

ITEM 4.12

CITY MANAGER'S REPORT SEPTEMBER 13, 2021 CITY COUNCIL REGULAR MEETING

ITEM: **APPROVAL OF RESERVE WASTEWATER TREATMENT CAPACITY TRANSFER FROM CITY OF LATHROP TO SAYBROOK CLSP, LLC AND A RELATED BUDGET AMENDMENT**

RECOMMENDATION: **Adopt Resolution Approving the Sale and Transfer Agreement of Reserve Wastewater Treatment Capacity in the Consolidated Treatment Facility from City of Lathrop to Saybrook CLSP, LLC and a Related Budget Amendment**

SUMMARY:

Saybrook CLSP, LLC ("Saybrook") owns parcels (as Lathrop Land Acquisition, LLC) within the Central Lathrop Specific Plan. Saybrook will use all their Initial and Reserve wastewater treatment capacity in the Consolidated Treatment Facility ("CTF") with their next final maps, and has requested to purchase Reserve Capacity from other developers. Only River Islands and the City of Lathrop have unused Reserve Capacity. River Islands has declined the offer from Saybrook to purchase their capacity. The City is therefore the only remaining entity with Reserve Capacity, and this capacity must be first offered to developers who funded the CTF expansion.

Staff recommends Council approve the requested sale and transfer of wastewater treatment capacity and authorize the City Manager to execute the Reserve Wastewater Treatment Capacity Transfer Agreement ("Transfer Agreement").

BACKGROUND:

In November 2016, the City and several developers entered into a Design and Construction Funding Agreement Related to the Phase 2 Expansion of Existing Lathrop Consolidated Treatment Facility ("CTF 2 Agreement", Exhibit A of Attachment B). The CTF 2 Agreement assigned sewer allocation in two categories, Initial Capacity and Reserve Capacity, with use of the Initial Capacity being immediately available and the Reserve Capacity being subject to demonstration of need. Capacity assigned is shown in Table 1 below:

Table 1 – CTF Capacity Assignments

Developer	Initial Capacity	Reserve Capacity	% Of Expansion
River Islands	652,840	237,396	59.35 %
Crossroads (Owned by City)	216,000	78,545	19.64 %
Crossroads (Richland)	114,000	41,455	10.36 %
Saybrook	100,000	36,364	9.09 %
Lathrop Mosssdale Investors	17,160	6,240	1.56%
Total	1,100,000	400,000	100.00 %

Richland Developers, Inc. transferred all of their Initial and Reserve capacity to South Lathrop Land, LLC (SLL) for use in the South Lathrop Specific Plan area as documented in the Transfer Agreement between SLL and Richland Developers Inc., adopted by the City Ordinance No. 18-390.

Saybrook CLSP, LLC (Saybrook) owns the property (as Lathrop Land Acquisition, LLC) for a mixed-use development including residential, retail, office, and other public/semi-public uses such as schools, parks, and other civic-oriented facilities pursuant to the Central Lathrop Specific Plan ("Saybrook Project"). Saybrook also entered into the CTF 2 Agreement, whereby the City allocated 100,000 gpd in Initial Wastewater Treatment Capacity, and 36,364 gpd of Reserve Wastewater Treatment Capacity.

Developers are required to allocate sewer capacity to all lots within a final map prior to approval by City Council. Saybrook intends to request Council approval of a final map for Tract 4062, Phase 1C, at the October 11th, 2021, Council meeting. The final maps for Tract 4062, plus the prior Saybrook final maps for Phase 1A and 1B (Tracts 3808, 3809, 3810, 3811, 3812, 4017 and 4018) will require the use of all of Saybrook's Initial Capacity and Reserve Capacity plus the Reserve Capacity they purchased from South Lathrop Land, LLC on September 14, 2020 and will also require additional sewer capacity in the amount of 8,562 gpd.

Saybrook has demonstrated their need to use all of their Reserve Capacity and is considered a Perfected Developer per Section 7C of the CTF 2 Agreement, providing them the option to request to purchase Reserve Capacity from other participants in the CTF 2 Agreement. As a Perfected Developer, Saybrook made a Reserve Capacity Requests to the City for 8,562 gpd (Attachment B). The City passed those requests to River Islands, the only developer holding unperfected Reserve Capacity. River Islands declined to sell their Reserve Capacity.

The purchase price has been established by the City in accordance with the CTF 2 Agreement as \$32.98/gpd, and so the purchase price for 8,562 gpd is \$282,375.

CITY MANAGER'S REPORT **PAGE 3**
SEPTEMBER 13, 2021, CITY COUNCIL REGULAR MEETING
APPROVE RESERVE WASTEWATER TREATMENT CAPACITY SALE/TRANSFER
FROM CITY TO SAYBROOK CLSP, LLC

Section 7 of the CTF 2 Agreement requires that, before the Reserve Capacity can be allocated from the City to the developer, developers must demonstrate that they will use the Reserve Capacity within the one year. Saybrook demonstrated they would use the 8,562 gpd of unperfected Reserve Capacity to approve Tract 4062 in the very near future. However, with delays in processing due to Covid-19, Saybrook is asking for two years to get approval for final maps to use the capacity. Staff recommends approval of that request.

Section 4d of the CTF 2 Agreement exempted allocation transfers from the City's Transfer Policy, but required allocation transfers to comply with Schedule 3 of the CTF 2 Agreement and be approved by City Council. Consistent with Schedule 3 of the CTF 2 Agreement, Saybrook filed an application in the form of a Reserve Wastewater Treatment Capacity Transfer Agreement ("Transfer Agreement", Attachment C) with the City and Saybrook to effect the sale/transfer of 8,562 gpd of Reserve Wastewater Treatment Capacity. Saybrook has also provided the City with the 10% down payment (\$28,237.50) required. The reallocation form to transfer this capacity to Saybrook is included as Exhibit A to Attachment C.

REASON FOR RECOMMENDATION:

The Public Works Director has confirmed that the requested Transfer Agreement is consistent with the City's General Plan, Sewer Master Plan and Zoning Ordinance. The Public Works Director and the City Engineer recommend City Council approve the sewer transfer and authorize the City Manager to execute the Transfer Agreement, approved as to form by the City Attorney, with the applicant.

FISCAL IMPACT:

Saybrook will pay to the City \$282,375 for the purchase of 8,562 gpd of Reserve Phase 2 CTF sewer treatment capacity and therefore a budget amendment is required as follows:


Increase Revenue
6030-5030-318-0470 \$282,375

ATTACHMENTS:

- A. Resolution Approving the Transfer of Reserve Wastewater Treatment Capacity in the Consolidated Treatment Facility from the City of Lathrop, to Saybrook CLSP LLC, and an Associated Transfer Agreement
- B. Reserve Wastewater Treatment Capacity Requests to the City for 8,562 gpd
- C. Reserve Wastewater Treatment Capacity Transfer Agreement (Transfer Agreement) from City to Saybrook

CITY MANAGER'S REPORT
SEPTEMBER 13, 2021, CITY COUNCIL REGULAR MEETING
APPROVE RESERVE WASTEWATER TREATMENT CAPACITY SALE/TRANSFER
FROM CITY TO SAYBROOK CLSP, LLC

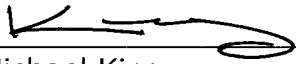
APPROVALS



Brad Taylor
Land Development Manager

8/25/2021

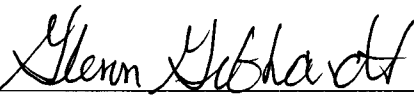
Date



Michael King
Director of Public Works

8.25.2021

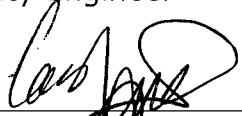
Date



Glenn Gebhardt
City Engineer

8/25/21


Date



Cari James
Finance & Administrative
Services Director

9/1/2021

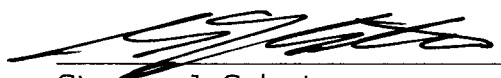
Date



Salvador Navarrete
City Attorney

8.25.2021

Date



Stephen J. Salvatore
City Manager

9.2.21

Date

RESOLUTION NO. 21-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING THE SALE AND TRANSFER AGREEMENT OF RESERVE WASTEWATER TREATMENT CAPACITY IN THE CONSOLIDATED TREATMENT FACILITY FROM CITY OF LATHROP TO SAYBROOK CLSP, LLC AND A RELATED BUDGET AMENDMENT

WHEREAS, in November, 2016, the City and several developers entered into a Design and Construction Funding Agreement Related to the Phase 2 Expansion of Existing Lathrop Consolidated Treatment Facility (Funding Agreement); and

WHEREAS, the Funding Agreement assigned sewer allocation in two categories, Initial Capacity and Reserve Capacity, with use of the Initial Capacity being immediately available and use of the Reserve Capacity being subject to demonstration of need; and

WHEREAS, developers are required to allocate sewer capacity to all lots within a final map prior to approval by City Council; and

WHEREAS, Saybrook CLSP, LLC ("Saybrook") intends to request Council approval of final map Tract 4062 for Phase 1C at the October 11, 2021 Council meeting; and

WHEREAS, final maps for Phase 1B Tracts 4017 and 4018 plus the prior final maps for Phase 1A required use of all of Saybrook's Initial Capacity of 100,000 gallons per day (gpd) and Reserve Capacity of 36,364 gpd, and sewer capacity in the amount of 11,617 gpd, purchased from Crow Industrial Limited, LLC; and

WHEREAS, Saybrook has therefore demonstrated their need for use of all of their Reserve Capacity, and is considered a Perfected Developer per Section 7C of the Funding Agreement, providing them the option to request to purchase Reserve Capacity from other participants in the Funding Agreement; and

WHEREAS, as a Perfected Developer, Saybrook made a Reserve Capacity Requests to the City, for 8,562 gpd, and the City passed that request to River Islands as the only developer holding unperfected Reserve Capacity, and River Islands declined to offer to purchase their capacity; and

WHEREAS, staff is recommending the City offer to sell 8,562 gpd of unperfected Reserve Capacity to Saybrook; and

WHEREAS, the purchase price has been established in accordance with the Funding Agreement as \$32.98/gpd, and so the purchase price for a total of 8,562 gpd is \$282,375; and

WHEREAS, Saybrook will pay to the City \$282,375 for the purchase of 8,562 gpd of Reserve Phase 2 CTF sewer treatment capacity and therefore a budget amendment is required as follows;

Increase Revenue
6030-5030-318-0470 \$282,375

WHEREAS, Section 7 of the Funding Agreement requires that, before the Reserve Capacity is allocated to the developer, developers must demonstrate that they will use the Reserve Capacity within the next 3 ½ years; and

WHEREAS, Saybrook demonstrated they would use the 8,562 gpd of unperfected Reserve Capacity to approve Phase 1C Final Map 4062 in the very near future, although Saybrook has asked for and Staff recommends Council approve a two year time limit to get approval of a final map for Phase C that would allocate the subject sewer; and

WHEREAS, Section 4d of the Funding Agreement exempted allocation transfers from the City’s Transfer Policy, but required allocation transfers to be in compliance with Schedule 3 of the Funding Policy and approved by City Council; and

WHEREAS, Saybrook provided the required application for Wastewater Capacity Transfer to the Public Works Director requesting 8,562 gpd of Reserve Capacity, including all required information, and provided the 10% deposit toward the cost of the sewer; and

WHEREAS, the Public Works Director has confirmed that the requested Transfer is consistent with the City’s General Plan, Sewer Master Plan and Zoning Ordinance, and the Public Works Director and the City Engineer recommend City Council approve the application for sewer transfer and authorize the City Manager to execute and agreement, approved by the City Attorney, with the applicant.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lathrop does hereby approve the application from Saybrook for wastewater capacity transfer for Reserve Capacity in the Consolidated Treatment Facility from the City, and allows Saybrook two years to allocate the sewer with a final map approved by City Council; and

AND BE IT FURTHER RESOLVED, that the City Council of the City of Lathrop does hereby authorize the City Manager to execute an agreement, approved by the City Attorney, with Saybrook to purchase 8,562 gpd unperfected Reserve Capacity Wastewater Treatment from the City; and

AND BE IT FURTHER RESOLVED, that the City Council of the City of Lathrop does hereby authorizes a budget amendment as follows:

Increase Revenue
6030-5030-318-0470 \$282,375

PASSED AND ADOPTED by the City Council of the City of Lathrop this 13th day of September 2021, by the following vote:

AYES:

NOES:

ABSTAIN:


ABSENT:

Sonny Dhaliwal, Mayor

ATTEST:

Teresa Vargas
City Clerk

APPROVED AS TO FORM:



Salvador Navarrete
City Attorney



Saybrook Fund Advisors, LLC
501 Santa Monica Blvd., Suite 607
Santa Monica, CA 90401

August 17, 2021

City of Lathrop

Sent via email: ggebhardt@ci.lathrop.ca.us

mking@ci.lathrop.ca.us

RE: Request for Stanford Crossing Phase 1C Sewage Capacity (8,562 gpd)

Dear Mr. Gebhardt and Mr. King,

Pursuant to Schedule 3 of the Reserve Wastewater Treatment Capacity Transfer Agreement , Saybrook CLSP, LLC ("Saybrook") desires to purchase 8,562 gallons per day of Reserve Wastewater Treatment Capacity in the Phase 2 Combined Treatment Facility expansion from the City of Lathrop for Saybrook's Phase 1C. The additional capacity will be purchased at \$32.98 per gallon for a total of \$282,375.00. The additional sewage capacity does not include disposal capacity. A down payment of 10% (\$28,237.50) is include with this request, to be applied to the full cost of the capacity once approved by City Council.

Saybrook expects to request City Council approval of Phase 1C Final Map 4062 approval for the 191 lots in October, 2021, and Saybrook has already used their Initial and Reserve Capacity from the Combined Treatment Facility expansion.

Saybrook acknowledges that it has responsibility to provide any sewer line extensions and related facilities necessary to utilize the additional capacity.

Feel free to contact me if you need any further information.

Sincerely,

SAYBROOK CLSP, LLC

By: Saybrook Fund Investors, LLC, its managing member

A handwritten signature in black ink, appearing to read "Jeffrey M. Wilson", written over a horizontal line.

Jeffrey M. Wilson

Officer

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 27383)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APNs: 192-030-33, 34 and 35

**RESERVE WASTEWATER TREATMENT CAPACITY
TRANSFER AGREEMENT**

THIS RESERVE WASTEWATER TREATMENT CAPACITY TRANSFER AGREEMENT (the "Agreement"), is made this 13th day of September, 2021 ("**Effective Date**"), by and between Saybrook CLSP, LLC a Delaware limited liability company, hereinafter referred to as "**Saybrook**" and the City of Lathrop, a municipal corporation in the State of California, hereinafter referred to as "**City**". Hereinafter all parties may be referred to collectively as "Parties" or individually as a "Party".

RECITALS

WHEREAS, on November 21, 2016, City, River Islands, Richland, Lathrop Mossdale Investors and Saybrook entered into the Design and Construction Funding Agreement Related to the Phase 2 Expansion of the Existing Lathrop Consolidated Treatment Facility with the City ("**CTF 2 Agreement**"). The CTF 2 Agreement states that the City was allocated 216,000 gallons per day ("**gpd**") of Initial Wastewater Treatment Capacity, and 78,545 gpd of Reserve Wastewater Treatment Capacity, and Saybrook was allocated 100,000 gpd in Initial Wastewater Treatment Capacity and 36,364 gpd of Reserve Wastewater Treatment Capacity; and

WHEREAS, South Lathrop Land, LLC ("**SLL**") acquired the SLL Property from Richland Developers, Inc., and Richland Developers, Inc.'s transfer of all of their rights to the Phase 2 Expansion of the Existing Lathrop Consolidated Treatment Facility as documented in the Transfer Agreement Relating to Design and Construction Funding Agreement For The Phase 2 Expansion of the Lathrop Consolidated Treatment Facility between SLL and Richland Developers Inc. as adopted by the City Ordinance No. 18-390 and as approved by the City and recorded by the San Joaquin County Recorder's Office as Doc # 2018-047863 on May 1, 2018. SLL became and now is the successor in interest to all of Richland Developers, Inc.'s rights contained within the CTF 2 Agreement; and

WHEREAS, SLL's sold and the City transferred 41,455 gpd of Reserve Wastewater Treatment Capacity to Saybrook toward their phases 1B and 1C; and

WHEREAS, Saybrook owns parcels in City designated with APNs 192-030-33 through 35 for phase 1C, and is the developer of a mixed use development including residential, retail, office, and other public/semi-public uses such as schools, parks, and other civic oriented facilities pursuant to the Central Lathrop Specific Plan ("**Saybrook Project**"); and

WHEREAS, the CTF 2 Agreement assigned sewer allocation in two categories, Initial Capacity and Reserve Capacity, with use of the Initial Capacity being immediately available and use of the Reserve Capacity being subject to demonstration of need; and

WHEREAS, final maps for Saybrook Phase 1B Tracts 4017 and 4018 plus the prior final maps for Saybrook and Phase 1A Tracts 3808, 3809, 3810, 3811 and 3812 required the use of all of Saybrook's Initial Capacity of 100,000 gpd and Reserve Capacity of 36,364 gpd, and also required additional sewer capacity in the amount of 11,617 gpd, which Saybrook purchased from SLL plus their balance of 29,838 gpd of unperfected Reserve Capacity toward the Saybrook Phase 1C; and

WHEREAS, Saybrook has, therefore, demonstrated their need for the use of all of their Reserve Capacity, and is considered a Perfected Developer per Section 7C of the CTF 2 Agreement, providing them the option to request to purchase Reserve Capacity from other participants in the CTF 2 Agreement; and

WHEREAS, as a Perfected Developer, Saybrook made a Reserve Capacity Requests to the City for 8,562 gpd and the City passed that request to River Islands, the only developer holding unperfected Reserve Capacity, and River Islands declined the offer to purchase; and

WHEREAS, the purchase price has been established by the City in accordance with the Funding Agreement as \$32.98/gpd, and so the purchase price for a total of 8,562 gpd is agreed by Saybrook to equal \$282,375; and

WHEREAS, City recognizes the benefits to the long term development goals of City to transfer a portion of its allocated Reserve Wastewater Treatment Capacity to support the Saybrook Project and therefore wishes to sell/transfer to Saybrook, and Saybrook wishes to accept, 8,562 gpd of Reserve Wastewater Treatment Capacity previously allocated to City under the CTF 2 Agreement; and

WHEREAS, City's Reserve Wastewater Treatment Capacity, which it intends to transfer to Saybrook, is reflected on a document entitled "Reallocation of Wastewater (Sewer) Capacity from City of Lathrop" which the City Engineer and Director of Finance will execute in September of 2021 upon approval of the transfer by City Council to document the allocation of a portion of City's Reserve Wastewater Capacity to Saybrook parcels, and which reflects this Transfer of allocation to Saybrook. The original unsigned Reallocation form to reflect the transfer to Saybrook is attached to the September 13, 2021 City Manager's Report as Attachment D and is included in this Agreement as Exhibit "A"; and

WHEREAS, the Public Works Director has confirmed that the requested Transfer is consistent with the City's General Plan, Sewer Master Plan, and Zoning Ordinance, that Saybrook has provided a down payment of 10% of the sewer cost (\$28,237.50) and the Public Works Director and the City Engineer recommend City Council approve the application for sewer transfer and authorize the City Manager to execute this agreement, approved by the City Attorney, with the applicant; and

WHEREAS, consistent with Schedule 3 of the CTF 2 Agreement, Saybrook has filed an application with the City to effectuate the transfer contemplated in this Agreement, and that application took the form of this Agreement, attached to the September 13, 2021 City Manager's Report as Attachment C. This Agreement, which shall be approved as to form by the City

Attorney, constitutes the agreement required by the City pursuant to Schedule 3 of the CTF 2 Agreement.

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. **Allocation of Reserve Wastewater Treatment Capacity.** City agrees to transfer to the Saybrook 8,562 gpd of the Reserve Wastewater Treatment Capacity previously allocated to City in the CTF 2 Agreement. This will leave City with 69,983 gpd remaining Reserve Wastewater Treatment Capacity as identified in the CTF 2 Agreement. The Reserve Wastewater Treatment Capacity transferred as part of this Agreement shall be allocated to Saybrook once the requirements of this Agreement are satisfied.

2. **Payment for Allocation of Reserve Wastewater Treatment Capacity.** In exchange for City's transfer of Reserve Wastewater Treatment Capacity pursuant to this, Saybrook agrees to pay to City \$282,375, or \$32.98 for each gpd of Reserve Wastewater Treatment Capacity transferred pursuant to this Agreement. In addition to the down payment, the remaining 90% payment shall be made in full within ten (10) days after the date when the City Council approves the transfer and this Agreement. At the time of receipt of payment from Saybrook, City will transfer the treatment capacity to Saybrook. Upon transfer, Saybrook shall have full ownership and use of City's Reserve Wastewater Treatment Capacity.

3. **Agreement Contingent on City's Approval of Transfer of Reserve Wastewater Treatment Capacity.** The obligations in this Agreement are contingent on the City Council's approval of the transfer and this Agreement pursuant to the procedure outlined in Schedule 3 of the CTF 2 Agreement. In the event that the Lathrop City Council denies the transfer of the Agreement, City shall have no further obligation to transfer Reserve Wastewater Treatment Capacity to Saybrook under this Agreement, and the Agreement shall have no further binding effect on the Parties, and the City will immediately return the down payment provided by Saybrook. The City also confirms that Saybrook has fulfilled all of their obligations under the CTF 2 Agreement, no amounts are owed, and no event of default exists.

4. **Saybrook's Obligation to Obtain Project Approvals Within One Year of City Approval of Reserve Wastewater Treatment Capacity Allocation.** Consistent with the requirements in Schedule 3 of the CTF 2 Agreement, Saybrook shall obtain a building permit or City approval of a final map for the Saybrook Project within one year from the City's approval of the transfer and Agreement, unless the City Council approves an alternative time limit. If Saybrook fails to obtain said building permit or approval of a final map within the timeframe in this paragraph, Saybrook shall sell the transferred Reserve Wastewater Treatment Capacity units back to the City without conditions and/or limitations of use. The purchase price for the City shall be the same as the costs paid by Saybrook pursuant to Paragraph 2 above less the City's administrative fee.

5. **Mutual Hold Harmless / Indemnification.** Each Party shall hold each other harmless, and defend, and indemnify the other Party, its officers, employees, consultants, and agents from and against any and all claims, suits, causes of action, or other proceedings for damages, injuries, losses, costs (including attorneys' fees and costs of suit or other dispute resolution processes), or any other liability arising out of, or in connection with, the performance, or failure to perform, any of the duties and obligations outlined in this Agreement hereunder. The duty to defend shall include provision for all costs and fees, including attorneys' fees, associated with such defenses.

6. **No Partnership.** It is not the purpose or the intention of this Agreement to create, and this Agreement shall not create, a joint venture, partnership, or other relationship whereby either Party would be liable for the omissions, commissions, or performance of the other Party.

7. **Further Assurance.** The Parties shall execute and deliver such further instruments and do further acts and things as may be required to carry out the intent and purposes of this Agreement as may be reasonably requested by either Party.

8. **Force Majeure.** With respect to the matters contemplated by this Agreement, neither Party shall be liable or responsible to the other as a result of any injury to property or as a result of inability to provide capacity, which was caused by any Force Majeure event.

9. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.

10. **Assignment.** No Party may assign its rights under this Agreement to any person, entity, or governmental or quasi-governmental body without the prior written consent of the other Parties.

11. **Entire Agreement / Amendment.** This Agreement including the recitals, which are incorporated by this reference, contains the entire Agreement between the Parties regarding the Wastewater Transfer between the Parties. No change or modification of this Agreement shall be valid unless the same is an amendment, in writing, signed by both Parties.

12. **Recordation of Agreement.** Consistent with the requirements of Schedule 3 of the CTF 2 Agreement, City shall cause this Agreement to be recorded in the San Joaquin County Recorder's Office within thirty (30) days after the City Council approves the transfer and this Agreement.

13. **Exhibits.** The Exhibits referenced and included in the Agreement are as follows:

Exhibit A: Reallocation form to reflect the transfer of the Reserve Wastewater Treatment Capacity from the City to Saybrook.

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the Effective Date above.

OWNER:

Saybrook CLSP, LLC

a Delaware limited liability company

By: Saybrook Fund Investors, LLC

Its: Managing Member

By: _____
Jeffrey M. Wilson
Officer

CITY:

CITY OF LATHROP, a
Municipal Corporation of the
State of California

By: Stephen J. Salvatore
Its: City Manager

ATTEST:
City Clerk of and for the City

By: Teresa Vargas
Its: City Clerk

**APPROVED AS TO FORM BY THE
CITY OF LATHROP CITY ATTORNEY:**

By: Salvador Navarrete
Its: City Attorney

Exhibit "A"
Reallocation Form

Reallocation of Phase 2 CTF Reserve Wastewater (Sewer) Capacity from City of Lathrop

Total Initial Balance 11-21-16¹ 78,545 gpd

<u>New Development</u>	<u>Allocation</u>	
Current Balance	78,545	gpd
Saybrook CLSP Phase 1C	8,562	gpd
<i>Remaining Capacity</i>	69,983	gpd

<u>Allocation Date</u>	<u>Allocation No.</u>	<u>gpd/Acre^{2,4}</u>
September 13, 2021	2021-01	n/a

<u>Allocated to Parcel Number(s)</u>	<u>Acres</u>	<u>Sewer Treatment & Disposal Allocated to parcels (gpd)²</u>
APN 192-030-33, 34 and 35	n/a	8,562
Totals	0.00	8,562

Notes:

1. Capacity per Exhibit B-1 of CTF Phase 2 Expansion Design and Construction Agreement dated 11-21-16
2. Balance needed by Saybrook for Phase 1C of CLSP
3. Saybrook owned Central Lathrop Specific Plan Phase 1C parcels include APN 192-030-33, 34 and 35

Authorized by:

City of Lathrop

Saybrook CLSP, LLC

Glenn Gebhardt, City Engineer Date

Jeff Wilson Date

Title