writing, which authorizes any director, officer or other employee or partner to act for or on behalf of Contractor or which authorizes Contractor to enter into this Contract.
- (12) Severability. If a court of competent jurisdiction finds or rules that any provision of this Contract is void or unenforceable, the provisions of this Contract not so affected shall remain in full force and effect.
- (13) Status of Contractor. In the exercise of rights and obligations under this Contract, Contractor acts as an independent contractor and not as an agent or employee of City. Contractor shall not be entitled to any rights and benefits accorded or accruing to the City Council members, officers or employees of City, and Contractor expressly waives any and all claims to such rights and benefits.
- (14) Successors and Assigns. The provisions of this Contract shall inure to the benefit of, and shall apply to and bind, the successors and assigns of the parties.
- (15) Time of the Essence. Time is of the essence of this Contract and each of its provisions. In the calculation of time hereunder, the time in which an act is to be performed shall be computed by excluding the first Day and including the last. If the time in which an act is to be performed falls on a Saturday, Sunday, or any Day observed as a legal holiday by City, the time for performance shall be extended to the following Business Day.
- (16) Venue. In the event that suit is brought by either party hereunder, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of San Joaquin or in the United States District Court for the Eastern District of California.
- (17) Recovery of costs. The prevailing party in any action brought to enforce the terms of this Contract or arising out of this Contract, including the enforcement of the indemnity provision(s), may recover its reasonable costs, including reasonable attorney's fees, incurred or expended in connection with such action against the non-prevailing party.
- (18) Contractor and subcontractors must comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC1368), Executive Order 11738, and Environmental Protection Agency Regulations at 40 CFR Part 15.

SECTION 00500

POLICE EVIDENCE BUILDING LANDSCAPE  
CIP GG 21-13

CONTRACT

- (19) Contractors and subcontractors must comply with mandatory standards and policies relating to the energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation ACT (Public Law 94-163, 89 stat 871).
- (20) The Contractor shall provide access to the site for the Environmental Protection Agency and its duly authorized representatives, and the City.
- (21) If during the course of construction evidence of deposit of historical or archaeological interest is found, the Contractor shall cease operation affecting the find and shall notify the City, who shall notify the EPA and the State Historic Preservation Officer. No further disturbance of the deposits shall ensue until the Contractor has been notified by the City that construction may proceed. The City will issue a notice to proceed only after the state official has surveyed the find and made a determination to the EPA and the City. Compensation to the contractor, if any, for lost time or changes in construction to avoid the find, shall be determined in accordance with changed conditions or change order provisions of the Construction Documents.
- (22) Notice to Proceed. Prior to commencing work under this Contract, CONTRACTOR shall receive a written "Notice to Proceed" from CITY. A Notice to Proceed shall not be issued until all necessary bonds and insurances have been received. City shall not be obligated to pay CONTRACTOR for any services prior to issuance of the Notice to proceed.
- (23) Signatures. The individuals executing this Contract represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Contract on behalf of the respective legal entities of the CONTRACTOR and the CITY. This Contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- (24) This project is a public works project: Contractor shall comply with requirements of California Labor Code § 1700 and following, and prevailing wages shall be paid for work performed on this project.
- (25) The statutory provisions for penalties for failing to comply with the State of California wage and labor laws will be enforced, as well as that for failing to pay prevailing wages.

EXHIBITS:

EXHIBIT A: Contractor's Submitted Bid Packet

*Certification of insurance, performance and payment bonds, and worker's compensation certification shall be furnished to the City by the Contractor after City Council's approval with resolution.*



SECTION 00500

POLICE EVIDENCE BUILDING LANDSCAPE  
CIP GG 21-13

CONTRACT

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above stated in Lathrop, California.

**CONTRACTOR:**

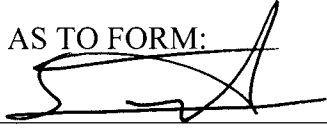
By: \_\_\_\_\_

Name: Gary Amerine

Title: President

**CITY OF LATHROP**

APPROVED AS TO FORM:

By:  \_\_\_\_\_  
Salvador Navarrete, City Attorney

RECOMMENDED FOR APPROVAL:

By: \_\_\_\_\_  
Michael King, Assistant City Manager

APPROVED:

By: \_\_\_\_\_  
Stephen J. Salvatore, City Manager

SECTION 00300

POLICE EVIDENCE BUILDING LANDSCAPE  
CIP GG 21-13

BID PROPOSAL FORMS

**POLICE EVIDENCE BUILDING LANDSCAPE, CIP GG 21-13**

**BASE BID SCHEDULE**

DESCRIPTION	UNITS	QUANTIT Y	UNIT Price	EXTENDED TOTAL
Mobilization / Bonds / Insurance	LS	1	\$25,000.00	\$25,000.00
Traffic Control	LS	1	\$500.00	\$500.00
Erosion and Sediment Control Plan (ESCP)	LS	1	\$456.20	\$456.20
Hardscape Grading (Fine)	SF	5,994	\$0.60	\$3,596.40
6" Concrete Flatwork	SF	150	\$4.00	\$600.00
Cobble w/ Pea Gravel Concrete	SF	1,525	\$4.60	\$7,015.00
4" Stabilized Decomposed Granite	SF	1,910	\$2.10	\$4,011.00
Artificial Turf	SF	2,409	\$7.05	\$16,983.45
Metal Table w/ 4 Seats	EA	1	\$1,500.00	\$1,500.00
Landscape Grading (Fine)	SF	5,727	\$0.50	\$2,863.50
Soil Amendments	SF	5,727	\$0.70	\$4,008.90
15 Gallon Trees	EA	14	\$42.85	\$599.90
20' BTH Palm Trees	EA	5	\$7,500.00	\$37,500.00
5 Gallon Shrubs	EA	129	\$27.15	\$3,502.35
1 Gallon Shrubs	EA	110	\$21.82	\$2,400.20
24" Deep Root Barriers	LF	190	\$7.90	\$1,501.00
3" Decorative DG Mulch	SF	5,727	\$0.70	\$4,008.90
2-Wire Irrigation Controller Package	LS	1	\$20,000.00	\$20,000.00
Irrigation System	LS	1	\$42,200.00	\$42,200.00
Case "A" Conduit Sleeving	LF	200	\$25.00	\$5,000.00
Case "C" Conduit Sleeving	LF	190	\$21.05	\$3,999.50
Landscape Maintenance (60 Days)	SF	5,727	\$3.10	\$17,753.70

**TOTAL BID : \$ 205,000.00**

**TOTAL BID IN WORDS : Two Hundred Five Thousand Dollars**

## SECTION 00300

POLICE EVIDENCE BUILDING LANDSCAPE  
CIP GG 21-13

BID PROPOSAL FORMS

## BID ALTERNATE 1 SCHEDULE

BID ITEM	DESCRIPTION	UNITS	QUANTIT Y	UNIT PRICE	EXTENDED TOTAL
1	Hardscape Grading (Fine)	SF	4,535	\$0.58	\$2,630.30
2	6" Concrete Flatwork	SF	150	\$4.00	\$600.00
3	Cobble w/ Porous Mortar	SF	1,154	\$4.59	\$5,296.86
4	4" Stabilized Decomposed Granite	SF	3,025	\$2.09	\$6,322.25
5	Artificial Turf	SF	206	\$7.06	\$1,454.36
6	Metal Table w/ 4 Seats	EA	1	\$1,500.00	\$1,500.00
7	Landscape Grading (Fine)	SF	709	\$0.52	\$368.68
8	Soil Amendments	SF	709	\$0.70	\$496.30
9	15 Gallon Trees	EA	4	\$43.86	\$175.44
10	1 Gallon Shrubs	EA	18	\$21.82	\$392.76
11	24" Deep Root Barriers	LF	20	\$7.89	\$157.80
12	3" Decorative Mulch	SF	709	\$0.70	\$496.30
13	Irrigation System	LS	1	\$22,391.89	\$22,391.89
14	Case "C" Conduit Sleeving	LF	25	\$21.05	\$526.25
15	Landscape Maintenance (60 Days)	SF	709	\$3.09	\$2,190.81

TOTAL BID ALT 1 : \$45,000.00TOTAL BID ALT 1 IN WORDS : Forty Five Thousand Dollars

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## ITEM 4.21

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:** **APPROVE A DESIGN AND CONSTRUCTION FUNDING AGREEMENT WITH RIVER ISLANDS DEVELOPMENT, LLC FOR PHASE 3 EXPANSION OF THE LATHROP CONSOLIDATED TREATMENT FACILITY, CIP WW 22-38 AND APPROVE BUDGET AMENDMENT**

**RECOMMENDATION:** **Adopt a Resolution to Approve a Design and Construction Funding Agreement with River Islands Development, LLC for the Phase 3 Expansion Lathrop Consolidated Treatment Facility, CIP WW 22-38 and Approve Budget Amendment**

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#### **SUMMARY:**

The Lathrop Consolidated Treatment Facility Phase 3 Expansion, CIP WW 22-38 (Phase 3 Expansion) will provide an additional 2.5 Million Gallons per Day (MGD) of sewer treatment capacity to the existing 2.5 MGD capacity for a total treatment capacity of 5 MGD. This expansion is necessary to accommodate future development within the River Islands Development area and throughout the City.

River Islands Development, LLC (River Islands) has agreed to fund 80% or \$22,000,000 of the Phase 3 Expansion and enter into a Design and Construction Funding Agreement (Agreement) to document the conditions and expectations of the project. As part of this Agreement, the City will allocate 2 MGD of treatment capacity to River Islands upon completion of the expansion project.

The City will reserve the remaining 500,000 Gallons per Day (GPD) for future development outside of the River Islands development, which will be sold and assigned to various projects during the entitlement and building permit phases. The proceeds from the sale of City treatment capacity will reimburse the City's contribution of approximately \$5,500,000 to the Phase 3 Expansion. The City has funded the design and headworks replacement for the Phase 3 Expansion totaling \$3,250,000 and therefore has a remaining share of \$2,250,000.

Staff is requesting City Council approve the Agreement with River Islands for the Phase 3 Expansion of the Lathrop Consolidated Treatment Facility (Attachment B).

Staff is also requesting City Council approve a budget amendment to transfer the City's remaining share of \$2,250,000 from the Sewer Connection Fee Fund to the CIP WW 22-38 Fund.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
APPROVE A DESIGN AND CONSTRUCTION FUNDING AGREEMENT WITH  
RIVER ISLANDS FOR THE PHASE 3 EXPANSION OF THE CTF, CIP WW 22-38  
AND APPROVE BUDGET AMENDMENT****BACKGROUND:**

On November 21, 2016, City Council approved the agreements related to Lathrop Consolidated Treatment Facility Phase 2 Expansion (WW 14-14), the Crossroads Decommissioning (WW 15-20), and the Sewer Plant Upgrades (WW 12-07) to replace the City's existing 1 MGD treatment plan with a 2.5 MGD treatment plant, with associated developer funding agreements (Phase 2 Expansion). On May 13, 2019, City Council accepted the Phase 2 Expansion improvements.

Since the completion of the Phase 2 Expansion in 2019, the City has experienced tremendous growth. The City's population in 2019 was 24,968, which increased to 35,080 in 2023, adding 10,112 new residents. In addition, millions of square feet of warehouse and thousands of square feet of commercial have been constructed and occupied between 2019 and 2023. The Phase 2 Expansion sewer capacity is being utilized by recent residential, industrial and commercial developments and more sewer capacity will be required to support future growth.

On November 8, 2021, City Council approved the creation of CIP WW 22-38 Lathrop Consolidated Treatment Facility Phase 3 Expansion and a Professional Services Agreement with Pacific Advanced Civil Engineering, Inc. (PACE). The Phase 3 Expansion will provide an additional 2.5 Million Gallons per Day (MGD) of sewer treatment capacity to the existing 2.5 MGD capacity for a total treatment capacity of 5 MGD. On April 10, 2023, City Council approved purchasing headworks equipment from Zima Corporation, facilitating the Phase 3 Expansion.

River Islands Development, LLC (River Islands) has agreed to fund 80% or \$22,000,000 of the Phase 3 Expansion and enter into an Agreement to memorialize the conditions and expectations of the project. As part of this Agreement, the City will allocate 2 MGD of treatment capacity to River Islands, upon completion of the expansion project.

The City will reserve the remaining 500,000 Gallons per Day (GPD) for future development outside of the River Islands project, which will be sold and assigned to various projects during the entitlement and building permit phases. The proceeds from the sale of City treatment capacity will reimburse the City's contribution of approximately \$5.5M to the Phase 3 Expansion. The City has already funded the design and headworks replacement for the Phase 3 Expansion totaling \$3,250,000 and therefore has a remaining share of \$2,250,000.

**REASON FOR RECOMMENDATION:**

Staff is requesting City Council approve the Agreement with River Islands Development, LLC for the Phase 3 Expansion of the Consolidated Treatment Facility.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
APPROVE A DESIGN AND CONSTRUCTION FUNDING AGREEMENT WITH  
RIVER ISLANDS FOR THE PHASE 3 EXPANSION OF THE CTF, CIP WW 22-38  
AND APPROVE BUDGET AMENDMENT**

Staff is also requesting City Council approve a budget amendment to transfer the City’s remaining share of \$2,250,000 from the Sewer Connection Fee Fund to the CIP WW 22-38 Fund. The Phase 3 Expansion is needed to accommodate growth in River Islands and throughout the City.

**FISCAL IMPACT:**

The City has funded \$3,250,000 for Phase 3 Expansion design and replacement of the head works from the Sewer Connection Fee Fund. Pursuant to the Agreement, the City will need to transfer the remaining share of \$2,250,000 from the Sewer Connection Fee Fund to CIP WW 22-38. Staff is requesting the approval of a budget amendment to transfer the funds as follows:


<u>Increase Transfer Out</u>		
6030-9900-990-9010		\$2,250,000
 <u>Increase Transfer In</u>		
6090-9900-393-0000	WW 22-38	\$2,250,000
 <u>Increase Appropriation</u>		
6090-8000-420-1200	WW 22-38	\$2,250,000

**ATTACHMENTS:**

- A. Resolution to Approve a Design and Construction Funding Agreement with River Islands Development, LLC for the Phase 3 Expansion of the Consolidated Treatment Facility, CIP WW 22-38
- B. Design and Construction Funding Agreement By and Between the City of Lathrop and River Islands Development, LLC Related to the Phase 3 Expansion of the Lathrop Consolidated Treatment Facility

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**APPROVE A DESIGN AND CONSTRUCTION FUNDING AGREEMENT WITH**  
**RIVER ISLANDS FOR THE PHASE 3 EXPANSION OF THE CTF, CIP WW 22-38**  
**AND APPROVE BUDGET AMENDMENT**

**APPROVALS:**

  
\_\_\_\_\_  
Brad Taylor  
City Engineer


2/1/2024  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director

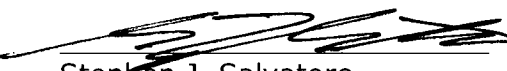
2/1/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

2-1-2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

2-1-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/6/24  
Date



**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE A DESIGN AND CONSTRUCTION FUNDING AGREEMENT WITH RIVER ISLANDS DEVELOPMENT, LLC FOR THE PHASE 3 EXPANSION OF THE LATHROP CONSOLIDATED TREATMENT FACILITY, CIP WW 22-38 AND APPROVE BUDGET AMENDMENT**

**WHEREAS**, on November 21, 2016, City Council approved the agreements related to Lathrop Consolidated Treatment Facility Phase 2 Expansion (WW 14-14), the Crossroads Decommissioning (WW 15-20), and the Sewer Plant Upgrades (WW 12-07) to replace the City's existing 1 MGD treatment plan with a 2.5 MGD treatment plant, with associated developer funding agreements (Phase 2 Expansion). City Council accepted the Phase 2 Expansion improvements on May 13, 2019; and

**WHEREAS**, since the completion of the Phase 2 Expansion in 2019, the City has experienced tremendous growth. The City's population in 2019 was 24,968, which increased to 35,080 in 2023, adding 10,112 new residents to the City. In addition, millions of square feet of warehouse and thousands of square feet of commercial have been constructed and occupied between 2019 and 2023.

**WHEREAS**, the recent residential, industrial and commercial developments are currently using the Phase 2 Expansion sewer capacity and more capacity will be needed to facilitate future growth; and

**WHEREAS**, on November 8, 2021, City Council approved the creation of CIP WW 22-38 Lathrop Consolidated Treatment Facility Phase 3 Expansion (Phase 3 Expansion), and a Professional Services Agreement with Pacific Advanced Civil Engineering, Inc. (PACE); and

**WHEREAS**, the Phase 3 Expansion will provide an additional 2.5 Million Gallons per Day (MGD) of sewer treatment capacity to the existing 2.5 MGD capacity for a total treatment capacity of 5 MGD; and

**WHEREAS**, on April 10, 2023, City Council approved the purchase of headworks equipment from Zima Corporation, which will facilitate the Phase 3 Expansion; and

**WHEREAS**, River Islands Development, LLC (River Islands) has agreed to fund 80% of the Phase 3 Expansion cost in exchange for 2 MGD of treatment capacity; and

**WHEREAS**, the City will reserve the remaining 500,000 Gallons per Day (GPD) for future development outside of the River Islands project, which will be sold and assigned to various projects during the entitlement and building permit phases. The proceeds from the sale of City treatment capacity will reimburse the City's contribution of approximately \$5,500,000 to the Phase 3 Expansion; and

**WHEREAS,** staff is requesting City Council approve the Design and Construction Funding Agreement Related to the Phase 3 Expansion of the Lathrop Consolidated Treatment Facility with River Islands Development, LLC (Attachment B to the City Manager’s Report); and

**WHEREAS,** the City has funded \$3,250,000 for Phase 3 Expansion design and replacement of the head works from the Sewer Connection Fee Fund. Pursuant to the Agreement, the City will need to transfer the remaining share of \$2,250,000 from the Sewer Connection Fee Fund to CIP WW 22-38. Staff is requesting the approval of a budget amendment to transfer the funds as follows:

<u>Increase Transfer Out</u>		
6030-9900-990-9010		\$2,250,000
 <u>Increase Transfer In</u>		
6090-9900-393-0000	WW 22-38	\$2,250,000
 <u>Increase Appropriation</u>		
6090-8000-420-1200	WW 22-38	\$2,250,000

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby approve the Design and Construction Funding Agreement Related to the Phase 3 Expansion of the Lathrop Consolidated Treatment Facility with River Islands Development, LLC; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop does hereby approve the budget amendment as detailed above.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:


ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

**DESIGN AND CONSTRUCTION FUNDING AGREEMENT  
 BY AND BETWEEN THE CITY OF LATHROP  
 AND RIVER ISLANDS DEVELOPMENT, LLC  
 RELATED TO THE PHASE 3 EXPANSION OF THE EXISTING  
 LATHROP CONSOLIDATED TREATMENT FACILITY**

This Design and Construction Funding Agreement (“Agreement”) is made and entered into as of February 12, 2024, by and between the **CITY OF LATHROP**, a municipal corporation (“CITY”) and **RIVER ISLANDS DEVELOPMENT, LLC**, a Delaware limited liability company (“DEVELOPER”). **DEVELOPER** and **CITY** are referred to herein individually as “party” and collectively as “parties.”

**RECITALS**

A. **CITY** operates the existing Lathrop Consolidated Treatment Facility (“LCTF”) with a permitted flow capacity of 2.5 million gallons per day (“MGD”) in accordance with NPDES CA00853559 Order R5-2022-0044 (“NPDES Order”). **CITY** also operates its recycled water system under the State Water Resources Control Board Recycled Water General Order WQO 2016-0068-DDW (“General Order”).

B. At this time, the parties desire to expand the existing LCTF treatment capacity to 5.0 MGD by adding a total of 2.5 MGD capacity to the existing LCTF (“Phase 3 Expansion”) as depicted in the 85% Progress Print plans developed by PACE Engineering dated titled City of Lathrop Consolidated Treatment Facility Phase 3 Expansion, WW 22-38.

C. **CITY** and **DEVELOPER** are parties to a series of prior funding agreements that are identified in Schedule 1 (“Prior Funding Agreements”) attached hereto. This Agreement shall apply to the Phase 3 Expansion only. To the extent of any conflicts between the Prior Funding Agreements (whether or not specifically included in Schedule 1) and this Agreement, this Agreement shall control and supersede as to any specific items pertaining to the Phase 3 Expansion only. All terms of the Prior Funding Agreements not specifically addressing the Phase 3 Expansion shall remain in full force and effect.

D. The parties desire to execute this Agreement to set forth their definitive understanding with respect to the funding of pre-design, design, permitting, programming, construction costs and standby charges, including all outside consultant costs and City staff costs relating to the Phase 3 Expansion as more particularly set forth herein.

NOW THEREFORE, in consideration of the promises and covenants contained herein, the above recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**AGREEMENT**

1. Incorporation of Recitals.

The parties agree that the foregoing Recitals are true and correct and are incorporated as a part of this Agreement as if set forth in full herein.

2. Overall Cost; Phase 3 Expansion.

a. The parties acknowledge that the current opinion of anticipated cost of expanding the existing LCTF to 5.0 MGD for the Phase 3 Expansion (e.g., adding a total of 2.5 MGD to the existing LCTF) is \$27,500,000 as set forth in Exhibit A (“Opinion of Probable Costs”).

Of this amount, \$3,250,000 has been previously funded by CITY for design costs and for the purchase and installation of the headworks facility.

b. Upon execution of this Agreement, CITY shall use commercially reasonable efforts to complete the Phase 3 Expansion in a timely manner, subject to force majeure delays, including without limitation obtaining all applicable permits and approvals necessary to proceed with the Phase 3 Expansion. By executing this Agreement, CITY agrees to fund its 20% portion of the costs identified in Exhibit A as detailed in Section 3b.

3. Expansion; Payment of Costs; Sewer Allocation and Overpayment.

a. Sewer Capacity. Subject to DEVELOPER's compliance with the terms of this Agreement, CITY will provide DEVELOPER with the capacity allocations and percentage share in the Phase 3 Expansion as set forth in Exhibit B ("Sewer Capacity Allocations"). The available sewer capacity flow allocation may be limited subject to the design wastewater strength loading for Biological Oxygen Demand (BOD), Total Nitrogen (TN) and Total Suspended Solids (TSS) allocations (lbs/day) set forth in Exhibit B.

b. Payments and Credits. DEVELOPER and CITY shall pay their pro-rata share of the costs (\$22,000,000 and \$5,500,000 respectively) as illustrated in Exhibit C ("Share of Project Costs") as follows:

i. DEVELOPER shall pay \$7,500,000 ("Initial Payment") to CITY not later than ten (10) business days after DEVELOPER receives actual notification from CITY that CITY has selected the Contractor to build the construction contract for the Phase 3 Expansion.

ii. DEVELOPER shall then pay \$2,500,000 every three months after the Initial Payment until the remaining total of \$14,500,000 has been paid.

iii. CITY shall receive credit for the \$3,250,000 in funding it has already paid. CITY shall transfer the remaining \$2,250,000 from the Sewer Connection Fee fund into the CIP WW 22-38 Project no later than ten (10) business days after CITY provides notification of selection of Contractor to DEVELOPER.

c. Payment Bond. Concurrent with the timing of the Initial Payment, DEVELOPER shall provide CITY with a payment bond for the total value of \$14,500,000 to be used by CITY for the construction of the Phase 3 Expansion in the event that DEVELOPER does not make a payment as required above subject to a notice and cure period. In the event a DEVELOPER payment is not made by the appropriate date, CITY shall provide written notice to DEVELOPER of its lack of payment and DEVELOPER will have a ten (10) business day cure period to make the payment. CITY agrees that the payment bond may be reduced as each subsequent payment is received if DEVELOPER chooses to do so. CITY shall release the payment bond upon receipt of the final payment.

d. Use of Contingency; Cost Overruns.

i. Exhibit A identifies a Contingency of \$2,500,000. Subject to the terms below, the parties agree that CITY may use the Contingency for any cost overruns for the Phase 3 Expansion without obtaining the prior approval of DEVELOPER, provided that CITY shall (A) promptly notify DEVELOPER of the use of Contingency funds, (B) such cost overruns requiring Contingency funds do not include any changes or increases in scope and (C) CITY shall meet and confer with DEVELOPER regarding the use of Contingency funds upon DEVELOPER's request and prior to such use of Contingency funds.

ii. If CITY exhausts the Contingency and CITY reasonably believes that it must incur costs in excess of the Contingency to complete the Phase 3 Expansion ("Excess Costs"), CITY shall (A) promptly notify DEVELOPER of such Excess Costs ("Notice of Excess Costs"), (B) CITY shall meet and confer with DEVELOPER regarding the Excess Costs so that CITY may proceed with the work and (C) after mutual agreement, DEVELOPER shall pay their respective share of Excess Costs within ten (10) business days after receipt of the approved Notice of Excess Costs. If the Parties do not reach a mutual agreement on the Excess Cost within ten (10) business days after receipt of Notice of Excess Cost, CITY will pay the Excess Cost to the Contractor to allow the project to proceed and include the disputed sum as amounts to be resolved during the Final Accounting as detailed in Section 3(e)(i) of this Agreement.

e. Final Accounting.

i. Upon completion of construction and prior to CITY acceptance of the Phase 3 Expansion, CITY shall provide a draft final accounting of all construction costs incurred by CITY including Excess Cost ("Final Accounting") to DEVELOPER. DEVELOPER shall have the right to review the Final Accounting. Thereafter, the Parties shall meet and confer on the Final Accounting. Should the Parties agree upon the Final Accounting, CITY shall (A) provide the approved Final Accounting to DEVELOPER, (B) proceed with CITY COUNCIL acceptance of the Phase 3 Expansion and (C) pursue final signoff by the Regional Water Quality Control Board ("Regional Board"); and DEVELOPER shall (A) provide written notice of approval of the Final Accounting ("Notice of Approval of Final Accounting") to CITY within ten (10) business days of receiving the Approved Final Accounting and (B) pay their respective remaining share of any Excess Costs as set forth in the Final Accounting concurrently with the Notice of Approval of Final Accounting. Should the Parties not agree upon the Final Accounting, the Parties shall meet and confer to reach agreement within 30 days of completion of construction. If the Parties do not agree within the 30 days, any amount disputed will be presented to City Council to be paid by CITY to the Contractor within ten (10) business days thereafter, and the final resolution of the disputed amount shall be determined by binding arbitration pursuant to the requirements set forth in Section 6 herein.

ii. To the extent that the approved Final Accounting illustrates cost savings (e.g. the Phase 3 Expansion was constructed for less than the Expansion Costs contributed by DEVELOPER, including any savings of Contingency amounts contributed by DEVELOPER), CITY shall reimburse to DEVELOPER its pro-rata share of such cost savings within thirty (30) days after CITY'S issuance of the Notice of Approval of Final Accounting.

4. Restrictions on Reliance or Use of Sewer Allocation by DEVELOPER; Other Restrictions. Notwithstanding anything to the contrary contained herein, the following shall apply to restrict DEVELOPER'S reliance upon or use of its Sewer Allocation in the Phase 3 Expansion ("Sewer Allocation").

a. DEVELOPER acknowledges and understands that DEVELOPER cannot rely upon or use their Sewer Allocation until (i) final completion and CITY acceptance of the Phase 3 Expansion and (ii) final signoff of the completed Phase 3 Expansion by the Regional Board. As used herein, "rely" shall mean the ability to rely upon the availability of such capacity for CITY approval of final maps, and "use" shall mean CITY approval of building permits.

b. Use of Float Capacity. CITY recognizes that there is an approximate one-year delay between allocation of sewer capacity to residential lots within a subdivision during final map approval and the actual sewer flow being received at the treatment facility ("Float Capacity"). Completion of the Phase 3 Expansion and final signoff by the Regional Board is expected within two years of the execution of this Agreement. If completion is delayed beyond the approximated two year expectation and (i) DEVELOPER has exhausted all of their existing sewer capacity, as shown in Exhibit D and (ii) DEVELOPER has fully funded their share of this expansion as detailed

in Section 2(a) of this Agreement, DEVELOPER shall be permitted to allocate float capacity to residential lots within a subdivision during final map approval to not exceed 119,024 gallons per day (10% of DEVELOPER's total existing sewer capacity). DEVELOPER shall not be permitted to allocate Float Capacity to uses other than residential lots within a subdivision as the use of Float Capacity is based on data from existing residential lot allocations and this basis may not be representative of non-residential uses.

c. No transfer of Sewer Allocations to DEVELOPER or third parties under this Agreement shall be effective unless and until such DEVELOPER or third party has provided to CITY the information required in Schedule 2 attached hereto ("Transfer Information") for City approval which shall not be unreasonably withheld, conditioned or delayed. Item 5 of Schedule 2 requires the purchaser of Sewer Allocations to commit to obtaining a building permit, parcel map or final map within one year of City approval of a transfer or sell the units back to CITY, unless Council approves an alternative time limit. DEVELOPER may be exempt from this time limit on a case-by-case basis and if Council approves the exemption at the time of the transfer for unique situations such as a sale of capacity that exceeds DEVELOPER's project build out sewer demand. DEVELOPER is exempt from the conditions of Schedule 2 if the Sewer Allocation is part of a large lot or final map.

5. Previous Oversizing; Oversizing Reimbursements. Nothing in this Agreement changes or alters DEVELOPER's right to oversizing reimbursement detailed in previous agreements.

6. Default.

a. If any party materially breaches or fails to comply with any of its obligations under this Agreement, such breaching party shall have thirty (30) days after receipt of written notice of breach from a non-defaulting party ("Breach Notice") to cure such breach or noncompliance (as such period may be extended as set forth below "Cure Period"). If such breaching party does not cure such breach or noncompliance within the Cure Period, it shall be deemed in default ("Default") under this Agreement, provided that if the nature of the breach or noncompliance reasonably requires more than thirty (30) days to cure, the breaching party shall not be in Default under this Agreement so long as the breaching party commences such cure within the Cure Period and diligently pursues such cure and the Breach Notice sets forth in reasonable detail the nature of the breach, noncompliance or default, as the case may be. The party sending the Breach Notice shall provide a copy to all parties hereunder.

b. Subject to the provisions of Section 6(c) below, upon a Default pursuant to Section 6.a., the parties shall first mediate the dispute in good faith using a mutually acceptable mediator, which mediation shall be scheduled and concluded not later than sixty (60) days after the expiration of the Cure Period. The mediation shall be conducted in accordance with the Construction Industry Mediation Rules of the American Arbitration Association currently in effect. Claims, controversies or disputes not resolved by mediation shall be resolved by binding arbitration unless the parties mutually agree otherwise. Arbitration shall be conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect. The demand for arbitration shall be filed in writing with the other party to this Agreement and the American Arbitration Association. Notwithstanding the foregoing, any party may seek injunctive or other immediate equitable relief, if applicable, in a court of law, pending resolution of the dispute through mediation or arbitration.

c. Subject to the foregoing, in the event of a payment default hereunder that is not cured within ten (10) business days after DEVELOPER's receipt of a Breach Notice from CITY, (i) CITY may immediately suspend DEVELOPER's ability to use its Sewer Allocation and (ii) City may sell DEVELOPER's Capacity Allocation on a pro-rata basis to other developers.

7. Counterparts. This Agreement may be executed in counterparts, each of which shall be considered an original.

8. Advice of Counsel. Each of the parties has received the advice of legal counsel prior to signing this Agreement. Each party acknowledges no other party, agent or attorney has made a promise, representation or warranty whatsoever, express or implied, not contained herein concerning the subject matter herein to induce the other party to execute this Agreement. The parties agree no provision or provisions may be subject to any rules of construction based upon any party being considered the party drafting this Agreement.

9. Governing Law. The validity, interpretation and effect of this Agreement are governed by and shall be construed in accordance with the laws of the State of California.

10. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable but the remainder of the Agreement can be enforced without failure of material consideration to any party, then this Agreement shall not be affected and shall remain in full force and effect. However, if the invalidity or unenforceability of any provision of this Agreement results in a material failure of consideration, all parties shall meet and negotiate in good faith not less frequently than every ten (10) days and formulate new terms that substitute the stricken clause with other provisions that provide substantially similar terms as the stricken clause. If the parties are unable to agree, then the parties shall resolve the issues through mediation as set forth in Section 6.

11. Authorization. The person(s) executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) the person(s) executing this Agreement are dully authorized to execute and deliver it on behalf of such party, (iii) by such Person(s) so executing this Agreement, such party is formally bound to the provisions of this Agreement and (iv) entering into this Agreement does not violate any provision of any other agreement to which such party is bound. CITY has obtained any necessary approvals from the Consortium (as defined in the Consortium Agreement described in Schedule 1) and other property owners and developers to execute this Agreement and be bound by the terms hereof.

12. Other Agreements Not Affected. This Agreement constitutes the entire agreement between the Parties hereto with respect to the Phase 3 Expansion and supersedes all prior understandings or agreements with respect to the subject matter hereof, provided that this Agreement does not supersede, amend nor replace any prior written agreement relating to any matter not expressly set forth in this Agreement relating to this specific Phase 3 Expansion Project including without limitation the parties' separate Consortium Agreement (as defined in Schedule 1), as amended from time to time. This Agreement may be modified only by specific reference describing a mutual intent and agreement to amend this Agreement in written documents signed by both parties hereto.

13. Greenlighting Future Expansions. Nothing herein supersedes, amends or replaces any prior written agreement with respect to DEVELOPER's ability to "greenlight" future expansions in accordance with the parties' other written agreements regarding "greenlighting."

14. Incorporation of Recitals. The parties agree that the foregoing Recitals are true and correct and are incorporated as a part of this Agreement as if set forth in full herein.

15. Notices. All notices which are allowed or required to be given hereunder shall be in writing and (i) shall be deemed given and received when personally delivered or (ii) shall be deemed given when the same are deposited in the United States Mail, with sufficient postage prepaid, to be sent by registered or certified mail or overnight mail service, addressed to the designated person by one party to another in writing, and shall be deemed received on the fifth business day after such mailing. Any notice shall be given to all of the following:



CITY

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330  
Attn: City Clerk

With a copy to:

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330  
Attn: City Attorney

DEVELOPER

River Islands Development, LLC  
73 W. Stewart Road  
Lathrop, CA 95330  
Attn: Susan Dell'Osso, President

16. Further Assurances. The parties agree to perform such further acts and to execute and deliver such further instruments as are reasonably necessary to accomplish the intent and purpose of this Agreement.

17. Assignment and Transfer. This Agreement shall inure to the benefit of and bind the successors and permitted assigns of the parties. Except for an assignment to an Affiliate (defined below) of DEVELOPER, DEVELOPER may not assign this Agreement without the prior written consent of CITY, which shall not be unreasonably withheld, conditioned or delayed. Without limiting the foregoing, prior to DEVELOPER assignment, (i) DEVELOPER shall notify CITY of the proposed assignment and provide reasonable information to CITY regarding the proposed assignee and (ii) any potential assignee must reasonably demonstrate to CITY's satisfaction that the proposed assignee has the financial ability and experience to fulfill DEVELOPER's obligations under this Agreement. DEVELOPER may assign this Agreement to an Affiliate with notice to CITY. As used herein, the term "Affiliate" means any person, entity or organization as to which DEVELOPER has a controlling interest. As used herein, "controlling interest" means the right to control the management decisions of such person or entity, whether by contract or otherwise.

18. Time is of the Essence. Time is of the essence of this Agreement.

19. Construction. All parties have been represented by counsel in the preparation of this Agreement and no presumption or rule that ambiguity shall be construed against a drafting party shall apply to interpretation or enforcement hereof. Captions on sections and subsections are provided for convenience only and shall not be deemed to limit, amend or affect the meaning of the provisions(s) to which they pertain.

20. No Joint Venture or Partnership. Nothing in this Agreement or in any document executed in connection with this Agreement shall be construed as creating a joint venture, partnership or any agency relationship between CITY and DEVELOPER. CITY shall have no responsibility for any public improvements unless and until accepted by CITY.

21. Waiver. No waiver of any provision of this Agreement shall be effective unless such waiver is in writing and signed by a duly authorized representative of the party against whom enforcement is sought.

22. Table of Exhibits. The following exhibits are attached hereto and made a part hereof:

<u>Exhibit A:</u>	Opinion of Probable Costs
<u>Exhibit B:</u>	Sewer Capacity Allocations
<u>Exhibit C:</u>	Share of Project Costs
<u>Exhibit D:</u>	Accounting of Existing Sewer Capacity
<u>Schedule 1:</u>	Prior Funding Agreements
<u>Schedule 2:</u>	Transfer Information

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date or dates set forth below.

CITY OF LATHROP, a municipal Corporation of the State of California

BY: \_\_\_\_\_  
Stephen J. Salvatore  
City Manager

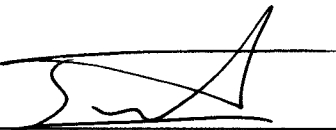
Dated: \_\_\_\_\_

ATTEST:

BY: \_\_\_\_\_  
Teresa Vargas  
City Clerk

Dated: \_\_\_\_\_

APPROVED AS TO FORM BY THE CITY OF LATHROP CITY ATTORNEY:

BY:  \_\_\_\_\_  
Salvador V. Navarrete  
City Attorney

DEVELOPER:  
RIVER ISLANDS DEVELOPMENT, LLC,  
a Delaware limited liability company

\_\_\_\_\_  
BY: Susan Dell'Osso  
Its: President

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date or dates set forth below.

CITY OF LATHROP, a municipal Corporation of the State of California

BY: \_\_\_\_\_  
Stephen J. Salvatore  
City Manager

Dated: \_\_\_\_\_

ATTEST:

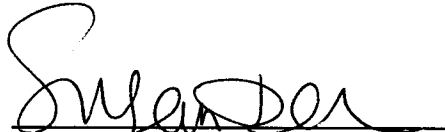
BY: \_\_\_\_\_  
Teresa Vargas  
City Clerk

Dated: \_\_\_\_\_

APPROVED AS TO FORM BY THE CITY OF LATHROP CITY ATTORNEY:

BY: \_\_\_\_\_  
Salvador V. Navarrete  
City Attorney

DEVELOPER:  
RIVER ISLANDS DEVELOPMENT, LLC,  
a Delaware limited liability company

  
BY: Susan Dell'Osso  
Its: President

**EXHIBIT A**

Opinion of Probable Costs

CTF Phase 3 Expansion, Lathrop, CA

Description	Estimated Cost
Design	1,500,000
Permitting	500,000
Pre-Construction/Construction Management	1,000,000
Headworks	1,750,000
Construction	20,250,000
Contingency (10%)	2,500,000
<b>TOTAL</b>	<b>\$27,500,000</b>

**EXHIBIT B**

**Sewer Capacity Allocations**

CTF Phase 3 Expansion, City of Lathrop, CA

<b>Name of Party</b>	<b>Flow Capacity (gpd)</b>	<b>% of Expansion</b>
City of Lathrop	500,000	20%
River Islands	2,000,000	80%
Total	2,500,000	100%

	<b>Biological Oxygen Demand (mg/L)</b>	<b>Total Nitrogen (mg/L)</b>	<b>Total Suspended Solids (mg/L)</b>
City of Lathrop	500	70	340

**EXHIBIT C**

Share of Project Costs

CTF Phase 3 Expansion, Lathrop, CA

<b>Name of Party</b>	<b>% of Expansion</b>	<b>Cost Share</b>
City of Lathrop	20%	5,500,000
River Islands	80%	22,000,000
Total	100%	\$27,500,000

**EXHIBIT D**

Accounting of Existing Sewer Capacity

<b>Accounting of Existing Sewer Capacity</b>	
	<i>Capacity (gpd)</i>
Phase 0	100,000
Phase 1	200,000
Phase 2	652,840
Reserve	237,396
<b>Total Capacity</b>	<b>1,190,236</b>
Allocated (as of 1/16/2024)	(850,692)
<b>Remaining Capacity</b>	<b>339,544</b>



## **SCHEDULE 1**

### Prior Funding Agreements

#### WRP-1 MBR 0.75 MGD Expansion (CIP# WW 01-21)

1. Agreement for Financing Design, Construction, Maintenance and Operation of Additional Sanitary Sewer Facilities and Acquisition of Lands Necessary for Such Project, dated April 29, 2003 (as amended)(“Consortium Agreement”)
2. Agreement among the City of Lathrop, Crossroads CREA Investors, LLC, and Califia, LLC for Design, Construction, Maintenance and Operation of Additional Sanitary Sewer Facilities and Acquisition of Lands Necessary for Such Projects, dated April 29, 2003 (as amended)
3. First Amendment to the Agreement for Financing, Construction, Maintenance and Operation of Additional Sanitary Sewer Facilities in the City of Lathrop, dated August 1, 2003
4. First Amendment to Agreement among the City of Lathrop Crossroads CREA Investors LLC and Califia LLC for Design Construction Maintenance and Operation of Additional Sanitary Sewer Facilities and Acquisition of Lands Necessary for Such Projects, dated August 1, 2003
5. Second Amendment to the Agreement for Financing, Construction, Maintenance and Operation of Additional Sanitary Sewer Facilities in the City of Lathrop, dated September 1, 2003

#### LCTF Phase 1 Expansion (CIP# WW 10-15)

6. Integrated Greenlighting and Funding Agreement, dated August 19, 2013

#### LCTF Phase 2 Expansion (CIP# WW 14-14)

7. Funding Agreements for The City's Pre-Construction Costs Related to the Phase 2 Expansion of the Lathrop Consolidated Treatment Facility, (six funding agreements were issued to participating Developer between March 17, 2015, and March 10, 2016)
8. Design and Construction Funding Agreement Related to the Phase 2 Expansion of the Existing Lathrop Consolidated Treatment Facility, dated November 21, 2016

## **SCHEDULE 2**

### **Transfer Information**

#### **WASTEWATER CAPACITY TRANSFER CRITERIA**

Any developer or third party who has acquired wastewater capacity under this Agreement and who wishes to transfer some or all of its wastewater capacity shall apply for the transfer through the City's Public Works Director. The application shall include the following information and be submitted with the requisite fee(s):

1. Name of transferor and proposed transferee.
2. Address and/or APN of the parcel(s) to benefit from the transfer.
3. The number of Equivalent Capacity Units (ECUs) or Interceptor System Units (ISUs) needed.
4. A description of the proposed development in sufficient detail to identify the potential impacts and benefits of the proposed development.
5. A letter from the purchaser committing to obtain a building permit, parcel map or final map with one year from City approval of the transfer, or to sell the units back to the City at the end of one year unless Council approves an alternative time limit. The repurchase price shall be the same as the cost paid by the transferee at the time the transfer took place, less the City's administrative fee.
6. An application fee to cover the cost of staff efforts, including the preparation of staff reports for Council action and ten percent (10%) deposit toward the cost of the units.
7. An acknowledgement that it is the purchaser's responsibility to provide any sewer line extensions and related facilities necessary to utilize the ECUs or ISUs.

The City's Public Works Director shall consider the following factors in approving or denying a transfer request:

1. Is the request consistent with the City's General Plan?
2. Is the request consistent with the City's Sewer Master Plan?
3. Is the request consistent with the City's Zoning Ordinance?
4. Is the request consistent with any other applicable local, state or federal laws, regulations or ordinances?

Upon receipt of a written request and payment of the appropriate fee(s), the City Engineer will prepare a report for City Council consideration and action. The City Council may approve the request and authorize the City Manager to execute an agreement approved by the City Attorney with the applicant, or deny the request based on the foregoing factors. If the City Council approves a transfer of ECUs or ISUs from one parcel(s) to a different parcel(s), the applicant shall pay all costs to prepare and record an agreement(s) for the transfer. The agreement(s) will be recorded and advise future property owners of the transfer and limitations on future development.

## ITEM 5.1

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM:** CONTINUE DISCUSSION FROM JANUARY 8, 2024, REGULAR MEETING, REGARDING THE ADOPTION OF AN ORDINANCE AMENDING THE SPEED LIMITS IN THE CITY OF LATHROP, TITLE 10 VEHICLES AND TRAFFIC, CHAPTER 10.08 SPEED LIMITS, SECTION 10.08.030 SPEED LIMITS OF THE LATHROP MUNICIPAL CODE

**RECOMMENDATION:** City Council to Consider the Following:

1. Testimony Presented During the Public Hearing Held January 8, 2024; and
2. Introduction and First Reading of an Ordinance of the City Council of the City of Lathrop Amending Section 10.08.030 "Speed Limits" of the Lathrop Municipal Code

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#### **SUMMARY:**

The California Vehicle Code (CVC) Sections 22357 through 22364 and 40800 through 40808 require an Engineering and Traffic Survey (Survey) to establish or update a legally enforceable speed limit on most California roads. Speed limits must be established within one year of acceptance of major City streets, as the current posted speed limit is based on design criteria, not a Survey.

Staff conducted the Surveys for the purpose of establishing legally enforceable speed limits on local streets. During the January 8, 2024 City Council meeting, Council requested that staff conduct pedestrian counts during Lathrop High School start and stop times and reevaluate the Surveys. The proposed amended Ordinance (Attachment A) sets enforceable speed limits for various streets within the City.

Staff requests that City Council continue discussions from the January 8, 2024 City Council Regular Meeting, consider testimony presented during the first public hearing held January 8, 2024, consider the additional information presented at today's meeting related to the requested Central Lathrop pedestrian counts and, if determined to be appropriate, adopt an Ordinance amending Section 10.08.030 "Speed Limits" of the Lathrop Municipal Code.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING****CONTINUE DISCUSSION REGARDING THE ADOPTION OF AN ORDINANCE AMENDING THE SPEED LIMITS IN THE CO, TITLE 10 VEHICLES AND TRAFFIC, CHAPTER 10.08 SPEED LIMITS, SECTION 10.08.030 SPEED****BACKGROUND:**

Pursuant to CVC Sections 22357 through 22364 and 40800 through 40808, law enforcement can only enforce speed limits posted on regulatory signs if they are listed identically in City Municipal Code and are based on a valid and current Survey prepared by a California-licensed traffic engineer.

Speed limit signs currently posted on these segments represent design speed, a calculation conducted to determine an initial speed limit for a road based upon its geometry, number of lanes, surrounding land use and other factors.

As traffic volumes on the subject streets have increased to a level supporting the collection of speed data to determine enforceable speed limits, City staff conducted the Surveys. The proposed amended Ordinance (Attachment A) reflects the findings of the Surveys with the supplemental pedestrian counts and could be utilized to set enforceable speed limits for various streets in the City of Lathrop.

The CVC governs how Surveys are conducted and describes the basis for the proposed speed limits. Data is collected on actual vehicle speed data from at least 100 or more free flowing vehicles per segment in a three-hour period. The traffic engineer then processes the data to determine important parameters such as the 85<sup>th</sup> percentile speed, 10 mile per hour (mph) pace, and percentage of vehicles following the current posted speed limit. The traffic engineer also considers physical and environmental factors of the segment, such as the number of residential driveways, the proximity to schools, sun glare, roadway width, pedestrian and bicycle counts, etc.

As required by the CVC, the recommended speed limit is determined by rounding to the nearest 5 mph increment from the 85<sup>th</sup> percentile speed. Based on physical and environmental factors, the traffic engineer has the ability to reduce the recommended speed by 5 mph if the justification for doing so is documented in the Survey.

CVC also states that Surveys are valid for seven years after the approval date. Surveys may also be extended by a traffic engineer for seven (7) years depending upon criteria such as significant changes in roadway alignment, traffic volumes, and surrounding land use.

As a function of the Surveys conducted by City staff, proposed speed limits for segments of City streets bounded by associated nodes are summarized in Table 1, below. The complete Surveys for each street are provided as Attachment B.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**CONTINUE DISCUSSION REGARDING THE ADOPTION OF AN ORDINANCE AMENDING THE SPEED LIMITS IN THE CO, TITLE 10 VEHICLES AND TRAFFIC, CHAPTER 10.08 SPEED LIMITS, SECTION 10.08.030 SPEED**

**TABLE 1 - SUMMARY OF PROPOSED NEW SPEED LIMITS**

<b><u>SEGMENT NAME</u></b>	<b><u>SEGMENT BEGIN</u></b>	<b><u>SEGMENT END</u></b>	<b><u>DESIGN SPEED</u></b>	<b><u>PROPOSED SPEED LIMIT</u></b>
Business Park Ct.	Yosemite Ave.	End	35	35
Glacier St.	Jefferson Way	Yosemite Ave.	45	45
Jefferson Way	Glacier St.	Yosemite Ave.	45	45
Yosemite Ave.	Jefferson Way	Glacier St.	45	45
Yosemite Ct.	Yosemite Ave.	End	NONE	40
Stanford Crossing	Spartan Way	Barbara Terry Blvd.	30	35
Stanford Crossing	Barbara Terry Blvd.	Golden Valley Pkwy.	30	35
Barbara Terry Blvd.	Stanford Crossing	Adobe Way	35	40
Barbara Terry Blvd.	Stanford Crossing	Central Pacific St.	NONE	30
Golden Valley Pkwy.	Brookhurst Blvd.	Sadler Oak	45	45
Riverfront Dr.	Somerston Pkwy.	Bosch Ave.	25	35

City Council requested additional research related to Central Lathrop pedestrian traffic to continue the discussion that begun on January 8, 2024, during the City Council Regular Meeting. Pedestrian traffic was observed during morning and afternoon peak times that correlated to Lathrop High School’s start and dismissal bell schedule. As a function of the pedestrian traffic Survey conducted by City staff, the revised proposed speed limits for segments of City streets are summarized in Table 2, below. New text is shown by underline and deleted text is shown by ~~strikethrough~~.

**TABLE 2 - SUMMARY OF REVISED PROPOSED NEW SPEED LIMITS**

<b><u>SEGMENT NAME</u></b>	<b><u>SEGMENT BEGIN</u></b>	<b><u>SEGMENT END</u></b>	<b><u>DESIGN SPEED</u></b>	<b><u>PROPOSED SPEED LIMIT</u></b>
Business Park Ct.	Yosemite Ave.	End	35	35
Glacier St.	Jefferson Way	Yosemite Ave.	45	45
Jefferson Way	Glacier St.	Yosemite Ave.	45	45

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**CONTINUE DISCUSSION REGARDING THE ADOPTION OF AN ORDINANCE AMENDING THE SPEED LIMITS IN THE CO, TITLE 10 VEHICLES AND TRAFFIC, CHAPTER 10.08 SPEED LIMITS, SECTION 10.08.030 SPEED**

Yosemite Ave.	Jefferson Way	Glacier St.	45	45
Yosemite Ct.	Yosemite Ave.	End	NONE	40
Stanford Crossing	Spartan Way	Barbara Terry Blvd.	30	35 <u>30</u>
Stanford Crossing	Barbara Terry Blvd.	Golden Valley Pkwy.	30	35
Barbara Terry Blvd.	Stanford Crossing	Adobe Way	35	40 <u>35</u>
Barbara Terry Blvd.	Stanford Crossing	Central Pacific St.	NONE	30 <u>25</u>
Golden Valley Pkwy.	Brookhurst Blvd.	Sadler Oak	45	45
Riverfront Dr.	Somerston Pkwy.	Bosch Ave.	25	35

**SPEED LIMITS OF THE LATHROP MUNICIPAL CODE:**

To establish speed limits, LMC 10.08.030 requires a public hearing, introduction and first reading of the proposed ordinance at this City Council meeting, and adoption of the proposed Ordinance at a subsequent Council meeting.

Staff requests that City Council continue discussions from the January 8, 2024, Regular Meeting, consider testimony presented during the public hearing held January 8, 2024, consider the additional information presented at today’s meeting related to Central Lathrop pedestrian traffic and, if determined to be appropriate, adopt an Ordinance amending Section 10.08.030 “Speed Limits” of the LMC

**REASON FOR RECOMMENDATION:**

The requested Ordinance amendment to Section 10.08.030 of the LMC is required by the CVC to establish legally enforceable speed limits.

**FISCAL IMPACT:**

Sufficient funds have been allocated in the adopted FY 23-24 budget to fund staff time and the purchase & installation of the speed limit signage.

**ATTACHMENTS:**

- A. Proposed Ordinance Amendment of the City Council of the City of Lathrop Amending Section 10.08.030 “Speed Limits” of the Lathrop Municipal Code
- B. Engineering & Traffic Speed Surveys and Pedestrian Traffic Exhibits

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**CONTINUED CONSIDERATION OF AN ORDINANCE AMENDING THE SPEED**  
**LIMITS IN THE CITY OF LATHROP, TITLE 10 VEHICLES AND TRAFFIC,**  
**CHAPTER 10.08 SPEED LIMITS, SECTION 10.08.030**


**APPROVALS:**

  
\_\_\_\_\_  
Veronica Albarran  
Junior Engineer

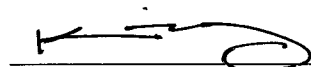
01/19/2024  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer


1/22/2024  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director

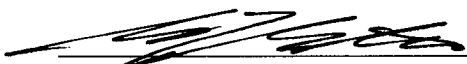
1/24/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

1-25-2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

1-23-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/5/24  
Date

**ORDINANCE NO. 24-**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP AMENDING THE LATHROP MUNICIPAL CODE TITLE 10 VEHICLES AND TRAFFIC, CHAPTER 10.08 SPEED LIMITS SECTION 10.08.030 "SPEED LIMITS"**

**WHEREAS**, the California Vehicle Code (CVC) requires that an Engineering and Traffic Survey (Survey) be conducted to establish a legally enforceable prima facie speed limit for a public roadway; and

**WHEREAS**, the City of Lathrop (City) has enacted an ordinance to establish the prima facie speed limits on portions of certain streets within the City; and

**WHEREAS**, staff has conducted Surveys to establish legal speed limits for specific streets; and

**WHEREAS**, to update or establish speed limits for the indicated streets, it is necessary to amend Title 10 Vehicles and Traffic, Chapter 10.08 Speed Limits, Section 10.08.030 Speed Limits of the Lathrop Municipal Code; and

**WHEREAS**, proper notice of this public hearing was given to all respects as required by law; and

**WHEREAS**, the City Council has reviewed all written evidence and oral testimony presented to date.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LATHROP DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1.**

Section 10.08.030, of the Lathrop Municipal Code, is amended to read in full as follows:

It shall be prima facie unlawful to operate any vehicle at speed in excess of that established as follows:

- A. The speed limit shall be fifty (50) miles per hour on the following street segments:

**Street**

Golden Valley Parkway  
McKinley Avenue

**Limits**

Lathrop Road to River Islands Parkway  
Louise Avenue to Yosemite Avenue

- B. The speed limit shall be forty-five (45) miles per hour on the following street segments:



**Street**

Dell' Osso Drive  
Glacier Street  
Golden Valley Parkway  
Golden Valley Parkway  
Golden Valley Parkway  
Harlan Road  
Harlan Road  
Harlan Road  
Harlan Road  
Harlan Road  
Howland Road  
Jefferson Way  
Lathrop Road  
Louise Avenue  
Louise Avenue  
Louise Avenue  
Louise Avenue  
Louise Avenue  
Manthey Road  
Manthey Road  
Manthey Road  
Manthey Road  
McKinley Avenue  
McKinley Avenue  
River Islands Parkway  
River Islands Parkway  
River Islands Parkway  
Somerton Parkway  
Tesla Drive  
Yosemite Avenue  
Yosemite Avenue  
Yosemite Avenue

**Limits**

River Islands Parkway to Lakeside Drive  
Jefferson Way to Yosemite Avenue  
Brookhurst Boulevard to Sadler Oak  
River Island Parkway to Towne Centre Drive  
Towne Centre Drive to Brookhurst Boulevard  
Roth Road to Slate Street  
Slate Street to Lathrop Road  
Louise Avenue to D'Arcy Parkway  
D'Arcy Parkway to Tesla Drive  
Tesla Drive to End of Road  
Louise Avenue to D'Arcy Parkway  
Glacier Street to Yosemite Avenue  
McKinley Avenue to city limits  
Interstate 5 to Harlan Road  
Harlan Road to Fifth Street  
Fifth Street to McKinley Avenue  
McKinley Avenue to City Limits  
Dos Reis Road to City Limits  
Towne Centre Drive to Brookhurst Boulevard  
Brookhurst Boulevard to Mossdale County Park  
Stewart Road to Interstate 5 Ramps  
Yosemite Avenue to City Limits  
Lathrop Road to Louise Avenue  
Golden Valley Parkway to McKee Boulevard  
San Joaquin River Bridge to Somerton Parkway  
Somerton Parkway to Norbeck Street  
River Islands Parkway to South of Lakeside Drive  
Harlan Road to Christopher Way  
SR 120 to D'Arcy Parkway  
D'Arcy Parkway to City Limit  
Jefferson Way to Glacier Street

- C. The speed limit shall be forty (40) miles per hour on the following street segments:

**Street**

D'Arcy Parkway  
D'Arcy Parkway  
Dos Reis Road  
Harlan Road  
Lathrop Road  
Manthey Road  
Manthey Road  
Yosemite Court

**Limits**

Yosemite Avenue to Christopher Way  
Christopher Way to Harlan Road  
Manthey Road to East School Zone  
Lathrop Road to Louise Avenue  
5th Street to McKinley Avenue  
Lathrop Road to Dos Reis Road  
Mossdale County Park to Stewart Road  
Yosemite Avenue to End

- D. The speed limit shall be thirty-five (35) miles per hour on the following street segments:

**Street**

Barbara Terry Boulevard  
 Barbara Terry Boulevard  
 Barbara Terry Boulevard  
Business Park Court  
 Brookhurst Boulevard  
 Brookhurst Boulevard  
 Brookhurst Boulevard  
 Dell'Osso Drive  
 Christopher Way  
 Dos Reis Road  
 Dos Reis Road  
 Golden Spike Trail  
 Lakeside Drive  
 Lakeside Drive  
 Lakeside Drive  
 Lathrop Road  
 Lathrop Road  
 McKee Boulevard  
 McKee Boulevard  
 McKee Boulevard  
 McKee Boulevard  
 Murphy Parkway  
 Murphy Parkway  
Riverfront Drive  
 River Islands Parkway  
 River Islands Parkway  
 Roth Road  
 Seventh Street  
 Somerston Parkway  
Stanford Crossing

**Limits**

Stanford Crossing to Adobe Way  
 Spartan Way to McKee Boulevard  
 McKee Boulevard to Adobe Way  
Yosemite Avenue to End  
 Manthey Road to Golden Valley Parkway  
 Golden Valley Parkway to McKee Boulevard  
 McKee Boulevard to Golden Spike Trail  
 Mulholland Drive to River Islands Parkway  
 D'Arcy Parkway to End of Road  
 East School Zone to West School Zone  
 West School Zone to Dos Reis Park  
 Towne Centre Drive to Brookhurst Boulevard  
 Stewart Road to Vega Park Roundabout  
 Vega Park Roundabout to Somerston Parkway  
 Somerston Parkway to Dell'Osso Drive  
 Interstate 5 to Rev Maurice Cotton Drive  
 Rev Maurice Cotton Drive to Fifth Street  
 Brookhurst Boulevard to Towne Centre Drive  
 Towne Centre Drive to Johnson Ferry  
 Johnson Ferry to River Islands Parkway  
 River Islands Parkway to Barbara Terry Boulevard  
 Tesla Drive to D'Arcy Parkway  
 D'Arcy Parkway to End of Road  
Somerston Parkway to Bosch Avenue  
 Interstate 5 to Golden Valley Parkway  
 McKee Boulevard to San Joaquin River bridge  
 Interstate 5 to East City Limits  
 J Street to Thomsen Road  
 Riverfront Drive to River Islands Parkway  
Barbara Terry Boulevard to Golden Valley Parkway

- E. The speed limit shall be thirty (30) miles per hour on the following street segments:

**Street**

Academy Drive  
 Commerical Street  
 Inland Passage Way  
 Slate Street  
 Slate Street  
 Opal Street  
 Opal Street  
 Sadler Oak Drive  
 Johnson Ferry Road  
Stanford Crossing  
 Stonebridge Lane

**Limits**

Somerston Parkway to Broadmoor Way  
 Marina Drive to Academy Drive  
 Sadler Oak Drive to Open Range Avenue  
 Harlan Road to Deerwood Way  
 Deerwood Way to Stonebridge Lane  
 Stonebridge Lane to Deerwood Way  
 Deerwood Way to Slate Street  
 Manthey Road to Inland Passage Way  
 Colonial Trail to Golden Spike Trail  
Spartan Way to Barbara Terry Boulevard  
 Harlan Road to Slate Street

- F. The speed limit shall be twenty-five (25) miles per hour on the following street segments:

<b>Street</b>	<b>Limits</b>
Academy Drive	River Bend Drive to Somerson Parkway
<u>Barbara Terry Boulevard</u>	<u>Stanford Crossing to Central Pacific Street</u>
Cambridge Drive	Lathrop Road to Louise Avenue
Fifth Street	K Street to O Street
J Street	Harlan Road to Fifth Street
Lathrop Road	Interstate 5 to Golden Valley Parkway
Marina Drive	River Bend Drive to Somerston Parkway
Marina Drive	Somerston Parkway to Taft Drive
O Street	Harlan Road to Seventh Street
Spartan Way	Golden Valley Parkway to Generations Center
Spartan Way	Generations Center to Lathrop High School
Spartan Way	Lathrop High School to Stanford Crossing
Spartan Way	Stanford Crossing to Barbara Terry Boulevard
Stewart Road	Manthey Road to South River Bend
Thomsen Road	Harlan Road to Grayson Road
Thomsen Road	Grayson Road to Halmar Lane
Thomsen Road	Halmar Lane to Seventh Street
Towne Centre Drive	Golden Valley Parkway to McKee Boulevard
Towne Centre Drive	McKee Boulevard to Village Avenue

- G. The following list of two hundred thirty-seven (237) roadway segments that meet the requirements defined in section 40802(b) of the CVC for a local street are not subject to the requirement for an Engineering and Traffic Survey. These local / residential streets shall have a recommended prima facie speed limit of 25 mph that can be enforced with radar, exempt from speed trap laws related to Engineering and Traffic Survey requirements:

H.

Admiral Way	Avon Avenue	Brookwood Way
Adobe Way	Aztec Land	Calcite Avenue
Almond Orchard Way	Back Bay Drive	Cambridge Drive
American Farms Avenue	Baywood Way	Camelback Street
Americana Way	Bella Place	Camish Place
Andover Way	Bellchase Road	Cannella Drive
Apple Grove Avenue	Berkshire Court	Carleta Place
Applewood Way	Bizzibe Street	Carnaby Road
Argillite Avenue	Blackwood Avenue	Carnelian Avenue
Aries Place	Bloom Way	Cedar Valley Drive
Arkose Street	Blue Sky Drive	Cedarbrook Way
Aspenwood Avenue	Boulder Avenue	Channel Drive
August Drive	Bramblewood Avenue	Christie Falls Way
Autumn Rain Drive	Brewer Street	Claim Stake Avenue
Autumnwood Avenue	Brookhurst Boulevard	Cloudy Bay

Cobble Creek Way  
Cold Springs Street  
Colonial Trail  
Covered Bridge Way  
Craftsman Drive  
Crescent Moon Drive  
Crescent Park Circle  
Daffodil Hill Street  
Dalton Court  
Danbury Place  
Derby Lane  
Dry Creek Place  
Eagle Lane  
Easy Street  
Emerald Bay Court  
Emory Oak Place  
Englewood Way  
English Country Trail  
Eton Way  
Evergreen Avenue  
Exeter Court  
Fairview Way  
Ferndale Street  
Ferry Launch Avenue  
Finchwood Drive  
Fleurette Lane  
Flint Avenue  
Forestwood Way  
Forty Niner Trail  
Four Corners Court  
G Street  
Gaar Avenue  
Gail Drive  
Galena Street  
Garden Glade Street  
Gardner Place  
Garmetta Way  
Gold Nugget Trail  
Golden Spike Trail  
Granite Avenue  
Grapevine Place  
Grayson Road  
Green Plaza

Greengate Place  
Gypsum Way  
H Street  
Halmar Lane  
Havenwood Avenue  
Historic Avenue  
Homestead Avenue  
Honey Place  
I Street  
Independence Avenue  
Iron Horse Trail  
J Street  
Janice Place  
Jasper Street  
Johnson Ferry Road  
Jonquil Drive  
Julie Lane  
K Street  
Kirkwood Way  
L Street  
Landmark Point  
Late Harvest Place  
Lazy Ridge Avenue  
Leather Oak Road  
Libby Lane  
Liberty Point  
Limestone Avenue  
Lisa Lane  
Loganberry Way  
Long Barn Drive  
Lottie Way  
Magnetite Avenue  
Maharaja Drive  
Mariners Drive  
Maxwell Lane  
Meteorite Street  
Milestone Drive  
Mill Stone Way  
Millpond Avenue  
Mingo Way  
Mossy Point Way  
N Street  
Navigator Drive

New England Avenue  
New Well Avenue  
Noel Lane  
Obsidian Street  
Old Glory Way  
Old Wharf Place  
Olivine Avenue  
Onyx Avenue  
Ore Claim Trail  
Orlando Lane  
Osage Place  
Parkhaven Street  
Parkside Drive  
Pasture Avenue  
Patricia Place  
Patriot Way  
Pecan Hollow Way  
Pennant Avenue  
Pheasant Downs Road  
Pine Valley Drive  
Pinewood Drive  
Pioneer Avenue  
Pipestone Street  
Platinum Avenue  
Pony Express Way  
Poppy Drive  
Prairie Dunes Drive  
Princeville Street  
Quartz Way  
Rail Way  
Red Barn Place  
Redstone Street  
Reiger Drive  
Renaissance Avenue  
Reverend Maurice Cotton Drive  
River Bend Drive  
Riverboat Drive  
Riverdale Street  
Rocky Harbor Road  
Rosebriar Place  
Rosewood Street  
Ryhiner Lane  
Saguaro Lane

Samoa Lane	Southport Street	Tulip Tree Way
Sand Bar Way	Spar Street	Tumbleweed Lane
Schumard Oak Road	St. Andrew Street	Upstream Drive
Scrub Oak Drive	Stage Coach Drive	Victorian Trail
Sedona Lane	Stone Cellar Way	Village Avenue
Settler Trail	Strawberry Glen Street	W Nut Tree Court
Shadowberry Place	Sugar Pine Drive	Warfield Road
Shady Mill Way	Sunrise Place	Water Mills Street
Shadywood Avenue	Suzie Q Lane	Water Way
Sheltered Cove	Talc Street	Waterman Avenue
Shilling Avenue	Thomsen Road	Wheat Field Street
Showlow Lane	Tidewater Point	Wild Oak Drive
Sierra Gold Trail	Toro Lane	Williamstowne
Siltstone Avenue	Town Square	Woodfield Drive
Silver Creek Drive	Tracywood Avenue	Wynona Way
Sixth Street	Trestle Point	Zalman Lane
South Lagoon Way		

**Section 2.**

This Ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the City or any officer or employee thereof a mandatory duty of care toward persons and property within or without the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

**Section 3. Severability**

If any provisions of this Ordinance or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance irrespective of the validity of any particular portions thereof.

**Section 4. Effective Date**

This Ordinance shall take legal effect and be in force thirty (30) days from and after the date of its passage.

**Section 5. Publication**

Within fifteen (15) days after its final passage, the City Clerk shall cause a copy of this Ordinance to be published in full accordance with Section 36933 of the Government Code.

**THIS ORDINANCE** was introduced at a regular meeting of the City Council of the City of Lathrop on the 8<sup>th</sup> day of January 2024. Thereafter, the City Council continued the matter to the Regular Meeting of February 12<sup>th</sup>, 2024. On February 12<sup>th</sup>, 2024, the City Council approved the introduction on first reading of the subject Ordinance. The Ordinance was **PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Lathrop on the \_\_\_\_ day of \_\_\_\_\_, 2024 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

# CITY OF LATHROP

## ENGINEERING AND TRAFFIC SPEED SURVEY

### STREET SEGMENTS

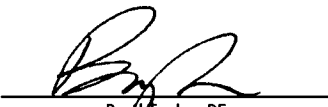
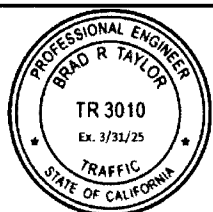
<u>Street</u>	<u>Limits</u>
1. <b>Business Park Court:</b>	Yosemite Avenue to End
2. <b>Glacier Street:</b>	Jefferson Way to Yosemite Avenue
3. <b>Jefferson Way:</b>	Glacier Street to Yosemite Avenue
4. <b>Yosemite Avenue:</b>	Jefferson Way to Glacier Street
5. <b>Yosemite Court:</b>	Yosemite Avenue to End
6. <b>Stanford Crossing:</b>	Spartan Way to Barbara Terry Boulevard
7. <b>Stanford Crossing:</b>	Barbara Terry Boulevard to Golden Valley Parkway
8. <b>Barbara Terry Boulevard:</b>	Stanford Crossing to Adobe Way
9. <b>Barbara Terry Boulevard:</b>	Stanford Crossing to Central Pacific Street
10. <b>Golden Valley Parkway:</b>	Brookhurst Boulevard to Sadler Oak
11. <b>Riverfront Drive:</b>	Somerston Parkway to Bosch Avenue





## City of Lathrop Engineering and Traffic Survey Report

Approved Date: 1/8/2024

<b>Location Description</b>			
Segment Name:	Business Park Court	Limits:	Yosemite Avenue End of Road
<b>Existing Conditions</b>			
Number of lanes:	1 lane in each direction	Traffic Volumes	Northbound      Southbound
Posted Speed Limit:	35 mph	Average Daily Traffic (vehicles):	70                      70
Transit Facilities:	None	Heavy Vehicle Percentage:	38%                    35%
<b>Bicycle and Pedestrian Facilities</b>	<b>Description of Surrounding Area</b>		
Sidewalk on east side of the street	Industrial Park		
<b>Parking Accomodations</b>	<b>Intersection Facilities</b>		
No parking is permitted	Signalized Intersection on Business Park Ct and Yosemite Ave All-Way stop at Business Park Ct and Grady Dr intersection Pedestrian crosswalk at Business Park Ct and Grady Dr intersection Dead End south of Grady Dr Two-way left turn lane on Business Park Ct		
<b>Community Facilities</b>	<b>Collision History</b>		
None	Collision Rate and Pattern Indicative of Non-Apparent Conditons?		<b>No</b>
<b>Current Speed Survey Data</b>			
	Northbound	Southbound	
50th Percentile:	36 mph	37 mph	
85th Percentile:	40 mph	40 mph	
Nearest 5mph Increment:	40 mph	40 mph	
Median:	37 mph	37 mph	
10 mph Pace:	32-41	32-41	
Percent in Pace:	69%	53%	
Percent Below Pace:	19%	35%	
Percent Above Pace:	13%	12%	
<b>Recommended Speed Limit: 35 miles per hour (mph)</b>			
<b>Justification</b>			
<p>(1) Data was collected from only 17 vehicles in a 3-hour period due to the low traffic volume on this road; (2) High heavy vehicle percentage; (3) Proximity of intersections and number of industrial warehouse driveways. Rounding the recommended speed limit down to 35 mph from the 85th percetile of 40 mph was determined to be appropriate in compliance with CVC Section 22358.6</p>			
 Brad Taylor, PE Registered Traffic Engineer			

## City of Lathrop Engineering and Traffic Survey Report

Approved Date: 1/8/2024

<i>Location Description</i>			
Segment Name:	Glacier Street	Limits:	Yosemite Avenue Jefferson Way

<i>Existing Conditions</i>			
Number of lanes:	1 Lane in Each Direction	Traffic Volumes	
Posted Speed Limit:	45 mph	Average Daily Traffic (vehicles):	Northbound      Southbound
Transit Facilities:	None	Heavy Vehicle Percentage:	180                  180
			2%                  6%

<i>Bicycle and Pedestrian Facilities</i>	<i>Description of Surrounding Area</i>
Sidewalk on south side of street where developed	Industrial Park Vacant land

<i>Parking Accomodations</i>	<i>Intersection Facilities</i>
No parking is permitted	Signalized Intersection on Yosemite Ave and Glacier St Side street stop at Madrugá Road and Glacier St Intersection

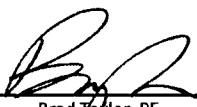
<i>Community Facilities</i>	<i>Collision History</i>
None	Collision Rate and Pattern Indicative of Non-Apparent Conditons? <span style="float: right;"><b>No</b></span>

<i>Current Speed Survey Data</i>		
	Northbound	Southbound
50th Percentile:	41 mph	42 mph
85th Percentile:	48 mph	49 mph
Nearest 5mph Increment:	50 mph	50 mph
Median:	41 mph	43 mph
10 mph Pace:	36-46	38-48
Percent in Pace:	60%	65%
Percent Below Pace:	14%	18%
Percent Above Pace:	26%	18%

**Recommended Speed Limit: 45 miles per hour (mph)**

*Justification*

(1) Data was collected from only 37 eastbound vehicles and 50 westbound vehicles in a 3-hour period due to the low traffic volume on this road; (2) Proximity of intersections and number of industrial warehouse driveways. Rounding the recommended speed limit down to 45 mph from the 85th percentile of 50 mph was determined to be appropriate in compliance with CVC Section 22358.6

  
 Brad Taylor, PE  
 Registered Traffic Engineer



## City of Lathrop Engineering and Traffic Survey Report

Approved Date: 1/8/2024

<i>Location Description</i>			
Segment Name:	Jefferson Way	Limits:	Glacier Street Yosemite Avenue

<i>Existing Conditions</i>			
Number of lanes:	1 Lane in Each Direction	Traffic Volumes	Northbound      Southbound
Posted Speed Limit:	45 mph	Average Daily Traffic (vehicles):	40                  40
Transit Facilities:	None	Heavy Vehicle Percentage:	2%                 2%

<i>Bicycle and Pedestrian Facilities</i>	<i>Description of Surrounding Area</i>
Sidewalk on east side of street	Industrial use fronting east side of Jefferson Way Empty lot on west side of Jefferson Way

<i>Parking Accomodations</i>	<i>Intersection Facilities</i>
No parking is permitted	None


<i>Community Facilities</i>	<i>Collision History</i>
None	Collision Rate and Pattern Indicative of Non-Apparent Conditions? <b>No</b>

<i>Current Speed Survey Data</i>		
	Northbound	Southbound
50th Percentile:	36 mph	30 mph
85th Percentile:	38 mph	33 mph
Nearest 5mph Increment:	40 mph	35 mph
Median:	36 mph	30 mph
10 mph Pace:	32-41	26-35
Percent in Pace:	71%	70%
Percent Below Pace:	29%	20%
Percent Above Pace:	0%	10%

**Recommended Speed Limit: 45 miles per hour (mph)**

*Justification*

Data was collected from only 7 northbound vehicles and 10 southbound vehicles in a 3-hour period due to the low traffic volume on this road. Data collected was insufficient to support changes to current posed speed limit of 45 mph.

  
 Brad Taylor, PE  
 Registered Traffic Engineer







## City of Lathrop Engineering and Traffic Survey Report

Approved Date: 2/12/2024

<b>Location Description</b>			
Segment Name:	Stanford Crossing Drive	Limits:	Spartan Way Barbara Terry Boulevard

<b>Existing Conditions</b>				
Number of lanes:	1 Lane in Each Direction	Traffic Volumes	Northbound	Southbound
Posted Speed Limit:	30 mph	Average Daily Traffic (vehicles):	500	740
Transit Facilities:	None	Heavy Vehicle Percentage:	< 1%	< 1%

<b>Bicycle and Pedestrian Facilities</b>	<b>Description of Surrounding Area</b>
Sidewalk on both sides of street Class II bicycle facilities on both sides of street	Residential subdivision (not fronting Stanford Crossing Drive) Lathrop High School on Spartan Way (north end of Stanford Crossing)

<b>Parking Accommodations</b>	<b>Intersection Facilities</b>
No parking is permitted	Roundabout at intersection with Barbara Terry Boulevard Uncontrolled pedestrian crosswalk at Madrone St and Isidore Way Intersection Side street stops at Madrone St and Isidore Way

<b>Community Facilities</b>	<b>Collision History</b>
None	Collision Rate and Pattern Indicative of Non-Apparent Conditions? <span style="float: right;"><b>No</b></span>

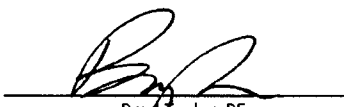
<b>Current Speed Survey Data</b>			
	Northbound	Southbound	
50th Percentile:	33 mph	35 mph	
85th Percentile:	37 mph	41 mph	
Nearest 5mph Increment:	35 mph	40 mph	
Median:	33.5 mph	35 mph	
10 mph Pace:	29-39 mph	30-40 mph	
Percent in Pace:	85%	73%	
Percent Below Pace:	4%	10%	
Percent Above Pace:	10%	17%	

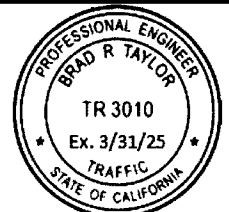
**Recommended Speed Limit: 30 miles per hour (mph)**

**Justification**

Justification for Rounding Down: (1) Proximity of a residential neighborhood; (2) Proximity of a high school; (3) Uncontrolled pedestrian crossing at Madrone & Isidore Way. Rounding the recommended speed limit down to 35 mph for both the northbound and southbound directions was determined to be appropriate in compliance with CVC Section 22358.6.

Justification for an Additional Reduction of 5 mph: In compliance with CVC Section 22358.7(2), an additional reduction from the rounded down 85th percentile is appropriate due to the proximity of a high school with a high concentration of children and child drop off by parents causing conditions that are not apparent to the driver along this segment.

  
 Brad Taylor, PE  
 Registered Traffic Engineer



## City of Lathrop Engineering and Traffic Survey Report

Approved Date: 1/8/2024

### Location Description

Segment Name:	Stanford Crossing Drive	Limits:	Barbara Terry Boulevard Golden Valley Parkway
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### Existing Conditions

Number of lanes:	1 Lane in Each Direction	Traffic Volumes	Northbound	Southbound
Posted Speed Limit:	30 mph	Average Daily Traffic (vehicles):	600	600
Transit Facilities:	None	Heavy Vehicle Percentage:	< 1%	< 1%

#### Bicycle and Pedestrian Facilities

#### Description of Surrounding Area

Sidewalk on both sides of street Class II bicycle facilities on both sides of street	Residential subdivision (not fronting Stanford Crossing Drive) Development Lot West of Barbara Terry Blvd
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#### Parking Accomodations

#### Intersection Facilities

No Parking is Permitted	Roundabout at intersection with Barbara Terry Boulevard Traffic signal at intersection with Golden Valley Parkway
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#### Community Facilities

#### Collision History

None	Collision Rate and Pattern Indicative of Non-Apparent Conditons?	<b>No</b>
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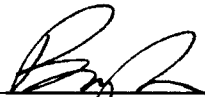
### Current Speed Survey Data

	Northbound	Southbound
50th Percentile:	32 mph	33 mph
85th Percentile:	37 mph	36 mph
Nearest 5mph Increment:	35 mph	35 mph
Median:	32 mph	33 mph
10 mph Pace:	27-37	28-38
Percent in Pace:	79%	82%
Percent Below Pace:	5%	10%
Percent Above Pace:	15%	8%

**Recommended Speed Limit: 35 miles per hour (mph)**

### Justification

No field observed factors to justify reducing the recommended speed limit below the 85th percentile

  
 Brad Taylor, PE  
 Registered Traffic Engineer



## City of Lathrop Engineering and Traffic Survey Report

Approved Date: 2/12/2024

### Location Description

Segment Name:	Barbara Terry Boulevard	Limits:	Stanford Crossing Adobe Way
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### Existing Conditions

Number of lanes:	1 Lane in Each Direction	Traffic Volumes	Northbound	Southbound
Posted Speed Limit:	35 mph	Average Daily Traffic (vehicles):	600	600
Transit Facilities:	None	Heavy Vehicle Percentage:	< 1%	< 1%

### Bicycle and Pedestrian Facilities

Sidewalk on both sides of street  
Class II bicycle facilities on both sides of street

### Description of Surrounding Area

Residential subdivision on both sides of street (not fronting Barbara Terry Blvd)

### Parking Accommodations

No Parking is Permitted

### Intersection Facilities

Roundabout at Stanford Crossing  
Uncontrolled pedestrian crosswalk at the Rosedale Way intersection  
Side street stops at Rosedale Way intersection  
Uncontrolled pedestrian crosswalk at the Sierra Mar Road intersection  
Side street stops at Sierra Mar Road intersection  
All-way stop at Adobe Way and Barbara Terry Blvd Intersection

### Community Facilities

None

### Collision History

Collision Rate and Pattern Indicative of Non-Apparent Conditions? **No**

### Current Speed Survey Data


	Northbound	Southbound
50th Percentile:	39 mph	39 mph
85th Percentile:	44 mph	45 mph
Nearest 5 mph Increment:	45 mph	45 mph
Median:	39 mph	39 mph
10 mph Pace:	34-44	34-44
Percent in Pace:	69%	71%
Percent Below Pace:	17%	13%
Percent Above Pace:	14%	16%

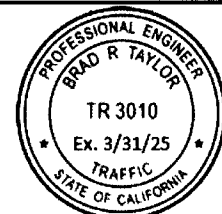
**Recommended Speed Limit: 35 miles per hour (mph)**

### Justification

Justification for Rounding Down: (1) Proximity of a residential subdivision; (2) Two uncontrolled pedestrian crossings; (3) Class II bike lanes with no buffer. Rounding the recommended speed limit down to 40 mph for both the northbound and southbound directions was determined to be appropriate in compliance with CVC Section 22358.6.

Justification for an Additional Reduction of 5 mph: In compliance with CVC Section 22358.7(2), an additional reduction from the rounded down 85th percentile is appropriate due to the proximity of a high school with a high concentration of children along this segment.

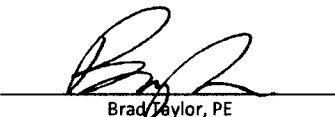

  
 Brad Taylor, PE  
 Registered Traffic Engineer





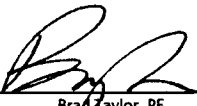

## City of Lathrop Engineering and Traffic Survey Report

Approved Date: 2/12/2024

<i>Location Description</i>			
Segment Name:	Barbara Terry Boulevard	Limits:	Stanford Crossing Central Pacific Street
<i>Existing Conditions</i>			
Number of lanes:	1 Lane in Each Direction	Traffic Volumes	Northbound      Southbound
Posted Speed Limit:	N/A	Average Daily Traffic (vehicles):	300                      300
Transit Facilities:	None	Heavy Vehicle Percentage:	< 1%                      < 1%
<i>Bicycle and Pedestrian Facilities</i>		<i>Description of Surrounding Area</i>	
Sidewalk on both sides of street		Residential subdivision (not fronting Barbara Terry Blvd) Homes fronting Barbara Terry Boulevard north of Central Pacific Street	
<i>Parking Accommodations</i>		<i>Intersection Facilities</i>	
Parking prohibited from Stanford Crossing to Sunol Street		Roundabout at Stanford Crossing	
Parking permitted from Sunol Street to Central Pacific Street		Uncontrolled pedestrian crosswalk at the Sunol St and Barbara Terry Blvd Intersection	
		Side street stops at Sunol St and Barbara Terry Blvd Intersection	
		Uncontrolled pedestrian crosswalk at the Central Pacific St and Barbara Terry Blvd Intersection	
		Side street stops at Central Pacific St and Barbara Terry Blvd Intersection	
<i>Community Facilities</i>		<i>Collision History</i>	
Leland and Jane Stanford Park at the north end of Barbara Terry Boulevard		Collision Rate and Pattern Indicative of Non-Apparent Conditions?	<b>No</b>
<i>Current Speed Survey Data</i>			
	Northbound	Southbound	
50th Percentile:	28 mph	28 mph	
85th Percentile:	31 mph	33 mph	
Nearest 5mph Increment:	30 mph	35 mph	
Median:	28 mph	28 mph	
10 mph Pace:	23-33	23-33	
Percent in Pace:	84%	86%	
Percent Below Pace:	10%	2%	
Percent Above Pace:	6%	12%	
<b>Recommended Speed Limit: 25 miles per hour (mph)</b>			
<i>Justification</i>			
<p><u>Justification for Rounding Down:</u> (1) Proximity of a residential neighborhood; (2) Proximity of a neighborhood park. Rounding the recommended speed limit down to 30 mph for both the northbound and southbound directions was determined to be appropriate in compliance with CVC Section 22358.6.</p> <p><u>Justification for an Additional Reduction of 5 mph:</u> In compliance with CVC Section 22358.7(2), an additional reduction from the rounded down 85th percentile is appropriate due to the proximity of a high school with a high concentration of children along this segment.</p>			
 Brad Taylor, PE Registered Traffic Engineer			

## City of Lathrop Engineering and Traffic Survey Report

Approved Date: 1/8/2024

<i>Location Description</i>				
Segment Name:	Golden Valley Parkway	Limits:	Brookhurst Boulevard Sadler Oak Drive	
<i>Existing Conditions</i>				
Number of lanes:	1 Lane in Each Direction	Traffic Volumes	Northbound	Southbound
Posted Speed Limit:	45 mph	Average Daily Traffic (vehicles):	350	350
Transit Facilities:	None	Heavy Vehicle Percentage:	< 1%	< 1%
<i>Bicycle and Pedestrian Facilities</i>		<i>Description of Surrounding Area</i>		
Sidewalk on both sides of Golden Valley Parkway		Apartment complex on the southeast side Residential area on the southwest side separate by sound wall Vacant land on the north sides		
<i>Parking Accomodations</i>		<i>Intersection Facilities</i>		
No parking is permitted		All-way stop at Brookhurst Blvd and Golden Valley Parkway intersection Southbound stop at Sadler Oak Drive and Golden Valley Parkway Intersection		
<i>Community Facilities</i>		<i>Collision History</i>		
None		Collision Rate and Pattern Indicative of Non-Apparent Conditions?		No
<i>Current Speed Survey Data</i>				
	Northbound	Southbound		
50th Percentile:	41 mph	43 mph		
85th Percentile:	47 mph	48 mph		
Nearest 5mph Increment:	45 mph	50 mph		
Median:	41 mph	44 mph		
10 mph Pace:	37-46	39-48		
Percent in Pace:	62%	64%		
Percent Below Pace:	22%	20%		
Percent Above Pace:	17%	15%		
<b>Recommended Speed Limit: 45 miles per hour (mph)</b>				
<i>Justification</i>				
(1) The 85th percentile for the northbound direction is 47 mph; (2) Golden Valley Parkway is not yet fully constructed (inside lanes and median to be constructed when warranted by traffic volume); (3) Proximity of residential subdivisions on the east and west sides of Golden Valley Parkway. Rounding the recommended speed limit down to 45 mph for the southbound direction was determined to be appropriate in compliance with CVC Section 22358.6				
 Brad Taylor, PE Registered Traffic Engineer				



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**CITY MANAGER'S REPORT  
FEBRUARY 12, 2024 REGULAR CITY COUNCIL MEETING**

**ITEM: PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIP ACT (HOME) PROGRAM ALLOCATIONS FOR FISCAL YEAR 2024/2025**

**RECOMMENDATION: Council to Consider the Following:**

- 1. Hold a Public Hearing; and**
- 2. Adopt Resolution Recommending the Allocation of the CDBG and HOME Funds for FY 2024/2025 for consideration by San Joaquin County and the US Department of Housing and Urban Development (HUD) pursuant to Budget Amendments**

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**SUMMARY:**

Each year the City of Lathrop (City) receives an allocation of Community Development Block Grant (CDBG) and HOME Investment Partnership Act (HOME) funds. Both programs are funded by the U.S. Department of Housing and Urban Development (HUD), and administered by San Joaquin County (COUNTY), under an Urban Cooperative Agreement between San Joaquin County and the cities of Escalon, Lathrop, Manteca, Ripon, and Tracy.

The County guidelines are in place to help meet the needs of the community and the requirements set forth by HUD. Important highlights of these guidelines are as follows:

- Multi-entitlement agencies must apply directly to San Joaquin County for both County and City funding.
- The minimum award for public service grant requests should be at least \$5,000.00, unless prior approval received from San Joaquin County.
- Cities will be recommending the local allocation of funds for final approval by the San Joaquin County Board of Supervisors and HUD.

For fiscal year 2024/2025, the City of Lathrop anticipates an allocation of \$94,170 in CDBG funds and \$33,893 in HOME funds. Final allocation numbers are determined upon Federal Budget approvals, which will be proportionally increased or decreased from the estimated funding levels to match the actual allocation amounts.

No more than fifteen percent (15%) of the allocated CDBG funds may be designated toward Public Service organizations with the remaining eighty-five percent (85%) designated toward Public/Capital Facility projects. HOME funds may be allocated to eligible program(s) administered by the County.

**CITY MANAGER’S REPORT** **Page | 2**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME**  
**FUNDING ALLOCATIONS FOR FISCAL YEAR 2024/2025**

City Council must conduct a public hearing to consider funding requests from eligible applicants, prior to finalizing recommendations of local CDBG and HOME funding allocations. Staff published a legal advertisement on December 15, 2023 to promote the availability of CDBG and HOME funds and to solicit eligible applicants. A second legal advertisement was published on January 31, 2024 to announce the public hearing date to consider CDBG and HOME funding allocations for FY 2024/2025.

Multi-entitlement agencies serve residents of multiple cities throughout the County, therefore these agencies are required to submit one application to San Joaquin County for individual local agency funding requests.

There were four (4) multi-entitlement agency applications submitted for CDBG Public Service’s funding, five (5) applications submitted directly to the City for consideration of a local Public Service grant, one (1) application received for a Public Facilities grants, and zero (0) applications received for HOME funds.

The three-step process for allocating funds to identified local activities is referenced below:

- STEP 1. Allocate funding for the CDBG Public Service Organizations.
- STEP 2. Allocate funding for the CDBG Public/Capital Facility Projects.
- STEP 3. Allocate HOME funds to an eligible program administered by the County.

Staff recommends that the City Council consider the information provided at the public hearing, staff’s presentation, and Lathrop’s Scoring Committee’s proposed funding allocations for CDBG’s public service grants, public facility grants, and the HOME funds for fiscal year 2024/2025. City Council maintains sole discretion to accept staff’s recommendation or propose recommended funding allocations toward eligible applicant projects or services they deem in the best interest to meet community and resident needs.

**BACKGROUND:**

The City of Lathrop, in accordance with the Urban Cooperative Agreement with San Joaquin County, will make recommendations to allocate the anticipated amount of CDBG funds to Public Service organization(s), Public/Capital Facility project(s), and HOME funds as follows:

<b><u>CDBG</u></b>	
Public Service Awards (15%):	\$14,170
Public/Capital Facility Projects (85%):	<u>\$80,300</u>
Total anticipated CDBG Allocation:	<u>\$94,470</u>
<b><u>HOME Funds</u></b>	
Total anticipated HOME Funds	<u>\$33,893</u>

**STEP 1: Allocate funds to Public Service Organizations**

**Multi-Entitlement Agencies via County Application:**

Multi-entitlement agency applicants include San Joaquin County Department of Aging, Emergency Food Bank of Stockton/San Joaquin, San Joaquin Fair Housing, and Give Every Child a Chance (GECAC). Each of these organizations provide services within multiple cities throughout San Joaquin County, and have applied directly to the County through the one application process to request funding from the County and Cities for which they provide services.

The following summary describes the services provided to Lathrop residents by each of the multi-entitlement agency applicants and the amount requested by each organization:

**San Joaquin Fair Housing** **\$1,250**

The San Joaquin Fair Housing Board is designed to further fair housing in San Joaquin County. They achieve this by educating tenants and owners on all the Federal and State Fair housing laws accomplished through direct outreach, education, mediation and virtual workshops. It is important to note that this is a HUD mandated program, which requires each jurisdiction to provide their proportionate share of the anticipated expenditures by San Joaquin Fair Housing for the fiscal year. In other words, the \$1,250 is a requirement. The program expects to benefit approximately 3,446 Lathrop residents.

**Give Every Child a Chance – Before/After School Programs** **\$6,000**

Give Every Child a Chance (GECAC) provides free to minimal cost programs to youth in San Joaquin County. Free mentor/tutoring to students in K-12<sup>th</sup> grade is provided through programs called TEACH, ASAP, and BHS. In addition, bi-monthly food, activity kit distributions, and a Summer Supplemental Program (Day Camp) are provided. The programs expect to benefit approximately 445 youth in Lathrop.

**Emergency Food Bank – Mobile Farmer's Market** **\$6,250**

The Emergency Food Bank of Stockton/San Joaquin is requesting funding for its "Mobile Farmers Market" program, which visits 70 sites throughout the cities and county. Each site is visited monthly, with a goal of providing nutrition education and increased access to fresh produce, to promote healthy lifestyles and decrease the prevalence of disease/chronic health conditions and food insecurities to the most vulnerable populations.

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**FUNDING ALLOCATIONS FOR FISCAL YEAR 2024/2025**

There are three Mobile Farmer's Market sites serving Lathrop for one day each month: Joseph Widmer Elementary, Lathrop Elementary, and Grace Community Church. The program expects to serve 989 residents of Lathrop.

**SJC Department of Aging – Meals on Wheels** **\$1,502**

The San Joaquin County Human Services Agency's Department of Aging & Community Services is requesting funding for its Home Delivered Meals Program "Meals on Wheels", which delivers five nutritious meals once a week to homebound seniors who lack transportation and have little or no social support. The program objective is to promote better health through improved nutrition. The program expects to benefit nine (9) senior residents of Lathrop.

**Lathrop Direct Applications:**

Organizations whose programs serve specific jurisdictions are encouraged to apply directly to the Cities for CDBG grant funding. For FY 2024-25, the City of Lathrop received five (5) applications for a total funding request of \$78,388.

The following summary describes the services provided by the applicant(s) to Lathrop residents and the amount of funding requested:

**City of Lathrop (PRD – Activity Fee Assistance)** **\$5,000**

The City of Lathrop's Parks & Recreation Department (PRD) offers an Activity Assistance Program designed to provide financial assistance to eligible low-income families and individuals who wish to participate in recreation services and activities. PRD services and activities may include before and after school programs, day camps, sports programs, classes, and events for seniors. Eligible individuals may use up to \$250 annually, as funds are available. Seventy-five percent (75%) of the program fees may be covered through the Activity Fee Assistance Program with the individual or family paying the remaining percentage. The program expects to benefit 52 Lathrop residents.

**City of Lathrop (PRD – Senior Special Event Funding)** **\$20,250**

The City of Lathrop has an extremely active Senior Center with multiple programs running daily, including nine year special events. Over the last few years' attendance at these special events has tripled in participation. These special events offer seniors an opportunity to socialize through themed activities, entertainment and lunch. The City is committed to keeping the cost low at \$5 per registration entry fee to ensure affordability for all. Low-income seniors can apply for the Recreation Fee Assistance, which brings the cost to \$1.25. The average cost of food per participant ranges between \$12 - \$17, and the CDBG funding would help to off-set the cost. Program anticipates serving 150+ seniors at each of these special events.



**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME  
FUNDING ALLOCATIONS FOR FISCAL YEAR 2024/2025**

**SJ-SBDC (Digital Marketing Workshop Series) \$5,000**

The San Joaquin Small Business Development Center (SJ-SBDC) is devoted to accelerating small business success and driving economic growth in San Joaquin, Amador, Calaveras, and Alpine counties. The center hosts a team of business advisors from diverse backgrounds to help small businesses start, grow, and thrive with business resiliency as the primary focus of discussion between the business advisors and small business owners and entrepreneurs. To assist small business owners and entrepreneurs in the City of Lathrop create, grow, and develop their businesses, the SJ-SBDC is developing a Digital Marketing Workshop Series to expand clientele and increase business activities. The modules will include areas of focus around online marketing, website elements, search engine optimization, and Google services. The workshops and other SJ-SBDC services will be offered to Lathrop small businesses and entrepreneurs at no charge. Program anticipates serving 25 small businesses in the City of Lathrop.

**Ready to Work (Empower to Work: Lathrop) \$40,138.22**

Ready to Work focuses on workforce development through training and development, upskilling, job placement, and meeting client needs through supportive services. Ready to Work was awarded a grant by the California Workforce Development Board's Helping Justice-Involved Reenter Employment (HIRE) initiative to meet the needs of the justice-impacted individuals. However, it has been determined that there is also a need to help client families advance economically. Empower to Work: Lathrop, will be designed to supplement the services and training that will be provided to the member of the household that is justice-involved. CDBG funding will be used to mirror the program for other members of the household that are not justice-impacted, offering them work experience under our new projects—Empowerment Garden, Enliven Espresso, and Educate & Equip. Program anticipates serving 25 Lathrop residents.

**PREVAIL CA (PROPEL) \$8,000**

PREVAIL CA, formerly Women's Center – Youth & Family Services, is seeking funding to support the expansion of its street outreach efforts within the City of Lathrop through PROPEL (Providing Resources and Opportunities for Peers Experiencing Life) program. The program offers comprehensive youth services designed to prevent and end youth homelessness. It will expand peer-to-peer outreach and resources for youth experiencing life challenges, such as homelessness. PREVAIL efforts anticipate reaching 25 of Lathrop's young adults, not older than 25 years of age, who are experiencing homelessness or at risk of experiencing homelessness.

The Lathrop Ranking and Scoring Committee reviewed the applications and recommends allotment to each qualified public service organization as follows:

**PUBLIC SERVICE ORGANIZATIONS ALLOTMENT SUMMARY**

Organization	Requested Amounts for FY 24/25	Recommended Allotment for FY 24/25
<b>Give Every Child a Chance (GECAC)</b>	\$6,000	<b>\$5,420</b>
<b>San Joaquin Fair Housing</b>	\$1,250	<b>\$1,250</b>
<b>Emergency Food Bank (Mobile Farmers Market)</b>	\$6,250	<b>\$1,250</b>
<b>SJC Dept of Aging (Meals on Wheels)</b>	\$1,502	<b>\$1,250</b>
<b>Lathrop PRD (Senior Special Event Funding)</b>	\$20,250	<b>\$5,000</b>
<b>TOTAL FUNDS</b>	\$35,252	<b>\$14,170.00</b>

**STEP 2: Allocate Funds for Public/Capital Facility Project(s)**

The City of Lathrop anticipates \$80,300 of CDBG funds to be available for eligible public/capital facility projects.

One application was received by the City’s Public Works Department for a project focused on Removal of Architectural Barriers at East Lathrop Public Parks for ADA compliance:

**City of Lathrop – (PW - Park Architectural Barrier Removal)                    \$335,000**

The City of Lathrop’s Public Works Department is requesting CDBG grant funding to assist with the removal of architectural barriers at East Lathrop Public Parks to meet ADA compliance and allow access to everyone. The project sites include Apolinar Sangalang Park, Woodfield Park, Valverde Park, Thomson Park, Armstrong Park, and Libby Park. Improvements areas would include: pathways and surfaces, entrances and exits, restrooms, parking, seating areas, playgrounds, communication, lighting, recreational facilities, information, and emergency evacuation.

**STEP 3: Allocate Home Funds**

The estimated HOME fund allocation for FY 2024-25 is \$33,893. The City of Lathrop participates in two eligible HOME loan programs—the Homebuyer Down-Payment Assistance (GAP) and the Lathrop Housing Rehabilitation Program. Both programs provide low-interest loans for qualified low-income households. The City advertises these programs through the City website, Channel 97, Newsletters, and through flyers distributed at City Hall, Community Center, Senior Center and the library.

San Joaquin County administers the HOME fund applications, contracts, and program disbursements. According to County records, the current balance for the Lathrop Housing Rehabilitation program is \$147,655. The GAP program has a balance of \$10,000.

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**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME**  
**FUNDING ALLOCATIONS FOR FISCAL YEAR 2024/2025**

As of January 29, 2024, the County reported that the Lathrop Housing Rehabilitation program has assisted the following number of households: two (2) completed rehabilitation loans, nine (9) with full rehabilitation loans, seven (7) with roof/HVAC grants, two (2) are prequalified pending inspections, and one (1) is in progress.

The Homebuyer Down Payment Assistance Program (GAP) has not been utilized for the past ten (10) years. Due to the rising cost of housing and interest rates, residents who qualify under HUDs low income guidelines find it difficult to qualify for home purchases.

Staff recommends that \$10,000 of the HOME Funds be allocated toward the GAP program with the remaining balance of \$23,893 allocated toward the Lathrop Housing Rehabilitation Loan Program.

**RECOMMENDATION:**

Staff recommends that the City Council consider the information given at the public hearing and during the staff presentation to make a funding recommendation to allocate the 2024/2025 fiscal year CDBG and HOME program funds pursuant to budget amendments as follows:

- Step 1: Allocate CDBG funds to Public Service Organizations (\$14,170) as indicated on the Lathrop Scoring and Ranking Committee Recommendations (Attachment B).
- Step 2: Allocate CDBG Public/Capital Facility funds (\$80,300) to the City of Lathrop's East Lathrop Public Park Architectural Barrier Removal Project.
- Step 3: Allocate HOME funds (\$33,893) to the GAP program and Housing Rehabilitation Programs administered by the County as indicated on the Lathrop Scoring & Ranking Committee Recommendations (Attachment B).

**FISCAL IMPACT:**

Staff time to review the applications, prepare this report, presentation, audit, and manage this program.

The County's disbursement process requires the City to set up a separate account(s) to accommodate the CDBG reimbursement program. Because the proposed applicant(s) have been awarded CDBG grants in the past, all necessary accounts are in place and funded according to this requirement. The only exception will be an increase in the revenue account to accommodate the Public Facilities award for East Lathrop Public Park Architectural Barrier Removal Project through a budget adjustment for CIP GG 25-02.

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**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME**  
**FUNDING ALLOCATIONS FOR FISCAL YEAR 2024/2025**

Staff is requesting the following budget amendments to accommodate the CDBG FY 2024/2025 allocations for Public Service and Public Facility Grants:

Increase Revenues

2650-1130-333-01-00	Intergov. Federal - CDBG CC	\$85,300
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Increase Transfer Out

2650-9900-990-90-10	CDBG Fund Transfer Out – Public Agency	\$85,300
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Increase Transfers In

1010-9900-393-00-00	CDBG Transfer In – Public Agency	\$5,000
3010-9900-393-00-00	Increase Transfer CIP GG 25-02	\$80,300

Increase Expenses

3010-8000-420-12-00	Increase Expense CIP GG 25-02	\$80,300
1010-3021-430-20-00	Increase Expense	\$5,000

**GOALS ADVANCED BY THIS AGENDA:**

The proposed Resolution promotes Public Safety by providing funding for those in need of assistance and support.

**ATTACHMENTS:**


- A) Resolution Recommending the Allocation of the Community Development Block Grant and Home Investment Program Funds for FY 2024/2025.
- B) FY 2024/2025 – CDBG/HOME Grant Applications, Scoring and Ranking Committee Recommendations

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME**  
**FUNDING ALLOCATIONS FOR FISCAL YEAR 2024/2025**

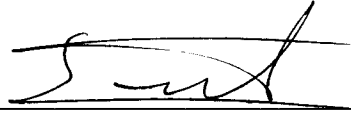
**APPROVALS:**

  
\_\_\_\_\_  
Shelley Burchard  
Economic Development Administrator

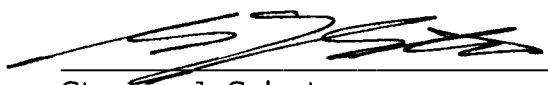
2-5-2024  
Date

  
\_\_\_\_\_  
Cari James  
Director of Finance

2/5/2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

2.5-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/6/24  
Date

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP RECOMMENDING THE ALLOCATION OF THE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME INVESTMENT PROGRAM FUNDS FOR FISCAL YEAR 2024/2025 PURSUANT TO BUDGET AMENDMENTS**

**WHEREAS**, the City anticipates it will receive an estimated allocation of \$94,470 for Community Development Block Grant (CDBG) and \$33,893 for the HOME Investment Program (HOME) for Fiscal Year (FY) 2024-2025; and

**WHEREAS**, the City of Lathrop has properly published a 30-day public notice of availability of funds for the programs in accordance with HUD regulations; and

**WHEREAS**, the City Council has determined in accordance with the California Environmental Quality Act, Article 18, Section 15273, that this item is statutorily exempt because CEQA does not apply to the establishment or modification of HUD funding programs to public agencies which are to meet community needs; and

**WHEREAS**, the City Council conducted a duly noticed public hearing on February 12, 2024 to consider applications for CDBG and HOME Funds for FY 2024-2025, has considered the information given at the public hearing and during the staff presentation, and determines that the recommended allocations represent the community needs in Lathrop; and

**WHEREAS**, the recipients of CDBG funding are required to enter into an agreement with the City to ensure that funds are spent in accordance with HUD regulations.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop, does hereby recommend the following public service agencies and allocated amounts for funding in the Fiscal Year 2024/2025 for the CDBG program:

<u>Public Service Organizations</u>	<u>Allocations</u>
Give Every Child a Chance (GECAC)	\$ 5,420
San Joaquin Fair Housing	\$ 1,250
Stockton/San Joaquin Emergency Food Bank (Mobile Farmers Market)	\$ 1,250
SJC Dept. of Aging (Meals on Wheel)	\$ 1,250
Lathrop PRD (Senior Special Events)	\$ 5,000
Total Allocation (15% of \$94,470)	<u>\$14,170.00</u>

**BE IT FURTHER RESOLVED** that the City does hereby recommend allocating \$80,300 of the Public/Capital Facility funds to the City of Lathrop’s Public Works for the East Lathrop Public Parks Removal of Architectural Barriers project CIP GG 25-02; and

**BE IT FURTHER RESOLVED** that the City does hereby recommend allocating \$23,893 of the HOME Program funds to the Lathrop Property Rehabilitation

Loan Program and \$10,000.00 to the GAP Loan Program for down payment assistance.

**BE IT FURTHER RESOLVED** that the City Council authorizes CDBG and HOME fund allocations pursuant to the following budget amendments for FY 2023/2024.

Increase Revenues

2650-1130-333-01-00	Intergov. Federal - CDBG CC	\$85,300
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Increase Transfer Out

2650-9900-990-90-10	CDBG Fund Transfer Out – Public Agency	\$85,300
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Increase Transfers In

1010-9900-393-00-00	CDBG Transfer In – Public Agency	\$5,000
3010-9900-393-00-00	Increase Transfer CIP GG 25-02	\$80,300

Increase Expenses

3010-8000-420-12-00	Increase Expense CIP GG 25-02	\$80,300
1010-3021-430-20-00	Increase Expense	\$5,000

**PASSED AND ADOPTED** this 12th day of February 2024, by the following vote:

AYES:

NOES:

ABSENT:

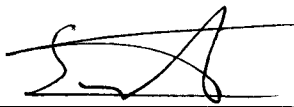
ABSTAIN:

\_\_\_\_\_  
SONNY DHALIWAL, MAYOR

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney





**FY 2024/2025 - CDBG/HOME GRANT APPLICATIONS  
SCORING AND RANKING COMMITTEE RECOMMENDATIONS**

<b>A. PUBLIC FACILITY APPLICATIONS</b>			<b>FUNDING</b>	
			<b>AVAILABLE FUNDING</b>	<b>\$80,300</b>
<b>APPLICANT</b>	<b>PROGRAM</b>	<b>REQUEST</b>	<b>RECOMMENDATION</b>	
1. City of Lathrop (PW)	Removal of Architectural Barriers at East Lathrop Parks	\$335,000	\$80,300	
<b>B. PUBLIC SERVICE APPLICATIONS</b>			<b>FUNDING</b>	
			<b>AVAILABLE FUNDING</b>	<b>\$14,170</b>
<b>APPLICANT</b>	<b>PROGRAM</b>	<b>REQUEST</b>	<b>RECOMMENDATION</b>	
1. City of Lathrop (PRD)	Senior Special Events	\$20,250	\$5,000	
<i>Multi-City Agencies</i>				
2. GECAC	After School Program	\$6,000	\$5,420	
3. San Joaquin Fair Housing <sup>1</sup>	HUD Mandated Services	\$1,250	\$1,250	
4. Emergency Food Bank of Stockton/San Joaquin	Mobile Farmers Market	\$ 6,250	\$1,250	
5. SJC Dept. of Aging	Meals on Wheels	\$1,502	\$1,250	
<i>TOTAL FUNDING REQUEST</i>		\$35,252	14,170	
<b>C. HOME FUNDS</b>			<b>FUNDING</b>	
			<b>AVAILABLE FUNDING</b>	<b>\$33,893.00</b>
		<b>PROGRAM</b>	<b>BALANCE</b>	<b>RECOMMENDATION</b>
		GAP PROGRAM – DOWNPAYMENT ASSISTANCE	\$10,000	\$10,000
		HOUSING REHABILITATION LOAN PROGRAM	\$147,655	\$23,893

**NOTES:**

- A) Public Facility Grant funding is the total CDBG allocation less 15% for Public Services. CDBG Allocation for FY 2024/2025 have been based on FY 2023/2024 final allocation numbers of \$94,470.
- B) Awards for Public Service Applications submitted directly to the City must be a minimum of \$5,000, unless prior approval is received by San Joaquin County. Multi-County agencies who have applied through the County may be awarded less than the \$5,000 minimum and recommendations are up to the discretion of the City Council.
- C) HOME funds have been awarded toward the Housing Rehabilitation Program since 2018. There is a total of \$147,655 remaining in Lathrop's program. Awards are issued on a first-come, first-serve basis for all applications received throughout San Joaquin County.

GAP Program – Downpayment Assistance is rarely used in the County due to the high price of homes and households not able to meet the income qualification to purchase a home.

<sup>1</sup> HUD mandated program, which requires each jurisdiction to provide their proportionate share of the anticipated expenditures by San Joaquin Fair Housing for the fiscal year.

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**ITEM: PUBLIC HEARING (PUBLISHED NOTICE) TO AMEND AND RESTATE THE CITY OF LATHROP'S PARTICIPATION IN THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM**

**RECOMMENDATION: Council to Consider the Following:**

- 1. Hold a Public Hearing; and**
- 2. Adopt a Resolution Amending and Restating the City of Lathrop's Participation in the Statewide Community Infrastructure Program; Authorizing the California Statewide Communities Development Authority to Accept Applications From Property Owners, Conduct Special Assessment Proceedings and Levy Assessments and Special Taxes and to Form Assessment Districts and Community Facilities Districts Within the Territory of the City of Lathrop; Embodying a Joint Community Facilities Agreement Setting Forth the Terms and Conditions of Community Facilities District Financings; Approving Form of Acquisition Agreement for Use When Applicable; and Authorizing Related Actions**

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**SUMMARY:**

The California Statewide Communities Development Authority (CSCDA) is a joint powers authority sponsored by the League of California Cities and the California State Association of Counties. Currently, 530 cities, counties and special districts throughout California are members of CSCDA, including the City of Lathrop.

In 2002, CSCDA instituted a Statewide Community Infrastructure Program (SCIP) to allow owners of property in participating cities and counties to finance development impact fees that are payable by property owners upon receiving development entitlements or building permits through pooled special assessment district programs.

The City of Lathrop joined SCIP in 2012, and participated in the SCIP 2018B bond series for the 17100 Murphy Park project, funding approximately \$1.7 million of development impact fees through a SCIP assessment district.

Since the City joined, SCIP has expanded the program to include financing of public capital improvements directly in addition to just fees, and has further expanded to include community facilities districts (CFDs). In order for the City's developers to take advantage of the expanded financing the City Council will need to amend and restate the City's current participation resolution (Resolution No. 12-3313).

**BACKGROUND:**

The California Statewide Communities Development Authority (CSCDA) is a joint powers authority sponsored by the League of California Cities and the California State Association of Counties. Currently, 530 cities, counties and special districts throughout California are members of CSCDA, including the City of Lathrop.

In 2002, CSCDA instituted a Statewide Community Infrastructure Program (SCIP) to allow owners of property in participating cities and counties to finance the development impact fees that would be payable by property owners upon receiving development entitlements or building permits through pooled special assessment district programs. Since its inception, SCIP has issued over \$1 billion in land secured special assessment and CFD bonds for development projects in California.

The City of Lathrop joined SCIP in 2012, and participated in the SCIP 2018B bond series for the 17100 Murphy Park project, funding approximately \$1.7 million of development impact fees through a SCIP assessment district.

Since the City joined, SCIP has expanded the program to include financing of public capital improvements directly in addition to just fees, and has now further expanded to include CFDs. By adding CFDs, developers can finance a broader range of City fees, such as police, fire, library, general city fees and housing in-lieu fees. It also allows the developer more flexibility in adjusting tax rates by specific product type, assist in forming separate improvement areas when projects need to be phased, and provides for more facilities to be financed similar in type to the fees.

With a City approved applications, Property owners may select public capital improvements, facilities and/or development impact fees owed to the City to be financed by the issuance of tax-exempt CSCDA bonds. CSCDA will form the district and impose an assessment or special tax, as applicable, on the owner's property to repay the portion of the bonds issued to finance the fees paid with respect to the property (no one developer within the SCIP pool is responsible for the payment related to any other project).

With respect to impact fees, the property owner will either pay the impact fees at the time of permit issuance, and will be reimbursed from the SCIP bond proceeds when the SCIP bonds are issued, or the fees will be funded directly from the proceeds of the SCIP bonds. In both cases, the fees are subject to requisition by the City at any time to make authorized fee expenditures, and the City is never at risk for payment of its fees. If improvements or facilities are contemplated, the proposed Amended and Restated SCIP Resolution includes a form of acquisition agreement, which outlines how a developer will be reimbursed for improvements as they are certified complete by the City.

The benefits to the property owner include:

- Only property owners who choose to participate in the program will have assessments or special taxes imposed on their property.
- Instead of paying cash for public capital improvements and/or development impact fees, the property owner receives low-cost, long-term tax-exempt financing of those fees, freeing up capital for other purposes.
- The property owner can choose to pay off the assessments or special taxes at any time.
- For home buyers, paying for the costs of public infrastructure through an assessment or special tax is superior to having those costs "rolled" into the cost of the home. Although the tax bill is higher, the amount of the mortgage is smaller, making it easier to qualify. Moreover, because the assessment/special tax financing is at tax-exempt rates, it typically comes at lower cost than mortgage rates.
- Owners of smaller projects, both residential and commercial, can have access to tax-exempt financing of infrastructure. Before the inception of SCIP, only projects large enough to justify the formation of an assessment or community facilities district had access to tax-exempt financing. SCIP can finance projects as low as \$500,000, which would not be economical on a stand-alone basis.

The benefits to the City include:

- As in conventional assessment district and CFD financing, the City is not liable to repay the bonds issued by CSCDA or the assessments or special taxes, as applicable, imposed on the participating properties.
- CSCDA handles all district formation, district administration, bond issuance and bond administration functions. A participating city, county or special district can provide tax-exempt financing to property owners through SCIP while committing virtually no staff time to administer the program.
- Providing tax-exempt financing helps participating cities and counties cushion the impact of rising public capital improvements costs and development impact fees on new development. Many developers rely on assessment district or CFD financing through SCIP in making the decision to purchase land thereby improving a City's competitive advantage in attracting new development.
- The availability of financing will encourage developers to pull permits and pay fees in larger blocks, giving the participating city, county or special district immediate access to revenues for public infrastructure, rather than receiving a trickle of revenues stretched out over time. As part of the entitlement negotiation process, the possibility of tax-exempt financing of fees can be used to encourage a developer to pay fees up front.

- In some cases, the assessments or special taxes on successful projects can be refinanced through refunding bonds. Savings achieved through a refinancing may be directed to lower property taxes subject to applicable federal tax limitations.

The proposed Amended and Restated Resolution authorizes CSCDA to accept applications from owners of property within the City’s planning jurisdiction to apply for tax-exempt financing of public capital improvements and development impact fees through SCIP. It also authorizes CSCDA to form assessment districts and community facilities districts within the City’s boundaries, conduct assessment and special tax proceedings and levy assessments and special taxes against the property of participating owners. The authorization of CSCDA to form assessment districts within the City’s boundaries, conduct assessment proceedings, and levy assessments against the property of participating owners previously approved by this City Council will remain in effect.

This action will approve the form of an acquisition agreement, attached to the Amended and Restated Resolution as Exhibit B, to be entered into between the City and the participating property owner/developer, if applicable, to provide the terms and conditions under which financing for public capital improvements will be provided and to establish the procedure for disbursement of bond proceeds to pay for completed facilities. It also authorizes miscellaneous related actions and makes certain findings and determinations required by law.

**REASON FOR RECOMMENDATION:**

Amending and restating the City’s current SCIP Resolution allows for the financing of fees and facilities through the formation of CFDs in addition to the current assessment district program. Developers can finance a broader range of City fees, such as police, fire, library, general city fees and housing in-lieu fees. In addition, developers will have more flexibility in adjusting tax rates by specific product type, assist in forming separate improvement areas when projects need to be phased, and provide for more facilities to be financed similar in type to the fees.

**FISCAL IMPACT:**

The only fiscal impact will be the staff time to administer the reimbursements to developers.

**ATTACHMENTS:**

- A. Resolution

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
SCIP PROGRAM PARTICIPATION**

**APPROVALS:**



Cari James  
Director of Finance

1/17/2024

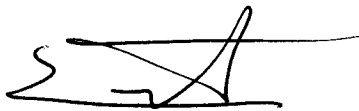
Date



Thomas Hedegard  
Deputy City Manager

1/17/2024

Date



Salvador Navarrete  
City Attorney

1-18-2024

Date



Stephen J. Salvatore  
City Manager

1/23/24

Date

**RESOLUTION NO. 24-**

**AMENDED AND RESTATED RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP AUTHORIZING THE CITY TO JOIN THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM; AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT SPECIAL ASSESSMENT PROCEEDINGS AND LEVY ASSESSMENTS AND SPECIAL TAXES AND TO FORM ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES DISTRICTS WITHIN THE TERRITORY OF THE CITY OF LATHROP; EMBODYING A JOINT COMMUNITY FACILITIES AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF COMMUNITY FACILITIES DISTRICT FINANCINGS; APPROVING FORM OF ACQUISITION AGREEMENT FOR USE WHEN APPLICABLE; AND AUTHORIZING RELATED ACTIONS**

**WHEREAS**, the California Statewide Communities Development Authority (the "Authority") is a joint exercise of powers authority, lawfully formed and operating within the State pursuant to an agreement (the "Joint Powers Agreement") entered into as of June 1, 1988 under the authority of Title 1, Division 7, Chapter 5 (commencing with Section 6500) of the California Government Code (the "JPA Law"), the members of which include numerous cities, counties and local agencies in the State of California, including the City of Lathrop (the "City"); and

**WHEREAS**, the Joint Powers Agreement authorizes the Authority to undertake financing programs under any applicable provisions of State law to promote economic development, the stimulation of economic activity, and the increase of the tax base within the jurisdictional boundaries of its members (such members, the "Program Participants"); and

**WHEREAS**, as one of the Programs under the Joint Powers Agreement, the Authority has established the Statewide Community Infrastructure Program ("SCIP") to allow the financing of certain public capital improvements to be constructed by or on behalf of property owners for acquisition by the City or another public agency (the "Improvements") and improvements eligible for funding from certain development impact fees (the "Fees") levied in accordance with the Mitigation Fee Act (California Government Code Sections 66000 and following) and other authority providing for the levy of fees on new development to pay for public capital improvements (collectively, the "Fee Act") through the levy of special assessments pursuant to the Municipal Improvement Act of 1913 (Streets and Highways Code Sections 10000 and following) (the "1913 Act") and the issuance of improvement bonds (the "Local Obligations") under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the "1915 Act") upon the security of the unpaid special assessments; and

**WHEREAS**, the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 (beginning with Section 53311) of the Government Code of the State (the "Mello-Roos Act") is an applicable provision of State law available to, among other things, finance public improvements necessary



to meet increased demands placed upon local agencies as a result of development; and

**WHEREAS**, the Authority also uses SCIP to allow the financing of Fees and Improvements through the levy of special taxes and the issuance of Local Obligations under the Mello-Roos Act upon the security of the special taxes; and

**WHEREAS**, the City desires to allow the owners of property being developed within its jurisdiction ("Participating Developers") to participate in SCIP and to allow the Authority to conduct proceedings and to form community facilities districts ("CFDs") and to issue Local Obligations under the Mello-Roos Act, as well as to conduct assessment proceedings to form assessment districts ("Assessment Districts") under the 1913 Act and to issue Local Obligations under the 1915 Act, to finance Fees levied on such properties and Improvements, provided that such Participating Developers voluntarily agree to participate and consent to the levy of such assessments or special taxes, as applicable; and

**WHEREAS**, from time to time when eligible property owners within the jurisdiction of the City elect to be Participating Developers, the Authority will conduct proceedings under the 1913 Act and the Mello-Roos Act and issue Local Obligations under the 1915 Act and the Mello-Roos Act to finance Fees payable by such property owners and Improvements and, at the conclusion of such proceedings, will levy assessments or special taxes, as applicable on such property within the territory of the City; and

**WHEREAS**, both the Authority and the City are "local agencies" under the Mello-Roos Act; and

**WHEREAS**, the Mello-Roos Act permits two or more local agencies to enter into a joint community facilities agreement to exercise any power authorized by the Mello-Roos Act; and

**WHEREAS**, the City desires to enter into such an agreement with the Authority to authorize the Authority to form CFDs from time to time within the territorial limits of the City to finance Fees payable by such property owners and Improvements; and

**WHEREAS**, the City has previously presented Resolution No. 12-3313 of the City Council of the City of Lathrop, authorizing the City to join the Statewide Community Infrastructure Program; authorizing the California Statewide Communities Development Authority to accept applications from property owners, conduct special assessment proceedings and levy assessments within the territory of the City of Lathrop; approving a form of acquisition agreement; and authorizing related actions (the "Original Resolution"), and such Original Resolution was adopted on January 9, 2012; and

**WHEREAS**, the City now wishes to amend and restate the Original Resolution; and

**WHEREAS**, there has been presented to this meeting a proposed form of Resolution of Intention to be adopted by the Authority in connection with assessment proceedings (the "ROI"), a copy of which is attached hereto as Exhibit A, and the territory within which assessments may be levied for SCIP (provided that each Participating Developer consents to such assessment) shall be coterminous with the City's official boundaries of record at the time of adoption of such ROI (the "Proposed Boundaries"), and reference is hereby made to such boundaries for the plat or map required to be included in this Amended and Restated Resolution pursuant to Section 10104 of the Streets and Highways Code; and

**WHEREAS**, there has also been presented to this meeting a proposed form of Acquisition Agreement (the "Acquisition Agreement"), a copy of which is attached hereto as Exhibit B, to be approved as to form for use with respect to any Improvements to be constructed and installed by a Participating Developer and for which the Participating Developer requests acquisition financing as part of its SCIP application; and

**WHEREAS**, the City will not be responsible for the conduct of any proceedings; the levy or collection of assessments or special taxes or any required remedial action in the case of delinquencies in such assessment or special tax payments; or the issuance, sale or administration of the Local Obligations or any other bonds issued in connection with SCIP; and

**WHEREAS**, pursuant to SCIP, the Authority periodically issues Local Obligations on behalf of the local agency participants in SCIP to provide financing for the Fees and Improvements and then concurrently issues its revenue bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985, consisting of Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the California Government Code (the "Marks-Roos Act"), the proceeds of which are used to purchase the Local Obligations; and

**WHEREAS**, pursuant to Government Code Section 6586.5, notice was published at least five days prior to the adoption of this Amended and Restated Resolution at a public hearing, which was duly conducted by this City Council concerning the significant public benefits of SCIP and the financing of the Improvements and the public capital improvements to be paid for with the proceeds of the Fees;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Lathrop as follows:

Section 1. This Amended and Restated Resolution shall constitute full "local approval," under Section 9 of the Joint Powers Agreement, and under the Authority's Local Goals and Policies (defined below), for the Authority to undertake and conduct proceedings in accordance herewith and under the Mello Roos Act to form CFDs with boundaries that shall be coterminous with the City's official boundaries of record at the time of such proceedings or any portion thereof (the "Proposed Boundaries"), and to authorize a special tax and to issue bonds with respect thereto; provided that the Participating Developers, who shall be the legal

owners of such property at the time of formation of the CFD, execute a written consent to the levy of special tax in connection with SCIP by the Authority and execute a ballot in favor of the formation of such CFD and the Mello-Roos Act.

Section 2. The City hereby consents to the conduct of special assessment proceedings by the Authority in connection with SCIP pursuant to the 1913 Act and the issuance of Local Obligations under the 1915 Act on any property within the Proposed Boundaries; provided, that:

(1) Such proceedings are conducted pursuant to one or more Resolutions of Intention in substantially the form of the ROI; and

(2) The Participating Developers, who shall be the legal owners of such property at the time of the formation of the Assessment District, execute a written consent to the levy of assessments in connection with SCIP by the Authority and execute an assessment ballot in favor of such assessment in compliance with the requirements of Section 4 of Article XIIID of the State Constitution.

Section 3. The Joint Powers Agreement, together with the terms and provisions of this Amended and Restated Resolution, shall together constitute a separate joint community facilities agreement between the City and the Authority under the Mello-Roos Act for each CFD formed. As, without this Amended and Restated Resolution, the Authority has no power to finance City Fees and/or City Improvements (as such terms are defined herein) in proceedings under the Mello-Roos Act to form the CFD, adoption by the Commission of the Authority of each Resolution of Intention to form a CFD under the Mello-Roos Act to finance City Fees and/or City Improvements shall constitute acceptance of the terms hereof by the Authority with respect to such CFD.

Section 4. This Amended and Restated Resolution and the agreement it embodies are determined to be beneficial to the residents/customers of the City and are in the best interests of the residents of the City, and of the future residents of the area within the proposed CFDs and Assessment Districts. The City hereby finds and declares that the issuance of revenue bonds by the Authority to purchase Local Obligations in connection with SCIP will provide significant public benefits, including without limitation, savings in effective interest rate, bond preparation, bond underwriting and bond issuance costs, and the more efficient delivery of local agency services to residential and commercial development within the City.

Section 5. The Authority has adopted Local Goals and Policies as required by Section 53312.7 of the Mello-Roos Act. The City approves the use of those Local Goals and Policies in connection with the formation of CFDs. The City hereby agrees that the Authority may act in lieu of the City under those Local Goals and Policies in forming and administering the CFDs.

Section 6. The Authority has prepared and will update from time to time the "SCIP Manual of Procedures" (the "Manual"), and the City will handle Fee revenues and funds for Improvements for properties participating in SCIP in accordance with the procedures set forth in the Manual.

Section 7. Pursuant to the Mello-Roos Act and this Amended and Restated Resolution, the Authority may conduct proceedings under the Mello-Roos Act to form the CFDs and to have such CFDs authorize the financing of any or all of the facilities and Fees set forth on Exhibit C, attached hereto. All of the facilities, whether to be financed directly or through Fees, shall be facilities that have an expected useful life of five years or longer and are facilities that the City or other local public agencies, as the case may be, are authorized by law to construct, own or operate, or to which they may contribute revenue. Exhibit C may be modified from time to time by written agreement between an authorized representative of the Authority and of the City. The facilities are referred to herein as the "Improvements," and the Improvements to be owned by the City are referred to as the "City Improvements." The Fees paid or to be paid to the City are referred to as the "City Fees."

Section 8. For Fees paid or to be paid to another agency by any particular CFD (an "Other Local Agency"), the Authority will obtain the written consent of that Other Local Agency before issuing Local Obligations to fund such Fees, as required by the Mello-Roos Act. For the Improvements to be owned by an Other Local Agency, the Authority will separately identify them in its proceedings, and will enter into a joint community facilities agreement with such Other Local Agency prior to issuing Local Obligations to finance such Improvements, as required by the Mello-Roos Act. Each joint community facilities agreement with each Other Local Agency will contain a provision that the Other Local Agency will provide indemnification to the City to the same extent that the City provides indemnification to the Other Local Agency under the terms of this Amended and Restated Resolution.

Section 9. At the time of formation of each CFD, the City will certify to the Commission of the Authority that all of the City Improvements including the improvements to be constructed or acquired with the proceeds of City Fees to be funded by such CFD are necessary to meet increased demands placed upon the City as a result of development occurring or expected to occur within the proposed CFDs in the form attached hereto as Exhibit D. Any appropriate officer or staff of the City is authorized to execute and deliver such certificate in substantially the form attached hereto as Exhibit D, with such changes as such signatory shall approve. Joint community facilities agreements with other local agencies will each contain a requirement that each Other Local Agency will make identical certification in connection with respect to the Improvements to be owned by, and Fees paid or to be paid to, such Other Local Agency equivalent to that made by the City in this paragraph.

Section 10. The Authority will apply the special tax collections initially as required by the documents under which any Local Obligations are issued; and thereafter, to the extent not provided in the Local Obligations documents, may pay its own reasonable administrative costs incurred in the administration of the CFDs. The Authority will remit any special tax revenues from any particular CFD remaining after the final retirement of all related Local Obligations to the City and to the other local agencies in the proportions specified in the Authority's proceedings. The City will apply any such special tax revenues it receives for authorized City

Improvements or City Fees and its own administrative costs only as permitted by the Mello-Roos Act. The joint community facilities agreements with each Other Local Agency must require the Other Local Agency to apply the special tax revenues they receive for their authorized Improvements and Fees under the CFDs and for their own related administrative costs only as permitted by the Mello-Roos Act.

Section 11. The Authority will administer the CFDs, including employing and paying all consultants, annually levying the special tax and all aspects of paying and administering the Local Obligations, and complying with all State and Federal requirements appertaining to the proceedings, including the requirements of the United States Internal Revenue Code. The City will cooperate fully with the Authority in respect of the requirements of the Internal Revenue Code and to the extent information is required of the City to enable the Authority to perform its disclosure and continuing disclosure obligations with respect to the Local Obligations and any revenue bonds, although the City will not participate in nor be considered to be a participant in the proceedings respecting the CFDs (other than as a party to the agreement embodied by this Amended and Restated Resolution) nor will the City be or be considered to be an issuer of the Local Obligations nor any revenue bonds. The Authority is required to obtain a provision equivalent to this paragraph in all joint community facilities agreements with each Other Local Agency.

Section 12. In the event the Authority completes issuance and sale of Local Obligations, and Local Obligation proceeds become available to finance the Improvements, the Authority shall establish and maintain a special fund for each development project (the "Acquisition and Construction Fund"). The portion of Local Obligation proceeds which is intended to be utilized to finance the Improvements and Fees shall be deposited in the Acquisition and Construction Fund. The Acquisition and Construction Fund will be available both for City Improvements and City Fees and for the Improvements and Fees pertaining to each Other Local Agency. Subaccounts shall be created as necessary.

Section 13. As respects the Authority and each Other Local Agency, the City agrees to fully administer, and to take full governmental responsibility for, the construction or acquisition of the City Improvements and for the administration and expenditure of the City Fees including but not limited to environmental review, approval of plans and specifications, bid requirements, performance and payment bond requirements, insurance requirements, contract and construction administration, staking, inspection, acquisition of necessary property interests in real or personal property, the holding back and administration of retention payments, punch list administration, and the Authority and each Other Local Agency shall have no responsibility in that regard. The City reserves the right, as respects each Participating Developer, to require the Participating Developer to contract with the City to assume any portion or all of this responsibility. The Authority is required to obtain provisions equivalent to this paragraph in the joint community facilities agreement with each Other Local Agency.

Section 14. The City agrees to indemnify and to hold the Authority, its other members, and its other members' officers, agents and employees, and each Other Local Agency and their officers, agents and employees (collectively, the "Indemnified Parties") harmless from any and all claims, suits and damages (including costs and reasonable attorneys' fees) arising out of the design, engineering, construction and installation of the City Improvements and the improvements to be financed or acquired with the City Fees. The City reserves the right, as respects each Participating Developer, to require the Participating Developer to assume by contract with the City any portion or all of this responsibility. The Authority is required to obtain a provision equivalent to this paragraph in all joint community facilities agreements with each Other Local Agency naming the City and its officers, agents and employees as Indemnified Parties with respect to each Other Local Agency's respective Improvements and the improvements to be constructed or acquired with each Other Local Agency's Fees.

Section 15. As respects the Authority and each Other Local Agency, the City agrees - once the City Improvements are constructed according to the approved plans and specifications, and the City and the Participating Developer have put in place their agreed arrangements for the funding of maintenance of the City Improvements - to accept ownership of the City Improvements, to take maintenance responsibility for the City Improvements, and to indemnify and hold harmless the Indemnified Parties to the extent provided in the preceding paragraph from any and all claims, etc., arising out of the use and maintenance of the City Improvements. The City reserves the right, as respects the Participating Developer, to require the Participating Developer by contract with the City to assume any portion or all of this responsibility. The Authority is required to obtain a provision equivalent to this paragraph in all joint community facilities agreements with each Other Local Agency naming the City and its officers, agents and employees as Indemnified Parties.

Section 16. The City acknowledges the requirement of the Mello-Roos Act that if the City Improvements are not completed prior to the adoption by the Commission of the Authority of the Resolution of Formation of the CFD for each respective development project, the City Improvements must be constructed as if they had been constructed under the direction and supervision, or under the authority of, the City. The City acknowledges that this means all City Improvements must be constructed under contracts that require the payment of prevailing wages as required by Section 1720 and following of the Labor Code of the State of California. The Authority makes no representation that this requirement is the only applicable legal requirement in this regard. The City reserves the right, as respects the Participating Developer, to assign appropriate responsibility for compliance with this paragraph to the Participating Developer.

Section 17. The form of the Acquisition Agreement attached hereto as Exhibit B is hereby approved, and the City Manager or such officer's designee (each, an "Authorized Officer") is authorized to execute, and deliver to the Participating Developer, the Acquisition Agreement on behalf of the City in substantially that form, with such changes as shall be approved by the Authorized

Officer after consultation with the City Attorney and the Authority's bond counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 18. After completion of the City Improvements and appropriate arrangements for the maintenance of the City Improvements, or any discrete portion thereof as provided in Section 53313.51 of the Mello-Roos Act and in the Acquisition Agreement, to the satisfaction of the City, and in conjunction with the City's acceptance thereof, acquisition of the City Improvements shall be undertaken as provided in the Acquisition Agreement.

Section 19. The City hereby consents to the formation of the CFDs in accordance with this Amended and Restated Resolution and consents to the assumption of jurisdiction by the Authority for the proceedings respecting the CFDs with the understanding that the Authority will hereafter take each and every step required for or suitable for consummation of the proceedings, the levy, collection and enforcement of the special tax, and the issuance, sale, delivery and administration of the Local Obligations, all at no cost to the City and without binding or obligating the City's general fund or taxing authority.

Section 20. The terms of the Agreement embodied by this Amended and Restated Resolution may be amended by a writing duly authorized, executed and delivered by the City and the Authority, except that no amendment may be made after the issuance of the Local Obligations by the Authority that would be detrimental to the interests of the bondholders without complying with all of the bondholder consent provisions for the amendment of the bond resolutions, bond indentures or like instruments governing the issuance, delivery and administration of all outstanding Local Obligations.

Section 21. Except to the extent of the indemnifications extended to each Other Local Agency in the Agreement embodied by this Amended and Restated Resolution, and the City's agreement to take responsibility for and ownership of the City Improvements, no person or entity, including the Participating Developer, shall be deemed to be a third party beneficiary of this Amended and Restated Resolution, and nothing in this Amended and Restated Resolution (either express or implied) is intended to confer upon any person or entity other than the Authority and the City (and their respective successors and assigns) any rights, remedies, obligations or liabilities under or by reason of this Amended and Restated Resolution.

Section 22. The City shall be identified as a third-party beneficiary of all joint community facilities agreements between the Authority and each Other Local Agency to the extent of the indemnification provisions and the provisions whereby each Other Local Agency agrees to take responsibility for and ownership of their Improvements.

Section 23. The appropriate officials and staff of the City are hereby authorized and directed to make SCIP applications available to all property owners who are subject to Fees for new development within the City and/or who are conditioned to install Improvements and to inform such owners of their option to participate in SCIP; provided, that the Authority shall be responsible for providing

such applications and related materials at its own expense. The staff persons listed on the attached Exhibit E, together with any other staff persons chosen by the Authorized Officer, from time to time, are hereby designated as the contact persons for the Authority in connection with SCIP.

Section 24. The appropriate officials and staff of the City are hereby authorized and directed to execute and deliver such closing certificates, requisitions, agreements and related documents, including but not limited to such documents as may be required by bond counsel in connection with the participation in SCIP of any districts, authorities or other third-party entities entitled to own Improvements and/or to levy and collect fees on new development to pay for public capital improvements within the jurisdiction of the City, as are reasonably required by the Authority in accordance with the Manual to implement SCIP and to evidence compliance with the requirements of federal and state law in connection with the issuance by the Authority of the Local Obligations and any other bonds for SCIP. To that end, and pursuant to Treasury Regulations Section 1.150-2, the staff persons listed on Exhibit E, or other staff person acting in the same capacity for the City with respect to SCIP, are hereby authorized and designated to declare the official intent of the City with respect to the public capital improvements to be paid or reimbursed through participation in SCIP.

Section 25. This Amended and Restated Resolution shall take effect immediately upon its adoption. The City Clerk of the City of Lathrop is hereby authorized and directed to transmit a certified copy of this Amended and Restated Resolution to the Secretary of the Authority. This Amended and Restated Resolution shall remain in force with respect to any Assessment District and CFD formed until all Local Obligations have been retired and the authority to levy the special tax conferred by any CFD proceedings and to levy the assessment conferred by any assessment proceedings has ended or is otherwise terminated. The Original Resolution shall remain in force with respect to any SCIP application approved by the City and any Assessment District formed pursuant to its authority until all Local Obligations have been retired and the authority to levy the assessment conferred by any assessment proceedings carried out pursuant to the Original Resolution has ended or is otherwise terminated.



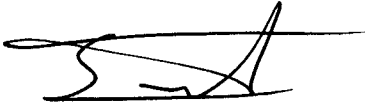
The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2024, by the following vote of the City Council, to wit:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:



\_\_\_\_\_  
Teresa Vargas, City Clerk

\_\_\_\_\_  
Salvador Navarrete, City Attorney

**EXHIBIT A TO THE RESOLUTION**

FORM OF RESOLUTION OF INTENTION  
TO BE ADOPTED BY CSCDA

RESOLUTION NO. \_\_ SCIP-

**RESOLUTION OF INTENTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO FINANCE CAPITAL IMPROVEMENTS AND/OR THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR PUBLIC CAPITAL IMPROVEMENTS IN THE PROPOSED STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT NO. \_\_ (*NAME OF PROJECT*) [CITY OF \_\_\_\_\_], [COUNTY OF \_\_\_\_\_], APPROVING A PROPOSED BOUNDARY MAP, MAKING CERTAIN DECLARATIONS, FINDINGS AND DETERMINATIONS CONCERNING RELATED MATTERS, AND AUTHORIZING RELATED ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, under the authority of the Municipal Improvement Act of 1913 (the “1913 Act”), being Division 12 (commencing with Sections 10000 and following) of the California Streets and Highways Code (the “Code”), the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) intends to finance, through its Statewide Community Infrastructure Program, the payment of certain development impact fees for public improvements (the “Improvement Fees”) and/or to finance certain public capital improvements to be constructed by or on behalf of the property owner(s) and to be acquired by the [City/County] of [\_\_\_\_\_] or another local agency (the “Improvements”) as described in Exhibit A attached hereto and by this reference incorporated herein, all of which are of benefit to the property within the proposed Statewide Community Infrastructure Program Assessment District No. \_\_ (*name of project*) [City of \_\_\_\_\_], [County of \_\_\_\_\_] (the “Assessment District”);

**WHEREAS**, the Commission finds that the land specially benefited by the Improvements and/or the Improvement Fees is shown within the boundaries of the map entitled “Proposed Boundaries of California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. \_\_ (*name of project*) [City of \_\_\_\_\_], [County of \_\_\_\_\_], State of California,” a copy of which map is on file with the Secretary and presented to this Commission meeting, and determines that the land within the exterior boundaries shown on the map shall be designated “Statewide Community Infrastructure Program Assessment District No. \_\_ (*name of project*) [City of \_\_\_\_\_], [County of \_\_\_\_\_], State of California”;

**WHEREAS**, the [City/County] of [\_\_\_\_\_] is a member of the Authority and has approved the adoption on its behalf of this Resolution of Intention and has consented to the levy of the assessments in the Assessment District;

**NOW, THEREFORE, BE IT RESOLVED** that the Commission of the California Statewide Communities Development Authority hereby finds, determines and resolves as follows:

Section 1. The above recitals are true and correct.

Section 2. Pursuant to Section 2961 of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (the “1931 Act”), being Division 4 (commencing with Section 2800) of the

Code, the Commission hereby declares its intent to comply with the requirements of the 1931 Act by complying with Part 7.5 thereof.

Section 3. The Commission has designated a registered, professional engineer as Engineer of Work for this project, and hereby directs said firm to prepare the report containing the matters required by Sections 2961(b) and 10204 of the Code, as supplemented by Section 4 of Article XIIIID of the California Constitution.

Section 4. The proposed boundary map of the Assessment District is hereby approved and adopted. Pursuant to Section 3111 of the Code, the Secretary of the Authority is directed to file a copy of the map in the office of the County Recorder of the [County of \_\_\_\_\_] within fifteen (15) days of the adoption of this resolution.

Section 5. The Commission determines that the cost of financing the Improvements and/or the payment of the Improvement Fees shall be specially assessed against the lots, pieces or parcels of land within the Assessment District benefiting from the financing of the Improvements and/or the payment of the Improvement Fees. The Commission intends to levy a special assessment upon such lots, pieces or parcels in accordance with the special benefit to be received by each such lot, piece or parcel of land, respectively, from the financing of the Improvements and/or the payment of the Improvement Fees.

Section 6. The Commission intends, pursuant to subparagraph (f) of Section 10204 of the Code, to provide for an annual assessment upon each of the parcels of land in the proposed Assessment District to pay various costs and expenses incurred from time to time by the Authority and not otherwise reimbursed to the Authority which result from the administration and collection of assessment installments or from the administration or registration of the improvement bonds and the various funds and accounts pertaining thereto.

Section 7. Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12%) per annum, will be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10 of the Code), and the last installment of the bonds shall mature not to exceed twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

Section 8. The procedure for the collection of assessments and advance retirement of bonds under the Improvement Bond Act of 1915 shall be as provided in Part 11.1 thereof.

Section 9. Neither the Authority nor any member agency thereof will obligate itself to advance available funds from its or their own funds or otherwise to cure any deficiency which may occur in the bond redemption fund. A determination not to obligate itself shall not prevent the Authority or any such member agency from, in its sole discretion, so advancing funds.

Section 10. The amount of any surplus remaining in the improvement fund after acquisition of the Improvements and/or payment of Improvement Fees and all other claims shall be distributed in accordance with the provisions of Section 10427.1 of the Code.

Section 11. To the extent any Improvement Fees are paid to the Authority in cash with respect to property within the proposed Assessment District prior to the date of issuance of the bonds, the amounts so paid shall be reimbursed from the proceeds of the bonds to the property owner or developer that made the payment.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this \_\_\_ day of \_\_\_\_\_, 20\_\_.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on \_\_\_\_\_, 20\_\_.

By \_\_\_\_\_  
Authorized Signatory  
California Statewide Communities  
Development Authority

EXHIBIT A TO THE RESOLUTION OF INTENTION

DESCRIPTION OF WORK

The payment of development impact fees levied within the Assessment District and/or public capital improvements to be acquired and owned by the [City/County] of [ ] or another local agency upon or for the benefit of parcels within the Assessment District, for the project known as [Project Name], which are authorized to be financed pursuant to the Municipal Improvement Act of 1913 and as to which the owners of the applicable parcels within the Assessment District have applied for participation in SCIP, as more particularly described below.

PAYMENT OF IMPACT FEES

CAPITAL IMPROVEMENTS\*

*\*Capital improvements includes funding for incidental costs associated with the capital improvements, including but not limited to, contingency, design, engineering, and construction management*

*[End of Form of Resolution of Intention]*

**EXHIBIT B TO THE RESOLUTION**

FORM OF ACQUISITION AGREEMENT

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CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY  
STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM

**ACQUISITION AGREEMENT**

BY AND BETWEEN

CITY OF LATHROP

AND

[DEVELOPER]

Dated as of \_\_\_\_\_, 20\_\_

## ACQUISITION AGREEMENT

### Recitals

A. The parties to this Acquisition Agreement (the “Agreement”) are the CITY OF LATHROP (the “Local Agency”) and [DEVELOPER], a [indicate type of legal entity] (the “Developer”).

B. The effective date of this Agreement is \_\_\_\_\_, 20\_\_.

C. The Developer has applied for the financing of, among other things, certain public capital improvements to be owned by the Local Agency (collectively, the “Acquisition Improvements”), through the California Statewide Communities Development Authority (the “Authority”) and its Statewide Community Infrastructure Program (“SCIP”). [*For CFDS:*][The Acquisition Improvements are to be owned and operated by the Local Agency, and the financing is to be accomplished through a community facilities district which will be administered by the Authority under and pursuant to the Mello-Roos Community Facilities Act of 1982 – California Government Code Sections 53311 and following (the “Act”). On [\_\_\_\_], 20[ ], the Local Agency entered into a Joint Community Facilities Agreement authorizing the Authority to form a community facilities district (the “District”) within the territorial limits of the Local Agency to finance, among other things, the Acquisition Improvements. On [\_\_\_\_], 20[ ], the Authority formed the District and, on the same date, a landowner election was conducted in which all of the votes were cast unanimously in favor of conferring the District authority on the Authority Commission.] [*For Assessment Districts:*][The Acquisition Improvements are to be owned and operated by the Local Agency, and the financing is to be accomplished through an assessment district (the “District”) which will be administered by the Authority under and pursuant to Municipal Improvement Act of 1913 (Streets and Highways Code Sections 10000 and following) (the “1913 Act”) and the issuance of improvement bonds (the “Local Obligations”) under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the “1915 Act” and, together with the “1913 Act” the “Act”).]

D. The administration, payment and reimbursement of the capital facilities fees is agreed to be governed by the provisions of the SCIP Manual of Procedures as it may be amended from time to time. The administration, payment and reimbursement of the Acquisition Improvements shall be as provided herein.

E. Under SCIP, the Authority intends to levy [assessments] [special taxes] and issue bonds, in one or more series, to fund, among other things, all or a portion of the costs of the Acquisition Improvements. The portion of the proceeds of the [special taxes and] bonds allocable to the cost of the Acquisition Improvements, together with interest earned thereon, is referred to herein as the “Available Amount”.

F. The Authority will provide financing for the acquisition by the Local Agency of the Acquisition Improvements and the payment of the Acquisition Price (as defined herein) of the Acquisition Improvements from the Available Amount. Attached hereto as Exhibit A is a description of the Acquisition Improvements, which includes authorized discrete and usable portions, if any, of the public capital improvements, [pursuant to Section 53313.51 of the Act,] to

be acquired from the Developer.

G. The parties anticipate that, upon completion of the Acquisition Improvements and subject to the terms and conditions of this Agreement, the Local Agency will acquire such completed Acquisition Improvements with the Available Amount.

H. Any and all monetary obligations of the Local Agency arising out of this Agreement are the special and limited obligations of the Local Agency payable only from the Available Amount, and no other funds whatsoever of the Local Agency shall be obligated therefor.

I. Attached to this Agreement are Exhibit A (*Acquisition Improvements and the Eligible Portions thereof*) and Exhibit B (*Form of Requisition*), which are incorporated into this Agreement for all purposes.

In consideration of Recitals A through I, inclusive, and the mutual covenants, undertakings and obligations set forth below, the Local Agency and the Developer agree as stated below.

Agreement

ARTICLE I

DEFINITIONS; DISTRICT FORMATION AND  
FINANCING PLAN

Section 1.01. Definitions. As used herein, the following capitalized terms shall have the meanings ascribed to them below:

“Acceptable Title” means free and clear of all monetary liens, encumbrances, assessments, whether any such item is recorded or unrecorded, and taxes, except those items which are reasonably determined by the Local Agency Engineer not to interfere with the intended use and therefore are not required to be cleared from the title.

“Acquisition and Construction Fund” means the “City of Lathrop Acquisition and Construction Fund” established by the Authority pursuant to Section 1.03 hereof for the purpose of paying the Acquisition Price of the Acquisition Improvements and which fund may be held as a subaccount within a fund established under the Authority Trust Agreement and may be commingled with acquisition and construction fund monies available for other public capital improvements.

“Acquisition Improvement” shall have the meaning assigned to such term in the recitals and are further described in Exhibit A.

“Acquisition Price” means the total amount eligible to be paid to the Developer upon acquisition of an Acquisition Improvement as provided in Section 2.03 not to exceed the Actual Cost of the Acquisition Improvement.

“Act” has the meaning ascribed thereto in Recital C.



“Actual Cost” means the total cost of an Acquisition Improvement, as documented by the Developer to the satisfaction of the Local Agency and as certified by the Local Agency Engineer in an Actual Cost Certificate including, without limitation, (a) the Developer’s cost of constructing such Acquisition Improvement including grading, labor, material and equipment costs, (b) the Developer’s cost of designing and engineering the Acquisition Improvement, preparing the plans and specifications and bid documents for such Acquisition Improvement, and the costs of inspection, materials testing and construction staking for such Acquisition Improvement, (c) the Developer’s cost of any performance, payment and maintenance bonds and insurance, including title insurance, required hereby for such Acquisition Improvement, (d) the Developer’s cost of any real property or interest therein that is either necessary for the construction of such Acquisition Improvement (e.g., temporary construction easements, haul roads, etc.), or is required to be conveyed with such Acquisition Improvement in order to convey Acceptable Title thereto to the Local Agency or its designee, (e) the Developer’s cost of environmental evaluation or mitigation required for such Acquisition Improvement, (f) the amount of any fees actually paid by the Developer to governmental agencies in order to obtain permits, licenses or other necessary governmental approvals and reviews for such Acquisition Improvement, (g) the Developer’s cost for construction and project management, administration and supervision services for such Acquisition Improvement, (h) the Developer’s cost for professional services related to such Acquisition Improvement, including engineering, accounting, legal, financial, appraisal and similar professional services, and (i) the costs of construction financing incurred by the Developer with respect to such Acquisition Improvement.

“Actual Cost Certificate” means a certificate prepared by the Developer detailing the Actual Cost of an Acquisition Improvement, or an Eligible Portion thereof, to be acquired hereunder, as may be revised by the Local Agency Engineer pursuant to Section 2.03.

“Agreement” means this Acquisition Agreement, dated as of [\_\_\_\_\_], 20[\_\_\_].

“Authority” means the California Statewide Communities Development Authority.

“Authority Trust Agreement” means a Trust Agreement entered into by the Authority and an Authority Trustee in connection with the issuance of bonds.

“Authority Trustee” means the financial institution identified as trustee in an Authority Trust Agreement.

“Available Amount” shall have the meaning assigned to the term in Recital E.

“Bonds” means bonds or other indebtedness issued by the Authority as tax-exempt or taxable bonds or other indebtedness, in one or more series, that is to be repaid by the District.

“Code” means the Streets and Highways Code or the Government Code of the State of California, as applicable.

“Developer” means [*Developer*], its successors and assigns.

“Disbursement Request Form” means a requisition for payment of funds from the Acquisition and Construction Fund for an Acquisition Improvement, or an Eligible Portion thereof

in substantially the form contained in Exhibit B hereto.

“District” shall have the meaning assigned to the term in Recital C.

“Eligible Portion” shall have the meaning ascribed to it in Section 2.03 below.

“Installment Payment” means an amount equal to ninety percent (90%) of the Actual Cost of an Eligible Portion.

“Local Agency” means the City of Lathrop.

“Local Agency Engineer” means the Engineer of the Local Agency or his/her designee who will be responsible for administering the acquisition of the Acquisition Improvements hereunder.

“Project” means the Developer’s development of the property in the District, including the design and construction of the Acquisition Improvements and the other public and private improvements to be constructed by the Developer within the District.

[“Special Taxes” means annual special taxes, and prepayments thereof, authorized by the District to be levied by the Commission of the Authority.]

“Title Documents” means, for each Acquisition Improvement acquired hereunder, a grant deed or similar instrument necessary to transfer title to any real property or interests therein (including easements), or an irrevocable offer of dedication of such real property with interests therein necessary to the operation, maintenance, rehabilitation and improvement by the Local Agency of the Acquisition Improvement (including, if necessary, easements for ingress and egress) and a bill of sale or similar instrument evidencing transfer of title to the Acquisition Improvement (other than said real property interests) to the Local Agency, where applicable.

Section 1.02. Participation in SCIP. [*For CFDs:*][The Local Agency has entered into a Joint Community Facilities Agreement with the Authority for the purpose of accepting applications from time to time of developers within the Local Agency’s jurisdictional boundaries.] Developer has applied for financing through SCIP of the Acquisition Improvements, and such application has been approved by the Local Agency. Developer and Local Agency agree that until and unless such financing is completed by the Authority and the Available Amount is deposited in the Acquisition Account (as defined in Section 1.03 below), neither the Developer nor the Local Agency shall have any obligations under this agreement. Developer agrees to cooperate with the Local Agency and the Authority in the completion of SCIP financing for the Acquisition Improvements.

Section 1.03. Deposit and Use of Available Amount.

(a) Upon completion of the SCIP financing, the Available Amount will be deposited by the Authority in the Acquisition Account.

(b) The Authority will cause the SCIP Trustee to establish and maintain an account (the “Acquisition Account”) for the purpose of holding all funds for the Acquisition

Improvements. All earnings on amounts in the Acquisition and Construction Fund shall remain in the Acquisition and Construction Fund for use as provided herein and pursuant to the Authority Trust Agreement. Money in the Acquisition and Construction Fund shall be available to respond to delivery of a Disbursement Request Form and to be paid to the Developer or its designee to pay the Acquisition Price of the Acquisition Improvements, as specified in Article II hereof. Upon completion of all of the Acquisition Improvements and the payment of all costs thereof, any remaining funds in the Acquisition and Construction Fund (less any amount determined by the Local Agency as necessary to reserve for claims against the account) (i) shall be applied to pay the costs of any additional Acquisition Improvements eligible for acquisition with respect to the Project as approved by the Authority and, to the extent not so used, (ii) shall be applied by the Authority [to call Bonds or to reduce Special Taxes as the Authority shall determine][as provided in Section 10427.1 of the Code to pay a portion of the assessments levied on the Project property in the District].

Section 1.04. No Local Agency Liability; Local Agency Discretion; No Effect on Other Agreements. In no event shall any actual or alleged act by the Local Agency or any actual or alleged omission or failure to act by the Local Agency with respect to SCIP subject the Local Agency to monetary liability therefor. Further, nothing in this Agreement shall be construed as affecting the Developer's or the Local Agency's duty to perform their respective obligations under any other agreements, public improvement standards, land use regulations or subdivision requirements related to the Project, which obligations are and shall remain independent of the Developer's and the Local Agency's rights and obligations under this Agreement.

## ARTICLE II

### DESIGN, CONSTRUCTION AND ACQUISITION OF ACQUISITION IMPROVEMENTS

Section 2.01. Letting and Administering Design Contracts. The parties presently anticipate that the Developer has awarded and administered or will award and administer engineering design contracts for the Acquisition Improvements to be acquired from Developer. All eligible expenditures of the Developer for design engineering and related costs in connection with the Acquisition Improvements (whether as an advance to the Local Agency or directly to the design consultant) shall be reimbursed at the time of acquisition of such Acquisition Improvements. The Developer shall be entitled to reimbursement for any design costs of the Acquisition Improvements only out of the Acquisition Price as provided in Section 2.03 and shall not be entitled to any payment for design costs independent of or prior to the acquisition of Acquisition Improvements.

Section 2.02. Letting and Administration of Construction Contracts; Indemnification. State law requires that all Acquisition Improvements not completed prior to the formation of the District shall be constructed as if they were constructed under the direction and supervision, or under the authority, of the Local Agency. In order to assure compliance with those provisions, except for any contracts entered into prior to the date hereof, Developer agrees to comply with the requirements set forth in Exhibit C hereto with respect to the bidding and contracting for the construction of the Acquisition Improvements. The Developer agrees that all the contracts shall call for payment of prevailing wages as required by the Labor Code of the State of California. The Developer's indemnification obligation set forth in Section 3.01 of this

Agreement shall also apply to any alleged failure to comply with the requirements of this Section, and/or applicable State laws regarding public contracting and prevailing wages.

Section 2.03. Sale of Acquisition Improvements. The Developer agrees to sell to the Local Agency each Acquisition Improvement to be constructed by Developer (including any rights-of-way or other easements necessary for the Acquisition Improvements, to the extent not already publicly owned), when the Acquisition Improvement is has been constructed and is complete to the satisfaction of the Local Agency for an amount not to exceed the lesser of (i) the Available Amount or (ii) the Actual Cost of the Acquisition Improvement. Exhibit A, attached hereto and incorporated herein, contains a list of the Acquisition Improvements. Portions of an Acquisition Improvement eligible for Installment Payments prior to completion of the entire Acquisition Improvement are described as eligible, discrete and usable portions in Exhibit A (each, an “Eligible Portion”). At the time of completion of each Acquisition Improvement, or Eligible Portion thereof, the Developer shall deliver to the Local Agency Engineer a written request for acquisition, accompanied by an Actual Cost Certificate, and by executed Title Documents for the transfer of the Acquisition Improvement where necessary. In the event that the Local Agency Engineer finds that the supporting paperwork submitted by the Developer fails to demonstrate the required relationship between the subject Actual Cost and eligible work, the Local Agency Engineer shall advise the Developer that the determination of the Actual Cost (or the ineligible portion thereof) has been disallowed and shall request further documentation from the Developer. If the further documentation is still not adequate, the Local Agency Engineer may revise the Actual Cost Certificate to delete any disallowed items and the determination shall be final and conclusive.

Certain soft costs for the Acquisition Improvements, such as civil engineering, may have been incurred pursuant to single contracts that include work relating also to the private portions of the Project. In those instances, the total costs under such contracts will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer. Where a specific contract has been awarded for design or engineering work relating solely to an Acquisition Improvement, one hundred percent (100%) of the costs under the contract will be allocated to that Acquisition Improvement. Amounts allocated to an Acquisition Improvement will be further allocated among the Eligible Portions of that Acquisition Improvement, if any, in the same proportion as the amount to be reimbursed for hard costs for each Eligible Portion bears to the amount to be reimbursed for hard costs for the entire Acquisition Improvement. Costs will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer. The costs of certain environmental mitigation required to mitigate impacts of the public and private portions of the Project will be allocated to each Acquisition Improvement as approved by the Local Agency Engineer.

In the event that the Actual Cost is in excess of the Available Amount, the Local Agency shall withdraw the Available Amount from the Acquisition Account and transfer said amount to the Developer. In the event that the Actual Cost is less than the Available Amount, the Local Agency shall withdraw an amount from the Acquisition Account equal to the Actual Cost, and shall transfer said amount to the Developer. Any amounts then remaining in the Acquisition Account shall be applied as provided in Section 1.03.

In no event shall the Local Agency be required to pay the Developer more than the amount on deposit in the Acquisition Account at the time such payment is requested.

Section 2.04. Conditions Precedent to Payment of Acquisition Price. Payment to the Developer or its designee of the Acquisition Price for an Acquisition Improvement from the Acquisition and Construction Fund shall in every case be conditioned first upon the determination of the Local Agency Engineer, pursuant to Section 2.03, that the Acquisition Improvement satisfies all Local Agency regulations and ordinances and is otherwise complete and ready for acceptance by the Local Agency, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

(a) The Developer shall have provided the Local Agency with lien releases or other similar documentation satisfactory to the Local Agency Engineer as evidence that none of the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Acquisition Improvement, to the extent not already publicly owned) comprising the Acquisition Improvement, and the property which is subject to the [assessments/Special Taxes] of the District, is not subject to any prospective mechanics lien claim respecting the Acquisition Improvements.

(b) All due and payable property taxes, and installments of [assessments/Special Taxes] shall be current on property owned by the Developer or under option to the Developer that is subject to the lien of the District.

(c) The Developer shall certify that it is not in default with respect to any loan secured by any interest in the Project.

(d) The Developer shall have provided the Local Agency with Title Documents needed to provide the Local Agency with title to the site, right-of-way, or easement upon which the subject Acquisition Improvements are situated. All such Title Documents shall be in a form acceptable to the Local Agency (or applicable governmental agency) and shall convey Acceptable Title. The Developer shall provide a policy of title insurance as of the date of transfer in a form acceptable to the Local Agency Engineer insuring the Local Agency as to the interests acquired in connection with the acquisition of any interest for which such a policy of title insurance is not required by another agreement between the Local Agency and the Developer. Each title insurance policy required hereunder shall be in the amount equal to or greater than the Acquisition Price.

Section 2.05. SCIP Requisition. Upon a determination by the Local Agency Engineer to pay the Acquisition Price of the Acquisition Improvements pursuant to Section 2.04, the Local Agency Engineer shall cause a SCIP Requisition to be submitted to the Program Administrator. The Program Administrator will review the SCIP Requisition and forward it with instructions to the SCIP Trustee and the SCIP Trustee shall make payment directly to the Developer of such amount pursuant to the SCIP Trust Agreement. The Local Agency and the Developer acknowledge and agree that the SCIP Trustee shall make payment strictly in accordance with the SCIP Requisition and shall not be required to determine whether or not the Acquisition Improvements have been completed or what the Actual Costs may be with respect to such Acquisition Improvements. The SCIP Trustee shall be entitled to rely on the SCIP Requisition on its face without any further duty of investigation.

## ARTICLE III

### MISCELLANEOUS

Section 3.01. Indemnification and Hold Harmless. The Developer hereby assumes the defense of, and indemnifies and saves harmless the Local Agency, the Authority, and each of its respective officers, directors, employees and agents, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from or alleged to have resulted from the acts or omissions of the Developer or its agents and employees in the performance of this Agreement, or arising out of any contract for the design, engineering and construction of the Acquisition Improvements or arising out of any alleged misstatements of fact or alleged omission of a material fact made by the Developer, its officers, directors, employees or agents to the Authority's underwriter, financial advisor, appraiser, district engineer or bond counsel or regarding the Developer, its proposed developments, its property ownership and its contractual arrangements contained in the official statement relating to the SCIP financing (provided that the Developer shall have been furnished a copy of such official statement and shall not have objected thereto); and provided, further, that nothing in this Section 3.01 shall limit in any manner the Local Agency's rights against any of the Developer's architects, engineers, contractors or other consultants. Except as set forth in this Section 3.01, no provision of this Agreement shall in any way limit the extent of the responsibility of the Developer for payment of damages resulting from the operations of the Developer, its agents and employees. Nothing in this Section 3.01 shall be understood or construed to mean that the Developer agrees to indemnify the Local Agency, the Authority or any of its respective officers, directors, employees or agents, for any negligent or wrongful acts or omissions to act of the Local Agency, Authority, its officers, employees, agents or any consultants or contractors.

Section 3.02. Audit. The Local Agency shall have the right, during normal business hours and upon the giving of ten days' written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer (for which the Developer seeks reimbursement) in constructing the Acquisition Improvements.

Section 3.03. Cooperation. The Local Agency and the Developer agree to cooperate with respect to the completion of the SCIP financing for the Acquisition Improvements. The Local Agency and the Developer agree to meet in good faith to resolve any differences on future matters which are not specifically covered by this Agreement.

Section 3.04. General Standard of Reasonableness. Any provision of this Agreement which requires the consent, approval or acceptance of either party hereto or any of their respective employees, officers or agents shall be deemed to require that such consent, approval or acceptance not be unreasonably withheld or delayed, unless such provision expressly incorporates a different standard. The foregoing provision shall not apply to provisions in the Agreement which provide for decisions to be in the sole discretion of the party making the decision.

Section 3.05. Third Party Beneficiaries. The Authority and its officers, employees, agents or any consultants or contractors are expressly deemed third party beneficiaries of this Agreement with respect to the provisions of Section 3.01. It is expressly agreed that, except for the Authority with respect to the provisions of Section 3.01, there are no third party

beneficiaries of this Agreement, including without limitation any owners of bonds, any of the Local Agency's or the Developer's contractors for the Acquisition Improvements and any of the Local Agency's, the Authority's or the Developer's agents and employees.

Section 3.06. Conflict with Other Agreements. Nothing contained herein shall be construed as releasing the Developer or the Local Agency from any condition of development or requirement imposed by any other agreement between the Local Agency and the Developer, and, in the event of a conflicting provision, such other agreement shall prevail unless such conflicting provision is specifically waived or modified in writing by the Local Agency and the Developer.

Section 3.07. Notices. All invoices for payment, reports, other communication and notices relating to this Agreement shall be delivered (via mail or electronic mail) to:

If to the Local Agency:

City of Lathrop  
[Address to come]  
[Email to come]

If to the Developer:

[Developer]  
[Address to come]  
[Email to come]

Either party may change its address by giving notice in writing to the other party.

Section 3.08. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 3.09. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

Section 3.10. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement.

Section 3.11. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

Section 3.12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 3.13. Successors and Assigns. This Agreement is binding upon the heirs, assigns and successors-in-interest of the parties hereto. The Developer may not assign its rights or obligations hereunder, except to successors-in-interest to the property within the District, without the prior written consent of the Local Agency.

Section 3.14. Remedies in General. It is acknowledged by the parties that the Local Agency would not have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement or the application thereof, other than for the payment to the Developer of any (i) moneys owing to the Developer hereunder, or (ii) moneys paid by the Developer pursuant to the provisions hereof which are misappropriated or improperly obtained, withheld or applied by the Local Agency.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that the Local Agency shall not be liable in damages to the Developer, or to any assignee or transferee of the Developer other than for the payments to the Developer specified in the preceding paragraph. Subject to the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement.

*[The remainder of this page intentionally left blank]*



IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written above.

CITY OF LATHROP

\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

[DEVELOPER],  
a [here indicate type of legal entity]

By:

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Print Name*

Exhibit A to the Acquisition Agreement

DESCRIPTION OF ACQUISITION IMPROVEMENTS AND BUDGETED AMOUNTS

*[To be completed based on Final Engineer's Report/developer's budget and cash flows]*

*Funding includes amounts for incidental costs associated with the capital improvements, including, but not limited to, contingency, design, engineering, and construction management.*

<u>ACQUISITION IMPROVEMENTS</u>	<u>TOTAL AMOUNT*</u>
<input type="checkbox"/> .....	\$ <input type="checkbox"/>
<input type="checkbox"/> .....	\$ <input type="checkbox"/>

\* Estimated. Acquisition Price will be determined based on Actual Cost as further described in this Acquisition Agreement.

Exhibit B to the Acquisition Agreement

FORM OF SCIP REQUISITION

To: BLX Group LLC  
SCIP Program Administrator  
355 South Grand Avenue, Suite 2700  
Los Angeles, California 90071  
Attention: Vo Nguyen  
Fax: 213-612-2499

Re: Statewide Community Infrastructure Program

The undersigned, a duly authorized officer of the CITY OF LATHROP hereby requests a withdrawal from the [DEVELOPER] ACQUISITION ACCOUNT, as follows:

Request Date: [Insert Date of Request]  
Name of Developer: [Developer]  
Withdrawal Amount: [Insert Acquisition Price]  
Acquisition Improvements: [Insert Description of Acquisition Improvement(s) from Ex. A]  
Payment Instructions: [Insert Wire Instructions or Payment Address for Developer]

The undersigned hereby certifies as follows:

1. The Withdrawal is being made in accordance with a permitted use of such monies pursuant to the Acquisition Agreement, and the Withdrawal is not being made for the purpose of reinvestment.
2. None of the items for which payment is requested have been reimbursed previously from other sources of funds.
3. If the Withdrawal Amount is greater than the funds held in the Acquisition Account, the SCIP Program Administrator is authorized to amend the amount requested to be equal to the amount of such funds.

CITY OF LATHROP

By: \_\_\_\_\_

Title: \_\_\_\_\_

## **EXHIBIT C TO THE RESOLUTION**

### **ELIGIBLE FACILITIES AND FEES**

Eligible facilities and fees that may be financed by a CFD formed by CSCDA through SCIP include all improvements and fees authorized under the Mello-Roos Act, including but not limited to the following:

#### **Transportation Improvements**

Eligible roadway improvements include, but are not limited to: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters, bus and transit improvements including transfer stations and regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed herein also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements.

#### **Water System Improvements**

Authorized facilities include any and all water facilities designed to meet the needs of development within the CFD. These facilities include, but may not be limited to: water storage, treatment and distribution facilities including waterlines and appurtenances, gate valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading and paving; curbs and gutters; booster pump stations & power; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

#### **Recycled Water System Improvements**

Authorized facilities include any and all recycled water system facilities designed to meet the needs of development within the CFD. These facilities include, but may not be limited to: treatment and distribution facilities including pipelines and appurtenances, gate valves, flow meters, booster pump pressurization system, and other improvements related thereto - such as site clearing, grading and paving; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

#### **Drainage System Improvements**

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development within the CFD. These facilities include, but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls and water quality measures, detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates, and fencing; and striping and signage and

other improvements related thereto.

### **Wastewater System Improvements**

Authorized facilities include any and all wastewater facilities designed to meet the needs of development within the CFD. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main lines; force mains; lift stations; upgrades to existing lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

### **Park, Parkway and Open Space Improvements**

Authorized facilities include any and all improvements to parks, parkways and open space required for development within the CFD. These facilities include, but may not be limited to: grading, turf, shrubs and trees, landscaping irrigation, site lighting, drainage, sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges, storm drain crossings, wetland mitigation, hawk mitigation for authorized facilities herein, access gates and fencing and related open space improvements. Authorized facilities include acquisition of any and all parkland as well as open space/bike trail/public access easements required for development within the CFD.

### **Electrical System Improvements**

Authorized facilities include any and all electrical supply and distribution facilities designed to meet the needs of development within the CFD. These facilities include, but may not be limited to: design, distribution lines, vaults, conduit, trenching, transformers and installation of cabling.

### **School and Educational Facilities**

Authorized facilities include classroom renovation, updates to school safety and security systems, technology improvements, energy efficiency improvements, school modernization and retrofitting, and new classroom and school construction as required for development within the CFD.

### **Development Impact Fees**

Authorized facilities include the direct funding of any of the above referenced facility types for which the Local Agency collects a development impact fee.

### **Other Incidental Expenses and Bond Issuance Costs**

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; and any other expenses

incidental to the formation and implementation of the CFD and to the construction, completion, inspection and acquisition of the authorized facilities.

**EXHIBIT D TO THE RESOLUTION**

FORM OF INCREASED DEMANDS CERTIFICATE

To: California Statewide Communities Development Authority

Re: Statewide Community Infrastructure Program – Community Facilities District for  
[Project]

The undersigned, a duly authorized officer of the CITY OF LATHROP (the “Local Agency”) hereby certifies that the public capital improvements and development impact fees identified below are necessary to meet increased demands placed upon the Local Agency as a result of development within the proposed community facilities district for the [Project]:

[List improvements/fees here]

CITY OF LATHROP

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT E TO THE RESOLUTION**

**CITY OF LATHROP CONTACTS FOR SCIP PROGRAM**

**Primary Contact**

Name: Cari James  
Title: Finance Director  
Mailing Address: 390 Towne Centre Dr., Lathrop, CA 95330  
Delivery Address (if different):  
E-mail: cjames@ci.lathrop.ca.us  
Telephone: (209)941-7327  
Fax: (209)941-7339

**Secondary Contact**

Name: Thomas Hedegard  
Title: Deputy City Manager  
Mailing Address: 390 Towne Centre Dr., Lathrop, CA 95330  
Delivery Address (if different):  
E-mail: thedegard@ci.lathrop.ca.us  
Telephone: (209) 941-7329  
Fax: (209) 941-7339

*[Add additional contacts as needed]*



## ITEM 5.4

### **CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ITEM:** **APPROVE OUT OF STATE TRAVEL TO ATTEND THE 2024 SAN JOAQUIN AREA FLOOD CONTROL AGENCY (SJAFCA) WASHINGTON, D.C. ADVOCACY TRIP**

**RECOMMENDATION:** **Adopt Resolution Authorizing Out of State Travel for the City Manager and the Council Members Representing the City of Lathrop on the SJAFCA Board of Directors, to Attend the 2024 Advocacy Trip to Washington, D.C., April 9-11, 2024**

---

#### **SUMMARY:**

The City of Lathrop's Board Members to the San Joaquin Area Flood Control Agency (SJAFCA) for the 2024 calendar year are Councilmember Paul Akinjo (Delegate), Councilmember Diane Lazard (Delegate), and Jennifer Torres-O'Callaghan (Alternate). Each year, representatives of the SJAFCA Board of Directors travel to Washington, D.C., to meet with federal representatives and policymakers in Congress to discuss SJAFCA's priority projects. Lathrop has participated in these advocacy trips since 2018, when Lathrop became a voting member of SJAFCA.

During the SJAFCA Board Meeting on January 18, 2024 staff was directed to begin preparations for the upcoming advocacy trip to Washington D.C. and coordinate travel with the member agencies. Availability for this trip was discussed with both Councilmember Akinjo and Councilmember Lazard, and both are available to attend.

Tonight, staff is requesting authorization for out of state travel for Councilmember Akinjo, Councilmember Lazard and City Manager Stephen Salvatore, to represent the City of Lathrop in the 2024 SJAFCA advocacy trip to Washington, D.C., from April 9, 2024 to April 11, 2024.

#### **BACKGROUND:**

The cities of Lathrop and Manteca requested that SJAFCA expand the existing Joint Exercise of Powers Agreement (JEPA) in a manner to provide coordinated regional flood protection to include the RD 17 basin. At the time, the SJAFCA JEPA only included three agencies: City of Stockton, San Joaquin County Flood Control and Water Conservation District, and San Joaquin County.

The local San Joaquin County land use agencies entered into a Memorandum of Understanding with Reclamation District (RD) 17 on May 16, 2016, to reach conceptual agreement for broad collaboration among the land use agencies and RD 17 regarding the planning and design work and implementation of 200-year flood protection project in the RD 17 basin.

**CITY MANAGER’S REPORT** **Page 2**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**APPROVAL FOR THE 2024 SJAFCA ADVOCACY TRIP TO WASHINGTON, D.C.**

Pursuant to the MOU, representatives from San Joaquin County, and the cities of Stockton, Lathrop, and Manteca have been meeting with San Joaquin Area Flood Control Agency (SJAFCA) and RD 17 staff to evaluate and explore options for the governance, adoption, and implementation of the this project. On January 29, 2018, the City Council approved Resolution 18-4339, approving an amendment and restated JEPA with SJAFCA, to include the cities of Lathrop and Manteca as voting members.

Each year, representatives of the SJAFCA Board of Directors travel to Washington, D.C., to meet with federal representatives and policymakers in Congress to discuss SJAFCA’s priority projects. During the SJAFCA Board Meeting on January 18, 2024 staff was directed to begin preparations for the upcoming advocacy trip to Washington D.C. and coordinate travel with the member agencies. Availability for this trip was discussed with both Councilmember Akinjo and Councilmember Lazard and both are available to attend.

Tonight, staff is requesting authorization for out of state travel for Councilmember Akinjo, Councilmember Lazard and City Manager Stephen Salvatore, to represent the City of Lathrop in the 2024 SJAFCA advocacy trip to Washington, D.C., from April 9, 2024 to April 11, 2024.

**REASON FOR RECOMMENDATION:**

This travel will help promote regional projects and the City of Lathrop’s future development, specifically as it relates to the Mossdale Tract.

**FISCAL IMPACT:**

Depending on tonight’s decision by Council, a budget amendment from the General Fund Reserves to the City Council Training and Travel Account (Fund 1010-11-10-435-20-00) will be required to fund Council participants to attend this years’ 2024 SJAFCA Advocacy Event. The budget amendment amount may vary depending on the option selected by Council. There are sufficient funds included in the FY 23-24 training and travel budget for the City Manager for this travel; a budget amendment is not needed for this trip.

<b>Options Include</b>		<b>Cost</b>	<b>Budget Amendment</b>
1.	Send 2 Council Members & City Manager	Approx. \$13,800	Approx. \$9,200
2.	Send 1 Council Member & City Manager	Approx. \$9,200	Approx. \$4,600
3.	Send 1 Council Member	Approx. \$4,600	Approx. \$4,600
4.	Send City Manager	Approx. \$4,600	None
5.	Do not send representatives in 2024	None	None

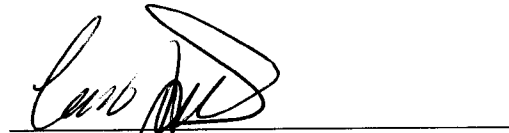
**ATTACHMENTS:**

- A. Resolution Authorizing Out-of-State Travel
- B. San Joaquin Area Flood Control Agency Washington D.C. Itinerary

**APPROVALS:**

  
\_\_\_\_\_  
Teresa Vargas  
Government Services Director &  
City Clerk

2/6/24  
Date

  
\_\_\_\_\_  
Cari James  
Finance Director


2/7/2024  
Date

  
\_\_\_\_\_  
Thomas Hedegard  
Deputy City Manager

2/7/2024  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

2-7-2024  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

2/8/24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP AUTHORIZING OUT OF STATE TRAVEL FOR THE CITY MANAGER AND THE COUNCIL MEMBERS REPRESENTING THE CITY OF LATHROP ON THE SJAFCA BOARD OF DIRECTORS, TO ATTEND THE 2024 ADVOCACY TRIP TO WASHINGTON, D.C., APRIL 9-11, 2024**

**WHEREAS**, on January 29, 2018, the City Council approved Resolution 18-4339, approving an amendment and restated Joint Exercise of Powers Agreement (JEPA) with San Joaquin Area Flood Control Agency (SJAFCA), to include the cities of Lathrop and Manteca as voting members of SJAFCA; and

**WHEREAS**, each year, representatives of the SJAFCA Board of Directors travel to Washington, D.C., to meet with federal representatives and policymakers in Congress to discuss SJAFCA’s priority projects; and

**WHEREAS**, Lathrop has participated in these advocacy trips since 2018, when Lathrop became a voting member of SJAFCA; and

**WHEREAS**, during the SJAFCA Board Meeting on January 18, 2024, staff was directed to begin preparations for the upcoming advocacy trip to Washington D.C. and coordinate travel with the member agencies; and

**WHEREAS**, the City of Lathrop’s Board Members to the San Joaquin Area Flood Control Agency (SJAFCA) for the 2024 calendar year are Councilmember Paul Akinjo (Delegate), Councilmember Diane Lazard (Delegate), and Jennifer Torres-O’Callaghan (Alternate); and

**WHEREAS**, staff is requesting authorization for out of state travel for Councilmember Akinjo, Councilmember Lazard and City Manager Stephen Salvatore, to represent the City of Lathrop in the 2024 SJAFCA advocacy trip to Washington, D.C., from April 9, 2024 to April 11, 2024; and

**WHEREAS**, this travel is recommended to promote regional projects and the City of Lathrop’s future development, specifically as it relates to the Mossdale Tract; and

**WHEREAS**, the following options were considered by Council:

<b>Options Include</b>		<b>Cost</b>	<b>Budget Amendment</b>
1.	Send 2 Council Members & City Manager	Approx. \$13,800	Approx. \$9,200
2.	Send 1 Council Member & City Manager	Approx. \$9,200	Approx. \$4,600
3.	Send 1 Council Member	Approx. \$4,600	Approx. \$4,600
4.	Send City Manager	Approx. \$4,600	None
5.	Do not send representatives in 2024	None	None

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop discussed the matter and hereby approves option #\_\_\_\_, to have City and Council participant(s) attend the 2024 One Voice legislative event in Washington, D.C.; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop approve the corresponding budget amendment based on the selected option, from the General Fund Reserves to the City Council training and travel account:

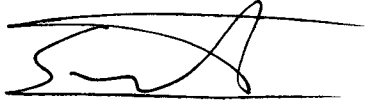
Option #	Budget Amendment	Fund Account
1	\$9,200	1010-11-10-435-20-00
2	\$4,600	
3	\$4,600	
4	N/A	
5	N/A	

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2024, by the following vote of the City Council, to wit:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

\_\_\_\_\_  
 Sonny Dhaliwal, Mayor

**ATTEST:**  
 \_\_\_\_\_  
 Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**  
  
 \_\_\_\_\_  
 Salvador Navarrete, City Attorney



**San Joaquin Area Flood Control Agency  
Washington D.C. Itinerary  
April 9-11, 2024**

**Tuesday, April 9**

1:00 pm Meeting with Angela Ebner and Sydney Dahiyat  
(Tentative time) Office of Sen. Alex Padilla  
331 Hart Senate Office Building  
(202) 224-3553

2:00 pm Meeting with Laura Powell  
(Tentative time) Senate E&W Appropriations Subcommittee  
138 Dirksen Senate Office Building

3:00 pm Meeting with Carissa Bunge  
(Tentative time) Office of Senator Laphonza Butler  
112 Hart Senate Office Building  
(202) 224-3841

4:00 pm Meeting with Nicole Comisky  
(Tentative time) Senate Environment and Public Works Committee  
508 Hart Senate Office Building  
202-897-9295

**Wednesday, April 10**

10:00 am Meeting with Rep. Josh Harder & Staff (Ata Khan & Taylor Reed)  
(Tentative time) Office of Rep. Josh Harder  
209 Cannon House Office Building  
202-225-4540

11:00 am Meeting with Ryan Hambleton and Ryan Seiger  
(Tentative time) House Transportation and Infrastructure Committee  
Subcommittee on Water Resources & Environment (Majority & Minority staff)  
585 Ford House Office Building

202-225-0060

12:00 pm to Lunch  
1:30pm

2:00 pm Meeting with Rep. John Duarte & Staff (William Ahlquist)  
(Tentative time) Office of Rep. John Duarte  
2265 Rayburn House Office Building  
(209) 327-3745

3:00 pm Meeting with Richie O'Connell and Jocelyn Hunn  
(Tentative time) House Energy and Water Appropriations Subcommittee (Majority & Minority)  
2362-B Rayburn House Office Building  
(202) 604-6782

**Thursday, April 11**

9:30 am Pre-Meeting Briefing Session  
Van Scoyoc Associates  
800 Maine Ave, SW

11:00 am Susan Lucas and HQUSACE Team  
South Pacific Division Regional Integration Team Leader  
U.S. Army Corps of Engineers  
441 G St. NW

12:00 pm to Lunch  
1:30pm

2:00 pm Robyn Colomiso and Stacy Brown  
(Tentative time) Office of the Assistant Secretary (Civil Works)  
Deputy Assistant Secretary of the Army (Project Planning & Review)  
Deputy Assistant Secretary of the Army (Management and Budget)  
U.S. Army Corps of Engineers  
441 G St. NW

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## ITEM 5.5

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:** OUT OF STATE TRAVEL APPROVAL FOR THE 2024 SAN JOAQUIN COUNTY ONE VOICE TRIP

**RECOMMENDATION:** Adopt Resolution Authorizing Out of State Travel for the 2024 San Joaquin One Voice Trip to Washington, D.C. from May 5-9, 2024, and Approval of Related Budget Amendment

---

#### BACKGROUND:

Over the past several years, City officials have participated in approximately eighteen (18) San Joaquin One Voice visits to Washington D.C., to promote jurisdictional projects and needs. This year, the conference will be from May 5, 2024 through May 9, 2024. In order to prevent a quorum from doing City business during the trip, attendees have traditionally been limited to two (2) members of the Council, one of whom may include the Mayor.

City policy requires Council approval for all out of state travel. Additionally, commencing with the FY 2012/13 budget process, Council voted to eliminate the One Voice Trip expense from the City Council's budget. The same was done for subsequent fiscal years. The travel funds were removed from the Council budget with the notion that if Council elected to have one or two Councilmembers attend this event, a budget amendment would be required depending on the selected option.

The City Manager's travel budget was kept unchanged; therefore, if Council elects to send the City Manager to attend this event, funds are available in the current budget. If Councilmembers are interested in attending, the following options are available for consideration.

Options Include		*Cost	Budget Amendment
1.	Send 2 Council Members & City Manager	Approx. \$16,200	Approx. \$10,800
2.	Send 1 Council Member & City Manager	Approx. \$10,800	Approx. \$5,400
3.	Send 1 Council Member	Approx. \$5,400	Approx. \$5,400
4.	Send City Manager	Approx. \$5,400	None
5.	Do not send representatives in 2024	None	None

This report identifies estimated costs to attend the One Voice visit this year. \*The proposed cost estimate is based on accruals from the 2023 trip.

**CITY MANAGER’S REPORT  
 FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
 2024 ONE VOICE TRIP OUT OF STATE TRAVEL**

**REASON FOR RECOMMENDATION:**

This trip helps promote regional projects that align with the San Joaquin Council of Governments’ themed concepts of Environmental Sustainability, Trade Corridors, Innovation, Technology Growth Management, and Social Equity and Mobility. Therefore, during the December 11, 2023, City Council Regular Meeting, the City Council approved the Louise Avenue and Interstate 5 Project, CIP PS 06-06, as the City of Lathrop submittal for the 2024 San Joaquin Council of Governments One Voice Project Nominations. The City will pursue approximately \$26.6 Million for design, right-of-away acquisition, and construction.

As a result of staff’s participation during these regional trips, the City has benefited with more than \$1,790,000 in federal appropriations from its efforts over the past eighteen (18) years.

**FISCAL IMPACT:**

Depending on tonight’s decision by Council, a budget amendment from the General Fund Reserves to the City Council Training and Travel Account (Fund 1010-11-10-435-20-00) will be required to fund Council participants to attend this years’ One Voice Legislative Event. The budget amendment amount may vary depending on the option selected by Council.

As a consistent practice, SJCOG will reimburse Board members for the following; 50% of airfare and hotel expenses, in addition to covering 100% of ride-share, mileage, or taxi services. Also, based upon SJCOG’s policy, per diems will be covered (\$10 for breakfast, \$15 for lunch, and \$30 for dinner). Certain expenses, such as flight upgrades, additional hotel nights beyond the specified group rate period (May 4 - 9 2024), and rental cars cannot be reimbursed by SJCOG.

<b>Options Include</b>		<b>Cost</b>	<b>Budget Amendment</b>
1.	Send 2 Council Members & City Manager	Approx. \$16,200	Approx. \$10,800
2.	Send 1 Council Member & City Manager	Approx. \$10,800	Approx. \$5,400
3.	Send 1 Council Member	Approx. \$5,400	Approx. \$5,400
4.	Send City Manager	Approx. \$5,400	None
5.	Do not send representatives in 2024	None	None

**ATTACHMENTS:**

- A. Resolution Authorizing Out-of-State Travel
- B. San Joaquin One Voice 2024 Registration Information
- C. SJCOG One Voice Itinerary

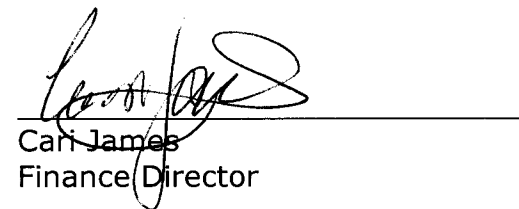
**CITY MANAGER'S REPORT  
FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
2024 ONE VOICE TRIP OUT OF STATE TRAVEL**

**APPROVALS:**



Teresa Vargas  
Government Services Director &  
City Clerk

2/6/24  
Date



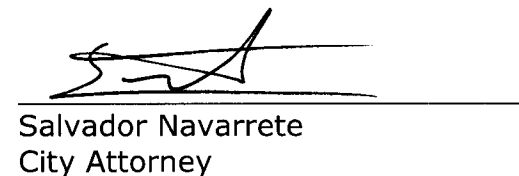
Carl James  
Finance Director

2/7/2024  
Date



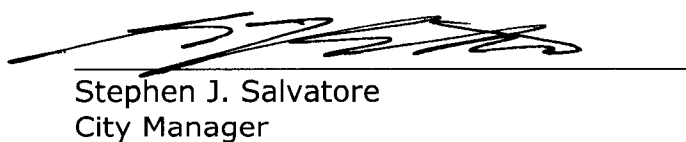
Thomas Hedegard  
Deputy City Manager

2/7/2024  
Date



Salvador Navarrete  
City Attorney

2-6-2024  
Date



Stephen J. Salvatore  
City Manager

2/7/24  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP AUTHORIZING OUT OF STATE TRAVEL FOR THE SAN JOAQUIN ONE VOICE TRIP TO WASHINGTON, D.C. FROM MAY 5, 2024 TO MAY 9, 2024, AND APPROVING RELATED BUDGET AMENDMENT**

**WHEREAS**, over the past several years, City officials have participated in approximately eighteen San Joaquin One Voice visits to Washington D.C., to promote jurisdictional projects and needs; and

**WHEREAS**, in previous years, the Mayor, a Council Member, and the City Manager have participated on the trip; and

**WHEREAS**, in order to prevent a quorum from doing City business during the trip, attendees have traditionally been limited up to two (2) members of the Council, one of whom may include the Mayor; and

**WHEREAS**, commencing with FY 2012/13 budget process, Council approved to eliminate the One Voice expense from the City Council’s budget. At that time, it estimated a savings of \$3,500 for that fiscal year; and

**WHEREAS**, the travel funds for subsequent fiscal years were also removed from the Council budget with the notion that if Council elected to have one or two City Council Members attend the One Voice legislative event, a budget amendment request would come back to Council for approval; and

**WHEREAS**, the City Manager’s travel budget was kept unchanged, therefore, if Council elects to send the City Manager to attend this years’ One Voice legislative event, funds are available; and

**WHEREAS**, the following options were considered by Council:

<b>Options Include</b>		<b>Cost</b>	<b>Budget Amendment</b>
1.	Send 2 Council Members & City Manager	Approx. \$16,200	Approx. \$10,800
2.	Send 1 Council Member & City Manager	Approx. \$10,800	Approx. \$5,400
3.	Send 1 Council Member	Approx. \$5,400	Approx. \$5,400
4.	Send City Manager	Approx. \$5,400	None
5.	Do not send representatives in 2024	None	None

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop discussed the matter and hereby approves option #\_\_\_\_ , to have City and Council participant(s) attend the 2024 One Voice legislative event in Washington, D.C.; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop approve the corresponding budget amendment based on the selected option, from the General Fund Reserves to the City Council training and travel account:

Option #	Budget Amendment	Fund Account
1	\$10,800	1010-11-10-435-20-00
2	\$5,400	
3	\$5,400	
4	N/A	
5	N/A	

The foregoing resolution was passed and adopted this \_\_\_\_ day of \_\_\_\_ 202\_\_\_\_, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

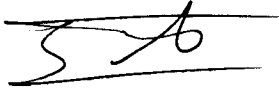
ABSTAIN:

\_\_\_\_\_  
 Sonny Dhaliwal, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
 Teresa Vargas, City Clerk

  
 \_\_\_\_\_  
 Salvador Navarrete, City Attorney

# 2024 San Joaquin One Voice®



The San Joaquin One Voice® trip to DC is scheduled for May 5-9, 2024, in Washington, DC\*. The firm of C.J. Lake, LLC is once again scheduling and facilitating our meetings with our Congressional representatives, various transportation officials, and others from USDOT, housing, education, air quality, and water agencies.

## Accommodations:

A block of rooms is being reserved at the Hyatt Regency Washington on Capitol Hill for May 04-9, 2024. SJCOG has negotiated a group rate of \$349 or \$364 (plus applicable taxes) for single and double occupancy. More details regarding accommodations will follow.

Link: [Click to book a room](#)

Group Name: San Joaquin Council of Governments

Group Code: G-SJQN

Check-in: 05-MAY-2024

Check-out: 09-MAY-2024

Hotel Name: Hyatt Regency Washington on Capitol Hill

Hotel Address: 400 New Jersey Ave NW Washington, DC, District of Columbia 20001

## Registration:

A \$200 registration fee is required for each participant attending the 2024 San Joaquin One Voice® trip. The fee is due by April 12, 2024, and includes the costs of your materials, breakfast each day, and the SJCOG sponsored evening reception.

The registration fee for SJCOG Board members (or their elected designee) is waived, however, we do ask that everyone complete the attached form. Spouses and guests may participate in breakfasts/receptions on a per-diem basis.

## Transportation:

Everyone is responsible for booking their own transportation to and from Washington, DC. SJCOG Board members (or their elected designee) shall be reimbursed 50% of their airfare and hotel costs.

## Cancellation Policy:

No refund of registration fees for all cancellations after April 19, 2024. Substitutions are accepted.

## Additional Information:

A pre-trip planning session will be scheduled in early April (date and time are pending). We will be discussing logistics for the trip and identifying lead speakers and discussing their roles.

*\*Please note that plans are subject to change due to any medical or other restrictions at the time of the trip that would affect the ability to meet in person with administration and legislative persons.*

*One Voice® is a registered trademark of the San Joaquin Council of Governments*



San Joaquin Council of Governments • 555 East Weber Avenue • Stockton, California 95202  
Phone: 209-235-0444 • Fax: 209-235-0438 • Email: [onevoice@sjcog.org](mailto:onevoice@sjcog.org)

SAN JOAQUIN ONE VOICE®  
2024 REGISTRATION FORM

Contact Information:

Name \_\_\_\_\_ Title: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_

State/Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

The cost is **\$200 per person** and includes all breakfasts and the Wednesday evening reception. Registration fees apply to each **participant** (spouses and/or guests must pay if they will be participating in any meals) and must be paid by April 14. The registration fee is waived for SJCOG Board members. Registration fees underwrite the direct costs of the trip.

Amount Enclosed \$ \_\_\_\_\_

Additional Contact Information:

*If you are filling out this registration form for someone and would like to be included in future communication for scheduling purposes, please include your contact information below:*

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

Please Note:

The purpose of the San Joaquin One Voice® trip is to seek federal support or funding for projects of regional significance within San Joaquin County. In order to accomplish this goal, we need to present a unified presence as we meet with Congressional, Legislative, and Departmental representatives to advocate for the regionally significant issues that have been agreed upon during the COG selection process.

We understand many of our public officials do double-duty while in D.C., however, please keep in mind the effectiveness of the scheduled One Voice® meetings rely on participation from our delegates. Please discuss any separate meetings you may be scheduling with our staff so the One Voice® meeting schedule can be modified to ensure maximum and comprehensive attendance at all One Voice® meetings.



**SJCOG One Voice® Itinerary  
May 5-9  
Draft as of January 9, 2024**

*Any meetings listed on this schedule are subject to change, this is not a final list of meetings expected to occur.*

**Monday, May 6**

- 7:00 – 9:30 a.m. Buffet Breakfast/Group Briefing with CJ Lake team  
Hyatt Regency Washington on Capitol Hill Hotel, Room TBD
- 6:00 p.m. San Joaquin RTD/Regional Rail Commission Hosted Dinner  
(All Invited) – Additional details with RSVP instructions to follow.

**Tuesday, May 7**

- 7:00 – 9:30 a.m. Buffet Breakfast/Day Briefing  
Hyatt Regency Washington on Capitol Hill, Room TBD
- 6:30 p.m. Port of Stockton Hosted Dinner  
(All invited) – RSVP information and additional details to follow.  
*Please Note: \*\*Dress Code – Jackets are required, tie optional.*

**Wednesday, May 8**

- 7:30 – 8:30 a.m. Buffet Breakfast/Day Briefing  
Hyatt Regency Washington on Capitol Hill, Room TBD
- 5:00 – 6:30 p.m. One Voice® Reception with Congressional Members (and staff)  
– Hyatt Regency Washington on Capitol Hill  
Hotel, Room TBD
- 6:45 p.m. Washington Nationals Ball Game – (All invited) Additional  
details and RSVP information to follow.

**Thursday, May 9**

Open for non-One Voice® meetings/travel



**ITEM: ESTABLISH LOCAL HOUSING ASSISTANCE PROGRAM FOR SWORN CITY OF LATHROP POLICE DEPARTMENT AND SWORN LATHROP STATIONED LATHROP-MANTECA FIRE DISTRICT (LMFD) EMPLOYEES**

**RECOMMENDATION: Council to Consider Adopting a Resolution to Establish a Local Housing Assistance Program for Sworn City of Lathrop Police Department and Sworn Lathrop Stationed Lathrop-Manteca Fire District (LMFD) Employees and Associated Budget Amendment**

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**SUMMARY:**

On January 8, 2024 the City Council received a referral to discuss the potential of the City offering a Local Housing Assistance Program for sworn, City of Lathrop Police Department staff and Lathrop stationed Lathrop-Manteca Fire District (LMFD) sworn staff. Staff was made aware of educational sessions that were held at the National League of Cities, where a reoccurring theme emerged of incentives to retain sworn staffing. Local Housing Assistance Programs were one of the retention strategies that has had success in other communities of similar size to Lathrop.

Attracting, hiring and retaining experienced public safety professionals is an effective utilization of City funds and department training resources. LMFD has invested significantly in Advanced Life Support (paramedic) training for employees, however retaining them once trained has become increasingly difficult. Public safety staff who reside in Lathrop also provide a deeper breadth of familiarity to the City's sworn public safety response.

Staff is recommending that if a Local Housing Assistance Program is offered it could ease the financial burden on sworn staff to take up residency in the City. Additionally, the program would reduce the cost of recruitment and training new staff due to turnover. The program would encourage public safety staff to live within the City with a forgivable maximum 10-year loan of up to \$10,000. These funds would be provided to help with the purchase of a new home, in turn the City would then forgive 10% of the original loan amount for each 12-month period of full-time service to the City of Lathrop/ LMFD for ten years. The Program would require a budget amendment to fund initially and may need additional funds in future fiscal years based on utilization.

**BACKGROUND:**

On January 8, 2024 the City Council received a referral to discuss the potential of the City offering a Local Housing Assistance Program for sworn, City of Lathrop Police Department staff and Lathrop stationed Lathrop-Manteca Fire District (LMFD) sworn staff. Staff was made aware of sessions that were held at the National League of Cities where a reoccurring theme emerged of incentives to retain sworn staffing. Local

Housing Assistance Programs were one of the retention strategies that has had success in other communities of similar size to Lathrop.

Attracting, hiring and retaining experienced public safety professionals is an effective utilization of City funds and department training resources. LMFD has invested significantly in Advanced Life Support (paramedic) training for employees, however retaining them once trained has become increasingly difficult. Public safety staff who reside in Lathrop also provide a deeper breadth of familiarity to the City's sworn public safety response.

Many California public safety agencies are trying to figure out how to both fill their ranks while also improving relationships in their communities. Sworn staffing in the community provides many benefits. In the event of emergencies, for example, police officers and firefighters would respond faster if they lived within the City limits, rather than miles away where homes cost less. Local Housing Assistance Programs have also shown to help keep employees longer, this is beneficial in the current environment when other agencies have begun to offer competing hiring incentives.

Local Housing Incentive Program loans paid would be subject to all applicable taxes, withholdings, and deductions in accordance with current laws and IRS regulations. Furthermore, loan payments would be considered lump sum amounts and not reportable to CalPERS as compensation. Eligible employees have one opportunity to participate in the program. The loan will require a lien on the property and will be due in full upon the sale of the home. There may be scenarios where an employee has not sold their home and is no longer working for the agency. In those instances, the City will strive to get the loan repaid as quickly as possible. The City's loan agreement will have the appropriate default provisions should that unfortunately occur. Refer to the program guidelines below for a list of proposed guidelines.

Staff is recommending that if a Local Housing Assistance Program is offered it could ease the financial burden on sworn staff to take up residency in the City. The program would encourage public safety staff to live within the City with a forgivable maximum 10-year loan of up to \$10,000. These funds would be provided to help with the purchase of a new home to be used as the primary residence of the beneficiary of the incentive. In turn, the City would then forgive 10% of the original loan amount for each 12-month period of the beneficiary's full-time service to the City of Lathrop or LMFD for ten years. The Program would require a budget amendment to fund initially and may need additional funds in future fiscal years based on utilization.

**Guidelines: (Proposed and subject to changes)**

To qualify and receive a Local Housing Assistance Program incentive loan through the City of Lathrop, applicants must meet the following requirements:

1. The Local Housing Assistance Program applicant must be currently employed as a sworn member of the City of Lathrop Police Department staff or be a City of Lathrop stationed Lathrop-Manteca Fire District (LMFD) sworn staff.

2. The incentive loan would be used to assist the qualifying employee to acquire a primary residence in Lathrop city limits.
3. The loan amount of up to \$10,000 would be written off at the rate of ten per cent (10%) per year as long as the sworn staff maintains primary occupancy of the residence and remains employed full-time by the City of Lathrop Police Department or LMFD
4. The loan shall be immediately due and payable upon any of the following events occurring earlier than ten (10) years from the date of the loan:
  - a. Sworn staff no longer is employed or is released from employment by the City of Lathrop Police Department or LMFD.
  - b. The qualifying employee no longer maintains the subject property as their residence or the title is changed so that title is not in their name at least as to 50%.
5. Qualifying employee understands that there will be tax consequences arising for the forgiveness of this incentive loan and has been instructed by City to obtain tax advice in that regard.
6. Qualifying employee understands and agrees that the City will require this loan to be secured by a trust deed on the subject residence, but that this loan is not purchase money loan subject to provisions of 580b of the California Code of Civil Procedure.
7. This program would not be retroactive and would not apply to staff who already own a primary residence within the City of Lathrop city limits.
8. Funding is limited and will be based on annual appropriation limits set by City Council. Applications will be processed in the order that they are received and funds dispersed contingent upon funding availability on a first-come, first served basis.

**RECOMMENDATION:**

Staff recommends that the City Council consider the proposed program details with the purpose of the program being to attract, hire and retain experienced public safety staff for the residents and community of the City of Lathrop.

**FISCAL IMPACT:**

Staff time to review and verify eligibility of applicants, dispense incentive loans, and to monitor and manage the Local Housing Incentive Program will be absorbed in the Council approved operating budget of each Department involved. The Program would require a budget amendment to fund initially and may need additional funds in future

**CITY MANAGER’S REPORT** **Page | 4**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ESTABLISH LOCAL HOUSING ASSISTANCE PROGRAM FOR SWORN STAFF**

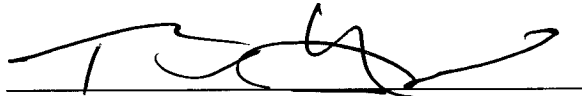
fiscal years based on utilization. The funding is proposed to come from Measure C contingent upon review and endorsement from the Measure C committee. Depending on Council’s decision a budget amendment to increase account 1060-19-10-420-16-00 commensurate with the number of initial incentive loans to be funded by the program.

<b>Options Include:</b>		<b>Cost</b>	<b>Budget Amendment</b>
1.	Fund 3 Local Housing Incentive Program loans	\$30,000	\$30,000
2.	Fund 4 Local Housing Incentive Program loans	\$40,000	\$40,000
3.	Other		

**ATTACHMENTS:**

- A. Resolution to establish a Local Housing Assistance Program for sworn City of Lathrop Police Department and sworn Lathrop stationed Lathrop-Manteca Fire District (LMFD) employees and associated budget amendment

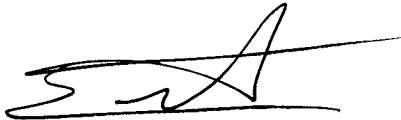
**APPROVALS:**



Thomas Hedegard  
Deputy City Manager

2/7/2024

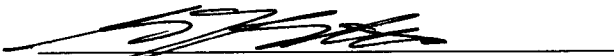
Date



Salvador Navarrete  
City Attorney

2-7-2024

Date



Stephen J. Salvatore  
City Manager

2/7/24

Date

**RESOLUTION NO. 24 –**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO ESTABLISH A LOCAL HOUSING ASSISTANCE PROGRAM FOR SWORN CITY OF LATHROP POLICE DEPARTMENT AND SWORN LATHROP STATIONED LATHROP-MANTECA FIRE DISTRICT (LMFD) EMPLOYEES AND ASSOCIATED BUDGET AMENDMENT**

**WHEREAS**, on January 8, 2024 the City Council received a referral to discuss the potential of the City offering a Local Housing Assistance Program for sworn, City of Lathrop Police Department staff and Lathrop stationed Lathrop-Manteca Fire District (LMFD) sworn staff; and

**WHEREAS**, staff was made aware of educational sessions that were held at the National League of Cities, where a reoccurring theme emerged of incentives to retain sworn staffing. Local Housing Assistance Programs were one of the retention strategies that has had success in other communities of similar size to Lathrop; and

**WHEREAS**, attracting, hiring and retaining experienced public safety professionals is an effective utilization of City funds and department training resources. LMFD has invested significantly in Advanced Life Support (paramedic) training for employees, however retaining them once trained has become increasingly difficult; and

**WHEREAS**, staff is recommending that if a Local Housing Assistance Program is offered it could ease the financial burden on sworn staff to take up residency in the City of Lathrop. Additionally, the program would reduce turnover and therefore reduce the cost of recruitment and training new staff due to turnover; and

**WHEREAS**, the program would encourage public safety staff to live within the City with a forgivable maximum 10-year loan of up to \$10,000. These funds would be provided to help with the purchase of a new home, in turn the City would then forgive 10% of the original loan amount for each 12-month period of the beneficiary's full-time service to the City of Lathrop or LMFD for ten years; and

**WHEREAS**, to qualify and receive a Local Housing Assistance Program incentive loan through the City of Lathrop, applicants must meet the following requirements:

1. The Local Housing Assistance Program applicant must be currently employed as a sworn member of the City of Lathrop Police Department staff or be a City of Lathrop stationed Lathrop-Manteca Fire District (LMFD) sworn staff.
2. The incentive loan would be used to assist the qualifying employee to acquire a primary residence in Lathrop city limits.
3. The loan amount of up to \$10,000 would be written off at the rate of ten per cent (10%) per year as long as the sworn staff maintains primary occupancy

of the residence and remains employed full-time by the City of Lathrop Police Department or LMFD

4. The loan shall be immediately due and payable upon any of the following events occurring earlier than ten (10) years from the date of the loan:
  - a. Sworn staff no longer is employed or is released from employment by the City of Lathrop Police Department or LMFD.
  - b. The qualifying employee no longer maintains the subject property as their residence or the title is changed so that title is not in their name at least as to 50%.
5. Qualifying employee understands that there will be tax consequences arising for the forgiveness of this incentive loan and has been instructed by City to obtain tax advice in that regard.
6. Qualifying employee understands and agrees that the City will require this loan to be secured by a trust deed on the subject residence, but that this loan is not purchase money loan subject to provisions of 580b of the California Code of Civil Procedure.
7. This program would not be retroactive and would not apply to staff who already own a primary residence within the City of Lathrop city limits.
8. Funding is limited and will be based on annual appropriation limits set by City Council. Applications will be processed in the order that they are received and funds dispersed contingent upon funding availability on a first-come, first served basis; and

**WHEREAS**, staff recommends that the City Council consider the proposed program details with the purpose of the program being to attract, hire and retain experienced public safety staff for the residents and community of the City of Lathrop.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop discussed the matter and hereby approves option #\_\_\_\_\_, to establish a Local Housing Assistance Program for sworn City of Lathrop Police Department and sworn Lathrop stationed Lathrop-Manteca Fire District (LMFD) employees and associated budget amendment; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop approves the corresponding budget amendment based on the selected option:

Option #	Budget Amendment	Fund Account
1	\$30,000	1060-19-10-420-16-00
2	\$40,000	
3	\$Other	

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney



## ITEM 6.1

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:** **MAYOR DHALIWAL REFERRAL: APPOINTMENT OF A BOARD OF DIRECTOR, AND ALTERNATE, TO THE AVA COMMUNITY ENERGY BOARD OF DIRECTORS**

**RECOMMENDATION:** **Mayor to Appoint a Councilmember to the Ava Community Energy, Formerly East Bay Community Energy, Board of Directors, and an Alternate, Representing the City of Lathrop as a Member Agency (Appointment Subject to FORM 700 Filings)**

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#### **SUMMARY:**

In 2018, the County of Alameda and eleven cities launched Ava (formerly East Bay Community Energy (EBCE)) as a not-for-profit public agency that governs Community Choice Energy service. The Joint Power Agency expanded in 2021. The cities that are currently being served by Ava are Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Newark, Oakland, Piedmont, Pleasanton, San Leandro, Tracy, and Union City. The unincorporated areas of Alameda County, which include Ashland, Castro Valley, Cherryland, Fairview, San Lorenzo, and Sunol, are also served by Ava. On March 13, 2023, the City Council received a presentation from Ava (formerly EBCE) regarding the benefits of implementing a Community Choice Aggregation program. The potential benefits include lower electrical rates, local control and, investment, and environmental sustainability. On July 10, 2023, the Lathrop City Council held a public hearing to consider adopting an ordinance to implement a Community Choice Aggregation Program, and a Joint Powers Agreement with EBCE, now known as Ava, to provide electric services in the City of Lathrop. On August 14, 2023, the City Council adopted Ordinance No. 23-447 authorizing the implementation the Community Choice Aggregation Program to provide electric services in the City of Lathrop. In 2025, it is expected that Ava will extend service to the San Joaquin County cities of Stockton and Lathrop.

#### **Appointed Ava Board of Director, and Alternate, Requirements:**

- The Ava Board of Directors consists of one elected official from each member agency.
- Appointed Board of Director, and Alternate, are subject to filing a Statement of Economic Interests (Form 700); including an Assuming Office within 30 days of appointment with Ava's Clerk of the Board and the Fair Political Practices Commission. Late statements are subject to a \$10 per day late fine.
- The next Ava Board of Directors meeting will be held on February 21, 2024.
- Ava's Board of Directors meet once a month; special sessions as needed.
- Agenda can be found on Ava's website: <https://avaenergy.org/meetings/>.
- Ava Board of Directors, and or alternate, receive a stipend currently set at \$123.55 for each board and subcommittee meeting attended, with a cap of four meetings per month.

**CITY MANAGER'S REPORT** **PAGE 2**  
**FEBRUARY 12, 2024 CITY COUNCIL MEETING**  
**APPOINT VOTING MEMBER AND ALTERNATE TO AVA COMMUNITY ENERGY**  
**BOARD OF DIRECTORS**

Pursuant to the City Council Handbook of Rules and Regulations, Chapter V, Section A (1)(b), staff is requesting the Mayor to appoint, a Councilmember to the Ava Community Energy, Formerly East Bay Community Energy, Board of Directors, Representing the City of Lathrop as a Member Agency. Including an Alternate Board of Director, in the event the primary delegate is not able to attend the scheduled meetings.

**FISCAL IMPACT:**

There is no fiscal impact to the City of Lathrop associated with the appointment of a Board of Director, and Alternate, to the Ava Board of Directors. Ava Community Energy will provide the stipend directly to the appointed Director, or Alternate, which will cover their time and mileage, for each meeting attended.

**SUBMITTED BY:**

  
\_\_\_\_\_  
Teresa Vargas  
Government Services Director/  
City Clerk

2/7/2024  
\_\_\_\_\_  
Date