

# September 14, 2020 – 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  
Martha Salcedo, Vice Mayor  
Paul Akinjo  
Diane Lazard  
Jennifer Torres-O'Callaghan

## City Staff

Stephen Salvatore, City Manager  
Salvador Navarrete, City Attorney  
Teresa Vargas, City Clerk  
Glenn Gebhardt, City Engineer  
Michael King, Public Works Director  
Cari James, Finance and  
Administrative Services Director  
Mark Meissner, Community  
Development Director  
Zachary Jones, Parks and Recreation  
Director  
Ryan Biedermann, 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.



**SEPTEMBER 14, 2020 – Regular Meeting Agenda – 7:00 p.m.**



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See Reverse

## 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. 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.

## Public Participation

Attendance to this meeting is allowed with the following guidelines. However, in accordance with Executive Order N-25-20, guidance from the California Department of Public Health on gatherings, and to protect our employees and the public, public participation is allowed in the following additional ways:

- Attendance by video/teleconference is not mandatory, however, it is provided as an alternate participation method :
  - ✚ **Event address: (copy and paste link on browser):**  
<https://cityoflathrop.webex.com/cityoflathrop/onstage/g.php?MTID=e109ff1d7f9c5a7904c49b3fce5d6c13b>
  - ✚ Please log in and register at the bottom of the page, at least thirty minutes (30 min.) prior to the meeting.
  - ✚ For audio only, call-in number: (408) 418-9388 Access code: 146 911 5193  
No need to call-in if using WebEx audio on your computer. If using WebEx audio, please use headphones to avoid background noise interference.
- Council Meetings are live-streamed on Comcast Cable Channel 97 and on the City's website at <https://www.ci.lathrop.ca.us/citycouncil/page/live-stream>

- Public comment/questions will be accepted by email to City Clerk Teresa Vargas at [Tvargas@ci.lathrop.ca.us](mailto:Tvargas@ci.lathrop.ca.us)
- In order to allow the City Council adequate time to review questions and comments, please submit written questions or comments by 3:00 p.m., on the day of the meeting.

If you have travelled internationally and/or you have had direct contact with someone who has travelled internationally or tested positive for Coronavirus (COVID-19), or you are experiencing symptoms such as coughing, sneezing, fever, sore throat, chills, muscle pain, headache, new loss of taste or smell, difficulty breathing/shortness of breath, or other flu-like symptoms, please DO NOT ATTEND this meeting in person.

If you are in the group of individuals who may be most vulnerable to COVID-19, including older adults and those with underlying health conditions, including but not limited to heart disease, lung disease, immune-compromised, diabetes, or other conditions that could interfere with your ability to fight COVID-19, please consider carefully before attending this meeting in person and keep a six-foot distance from others as much as possible.

To leave a voice message for the Mayor and all Councilmembers simultaneously, dial (209) 941-7230. To send an e-mail for the Mayor and all 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>**

**LIVE STREAMING & CLOSED CAPTIONING – Available, please visit the City Council Webpage: <https://www.ci.lathrop.ca.us/citycouncil/page/live-stream>**

### **Information**

Copies of the Agenda are available in the lobby at the Lathrop City Hall, 390 Towne Centre Drive, Lathrop, on Thursday preceding a regularly scheduled City Council meeting. Supplemental documents relating to specific agenda items 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.

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, City of Lathrop, City Clerk  
390 Towne Centre Drive, Lathrop, CA 95330 / Telephone: (209) 941-7230

**CITY OF LATHROP  
CITY COUNCIL REGULAR MEETING  
MONDAY, SEPTEMBER 14, 2020  
7:00 P.M.  
COUNCIL CHAMBER, CITY HALL  
390 Towne Centre Drive  
Lathrop, CA 95330**

**AGENDA**

**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 NEW EMPLOYEE INTRODUCTION
  - Angel Abarca, Assistant Engineer
  - Bellal Nabizadah, Junior Engineer
- 2.2 MAYOR'S COMMITTEE REPORT(S)  
Parks & Recreation Update on Committee Events and Programs

**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 Meetings of June 8, 2020
- 4.3 **2020 CONFLICT OF INTEREST CODE BIENNIAL AMENDMENT**  
Adopt Resolution Adopting an Amended Conflict of Interest Code
- 4.4 **TREASURER'S REPORT FOR JUNE 2020**  
Approve Quarterly Treasurer's Report for June 2020
- 4.5 **APPROVE CONSTRUCTION CONTRACT FOR RIVER ISLANDS PARKWAY WIDENING, CIP PS 06-06**  
Adopt Resolution Approving a Construction Contract with McGuire and Hester for the Construction of River Islands Parkway Widening, CIP PS 06-06, and Related Budget Amendment
- 4.6 **APPROVE CONSTRUCTION CONTRACT FOR CITY HALL PARKING LOT IMPROVEMENTS CIP GG 20-22**  
Adopt Resolution Approving a Construction Contract with McFadden Construction Inc. for the Construction of the City Hall Parking Lot Improvements CIP GG 20-22
- 4.7 **TASK ORDER NO. 4 WITH WOODARD & CURRAN COMPANY FOR CIP RW 19-16 RECYCLED WATER PROGRAM EXPANSION AND ASSOCIATED BUDGET AMENDMENT**  
Adopt a Resolution Approving Task Order No. 4 to the Master Agreement with Woodard & Curran Company for CIP RW 19-16 to Provide Recycled Water Expansion Permitting Support and Associated Budget Amendment
- 4.8 **APPROVE REIMBURSEMENT TO SAYBROOK CLSP, LLC FOR IMPROVEMENTS CONSTRUCTED IN CENTRAL LATHROP PHASE 1B**  
Adopt a Resolution Approving Reimbursement to Saybrook CLSP, LLC for Improvements Constructed in Central Lathrop Phase 1B and Associated Budget Amendment

- 4.9 APPROVE RESERVE WASTEWATER TREATMENT CAPACITY TRANSFER FROM SOUTH LATHROP LAND, LLC TO LATHROP LAND ACQUISITION, LLC THROUGH THE CITY

Adopt Resolution Approving the Transfer of Reserve Wastewater Treatment Capacity in the Consolidated Treatment Facility from South Lathrop Land, LLC to Lathrop Land Acquisition, LLC through the City and an Associated Transfer Agreement

- 4.10 APPLICATION FOR STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM

Adopt a Resolution Approving an Application to the Statewide Park Development and Community Revitalization Program for Sangalang Park Revitalization

## 5. SCHEDULED ITEMS

- 5.1 PUBLIC HEARING (PUBLISHED NOTICE) TO ANNEX TERRITORY TO THE EXISTING IMPROVEMENT AREA NO. 5 OF COMMUNITY SERVICES DISTRICT NO 2018-1 (CENTRAL LATHROP SPECIFIC PLAN FACILITIES) ("CFD"), UNDER THE MELLO ROOS COMMUNITY FACILITIES ACT OF 1982, SECTIONS 53311 ET SEQ., CALIFORNIA GOVERNMENT CODE (THE "ACT").

The City Council to Consider the Following:

1. Hold a Public Hearing; and
2. Adopt Resolution of Authorizing Annexation of Territory, Authorizing the Levy of a Special Tax Therein and Submitting Levy of Tax to Qualified Electors; Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities) as provided in the Act and described in the Resolution of Intention adopted August 10, 2020; and
3. Adopt Resolution Declaring Results of Special Annexation Election, Determining Validity of Prior Proceedings and Directing Recording of Amended Notice of Special Tax Lien: Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities).

- 5.2 PUBLIC HEARING (PUBLISHED NOTICE) TO ANNEX TERRITORY TO THE EXISTING COMMUNITY SERVICES DISTRICT NO 2019-2 (CENTRAL LATHROP CITY SERVICES) ("CFD"), UNDER THE MELLO ROOS COMMUNITY FACILITIES ACT OF 1982, SECTIONS 53311 ET SEQ., CALIFORNIA GOVERNMENT CODE (THE "ACT")

The City Council to Consider the Following:

1. Hold a Public Hearing; and
2. Adopt Resolution of Authorizing Annexation of Territory, Authorizing the Levy of a Special Tax Therein and Submitting Levy of Tax to Qualified Electors; Community Facilities District No. 2019-2 (Central Lathrop City Services), as provided in the Act and described in the Resolution of Intention adopted August 10, 2020; and

3. Adopt Resolution Declaring Results of Special Annexation Election, Determining Validity of Prior Proceedings and Directing Recording of Amended Notice of Special Tax Lien; Community Facilities District No. 2019-2 (Central Lathrop City Services).
- 5.3 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER AN ORDINANCE ADDING SECTION 13.26.170 DENTAL AMALGAM-MERCURY SOURCE CONTROL PROGRAM TO CHAPTER 13.26 SEWER USE AND INDUSTRIAL WASTEWATER REGULATIONS OF THE LATHROP MUNICIPAL CODE  
The City Council to Consider the Following:
    1. Hold a Public Hearing; and
    2. Introduction and First Reading of an Ordinance Adding Section 13.26.170 Dental Amalgam-Mercury Source Control Program to Chapter 13.26 Sewer Use and Industrial Wastewater Regulations
  - 5.4 ADOPTION OF THRESHOLDS OF SIGNIFICANCE AND SCREENING CRITERIA FOR THE PURPOSE OF ANALYZING TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) RELATED TO VEHICLE MILES TRAVELED (VMT)  
Adopt a Resolution to 1) Find the Action Exempt from the California Environmental Quality Act, 2) Adopt the Proposed Thresholds of Significance and Screening Criteria for the Purpose of Analyzing Transportation Impacts Under CEQA Related to Vehicle Miles Traveled, and 3) Find that the Previous Thresholds of Significance Regarding Level of Service Shall Continue for the Purpose of Reviewing Non-CEQA Related Impacts for Discretionary Planning Approvals in Accordance with the General Plan
  - 5.5 CROSSROADS SEWER RATES  
Adopt a Resolution Approving the Decrease of Crossroads Sewer Rates
  - 5.6 FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET  
Adopt Resolution Approving the FY 2019/20 Year-End Report and Related Budget Amendments and Amending the FY 2020/21 Budget

## 6. COUNCIL COMMUNICATIONS

- 6.1 MAYOR & COUNCILMEMBER COMMITTEE REPORT(S)
  - *Central Valley Executive Committee/LOCC (Akinjo/Salcedo)*
  - *Council of Governments (Dhaliwal/Lazard)*
  - *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 (VACANT)*
  - *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)*

6.2 MAYOR & COUNCILMEMBER COMMENT(S)

**7. ADJOURNMENT**

*/Teresa Vargas/*

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Teresa Vargas, CMC,  
City Clerk



**CITY OF LATHROP  
CITY COUNCIL REGULAR MEETING  
MONDAY, JUNE 8, 2020  
7:00 P.M.  
COUNCIL CHAMBER, CITY HALL  
390 Towne Centre Drive  
Lathrop, CA 95330**

**MINUTES**

**Pursuant to the Governor's Executive Order N-25-20**

On March 12, 2020, Governor Newsom issued Executive Order N-25-20, which allowed the option to attend public meetings telephonically/teleconference during the COVID-19 pandemic. In accordance with the Executive Order N-25-20, guidance from the California Department of Public Health on gatherings, and to protect our employees and the public, remote public participation was allowed, but not mandatory. The meeting was available by Cisco Webex teleconference to the public, as well as reduced capacity in-person participation in accordance with social distancing guidelines.

**PLEASE NOTE: There was a Closed Session, which commenced at 6:33 p.m. The Regular Meeting reconvened at 7:07 p.m.**

**1. PRELIMINARY**

1.1 CALL TO ORDER – Mayor Dhaliwal called the meeting to order at 6:33 p.m.

1.2 CLOSED SESSION

- 1.2.1 CONFERENCE WITH LEGAL COUNSEL: Anticipated Litigation - Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(b)
- 2 Potential Case(s)

**RECONVENE** – Mayor Dhaliwal reconvened the meeting at 7:07 p.m.

1.2.2 REPORT FROM CLOSED SESSION

City Attorney Salvador Navarrete reported that direction was provided pursuant to Item 1.2; no other reportable action was taken.

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

Absent: None

- 1.4 INVOCATION – 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

Public Works Director Michael King announced that due to the construction of the Towne Centre Apartments, Towne Centre Drive would be closed to all traffic between Golden Valley Pkwy and McKee Blvd starting Tuesday, June 9, 2020, through Friday, June 12, 2020.

Mayor Dhaliwal expressed concern with the death of Mr. George Floyd. In response to the demonstrations throughout the country, Council consensus directed the City Attorney and City Manager to issue a joint statement expressing their condolences to the Floyd Family.

- 1.7 INFORMATIONAL ITEM(S) – None
- 1.8 DECLARATION OF CONFLICT(S) OF INTEREST

Councilmember Lazard declared a conflict of interest with Items 4.16 to 4.20, due to her employment with Dell’Osso Family Farms. Mayor Dhaliwal declared conflict of interest with Item 5.4, due to his residence within the Woodfield Park District area. City Attorney Salvador Navarrete confirmed the declarations of conflict as presented.

**2. PRESENTATIONS - None**

**3. CITIZEN’S FORUM**

City Clerk Teresa Vargas announced public comment letter/email; dated June 7 2, 2020, submitted by Christine Mendes regarding various concerns affecting her property on McKinley Avenue. The letter/email was distributed to the City Council (via their tablets; same process as the agenda) and copies were made available for the public at the beginning of the meeting. Ms. Mendes spoke on the matter and expressed additional concerns regarding the development near her property; and expressed appreciation to the workers during the Well 21 construction for their safe driving. Frank Mendes (18401 S. McKinley Avenue) expressed various concerns regarding the development near his property; weed abatement and fire hazard issues. Kathy Kendrick (Lathrop, CA) expressed concern with lack of parking along the San Joaquin County Mossdale Crossing Regional Park, near the Mossdale Road dead end.

**4. CONSENT CALENDAR**

On a motion by Councilmember Akinjo, seconded by Councilmember Lazard, the City Council approved the Consent Calendar, except Items 4.16 to 4.20, by the following roll call vote, unless otherwise indicated:

Ayes: Akinjo, Lazard, Salcedo, 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 APPROVAL OF MINUTES

Approved Minutes for the Regular Council Meeting of May 11, 2020.

#### 4.3 APPROVAL OF MINUTES

Approved Minutes for the Special Council Meeting of May 19, 2020.

#### 4.4 GENERAL MUNICIPAL ELECTION – NOVEMBER 3, 2020

Pulled by Councilmember Lazard. A question and answer period ensued. City Clerk Teresa Vargas responded to the questions.

Council considered the following:

1. Adopted **Resolution 20-4726** calling for the holding of a General Municipal Election to be held on Tuesday, November 3, 2020, for the election of certain officers as required by the provisions of the laws of the State of California Relating to General Law Cities;
2. Adopted **Resolution 20-4727** requesting the San Joaquin County Board of Supervisors to consolidate a General Municipal Election to be held on November 3, 2020, with the Statewide General Election to be held on the date pursuant to § 10403 Of The Elections Code; and
3. Adopted **Resolution 20-4728** regulations for candidates for elective office pertaining to candidate statements submitted to the voters at an election to be held on Tuesday, November 3, 2020.

#### 4.5 AGREEMENT WITH MANTECA BULLETIN FOR PUBLICATION OF LEGAL ADVERTISEMENTS

Adopted **Resolution 20-4729** awarding agreement to the Manteca Bulletin for publication of legal advertisements for the Period of July 1, 2020 through June 30, 2021.

#### 4.6 RATIFICATION OF THE SAN JOAQUIN COUNCIL OF GOVERNMENTS' ANNUAL FINANCIAL PLAN

Adopted **Resolution 20-4730** ratifying the San Joaquin Council of Governments (SJCOG) annual financial plan for FY 2020-21.

- 4.7 EXTENSION OF MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LATHROP, LATHROP MID-MANAGERS AND CONFIDENTIAL EMPLOYEES ASSOCIATION AND SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 1021, AND UNREPRESENTED EMPLOYEES

Adopted **Resolution 20-4731** authorizing the City Manager to execute an agreement extending the Memorandums of Understanding with Lathrop Mid-Managers and Confidential Employees Association and Service Employees International Union Local 1021, and provide unrepresented staff with the same terms and conditions.

- 4.8 CONFIRM PARTICIPATION IN THE SAN JOAQUIN URBAN COUNTY PROGRAM FOR YEARS 2021-2023 TO OBTAIN HOUSING AND URBAN DEVELOPMENT FUNDS

Confirmed the City of Lathrop's participation in the San Joaquin Urban County Program for years 2021-2023 to obtain housing and urban development funds.

- 4.9 SUBMISSION OF CLAIM FOR MEASURE K BICYCLE, PEDESTRIAN, AND SAFE ROUTES TO SCHOOL PROGRAM FUNDS FOR LOUISE AVENUE REHABILITATION CIP PS 18-01

Adopted **Resolution 20-4732** authorizing the City Manager to execute and submit the cycle one Measure K Bicycle, Pedestrian, and Safe Routes to School Program funds claim for the Louise Avenue Pavement Rehabilitation CIP PS 18-01, authorizing the City Manager to execute and submit all future Measure K claims, and approving related budget amendment.

- 4.10 APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH SOLID NETWORKS, INC. FOR INFORMATION TECHNOLOGY MAINTENANCE AND SUPPORT SERVICES

Adopted **Resolution 20-4733** approving a professional services agreement with Solid Networks, Inc. for information technology maintenance and support services.

- 4.11 APPROVE EXTENSION OF JANITORIAL SERVICES CONTRACT WITH KOREAN PROFESSIONAL BUILDING MAINTENANCE

Adopted **Resolution 20-4734** approving a one-year extension of the contract with Korean Professional Building Maintenance for janitorial services.

- 4.12 TRANSPORTATION DEVELOPMENT ACT CLAIM FOR FISCAL YEAR 2019/20

Adopted **Resolution 20-4735** authorizing the filing of a Transportation Development Act (TDA) Claim for Local Transportation Funds (LTF) for Fiscal Year 2019/20.

4.13 APPROVE CONTRACT FOR ELECTRICAL TRAFFIC CONTROL DEVICES AND LIGHTING MAINTENANCE SERVICES

Adopted **Resolution 20-4736** approving a contract with St. Francis Electric, LLC, for electrical traffic control devices and lighting maintenance services.

4.14 INDUSTRIAL SOLID WASTE LICENSE RENEWAL FOR FISCAL YEAR 2020-21

Adopted **Resolution 20-4737** approving annual Industrial Solid Waste License renewal for Stockton Scavengers Association and Delta Container Corporation for Fiscal Year 2020-21.

4.15 AUTHORIZE ADJUSTMENT TO THE REPUBLIC SERVICES SOLID WASTE COLLECTION RATES FOR FISCAL YEAR 2020-2021 AND APPROVE RELATED BUDGET AMENDMENT

Adopted **Resolution 20-4738** authorizing an increase to Republic Services collection rates based on the Consumer Price Index for San Francisco-Oakland-San Jose for all urban consumers for Fiscal Year 20-21, and six-month deferral, and related budget amendment.

*RIVER ISLANDS CONSENT ITEM(S)*

*Councilmember Lazard recused herself, following the vote of the consent calendar (Items 4.1 to 4.15), and left the chamber at 7:40 p.m., prior to the vote of Items 4.16 to 4.20, due to declared conflict of interest as noted in Item 1.8.*

On a motion by Vice Mayor Salcedo, seconded by Councilmember Torres-O'Callaghan, the City Council approved Items 4.16 to 4.20, by the following roll call vote, unless otherwise indicated:

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

4.16 APPROVAL OF A LARGE LOT FINAL MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 20 NON-BUILDABLE PARCELS (TRACT 4032) WITHIN LAKESIDE WEST DISTRICT OF RIVER ISLANDS

Adopted **Resolution 20-4739** approving a large lot final map for Tract 4032 within Lakeside West District, totaling 20 non-buildable parcels, a subdivision improvement agreement with River Islands Stage 2B, LLC, and abandonment of a portion of Paradise Road and Cohen Road.

4.17 ACCEPT STAGE 2A SEWER LIFT STATION AND FLUSHING STATION IMPROVEMENTS AND ASSOCIATED GRANT DEEDS

Pulled by Councilmember Akinjo. A question and answer period ensued. Public Works Director Michael King responded to the questions.

Adopted **Resolution 20-4740** accepting stage 2A sewer lift station and flushing station improvements and associated Grant Deeds from River Islands Stage 2A, LLC.

4.18 APPROVE A MASTER CONSULTANT AGREEMENT AND TASK ORDER NO. 1 WITH CSG CONSULTANTS, INC.

Adopted **Resolution 20-4741** approving a Master Consultant Agreement and Task Order No. 1 with CSG Consultants, Inc. to provide plan check services for the river islands project.

4.19 ACCEPT DEDICATION OF COMMUNICATION TOWER SITE, ACCEPT IRREVOCABLE OFFER OF DEDICATION FOR J7 STREET AND APPROVE AGREEMENT FOR CONSTRUCTION AND OPERATION OF THE TOWER

Adopted **Resolution 20-4742** accepting dedication of communication tower site, accepting Irrevocable Offer of Dedication for J7 Street and approving an agreement with River Islands Employment Center, LLC for construction and operation of a communications tower in river islands.

4.20 APPROVE OPTION AND TOWER LEASE AGREEMENT WITH NEW CINGULAR WIRELESS PCS, LLC FOR USE OF CITY OWNED TOWER

Adopted **Resolution 20-4743** approving an option and tower lease agreement with New Cingular Wireless PCS, LLC for use of city tower.

**5. SCHEDULED ITEMS**

*Councilmember Lazard returned to the chamber/dais after at 7:44 p.m. for the remainder of the meeting.*

*\* Public comment letter, dated June 8, 2020, for Item 5.1, 5.3, and 5.4 submitted by Martin Harris with Terra Land Group, LLC.*

5.1 \*PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER ADOPTION OF THE CITY OF LATHROP 2020 SOUTH LATHROP SPECIFIC PLAN (SLSP) AND LATHROP GATEWAY BUSINESS PARK SPECIFIC PLAN (LGBPSP) CAPITAL FACILITIES FEES STUDY UPDATE AND THE FEES RECOMMENDED THEREIN

Public Works Director Michael King provided the presentation. Mayor Dhaliwal opened the public hearing.

City Clerk Teresa Vargas announced public comment letter, dated June 8, 2020, for Item 5.1 (same letter for 5.3 and 5.4) submitted by Martin Harris with Terra Land Group, LLC. There were no speakers. Mayor Dhaliwal closed the public hearing.

On a motion by Councilmember Lazard, seconded by Vice Mayor Salcedo, the City Council:

1. Held a public hearing; and
2. Adopted **Resolution 20-4744** adopting the City of Lathrop 2020 South Lathrop Specific Plan (SLSP) and Lathrop Gateway Business Park Specific Plan (LGBPSP) Capital Facilities Fees study update and the fees recommended therein.

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

## 5.2 NAMING OF NEW CITY PARKS

Parks and Recreation Director Zach Jones provided the presentation. A question and answer period followed.

On a motion by Vice Mayor Salcedo, seconded by Councilmember Akinjo, the City Council adopted **Resolution 20-4745** naming the Neighborhood Park in Mossdale after William S. Moss and the Neighborhood Park in Stanford Crossing in honor of Leland and Jane Stanford and related budget amendment.

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

## 5.3 \*PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER FISCAL YEAR 2020/21 ASSESSMENTS FOR INDUSTRIAL LIGHTING MAINTENANCE DISTRICT; RESIDENTIAL LIGHTING MAINTENANCE DISTRICT; MOSSDALE LANDSCAPE AND LIGHTING DISTRICT; STONEBRIDGE LANDSCAPING MAINTENANCE DISTRICT; STONEBRIDGE DRAINAGE AND LIGHTING DISTRICT; STORM DRAIN DISTRICT ZONE 1; AND STORM DRAIN DISTRICT ZONE 1A

Accounting Manager Thomas Hedegard provided the presentation. A question and answer ensued throughout the presentation.

*Mayor Dhaliwal recessed the meeting at 8:15 p.m. and reconvened at 8:19 p.m.*

The question and answer period continued. City Manager Stephen Salvatore provided additional information.

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 Salcedo, the City Council:

1. Held a public hearing;
2. Adopted **Resolution 20-4746** approving the final engineer's report and ordering the levy and collection of assessments for the City of Lathrop Industrial Lighting Maintenance District for Fiscal Year 2020/21; Maximum Assessment for the District for Fiscal Year 2020/21 not to exceed Zone A \$7.94; Zone B \$40.47; Zone C \$7.94, and Proposed Annual Assessment for Fiscal Year 2020/21 Zone A \$7.94; Zone B \$40.47; Zone C \$7.94;
3. Adopted **Resolution 20-4747** approving the final engineer's report and ordering the levy and collection of assessments for the City of Lathrop Residential Lighting Maintenance District for Fiscal Year 2020/21; Maximum Assessment for the District for Fiscal Year 2020/21 not to exceed Zone A \$44.30; Zone B \$47.47; Zone C \$31.21; Zone D \$58.06; Zone E \$61.04; Zone F \$35.11; Zone G \$8.03, and Proposed Annual Assessment for Fiscal Year 2020/21 Zone A \$44.30; Zone B \$47.47; Zone C \$31.21; Zone D \$58.06; Zone E \$61.04; Zone F \$35.11; Zone G \$8.03;
4. Adopted **Resolution 20-4748** approving the final engineer's report and ordering the levy and collection of assessments for the Mossdale Landscape and Lighting Maintenance District for Fiscal Year 2020/21; Maximum Assessment for Fiscal Year 2020/21 not to exceed \$284.38, and Proposed Annual Assessment for Fiscal Year 2020/21 \$276.10;
5. Adopted **Resolution 20-4749** approving the final engineer's report and ordering the levy and collection of assessments for the Stonebridge Landscape Maintenance District and the Stonebridge Drainage & Lighting District for Fiscal Year 2020/21; Maximum Assessments for each District for Fiscal Year 2020/21 not to exceed \$438.78, and Proposed Annual Assessments for Fiscal year 2020/21 for Stonebridge Landscape Maintenance District is \$292.88 and for Stonebridge Drainage & Lighting District is \$248.14; and
6. Adopted **Resolution 20-4750** approving the final engineer's report and ordering the levy and collection of assessments for the Storm Drain District Zone 1 and Storm Drain District Zone 1A for Fiscal Year 2020/21; Proposed Annual Assessment for Fiscal Year 2020/21 for Storm Drain Zone 1 not to exceed \$112.52, and Proposed Annual Assessment for Fiscal Year 2020/21 for Storm Drain Zone 1A not to exceed \$199.92



AYES: Lazard, Salcedo, and Dhaliwal  
NOES: Akinjo and Torres-O'Callaghan  
ABSENT: None  
ABSTAIN: None

*Mayor Dhaliwal recused himself following the vote of Item 5.3, and left the chamber at 8:30 p.m. due to declared conflict of interest as noted in Item 1.8.*

5.4 \*PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER FISCAL YEAR 2020/21 ASSESSMENTS FOR LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT NO. 93-1 WOODFIELD PARK MAINTENANCE ZONE

Accounting Manager Thomas Hedegard provided the presentation. A question and answer period followed. City Manager Stephen Salvatore provided additional information. Vice Mayor Salcedo opened the public hearing. There were no speakers. Vice Mayor Salcedo closed the public hearing.

On a motion by Councilmember Akinjo, seconded by Councilmember Lazard, the City Council:

1. Held a public hearing; and
2. Adopted **Resolution 20-4751** approving the final engineer's report and ordering the levy and collection of assessments for the Landscape and Lighting Maintenance District No. 93-1 Woodfield Park Maintenance Zone for Fiscal Year 2020/21.

AYES: Akinjo, Lazard, Torres-O'Callaghan, and Salcedo  
NOES: None  
ABSENT: None  
ABSTAIN: Dhaliwal

*Mayor Dhaliwal returned to the chamber/dais after at 8:42 p.m. for the remainder of the meeting.*

## 2. COUNCIL COMMUNICATIONS

- 6.1 MAYOR DHALI WAL REFERRAL: Appointment of One (1) Member to the Planning Commission with Terms Expiring June 30, 2024
- One (1) Application for Consideration

Mayor Dhaliwal made the following appointment:

**Planning Commission**

Tosh Ishihara

**Term Expires**

June 30, 2024

On a motion by Councilmember Akinjo, seconded by Vice Mayor Salcedo, the City Council approved the appointment made by Mayor Dhaliwal as noted above.

6.2 MAYOR & COUNCILMEMBER COMMITTEE REPORT(S)

Councilmember Akinjo reported his participation in recent meetings and project updates related to the San Joaquin Area Flood Control Agency and League of California Cities Central Valley Executive Committee.

6.3 MAYOR & COUNCILMEMBER COMMENT(S)

Councilmember Akinjo commented on the tragic death of Mr. George Floyd; urged the community to come together in unity and work together for peaceful resolutions. Councilmember Lazard and Vice Mayor Salcedo thanked those in attendance. Councilmember Torres-O'Callaghan requested to schedule a future Proclamation recognizing June 2021 as Pride Month. Mayor Dhaliwal echo similar sentiments and urged City Manager and City Attorney in releasing the joint statement (mentioned on Item 1.6) as quickly as possible.

7. **ADJOURNMENT** – there being no further business, Mayor Dhaliwal adjourned the meeting at 8:57 p.m.



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Teresa Vargas, CMC  
City Clerk

## ITEM 4.3

### CITY MANAGER'S REPORT SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING

**ITEM:** 2020 CONFLICT OF INTEREST CODE BIENNIAL AMENDMENT

**RECOMMENDATION:** Adopt Resolution Adopting an Amended Conflict of Interest Code

---

#### **SUMMARY:**

The City of Lathrop has adopted a local Conflict of Interest Code as mandated by the Political Reform Act of 1974. In addition, the Act requires the City to review the Code biennially on even-numbered years. In reviewing the Code, it was determined that an amendment is necessary to reflect current organizational structure and position classifications and duties.

#### **BACKGROUND:**

The Political Reform Act of 1974 requires that cities and other local government agencies adopt local Conflict of Interest Codes. Lathrop's code requires disclosure of financial interests of certain employees, consultants and members of boards and commissions if these persons are likely to be involved in decision-making that could affect their own financial interests.

All public employees must comply with the State's general conflict of interest laws by abstaining from influencing or making decisions that would affect their own financial interests. Additionally, employees who hold positions designated in the City's Conflict of Interest Code must disclose specified types of financial interests on annual financial disclosure statements that are filed with the City Clerk.

The Political Reform Act also requires every local government agency to review its Conflict of Interest Code biennially to determine its accuracy no later than October 1 of even-numbered years. Updates do not change the basic conflict of interest abstention rules, which reflect state law. However, changes in City staff titles, organization structure and responsibilities require that the designated position list and disclosure categories be updated as indicated below.

#### **List of Designated Positions:**

The list of designated positions is part of the City's Code specifying which employees must file annual financial disclosure statements. For each designated position, the list establishes the categories of financial interests for which disclosure must be made. Requirements for disclosure differ from job to job in accordance with the types of financial interests, which might be affected by an officer or employee's decision-making.

**CITY MANAGER’S REPORT  
 SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
 2020 CONFLICT OF INTEREST CODE AMENDMENT**

The following summarized list of designated positions is proposed to be amended to reflect the City’s current position classifications and duties. The categories of required disclosure have been modified for some positions to reflect the financial interests that may currently be affected by an employee’s governmental decisions. A copy of the updated proposed list of designated positions is attached to the Resolution as Exhibit A. At this time, the majority of the positions listed in Exhibit A are filled; very few remain vacant, and or were recently unfunded. Vacant or recently unfunded positions will remain on the Conflict of Interest Code Amendment list until positions are removed by Council Resolution from the City’s Grade Step table.

**Summary of Changes:**

<b>Action</b>	<b>Department</b>	<b>Position/Title</b>	<b>Reason</b>
<b>Add</b>	City Manager’s Office	<ul style="list-style-type: none"> <li>Economic Development Administrator</li> </ul>	New title/position to Conflict of Interest Code
<b>Add</b>	Information Technology Department	<ul style="list-style-type: none"> <li>Chief Information Officer</li> </ul>	New title/position to Conflict of Interest Code; added New Department to List
<b>Add</b>	Finance Department	<ul style="list-style-type: none"> <li>Deputy Finance Director</li> </ul>	New title/position to Conflict of Interest Code
<b>Add</b>	Finance Department	<ul style="list-style-type: none"> <li>Finance Manager</li> </ul>	New title/position to Conflict of Interest Code
<b>Add</b>	Public Works	<ul style="list-style-type: none"> <li>Land Development Manager</li> </ul>	New title/position to Conflict of Interest Code
<b>Add</b>	Public Works	<ul style="list-style-type: none"> <li>Utility Plant Supervisor</li> </ul>	New title/position to Conflict of Interest Code
<b>Update</b>	Public Works	<ul style="list-style-type: none"> <li>Code Compliance Officer I/II/II</li> </ul>	Updating the list to reflect the various grade/step levels

Should the City Council approve new organizational changes, as part of tonight’s subsequent scheduled item for the year-end review, the applicable position(s) will be automatically added to the 2020 Conflict of Interest Code Amendment with the appropriate disclosure categories, as recommended by the City Clerk.

**Disclosure Categories:**

The disclosure categories establish the types of financial disclosure that must be made by each designated employee. A copy of the list of disclosure categories is attached to the Resolution as Exhibit B.

**REASON FOR RECOMMENDATION:**

The Political Reform Act requires a biennial review of the City's Conflict of Interest Code by October 1, 2020. Organizational changes have resulted in a need to amend the Code.

**FISCAL IMPACT:**

None.

**ATTACHMENTS:**


- A. Resolution adopting an amended Conflict of Interest Code
  - a. Exhibit A – Designated Positions
  - b. Exhibit B – Disclosure Categories

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
2020 CONFLICT OF INTEREST CODE AMENDMENT**

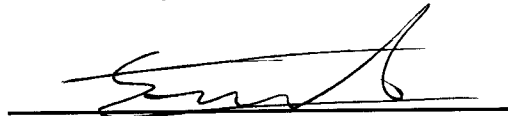
**APPROVALS:**

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

9/4/2020  
Date

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

9/4/2020  
Date

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

9.8.2020  
Date

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

9.8.2020  
Date

**RESOLUTION NO. 20-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ADOPTING AN AMENDED CONFLICT OF INTEREST CODE**

**WHEREAS**, the City of Lathrop adopted and promulgated a Conflict of Interest Code pursuant to the terms of Title 2, Division 6 of the California Code of Regulations, Section 18730, and within the meaning of the Political Reform Act of 1974, Government Code Section 87300, et seq.; and

**WHEREAS**, under the Political Reform Act, Government Code Section 87306 permits the amendment of the City's Conflict of Interest Code; and

**WHEREAS**, the City Council previously adopted Resolution 18-4443 adopting an amended Conflict of Interest Code; and

**WHEREAS**, the Political Reform Act, Government Code section 87306.5, requires every local government agency to review its Conflict of Interest Code biennially to determine if it is accurate; and

**WHEREAS**, in the biennial review of designated positions, it was determined the list of designated positions needed to be amended to reflect current staffing and organizational structure.

**NOW, THEREFORE, BE IT RESOLVED** that the amended Conflict of Interest Code, including the revised list of Designated Positions (Exhibit A) and the Disclosure Category explanations (Exhibit B), is hereby approved; and

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that Resolution No. 18-4443 be repealed by the adoption of this resolution

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, should the City Council approve new organizational changes, as part of tonight's subsequent scheduled item for the year-end review, the applicable position(s) will be automatically added to the 2020 Conflict of Interest Code Amendment with the appropriate disclosure categories, as recommended by the City Clerk.

**PASSED AND ADOPTED** this 14<sup>th</sup> day of September 2020, by the following vote:

AYES:

NOES:

ABSENT:


ABSTAIN:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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



**EXHIBIT A**

**CITY OF LATHROP  
CONFLICT OF INTEREST CODE**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Section 18730) which contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference in an agency's code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation designating officials and employees and establishing disclosure categories shall constitute the Conflict of Interest Code of the City of Lathrop.

**DESIGNATED POSITIONS**

Individuals holding designated positions shall file Statements of Economic Interest with the City Clerk who will make the statements available for public inspection and reproduction (Government Code Section 82008).

**OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

Officials who manage public investments, as defined by 2 Cal. Code of Regs. §18701 (b), are NOT subject to the City's code, but are subject to the disclosure requirements of the Act (Government Code Section 87200 et seq.). [Regs. §18730(b)(3)]. These positions are listed here for informational purposes only. It has been determined that the positions listed below are City of Lathrop officials who manage public investments:

City Manager / Treasurer	Mayor
City Attorney	City Councilmembers
Finance Director	Planning Commission Members

Upon receipt of the statements, the City Clerk shall make and retain copies and forward the originals to the Fair Political Practices Commission.

The disclosure categories and requirements for these positions are set forth in Article 2 of Chapter 7 of the Political Reform Act, Government Code Section 87200 et seq. They generally require the disclosure of interests in real property in the agency's jurisdiction, as well as investments, business positions and sources of income (including gifts, loans, and travel payments).

## DESIGNATED POSITIONS

<u>DEPARTMENTS/Positions</u>	<u>Disclosure Categories</u>
<b>ADMINISTRATIVE SERVICES</b>	
Administrative Services Director	1, 2
Human Resource Manager	1, 2, 6
<b>CITY ATTORNEY</b>	
City Attorney	*
<b>CITY CLERK</b>	
City Clerk	1, 2
<b>CITY MANAGER</b>	
City Manager / Treasurer	*
Economic Development Administrator	1, 2, 3, 6
<b>COMMUNITY DEVELOPMENT</b>	
Community Development Director	1, 2, 3, 5
Assistant Community Development Director	1, 2, 3, 6, 7
Principal Planner	2, 3, 6, 7
Senior Planner	2, 3, 6, 7
<b>FINANCE</b>	
Finance Director	*
Deputy Finance Director	1, 2, 3, 4
Accounting Manager	1, 2, 4
Finance Manager	1, 2, 4
Budget Manager	1, 2, 4
Senior Management Analyst	4, 6
Management Analyst I/II - Confidential	4, 6
Accountant	4, 6
<b>INFORMATION TECHNOLOGY</b>	
Chief Information Officer	1, 2, 5, 6, 7
Information Technology Manager	5, 6, 7
Programmer Analyst	5, 6, 7
<b>PARKS AND RECREATION</b>	
Parks and Recreation Director	1, 2, 5
Parks and Recreation Superintendent	2, 3, 6
Recreation Supervisor	3, 6
<b>POLICE SERVICES</b>	
Chief of Police	1, 2, 5
Police Lieutenant	1, 2, 6
Police Services Manager	2, 6, 7

Management Analyst I/II – Confidential	2, 6, 7
<b>PUBLIC WORKS</b>	
Public Works Director	1, 2, 3, 5
Assistant Public Works Director	1, 2, 3, 6, 7
City Engineer	1, 2, 3, 6, 7
Principal Engineer	2, 3, 6, 7
Senior Management Analyst	4, 6
Senior Construction Manager	2, 3, 6, 7
Land Development Manager	2, 3, 6, 7
Project Manager	2, 3, 6, 7
Senior Civil Engineer	2, 3, 6, 7
Maintenance and Operations Superintendent	2, 3, 5, 6
Utility Plant Supervisor	2, 3, 5, 6
Chief Building Official	2, 3, 6, 7
Assistant Chief Building Official	2, 3, 6, 7
Building Inspector I/II/III	2, 3, 6, 7
Code Compliance Officer I/II/III	2, 3, 6, 7
Code Compliance Supervisor	2, 3, 6, 7

MAYOR AND CITY COUNCILMEMBERS \*

PLANNING COMMISSION MEMBERS \*

PARKS AND RECREATION COMMISSION MEMBERS 1, 2

**CITY CONSULTANTS**

Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category (1, 2) in the code subject to the following limitation:

The City Manager may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager’s determination is a public record and shall be retained for public inspection in the same manner and location as others under this code.

\* NOTE: Members of the City Council, Planning Commission, the City Manager, City Attorney, and Treasurer have filing requirements imposed by State Law rather than by local enactment.

## EXHIBIT B

### DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of investments, business entities, sources of income, or real property, that the Designated Employee must disclose for each disclosure category to which he/she is assigned.

**Category 1:** All investments and business positions in, and sources of income from, business entities that do business or own real property within jurisdiction of the City, plan to do business or own real property within the jurisdiction of the City within the next year, or have done business or owned real property within the jurisdiction of the City within the past two years.

**Category 2:** All interests in real property which is located in whole or in part within, or not more than two miles outside, the jurisdiction of the City.

**Category 3:** All investments and business positions in, and sources of income from, business entities that are engaged in land development, construction, or the acquisition or sale of real property within the jurisdiction of the City, plan to engage in such activities within the jurisdiction of the City within the next year, or have engaged in such activities within the jurisdiction of the City within the past two years.

**Category 4:** All investments and business positions in, and sources of income from, business entities that are banking, savings and loan, or other financial institutions.

**Category 5:** All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the City.

**Category 6:** All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the Designated Employee's Department.

**Category 7:** All investments and business positions in, and sources of income from, business entities subject to the regulatory, permit, or licensing authority of the Designated Employee's Department, will be subject to such authority within the next year, or have been subject to such authority within the past two years.

## Quarterly Investment Report June 2020

This report presents a detailed discussion of the City’s investment portfolio as of June 30, 2020. 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 June 30, 2020, the investment portfolio was in compliance with all state laws and the City’s Investment Policy (see Attachment 1).

### 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 low investment yields. This liquidity places the City to invest in longer term maturity investments once interest rates begin to move up 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 June 30, 2020 compared with the prior quarter:

<b>Table: 1</b>				
<b>Holding Party</b>	<b>March 31, 2020</b>		<b>June 30, 2020</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	\$120,969,616	76%	\$133,447,507	78%
Investments held by Trustees	37,700,343	24%	38,173,478	22%
<b>TOTAL</b>	<b>\$158,669,959</b>	<b>100%</b>	<b>\$171,620,985</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 Capital Improvement Projects – General Government, Parks, Streets, Water, and Wastewater
- II. Recurring Expenditures
  - a. Contractual – Park & Street Landscaping, and Water Treatment Services
  - b. Intergovernmental payments – San Joaquin County (Police Services), Lathrop Manteca Fire District, City of Manteca ( Wastewater Contract)

### Quarterly Economic Update

According to the latest projections from PFM Asset Management, although the U.S. economy entered the year on strong footing, conditions deteriorated quickly as the COVID-19 pandemic took hold across the globe. Treasury yields plunged in response to the Fed’s new zero interest rate policy, with longer-term Treasury yields reaching new historic lows. Consumers have slowed spending as the coronavirus pandemic has closed stores and led to strict social-distancing measures. The Fed spent the second quarter mobilizing and refining its arsenal of emergency lending programs to provide liquidity and stabilize financial markets. At its two meetings over the quarter, the central bank left the target range for the federal funds rate unchanged at 0% to 0.25%. Released at its June policy meeting, the Federal Open Market Committee’s updated economic projections now anticipate a long, slow recovery, with persistently high unemployment, and short-term rates pegged at near 0%. Locally, the San Joaquin Valley area experienced an increase in unemployment rates (San Joaquin County: 14.8%; City of Lathrop: 11.2%). Unemployment rates have quickly surpassed previously forecasted levels due to the COVID-19 pandemic, caution is key to carry out with the business demands of the City.

I certify that all of the investments reported herein are in accordance with the "City of Lathrop Investment Policy" adopted on November 5, 2012, 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 Salvatore  
 City Manager

  
 Cari James  
 Director of Finance

**TABLE: 2**  
**CITY OF LATHROP**  
**Summary of All Investments**  
**As of June 30, 2020**

City Held Investments	Recorded Value	Current Yield	Percent of Portfolio	Market Value
Local Agency Investment Fund	\$ 53,411,739	0.228%	51.01%	\$ 53,411,739
Wells Fargo Money Market Mutual Funds	\$ 2,885,886	0.000%	2.76%	\$ 2,885,886
California Asset Management Program	\$ 10,239,812	0.510%	9.78%	\$ 10,239,812
<b>Total Investments Held by the City (1)</b>	<b>\$ 66,537,437</b>	<b>0.262%</b>	<b>63.54%</b>	<b>\$ 66,537,437</b>

Trustee Held Investments	Recorded Value	Current Yield	Percent of Portfolio	Market Value
Union Bank	\$ 3,912,422	0.027%	3.74%	\$ 3,912,422
UMB Bank	\$ 600,118	0.000%	0.57%	\$ 600,118
US Bank	\$ -	0.025%	0.00%	\$ -
SI County Pooled Funds	\$ 362,210	0.260%	0.35%	\$ 362,210
PFM Asset Management	\$ 32,809,243	0.000%	31.33%	\$ 32,809,243
BBVA Compass Bank	\$ 489,485	0.230%	0.47%	\$ 489,485
<b>Total Investments Held by Trustees (2)</b>	<b>\$ 38,173,478</b>	<b>0.008%</b>	<b>36.46%</b>	<b>\$ 38,173,478</b>

Total City & Trustee Held Investments & Cash	Recorded Value	Current Yield	Percent of Portfolio	Market Value
Investments Held by the City and Trustees	\$ 104,710,915	0.169%	100.00%	\$ 104,710,915
Cash in Checking Accounts - Recorded Value	\$ 66,910,070			
<b>Total Cash and Investments</b>	<b>\$ 171,620,985</b>			

Weighted Average Maturity of Portfolio (days): 1  
 One month benchmark for U.S. Treasuries: 0.02%  
 Three month benchmark for U.S. Treasuries: 0.03%

**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 June 30, 2020**

	Prior Month Recorded Value	Purchased (Buy)	Redeemed (Sell)	Current Month Recorded Value
<b>Investments Held by the City</b>				
Local Agency Investment Fund (1)	\$ 53,411,739	-	-	\$ 53,411,739
Wells Fargo Money Market Mutual Funds (2)	\$ 2,885,849	37	-	\$ 2,885,886
California Asset Management Program	\$ 10,235,508	4,304	-	\$ 10,239,812
<b>Total Investments Held by the City</b>	<b>\$ 66,533,096</b>	<b>4,341</b>	<b>-</b>	<b>\$ 66,537,437</b>
<b>Investments Held by Trustees</b>				
BBVA Compass Bank	\$ 489,121	364	-	\$ 489,485
SJ County Pooled Funds	\$ 364,335	-	(2,125)	\$ 362,210
UMB Bank	\$ 599,094	17,811,514	(17,810,490)	\$ 600,118
Union Bank (3)	\$ 3,613,388	299,033	-	\$ 3,912,422
PFM Asset Management	\$ 32,641,128	7,141,283	(6,973,169)	\$ 32,809,242
<b>Total Investments Held by Trustees</b>	<b>\$ 37,707,066</b>	<b>\$ 25,252,194</b>	<b>\$ (24,785,783)</b>	<b>\$ 38,173,477</b>
<b>Total Cash in Checking Accounts Held by the City (2)</b>	<b>\$ 63,499,669</b>	<b>7,947,310</b>	<b>(4,536,909)</b>	<b>\$ 66,910,070</b>
<b>Total Cash and Investments Held by the City and Trustees</b>	<b>\$ 167,739,831</b>	<b>\$ 33,203,845</b>	<b>\$ (29,322,692)</b>	<b>\$ 171,620,985</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, 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: Police Services expenses, and SSJID SCSWSP O & M expenses.
- (3) Interest earnings, debt service payments.



**TABLE: 4**  
**CITY OF LATHROP**  
**Investments Held by City - Detail**  
**As of June 30, 2020**

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	0.257%	Varies	On Demand	53,411,739	53,411,739
						<u>\$ 53,411,739</u>	<u>\$ 53,411,739</u>
<b>Wells Fargo Mutual Funds</b>							
	Money Market Mutual Fund City 12641627	N/A	0.000%	Varies	On Demand	2,885,886	2,885,886
						<u>\$ 2,885,886</u>	<u>\$ 2,885,886</u>
<b>California Asset Management Program</b>							
	Liquidity Account No. 6084-001	N/A	0.510%	Varies	On Demand	10,239,812	10,239,812
						<u>\$ 10,239,812</u>	<u>\$ 10,239,812</u>
<b>TOTAL INVESTMENTS HELD BY CITY</b>						<b>\$ 66,537,437</b>	<b>\$ 66,537,437</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of June 30, 2020**

Investment Description	Acct Number	Coupon Rate	CUSIP	Current Yield	Purchase	Maturity Date	Value	Recorded Value
<b>Investments Held by Union Bank by Account</b>								
<b>03-1 Series 2015 - Mossdale Village Assessment District</b>								
Mossdale Village Assessment Dist. No. 03-1 Series 2015 - Redemption Fund	6712138601			0.010%	10/18/05	On Demand	\$ 17	\$ 17
Mossdale Village Assessment Dist. No. 03-1 Series 2005/2015 - Reserve Fund	6712138602			0.010%	10/18/05	On Demand	\$ 241,039	\$ 241,039
<b>2000 North Harlan Improvement District 99-01</b>								
Money Market - Reserve Account	6711651103			0.010%	7/12/00	On Demand	\$ 92,061	\$ 92,061
Money Market - Redemption Account	6711651101			0.010%	7/12/00	On Demand	\$ 0	\$ 0
<b>2003-2A Lathrop CFD</b>								
Money Market- Interest Account	6711720001			0.010%	12/12/03	On Demand	\$ 37	\$ 37
LAIF - Interest Account	6711720002			0.257%	03/19/03	On Demand	\$ 724,713	\$ 724,713
<b>CDPH/CDWR - SRF Loan</b>								
Agreement Account	6711908800			0.000%	12/22/10	On Demand	\$ 298,799	\$ 298,799
Agreement Account - Reserve Fund	6711908801			0.000%	12/22/10	On Demand	\$ 599,546	\$ 599,546
<b>2013-1 Mossdale Village</b>								
2013-1 Refunding Improvement Bonds	6712076900			0.000%	10/01/13	On Demand	\$ 47	\$ 47
2013-1 Refunding Improvement Bonds	6712076901			0.000%	10/01/13	On Demand	\$ 949,195	\$ 949,195
2013-1 Refunding Improvement Bonds	6712076903			0.000%	10/01/13	On Demand	\$ -	\$ -
<b>2013-1 Special Tax Bonds</b>								
2013-1 Mossdale Special Tax	6712076801			0.000%	10/01/13	On Demand	\$ 30	\$ 30
2013-1 Mossdale Special Tax	6712076803			0.000%	10/01/13	On Demand	\$ -	\$ -
2013-1 Mossdale Special Tax	6712076804			0.000%	10/01/13	On Demand	\$ 263,461	\$ 263,461
2013-1 Mossdale Special Tax	6712076806			0.000%	10/01/13	On Demand	\$ 75	\$ 75
<b>2015 Crossroads Series B</b>								
2015 Crossroads Series B - LOIB RDP	6712138801			0.000%	09/01/15	On Demand	\$ 35	\$ 35
2015 Crossroads Series B - LOIB Reserve	6712138803			0.000%	09/01/15	On Demand	\$ 742,970	\$ 742,970
2015 Crossroads Series B - Cost of Issuance	6712138804			0.000%	09/01/15	On Demand	\$ 0	\$ 0
2015 Crossroads Series B - Improvements	6712138805			0.000%	09/01/15	On Demand	\$ 396	\$ 396
2015 Crossroads Series B - COI Custodian Agreement	6712198801			0.000%	09/01/15	On Demand	\$ -	\$ -
<b>Total Investments Held by Trustee - Union Bank</b>							<b>\$ 3,912,422</b>	<b>\$ 3,912,422</b>
<b>Investments Held by BBVA Compass Bank by Account</b>								
<b>2012 Water Loan (Refunding of 2000 Water Cops)</b>								
Certificate of Deposit - Reserve Fund		N/A		0.090%	5/22/19	5/21/21	\$ 489,485	\$ 489,485
<b>Total Investments Held by Trustee - BBVA Compass Bank</b>							<b>\$ 489,485</b>	<b>\$ 489,485</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of June 30, 2020**

Investment Description	Acct Number	Coupon Rate	CUSIP	Current Yield	Purchase	Maturity Date	Value	Recorded Value
<b>Investments Held by UMB Bank by Account</b>								
<b>2006-1 Central Lathrop Phase I Infrastructure CFD</b>								
Special Tax Fund	141226.1	N/A		0.000%	09/12/06	On Demand	\$ -	\$ -
Interest Fund	141226.2	N/A		0.000%	09/12/06	On Demand	\$ -	\$ -
Principal	141226.3	N/A		0.001%	08/26/10	On Demand	\$ -	\$ -
Redemption	141226.4	N/A		0.001%	08/26/10	On Demand	\$ -	\$ -
TTEE Fee & Comp Exp	141226.5	N/A		0.002%	09/12/06	On Demand	\$ -	\$ -
Reserve Fund	141226.6	N/A		0.000%	09/12/06	On Demand	\$ -	\$ -
Improvement Fund	141226.7	N/A		0.000%	09/12/06	On Demand	\$ -	\$ -
<b>2018-1 Central Lathrop CFD</b>								
Improvement Area 1 - Admin Expense Reserve Fund	149232.1	N/A		0.000%	02/01/19	On Demand	\$ 52,679	\$ 52,679
Other Improvement Areas - Admin Expense Reserve Fund	149232.2	N/A		0.000%	02/01/19	On Demand	\$ 213,218	\$ 213,218
Improvement Area 1 - Principal Account	149232.3	N/A		0.000%	02/01/19	On Demand	\$ 2,501	\$ 2,501
Improvement Area 1 - Redemption Account	149232.4	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 1 - Interest Account	149232.5	N/A		0.000%	02/01/19	On Demand	\$ 35	\$ 35
Improvement Area 1 - Admin Expense Account	149232.6	N/A		0.000%	02/01/19	On Demand	\$ 16,554	\$ 16,554
Improvement Area 1 - Reserve Fund	149232.7	N/A		0.000%	02/01/19	On Demand	\$ 79,028	\$ 79,028
Improvement Area 1 - Surplus Fund	149232.8	N/A		0.000%	02/01/19	On Demand	\$ 2,501	\$ 2,501
Improvement Area 2 - Principal Account	149265.1	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 2 - Redemption Account	149265.2	N/A		0.000%	02/01/19	On Demand	\$ 22	\$ 22
Improvement Area 2 - Interest Account	149265.3	N/A		0.000%	02/01/19	On Demand	\$ 16,731	\$ 16,731
Improvement Area 2 - Admin Expense Account	149265.4	N/A		0.000%	02/01/19	On Demand	\$ 36,776	\$ 36,776
Improvement Area 2 - Reserve Fund	149265.5	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 2 - Surplus Fund	149265.6	N/A		0.000%	02/01/19	On Demand	\$ 2,501	\$ 2,501
Improvement Area 3 - Principal Account	149267.1	N/A		0.000%	02/01/19	On Demand	\$ 44	\$ 44
Improvement Area 3 - Redemption Account	149267.2	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 3 - Interest Account	149267.3	N/A		0.000%	02/01/19	On Demand	\$ 15,797	\$ 15,797
Improvement Area 3 - Admin Expense Account	149267.5	N/A		0.000%	02/01/19	On Demand	\$ 103,550	\$ 103,550
Improvement Area 3 - Reserve Fund	149267.6	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 3 - Surplus Fund	149267.7	N/A		0.000%	02/01/19	On Demand	\$ 2,500	\$ 2,500
Improvement Area 4 - Principal Account	149268.1	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Redemption Account	149268.2	N/A		0.000%	02/01/19	On Demand	\$ 17,279	\$ 17,279
Improvement Area 4 - Interest Account	149268.3	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Admin Expense Account	149268.4	N/A		0.000%	02/01/19	On Demand	\$ 13,063	\$ 13,063
Improvement Area 4 - Reserve Fund	149268.5	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Surplus Fund	149268.6	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 5 - Principal Account	149269.1	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 5 - Redemption Account	149269.2	N/A		0.000%	02/01/19	On Demand	\$ 12	\$ 12
Improvement Area 5 - Interest Account	149269.3	N/A		0.000%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 5 - Admin Expense Account	149269.4	N/A		0.000%	02/01/19	On Demand	\$ 17,714	\$ 17,714

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of June 30, 2020**

Investment Description	Acct Number	Coupon Rate	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
Improvement Area 5 - Reserve Fund	149269.5				02/01/19	On Demand	\$ 5,227	\$ 5,227
Improvement Area 5 - Surplus Fund	149269.6				02/01/19	On Demand	\$ -	\$ -
<b>2018-2 Central Lathrop CFD</b>							\$ -	\$ -
Special Tax Fund	149261.1	N/A		0.0000%	02/01/19	On Demand	\$ 2,387	\$ 2,387
Surplus Fund	149261.2	N/A		0.0000%	02/01/19	On Demand	\$ -	\$ -
<b>Total Investments Held by Trustee - UMB Bank</b>							<b>\$ 600,118</b>	<b>\$ 600,118</b>
<b>Investments Held by San Joaquin County by Account</b>								
<i>Sanitary Sewer Assessment District #1</i>								
Pooled Funds - Redemption Account	Fund 57961	N/A		0.260%	10/1/87	On Demand	\$ 362,210	\$ 362,210
<b>Total Investments Held by Trustee - San Joaquin County</b>							<b>\$ 362,210</b>	<b>\$ 362,210</b>
<b>Investments Held by PFM Asset Management by Account</b>								
<i>PFM Asset Management</i>								
Money Market Fund	20260109	N/A		0.0000%	05/28/15	05/28/15	\$ 33,191	\$ 33,191
<i>US Treasury Bond / Note</i>								
US Treasury Notes	912828WR7		912828WR7	2.13%	06/30/14	06/30/21	\$ 662,594	\$ 662,594
US Treasury Notes	9128284W7		9128284W7	2.75%	08/15/18	08/15/21	\$ 1,028,750	\$ 1,028,750
US Treasury Notes	912828D72		912828D72	2.00%	09/02/14	08/31/21	\$ 995,719	\$ 995,719
US Treasury Notes	912828D72		912828D72	2.00%	09/02/14	08/31/21	\$ 1,123,375	\$ 1,123,375
US Treasury Notes	912828A44		912828A44	2.75%	09/17/18	09/15/21	\$ 515,469	\$ 515,469
US Treasury N/B	912828T67		912828T67	1.25%	10/31/16	10/31/21	\$ 689,775	\$ 689,775
US Treasury Notes	9128285L0		9128285L0	2.88%	11/15/18	11/15/21	\$ 777,656	\$ 777,656
US Treasury Notes	912828U65		912828U65	1.75%	11/30/16	11/30/21	\$ 1,022,344	\$ 1,022,344
US Treasury Notes	9128285V8		9128285V8	2.50%	01/15/19	01/15/22	\$ 243,409	\$ 243,409
US Treasury Notes	9128285V8		9128285V8	2.50%	01/15/19	01/15/22	\$ 776,836	\$ 776,836
US Treasury Notes	912828V72		912828V72	1.88%	01/31/17	01/31/22	\$ 898,516	\$ 898,516
US Treasury Notes	912828V72		912828V72	1.88%	01/31/17	01/31/22	\$ 2,310,469	\$ 2,310,469
US Treasury Notes	9128286C9		9128286C9	2.50%	02/15/19	02/15/22	\$ 155,649	\$ 155,649

**TABLE 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of June 30, 2020**

Investment Description	Acct Number	Coupon Rate	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
US Treasury Notes			912828W55	1.88%	02/28/17	02/28/22	\$ 308,484	\$ 308,484
US Treasury Notes			9128286M7	2.25%	04/15/19	04/15/22	\$ 207,438	\$ 207,438
US Treasury Notes			912828W29	1.75%	04/30/15	04/30/22	\$ 1,028,906	\$ 1,028,906
US Treasury Notes			9128282P4	1.88%	07/31/17	07/31/22	\$ 750,828	\$ 750,828
US Treasury Notes			9128282P4	1.88%	07/31/17	07/31/22	\$ 1,165,078	\$ 1,165,078
US Treasury Notes			912828VA2	1.50%	08/15/19	08/15/22	\$ 874,172	\$ 874,172
US Treasury Notes			9128282S8	1.63%	08/31/17	08/31/22	\$ 283,637	\$ 283,637
US Treasury Notes			9128282S8	1.63%	08/31/17	08/31/22	\$ 902,480	\$ 902,480
US Treasury Notes			912828YK0	1.38%	10/15/19	10/15/22	\$ 770,625	\$ 770,625
US Treasury Notes			912828Z29	1.50%	01/15/20	01/15/23	\$ 1,033,750	\$ 1,033,750
US Treasury Notes			912828P38	1.75%	02/01/16	01/31/23	\$ 546,246	\$ 546,246
US Treasury Notes			912828O29	1.50%	03/31/16	03/31/23	\$ 1,710,070	\$ 1,710,070
US Treasury N/B			912828ZP8	0.125%	05/15/20	05/15/23	\$ 723,867	\$ 723,867
<b>US Treasury Subtotal:</b>							<b>\$ 21,506,141</b>	<b>\$ 21,506,141</b>
<b>Supra-national Agency Bond / Note</b>								
Intl BK Recon & Develop SN Note			459058GU1	2.125%	05/29/19	07/01/22	\$ 311,038	\$ 311,038
Inter-American Devel BK Corporate Notes			4581X0DM7	0.500%	04/24/20	5/24/23	\$ 326,911	\$ 326,911
<b>Supra-National Agency Subtotal</b>							<b>\$ 637,950</b>	<b>\$ 637,950</b>
<b>Federal Agency Bond/Note</b>								
Fannie Mae Notes			313560U35	2.75%	06/25/18	06/22/21	\$ 456,110	\$ 456,110
Federal Home Loan Banks Agcy			3130AGLD5	1.88%	06/07/19	07/07/21	\$ 244,115	\$ 244,115
Federal Home Loan Banks Agcy			3130AF5B9	3.00%	10/12/18	10/12/21	\$ 440,175	\$ 440,175
Fannie Mae Notes			313560U92	2.65%	01/11/19	01/11/22	\$ 311,015	\$ 311,015
Fannie Mae Notes			313560U92	2.65%	01/11/19	01/11/22	\$ 311,015	\$ 311,015
Federal Farm Credit Banks Notes			3133ELTN4	0.530%	03/18/20	01/18/22	\$ 653,147	\$ 653,147
Federal Farm Credit Banks Notes			3133ELVW3	0.950%	04/08/20	04/08/22	\$ 450,796	\$ 450,796
FFCB Note (Callable)			3133ELWD2	0.375%	04/08/20	04/08/22	\$ 501,223	\$ 501,223
Federal Farm Credit Banks Notes			3133ELYR9	0.250%	05/06/20	05/06/22	\$ 650,283	\$ 650,283
Federal Home Loan Banks Notes			3130AIPU7	0.250%	06/12/20	06/03/22	\$ 625,164	\$ 625,164
Fannie Mae Notes			3134GVI66	0.250%	06/12/20	06/03/22	\$ 800,210	\$ 800,210
Federal Home Loan Banks Agcy			313379O69	2.125%	06/01/12	06/10/22	\$ 647,853	\$ 647,853
Fannie Mae Notes			313560W33	1.375%	09/06/19	09/06/22	\$ 630,221	\$ 630,221
Federal Home Loan Banks Notes			3130AJ7E3	1.375%	02/17/23	02/17/23	\$ 560,819	\$ 560,819
Fannie Mae Notes			3137EAE08	0.375%	04/20/20	04/20/23	\$ 601,661	\$ 601,661
Fannie Mae Notes			3137EAE08	0.375%	05/07/20	05/05/23	\$ 571,439	\$ 571,439
Fannie Mae Notes			3135G0403	0.250%	05/22/20	05/22/23	\$ 649,331	\$ 649,331
Fannie Mae Notes			3134GVR67	0.500%	06/16/20	06/16/23	\$ 500,350	\$ 500,350
Fannie Mae Notes			3137EAE54	0.250%	06/26/20	06/26/23	\$ 879,065	\$ 879,065
<b>Federal Agency Subtotal:</b>							<b>\$ 10,483,992</b>	<b>\$ 10,483,992</b>
<b>Interest</b>								
Accrued Interest							\$ 147,968	\$ 147,968

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of June 30, 2020**

Investment Description	Acct Number	Coupon Rate	CUSIP	Current Yield	Purchase	Maturity Date	Value	Recorded Value
<b>Total Investments Held by Trustee -PFM Asset Management</b>							<b>\$ 32,809,243</b>	<b>\$ 32,809,243</b>
<b>* Investments made per CLSP Bond Indenture</b>							<b>\$ 38,173,478</b>	<b>\$ 38,173,478</b>
<b>Total Investments Held by Trustees</b>							<b>\$ 38,173,478</b>	<b>\$ 38,173,478</b>

## ITEM 4.5

### CITY MANAGER'S REPORT SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING

**ITEM:** APPROVE CONSTRUCTION CONTRACT FOR RIVER ISLANDS PARKWAY WIDENING, CIP PS 06-06

**RECOMMENDATION:** Adopt Resolution Approving a Construction Contract with McGuire and Hester for the Construction of River Islands Parkway Widening, CIP PS 06-06 and Related Budget Amendment

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#### SUMMARY:

The River Islands Parkway Widening Project (CIP) PS 06-06 will construct curb & gutter, full pavement width, signage and striping, traffic signal interconnection, sidewalk and street lighting within an 800-foot segment of River Islands Parkway from the east side of Golden Valley Parkway to Manthey Road. The plans and technical specifications for this project were completed by MacKay & Soms in July 2020. The bid solicitation package was advertised on August 6, 2020, in accordance with the Public Contract Code and the Lathrop Municipal Code, Section 2.36.060.

A total of 5 bids were received and opened by the City Clerk on September 3, 2020. Based on review and evaluation of the bids, the lowest responsive and responsible bidder for the project was determined to be McGuire and Hester with a bid amount of \$1,270,501.

Staff requests the City Council approve a construction contract with McGuire and Hester for construction of the River Islands Parkway Widening, CIP PS 06-06 in the amount of \$1,270,501 plus a 10% construction contingency in the amount of \$127,050, for a total cost not to exceed \$1,397,551. Staff also requests City Council approve a budget amendment transferring \$550,000 from the Capital Facilities Fees Fund (2250) to the Streets CIP Fund (3310).

#### BACKGROUND:

River Islands Parkway (RIP), between Interstate 5 and Golden Valley Parkway (GVP), was constructed in 2006. At that time, the roadway could not be completed because the right of way on the north side of the street had not been acquired. That property has now sold, and the new owners are processing a parcel map to revise the properties on the north side of River Islands Parkway into parcels that will facilitate commercial development in the near future. The new property owner dedicated the necessary right of way for River Islands Parkway so the street can be widened. Rather than waiting for that site to develop, City staff pursued the design and construction of this section of the roadway immediately in order to reduce congestion in this area.

**CITY MANAGER’S REPORT** **PAGE 2**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**APPROVE CONSTRUCTION CONTRACT FOR THE RIVER ISLANDS PARKWAY**  
**WIDENING, CIP PS 06-06**

This first of three phases of improvements to RIP will construct improvements such as center median, curb and gutter, new paving and restriping, and full street lighting on the north side of the street. It will also include the addition of pavement loop detectors to improve the operation of the traffic signal at the intersection of RIP and GVP.

Under the same phase, the project will also construct a driveway to serve the commercial center on the north side of RIP, and result in westbound improvements at GVP of a raised median, two left-turn lanes, three through lanes and a right turn lane. A small raised island will be added to stop vehicles exiting the new commercial driveway from crossing three through lanes to turn left at GVP. The new median island will prohibit left turns on to and off of Manthey Road.

On April 13, 2020, City Council approved an agreement with MacKay & Soms for the provision of Plans, Specifications, and Estimate for this project.

The plans and specifications for this project were completed in July 2020 and were advertised for bid on August 6, 2020, in accordance with the Public Contract Code and Lathrop Municipal Code Section 2.36.060. A total of 5 bids were received that were determined to be responsive and responsible. The bid results are summarized in Table 1 below:

**Table 1: Summary of Bid Results**

<b>Contractor</b>	<b>Total Bid</b>
McGuire and Hester	\$1,270,501
Knife River	\$1,407,486
DeSilva Gates	\$1,454,455
Tracy Grading and Paving	\$1,467,905
Granite Rock	\$1,587,729

Staff reviewed the bids and determined that the lowest responsive and responsible bidder is McGuire and Hester. Staff requests the City Council adopt a resolution approving a construction contract with McGuire and Hester in the amount of \$1,270,501. Staff also requests City Council authorize a 10% construction contingency of \$127,050 and authorize staff to spend the contingency as necessary to achieve the goals of the project for a total cost not to exceed \$1,397,551.

**REASON FOR RECOMMENDATION:**

River Islands Parkway is the primary access to the River Islands residential project, which is rapidly expanding. In addition, more traffic will be generated by the upcoming commercial developments on the north side of the street. Likewise, Chipotle Restaurant is near completion on the south side of RIP; contributing to the need of upsizing vehicular capacity on River Islands Parkway.



**CITY MANAGER'S REPORT** **PAGE 3**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**APPROVE CONSTRUCTION CONTRACT FOR THE RIVER ISLANDS PARKWAY**  
**WIDENING, CIP PS 06-06**

Needed right-of-way has been acquired on the north side of RIP, and the recommended contract will allow construction of the much needed improvements. Staff recommends City Council approve a Construction Contract with McGuire and Hester in the amount of \$1,270,501.

**FISCAL IMPACT:**

The proposed contract with McGuire and Hester is for \$1,270,501. A 10% construction contingency is requested in the amount of \$127,050 for a total cost not to exceed \$1,397,551. Funding for this project was included in the FY 20/21 budget; however, sufficient funds were not allocated. Therefore, staff requests City Council approve a budget amendment transferring \$550,000 from the Capital Facilities Fees Fund (2250) to the Streets CIP Fund (3310) as follows:


<u>Increase Transfer Out</u>		
2250-9900-990-9010	PS 06-06	\$550,000
 <u>Increase Transfer In</u>		
3310-9900-393-0000	PS 06-06	\$550,000
 <u>Increase Appropriation</u>		
3310-8000-420-1200	PS 06-06	\$550,000

**ATTACHMENTS:**

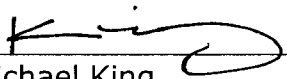
- A. Resolution Approving a Construction Contract with McGuire and Hester for the Construction of River Islands Parkway Widening, CIP PS 06-06 and Related Budget Amendment
- B. Construction Contract with McGuire and Hester for Construction of the River Islands Parkway Widening, CIP PS 06-06
- C. Project Location Map

**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**APPROVE CONSTRUCTION CONTRACT FOR THE RIVER ISLANDS PARKWAY**  
**WIDENING, CIP PS 06-06**

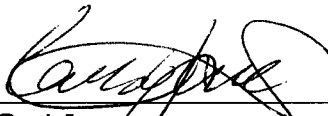
**APPROVALS:**

  
\_\_\_\_\_  
Ken Reed  
Senior Construction Manager

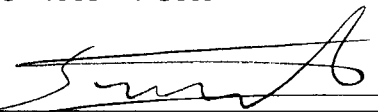
9-8-2020  
Date

  
\_\_\_\_\_  
Michael King  
Public Works Director


9-10-2020  
Date

  
\_\_\_\_\_  
Cari James  
Finance & Administrative  
Services Director

9/8/2020  
Date

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

9-8-2020  
Date

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

9.9.2020  
Date

**RESOLUTION NO. 20-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING A CONSTRUCTION CONTRACT WITH MCGUIRE AND HESTER FOR THE CONSTRUCTION OF RIVER ISLANDS PARKWAY WIDENING, CIP PS 06-06 AND RELATED BUDGET AMENDMENT**

**WHEREAS**, the plans and specifications for the River Islands Parkway Widening Project, CIP PS 06-06 (Widening Project) were completed by MacKay & Soms in July, 2020 and were advertised for bid on August 6, 2020, in accordance with the Public Contract Code and Lathrop Municipal Code Section 2.36.060; and

**WHEREAS**, a total of 5 bids were received and opened by the City Clerk on September 3, 2020; and

**WHEREAS**, upon review and evaluation of the bids, the lowest responsive and responsible bidder for the project was determined to be McGuire and Hester, with a bid amount of \$1,270,501; and

**WHEREAS**, staff requests the City Council approve a construction contract with McGuire and Hester for the Widening Project in the amount of \$1,270,501; and

**WHEREAS**, staff also requests Council authorize a 10% construction contingency in the amount of \$127,050 and authorize staff to spend the contingency as necessary to achieve the goals of the project for a total cost not to exceed \$1,397,551; and

**WHEREAS**, sufficient funds were not allocated in the adopted FY 20/21 Budget. As a result, staff also requests City Council approve a budget amendment transferring \$550,000 from the Capital Facilities Fee Fund (2250) to the Streets CIP Fund (3310) in order to have the necessary funds to pay for the project as follows:

<u>Increase Transfer Out</u>		
2250-9900-990-9010	PS 06-06	\$550,000
<u>Increase Transfer In</u>		
3310-9900-393-0000	PS 06-06	\$550,000
<u>Increase Appropriation</u>		
3310-8000-420-1200	PS 06-06	\$550,000

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby approves a construction contract with McGuire and Hester for the River Islands Parkway Widening Project CIP PS 06-06 for a cost of \$1,270,501; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop does hereby approve a 10% construction contingency in the amount of \$127,050 for a

total cost not to exceed \$1,397,551 for the River Islands Parkway Widening Project CIP PS 06-06, and authorizes staff to spend up to this amount as necessary to accomplish the goals of the project; and

**BE IT FURTHER RESOLVED,** that the City Council of Lathrop does hereby approve a budget amendment transferring \$550,000 from the Capital Facilities Fee Fund (2250) to the Streets CIP Fund (3310) as detailed above in order to have the necessary funds to pay for the project.

The foregoing resolution was passed and adopted this 14<sup>th</sup> day of September, 2020, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

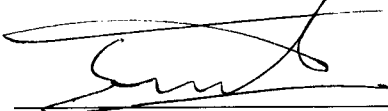
ABSENT:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

## CONSTRUCTION CONTRACT

This Contract, dated **September 14, 2020**, is entered into by and between the **City of Lathrop**, a municipal corporation of the State of California (City), and **McGuire and Hester**, (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 the **River Islands Parkway Widening, CIP PS 06-06 (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 Project and Work is generally described as follows:

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 widening River Islands Parkway from two (2) lanes to five (5) lanes between Interstate 5 and Golden Valley Parkway, signal modification and restriping at River Islands Parkway and Golden Valley Parkway, pavement overlay, and lighting improvements.

The Work shall be completed, 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 work actual work performed in accordance with the unit prices and provisions contained in these Construction Documents.

**The City's cost of the improvements for bid is \$1,270,501**

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 guaranty) and the Bid Documents submitted by McGuire and Hester on September 3, 2020. 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.

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 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.

- 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.

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 the Notice to Contractors.
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;
  - (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

Phone: (209) 941-7430  
Fax: (209) 941-7449  
Attn: Ken Reed, Senior Construction Manager

To Contractor: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Contact Number: \_\_\_\_\_  
Email: \_\_\_\_\_  
Attn: \_\_\_\_\_

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.

- (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.**
- (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 be enforced, as well as that for failing to pay prevailing wages.

#### EXHIBITS:

##### EXHIBIT A: Contractor's Submitted Bid Item List

*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.*

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date first above stated in Lathrop, California.

**CONTRACTOR:**

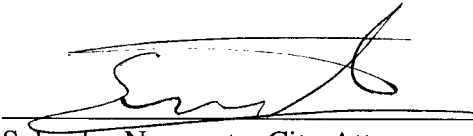
By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CITY OF LATHROP**

APPROVED AS TO FORM:

By:  \_\_\_\_\_  
Salvador Navarrete, City Attorney

RECOMMENDED FOR APPROVAL:

By: \_\_\_\_\_  
Michael King, Public Works Director

APPROVED:

By: \_\_\_\_\_  
Stephen J. Salvatore, City Manager





ATTACHMENT "C" - PROJECT MAP

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## ITEM 4.6

### **CITY MANAGER'S REPORT SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**

**ITEM: APPROVE CONSTRUCTION CONTRACT FOR CITY HALL PARKING LOT IMPROVEMENTS CIP GG 20-22**

**RECOMMENDATION: Adopt Resolution Approving a Construction Contract with McFadden Construction Inc. for the Construction of the City Hall Parking Lot Improvements CIP GG 20-22**

---

#### **SUMMARY:**

Capital Improvement Project (CIP) GG 20-22 will construct improvements to City Hall parking lot by providing additional parking spaces, resurfacing the existing parking lot, and improving regulatory compliance. These enhancements will complete portions of CIP GG 19-10 Solar Energy Project, and increase service & safety to residents.

The plans and specifications for this project were completed and advertised for bid in August 2020 in accordance with the Lathrop Municipal Code (LMC). A total of 10 bids were received and reviewed by staff with the lowest responsive and responsible bidder being McFadden Construction Inc. with a bid of \$321,998.

Staff requests the City Council to approve a construction contract with McFadden Construction Inc. for construction of the City Hall Parking Lot Improvements CIP GG 20-22 in the amount of \$321,998 plus a 15% construction contingency in the amount of \$48,300 for a total cost not to exceed \$370,298.

#### **BACKGROUND:**

In July of 2005, City Hall was relocated to its current site. After 15 years, the parking lot surface needs to be repaved with slurry seal, replace any faded signs, and install new striping.

Supplementary improvements include the addition of parking stalls under the new solar panels, charging stations for electric vehicles, and wrought iron fence around the perimeter to improve site security.

The plans and specifications for this project were completed by Kier & Wright in August 2020 and were advertised for bid on August 18, 2020, in accordance with the Public Contract Code and Lathrop Municipal Code Section 2.36.060. A total of 10 bids were received; all determined to be responsive and responsible.

The bid results are summarized in Table 1 below:

**Table 1: Summary of Base Bid Results**

<b>Contractor</b>	<b>Total Bid</b>
McFadden Construction Inc.	\$321,998
TBS Contractors	\$352,803
AM Stephens	\$367,963
Tracy Grading and Paving Inc.	\$371,998
Sierra Asphalt Inc.	\$377,096
Sinclair General Engineering Construction Inc.	\$401,672
Knife River Construction Inc.	\$403,899
BRCO Construction Inc.	\$418,348
United Pavement Inc.	\$424,447
Dryco Construction Inc.	\$553,899

Staff reviewed and evaluated the bids, and determined that the lowest responsive and responsible bidder is McFadden Construction Inc. Staff requests City Council adopt a resolution approving a construction contract with McFadden Construction Inc. in the amount of \$321,998. Staff also requests City Council authorize a 15% construction contingency of \$48,300 and authorize staff to spend the contingency as necessary to achieve the goals of the project for a total cost not to exceed \$370,298.

**REASON FOR RECOMMENDATION:**

Staff has assessed the need to construct improvements to City Hall parking lot that will increase the service to residents, provide security for city vehicles & equipment, and improve regulatory standards. These improvements include grading, paving, and striping new parking spaces in compliance with the American with Disabilities Act (ADA). Portions of CIP GG 19-10 Solar Energy Project will also be completed.

The existing City Hall parking lot will need to be resurfaced to extend its operational life & capacity, and accommodate a growing population. Without a pavement treatment, the existing surface may deteriorate to a costly point of maintenance or possibly replacement. However, the application of a slurry seal is a cost effective method for extending the life of pavement up to 10 years depending on traffic and weather.

**FISCAL IMPACT:**

The proposed construction contract with McFadden Construction Inc. is for \$321,998. A 15% construction contingency is requested in the amount of \$48,300 for a total cost not to exceed \$370,298. Funding for this project was included in the FY 20/21 budget.

**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**APPROVE CONSTRUCTION CONTRACT FOR THE CITY HALL PARKING LOT**  
**IMPROVEMENTS, CIP GG 20-22**

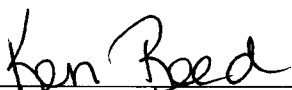
**PAGE 3**

**ATTACHMENTS:**

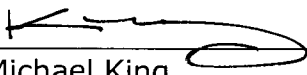
- A. Resolution Approving a Construction Contract with McFadden Construction Inc. for the Construction of City Hall Parking Lot Improvements CIP GG 20-22
- B. Construction Contract with McFadden Construction Inc. for the construction of City Hall Parking Lot Improvements CIP GG 20-22
- C. Project Location Map

**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**APPROVE CONSTRUCTION CONTRACT FOR THE CITY HALL PARKING LOT**  
**IMPROVEMENTS, CIP GG 20-22**

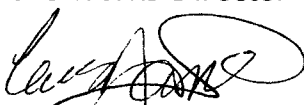
**APPROVALS:**

  
\_\_\_\_\_  
Ken Reed  
Senior Construction Manager

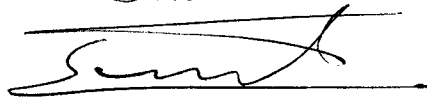
9-8-2020  
Date

  
\_\_\_\_\_  
Michael King  
Public Works Director

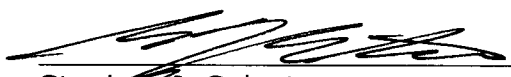
9-10-2020  
Date

  
\_\_\_\_\_  
Cari James  
Finance & Administrative  
Services Director

9/8/2020  
Date

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

9-8-2020  
Date

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

9.9.2020  
Date

**RESOLUTION NO. 20-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING A CONSTRUCTION CONTRACT WITH MCFADDEN CONSTRUCTION, INC. FOR THE CONSTRUCTION OF THE CITY HALL PARKING LOT IMPROVEMENTS CIP GG 20-22**

**WHEREAS**, the design of the City Hall Parking Lot Improvements, CIP GG 20-22 was completed by Kier & Wright in August, 2020 and was advertised for bid on August 18, 2020, according to the Public Contract Code and Lathrop Municipal Code Section 2.36.060; and

**WHEREAS**, a total of ten (10) bids were received and opened by the City Clerk on September 3, 2020; and

**WHEREAS**, upon review and evaluation of the bids, the lowest responsive and responsible bidder for the project was determined to be McFadden Construction Inc., with a bid amount of \$321,998; and

**WHEREAS**, staff requests the City Council approve a construction contract with McFadden Construction Inc. for the project in the amount of \$321,998; and

**WHEREAS**, staff also requests Council authorize a 15% construction contingency in the amount of \$48,300 and authorize staff to spend the contingency as necessary to achieve the goals of the project for a total cost not to exceed \$370,298.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby approve to award the construction contract with McFadden Construction Inc. for the City Hall Parking Lot Improvements CIP GG 20-22 in the amount of \$321,998; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop does hereby approve a 15% construction contingency in the amount of \$48,300 for a total cost not to exceed \$370,298 for the City Hall Parking Lot Improvements, CIP GG 20-22, 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 14<sup>th</sup> day of September 2020, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

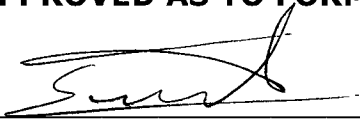
ABSENT:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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



## CONSTRUCTION CONTRACT

This Contract, dated **September 14, 2020**, is entered into by and between the **City of Lathrop**, a municipal corporation of the State of California (City), and McFadden Construction Inc., 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 the **City Hall Parking Lot, CIP GG 20-22 (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 Project and Work is generally described as follows:

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 grading, construction of concrete curb and sidewalk and wrought iron fencing, and hot mix asphalt paving, concrete paving, microsurfacing and installation of parking lot signage and striping; and any task necessary to accomplish the aforementioned tasks.

The work shall be **completed within 45 working days** following issuance of Notice to Proceed.

The Work shall be completed, 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 work actual work performed in accordance with the unit prices and provisions contained in these Construction Documents.

**The City's cost of the improvements for bid is \$321,998**

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 guaranty) and the Bid Documents submitted by McFadden Construction Inc. on September 3, 2020.

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.

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 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.
- 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.

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 the Notice to Contractors.

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;
  - (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

Phone: (209) 941-7430  
Fax: (209) 941-7449  
Attn: Ken Reed, Senior Construction Manager

To Contractor: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Contact Number: \_\_\_\_\_

Email: \_\_\_\_\_

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.
- (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 USC 1368), Executive Order 11738, and Environmental Protection Agency Regulations at 40 CFR Part 15.
- (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 be enforced, as well as that for failing to pay prevailing wages.

#### EXHIBITS:

##### EXHIBIT A: Contractor's Submitted Bid Item List

*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.*

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date first above stated in Lathrop, California.

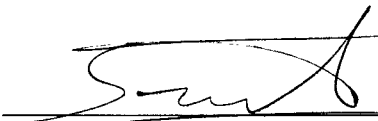
**CONTRACTOR:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CITY OF LATHROP  
APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Salvador Navarrete, City Attorney

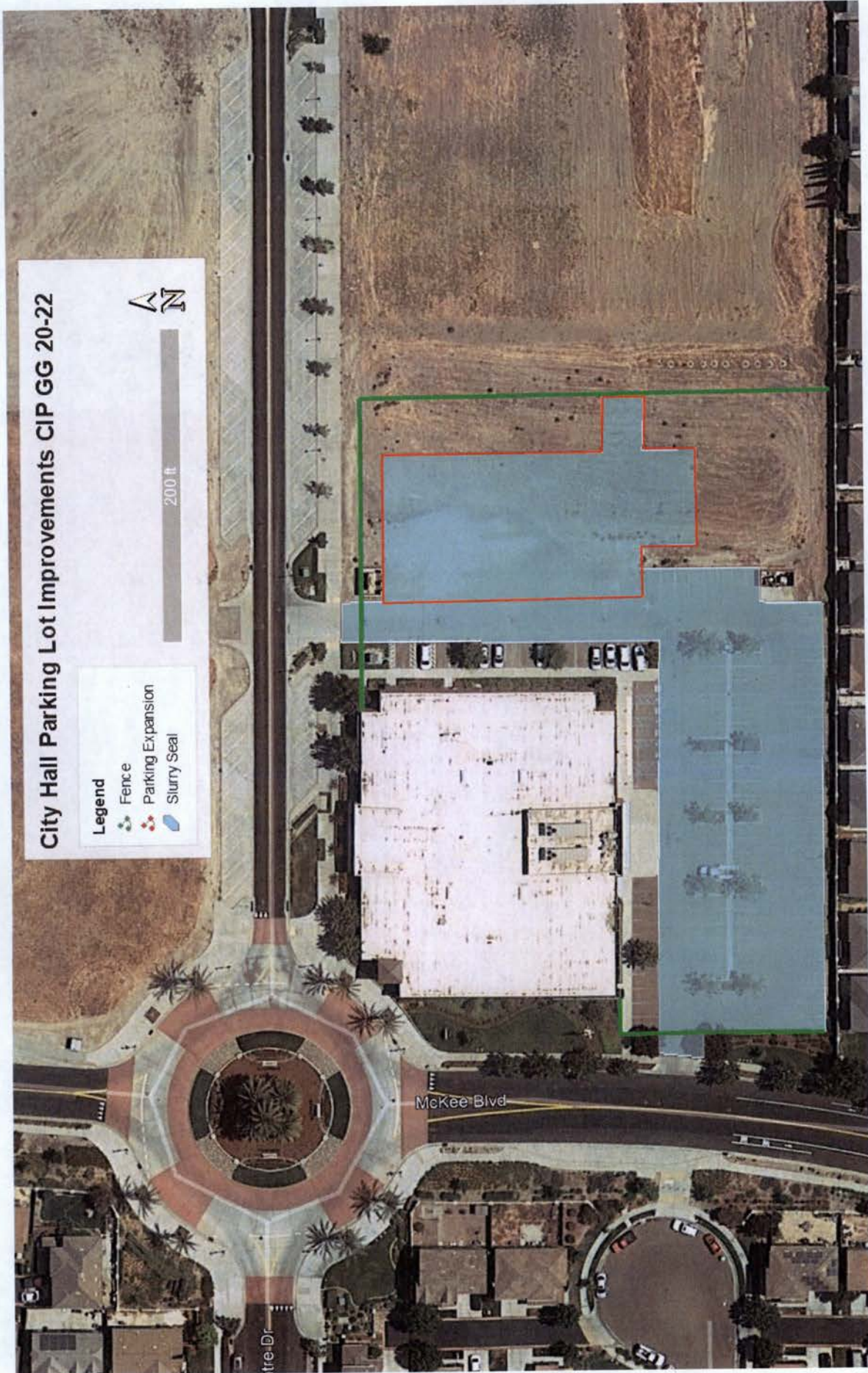
**RECOMMENDED FOR APPROVAL:**

By: \_\_\_\_\_  
Michael King, Public Works Director

**APPROVED:**

By: \_\_\_\_\_  
Stephen J. Salvatore, City Manager

ATTACHMENT C - PROJECT MAP



## ITEM 4.7

### CITY MANAGER'S REPORT SEPTEMBER 14, 2020, CITY COUNCIL REGULAR MEETING

**ITEM:** **TASK ORDER NO. 4 WITH WOODARD & CURRAN COMPANY FOR CIP RW 19-16 RECYCLED WATER PROGRAM EXPANSION AND ASSOCIATED BUDGET AMENDMENT**

**RECOMMENDATION:** **Adopt a Resolution Approving Task Order No. 4 to the Master Agreement with Woodard & Curran Company for CIP RW 19-16 to Provide Recycled Water Expansion Permitting Support and Associated Budget Amendment**

---

#### **SUMMARY:**

Recycled water generated by the Lathrop Consolidated Treatment Facility (LCTF) is regulated by the Regional Water Quality Control Board (RWQCB). Recycled Water Program Expansion Project RW 19-16 was created to track work related to adding or removing recycled water facilities. Due to recent and anticipated development, staff will be preparing a request to the RWQCB for additional sewer capacity. Consultant services are needed to prepare the report and calculations needed to request the additional sewer capacity.

Staff is requesting that Council approve Task Order No. 4 to the Master Agreement with Woodard & Curran Company (W&C) to provide consultant services supporting the permitting efforts with the RWQCB and the associated budget amendment to RW 19-16. The cost of the task order with W&C is \$23,560 and is to be paid by developers benefitting from the additional sewer capacity and reduced permitting costs associated with this effort.

#### **BACKGROUND:**

Recycled water generated by the LCTF is regulated under Waste Discharge Requirements (WDR) Order No. R5-2016-0028-01 permit that was issued by the Regional Water Quality Control Board (RWQCB). Under this permit, the City can store recycled water in storage ponds and use for irrigation of agricultural Land Application Areas (LAAs) or public landscape areas, including roadway medians, parks, pond berms and open spaces.

On June 10, 2019, City Council approved creation of the Recycled Water Program Expansion project RW 19-16 in order to track work related to adding (or decommissioning) facilities to the City's recycled water system.

In June, 2020, the City obtained coverage under the State Water Resources Control Board (SWRCB) General Order for Recycled Water Use, Order WQ 2016-0068-DDW.

**PAGE 2**

**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**TASK ORDER NO. 4 WITH WOODARD & CURRAN COMPANY FOR CIP RW 19-16 RECYCLED WATER PROGRAM EXPANSION AND ASSOCIATED BUDGET AMENDMENT**

Under the General Order the City is able to add new storage ponds and use areas to the recycled water system and allows for expanded non-potable uses of recycled water such as for construction or street sweeping. However, the existing recycled water system is still regulated under the LCTF WDR and the General Order does not provide for an ability to increase the permitted sewer flow capacity through expansion of the recycled water system. A future permit amendment with the RWQCB is anticipated to move regulation of the entire recycled water system under the General Order, and to provide the City greater flexibility in operating the system and increase the permitted sewer capacity needed to support new development.

**RECOMMENDATION:**

Approval of a task order with Woodard & Curran (W&C) is requested to provide continued service to support permitting the Recycled Water Expansion project to negotiate future permitting with the RWQCB to provide greater flexibility to the City to operate the recycled water system, and to amend its water balance to maximize allowable sewer capacity under the existing LCTF WDR using historic use patterns and data.

**FISCAL IMPACT:**

The cost of the task order with W&C is \$23,560 and is to be paid by developers benefitting from the additional sewer capacity and reduced permitting costs associated with this effort.

A budget amendment to the following accounts will be required in order to allocate the funds to the project:

<u>Increase Revenue</u>	
2710-8000-372-01-00	\$23,560
(PW CIP Developer Contributions)	
 <u>Increase Transfer Out</u>	
2710-9900-990-9010	\$23,560
(PW CIP Developer Contributions)	
 <u>Increase Transfer In</u>	
6091-9900-393-0000 RW 19-16	\$23,560
(PW Wastewater CIP)	
 <u>Increase Appropriation</u>	
6091-8000-420-01-00 RW 19-16	\$23,560

**CITY MANAGER'S REPORT** **PAGE 3**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**TASK ORDER NO. 4 WITH WOODARD & CURRAN COMPANY FOR CIP RW 19-16 RECYCLED WATER PROGRAM EXPANSION AND ASSOCIATED BUDGET AMENDMENT**

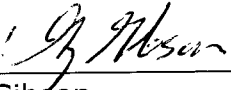
**ATTACHMENTS:**

- A. Resolution Approving Task Order No. 4 to the Master Agreement with Woodard & Curran Company for CIP RW 19-16 to Provide Recycled Water Expansion Permitting Support and Associated Budget Amendment
- B. Task Order No. 4 with Woodard & Curran Company for CIP RW 19-16 to Provide Recycled Water Expansion Permitting Support



**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**TASK ORDER NO. 4 WITH WOODARD & CURRAN COMPANY FOR CIP RW 19-16 RECYCLED WATER PROGRAM EXPANSION AND ASSOCIATED BUDGET AMENDMENT**

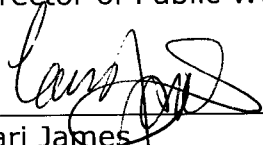
**APPROVALS:**

  
\_\_\_\_\_  
Greg Gibson  
Senior Civil Engineer

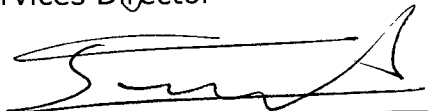
9/2/2020  
Date

  
\_\_\_\_\_  
Michael King  
Director of Public Works

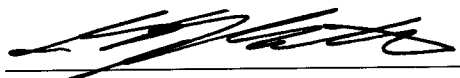
9/2/2020  
Date

  
\_\_\_\_\_  
Cari James  
Finance & Administrative  
Services Director

9/2/2020  
Date

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

9.2.2020  
Date

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

9.8.2020  
Date



**RESOLUTION NO. 20 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING TASK ORDER NO. 4 TO THE MASTER AGREEMENT WITH WOODARD & CURRAN COMPANY FOR CIP RW 19-16 TO PROVIDE RECYCLED WATER EXPANSION PERMITTING SUPPORT AND ASSOCIATED BUDGET AMENDMENT**

**WHEREAS**, recycled water generated by the Lathrop Consolidated Treatment Facility (LCTF) is regulated under Waste Discharge Requirements (WDR) Order No. R5-2016-0028-01; and

**WHEREAS**, under the LCTF Order, the City can store recycled water in storage ponds and use for irrigation of agricultural Land Application Areas (LAAs) or public landscape areas, including roadway medians, parks, pond berms and open spaces; and

**WHEREAS**, on June 10, 2019, Council approved creation of the Recycled Water Program Expansion project RW 19-16 in order to track work related to adding (or decommissioning) facilities to the City's recycled water system; and

**WHEREAS**; in June, 2020, the City obtained coverage under the State Water Resources Control Board (SWRCB) General Order for Recycled Water Use, Order WQ 2016-0068-DDW; and

**WHEREAS**, under the General Order the City is able to add new storage ponds and use areas to the recycled water system and allows for expanded non-potable uses of recycled water such as for construction or street sweeping; and

**WHEREAS**, the General Order does not provide for an ability to increase the permitted sewer flow capacity through expansion of the recycled water system, and a future permit amendment with the Regional Water Quality Control Board (RWQCB) is anticipated to move regulation of the entire recycled water system under the General Order, and to provide the City greater flexibility in operating the system and increase the permitted sewer capacity needed to support new development; and

**WHEREAS**, Staff requests approval of Task Order No.4 with Woodard & Curran Company (W&C) to support permitting the Recycled Water Expansion project to negotiate future permitting with the RWQCB to provide greater flexibility to the City to operate the recycled water system, and to amend its water balance to maximize allowable sewer capacity under the existing LCTF WDR using historic use patterns and data; and

**WHEREAS**, the cost of the task order with W&C is \$23,560 and is to be paid by developers benefitting from the additional sewer capacity and reduced permitting costs associated with this effort.

**NOW THEREFORE, BE IT RESOLVED**, the City Council of the City of Lathrop does hereby approve Task Order No. 4 to the Master Agreement with Woodard & Curran to provide continued service to support permitting the Recycled Water Expansion project to negotiate future permitting with the RWQCB to provide greater flexibility to the City to operate the recycled water system, and to amend its water balance to maximize allowable sewer capacity given historic use patterns; and

**BE IT FURTHER RESOLVED**, the City Council of the City of Lathrop does hereby approve the following budget amendment from the following accounts to allocate the funds to the project:

<u>Increase Revenue</u> 2710-8000-372-01-00 (PW CIP Developer Contributions)	\$23,560
<u>Increase Transfer Out</u> 2710-9900-990-9010 (PW CIP Developer Contributions)	\$23,560
<u>Increase Transfer In</u> 6091-9900-393-0000 RW 19-16 (PW Wastewater CIP)	\$23,560
<u>Increase Appropriation</u> 6091-8000-420-01-00 RW 19-16	\$23,560

The foregoing resolution was passed and adopted this 14th day of September 2020, 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

**CITY OF LATHROP**

**TASK ORDER NO. 4**

**PURSUANT TO MASTER AGREEMENT DATED JUNE 10, 2019 WITH  
WOODARD & CURRAN COMPANY  
TO PROVIDE ENGINEERING AND PERMIT COMPLIANCE  
CONSULTING SERVICES TO PROVIDE RECYCLED WATER  
PROGRAM EXPANSION PERMITTING SUPPORT**

**THIS TASK ORDER NO. 4**, dated for convenience **September 14th, 2020** is by and made and entered into by and between **WOODARD & CURRAN COMPANY** (“CONSULTANT”) and the CITY OF LATHROP, a California municipal corporation (“CITY”);

**RECITALS:**

**WHEREAS**, on June 10, 2019, CONSULTANT entered into a Master Agreement (“AGREEMENT”) and Task Order No. 1 with the CITY, by which the CONSULTANT has agreed to provide Engineering and Permit Compliance Consulting Services; and

**WHEREAS**, on July 8, 2019, CONSULTANT entered into Task Order No. 2 to provide Engineering and Permit Compliance Consulting Services Related to Addition of Mossdale Urban Use Areas; and

**WHEREAS**, on December 3, 2019, CONSULTANT entered into Task Order No. 3 to provide Engineering and Permit Compliance Consulting Services to Provide NOI Assistance for General Order for Recycled Water Use; and

**WHEREAS**, on August 25, 2020, CONSULTANT submitted a scope of work as shown in Exhibit “A”; to provide Engineering and Permit Compliance Consulting Services for Recycled Water Program Expansion Permitting Support: and

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to perform Engineering and Permit Compliance Consulting Services, which are required by this agreement; and

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

**WHEREAS**, CONSULTANT is willing to render such Engineering and Permit Compliance Consulting Services, as hereinafter defined, on the following terms and conditions.

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

CITY OF LATHROP – TASK ORDER NO. 4 WITH WOODARD & CURRAN COMPANY  
FOR ENGINEERING AND PERMIT COMPLIANCE SUPPORT SERVICES TO  
PROVIDE RECYCLED WATER PROGRAM EXPANSION PERMITTING SUPPORT

**AGREEMENT**

(1) **Incorporation of Master Agreement**

This Task Order No. 4 hereby incorporates by reference all terms and conditions set forth in the Master Agreement for Consulting Services for this project, unless specifically modified by this Task Order No. 4.

(2) **Scope of Service**

CONSULTANT agrees to perform Engineering and Permit Compliance Consulting Services in accordance with the scope of work and fee proposal attached hereto as Exhibit "A" to this Task Order No. 4.

CONSULTANT agrees to diligently perform these services in accordance with the upmost standards of its profession and to the CITY'S satisfaction.

(3) **Effective Date and Term**

The effective date of this Task Order No. 4 is **September 14, 2020** and it shall terminate no later than **December 31, 2021**.

(4) **Compensation**

CITY hereby agrees to pay CONSULTANT hourly rates and other charges not to exceed **\$23,560** for the Engineering and Permit Compliance Consulting Services. CONSULTANT shall be paid any uncontested sum due and payable within thirty (30) days of receipt of billings containing all information pursuant to Paragraph 5 below. 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.

(5) **Notice to Proceed**

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

CITY OF LATHROP – TASK ORDER NO. 4 WITH WOODARD & CURRAN COMPANY  
FOR ENGINEERING AND PERMIT COMPLIANCE SUPPORT SERVICES TO  
PROVIDE RECYCLED WATER PROGRAM EXPANSION PERMITTING SUPPORT


**(6) 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.

CITY OF LATHROP – TASK ORDER NO. 4 WITH WOODARD & CURRAN COMPANY  
FOR ENGINEERING AND PERMIT COMPLIANCE SUPPORT SERVICES TO  
PROVIDE RECYCLED WATER PROGRAM EXPANSION PERMITTING SUPPORT

Approved as to Form:

City of Lathrop  
City Attorney

  
\_\_\_\_\_  
Salvador Navarrete 8-31-2020  
Date

Recommended for Approval:

City of Lathrop  
Public Works Director

\_\_\_\_\_  
Michael King Date

Approved By:

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

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

CONSULTANT:

Woodard & Curran  
David L. Richardson, P.E., Senior Vice President  
2175 N. California Blvd., Ste. 315  
Walnut Creek, CA 94596

Fed ID # \_\_\_\_\_

Bus License # \_\_\_\_\_

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
David Richardson, P.E.

## Exhibit A

August 25, 2020

Michael King  
Senior Civil Engineer  
City of Lathrop, Department of Public Works  
390 Towne Centre Drive  
Lathrop, CA 95330

Re: Proposal to Provide Recycled Water Program Expansion Permitting Support.

Dear Michael:

The City of Lathrop (City) is continuing its efforts to expand its recycled water system and streamline associated permitting for recycled water use. In early 2018, the Central Valley Regional Water Quality Control Board adopted Order R5-2016-0028-01, Waste Discharge Requirements (WDR) for the City of Lathrop Consolidated Treatment Facility (CTF). In June 2020, Woodard & Curran successfully helped the City to obtain coverage under the General Order for the proposed recycled water fill stations and hydrants, with the Regional Board issuing a Notice of Applicability (NOA) June 9th.

In addition to continuing the expansion of the recycled water program, the City is looking to obtain a surface water discharge permit in the future to diversify its effluent disposal options to best meet the needs of the City. The City desires to carefully plan and "limit" the expansion of its RW system to provide only the capacity needed to support existing and proposed developments and make use of CTF reserve wastewater treatment capacity until an SW Discharge (NPDES) permit is obtained in the next couple of years.

Through ongoing discussions between the City and the Regional Board, the Regional Board staff have indicated that they are open to working with the City to evaluate the water balance for the City's recycled water storage and end use areas to maximize allowable flow given historic use patterns and data. The City is seeking assistance to move forward with the a flow increase and possible permit amendments and provide greater flexibility to the City to operate the recycled water system.

Woodard & Curran is happy to provide continued service to the City to support permitting and has prepared the following scope.

### Scope of Services

#### **TASK 1 – PERMITTING ASSISTANCE**

Development with the City is on-going and will continue during the time in which the City is negotiating future permitting with the Regional Board. As such, Woodard & Curran will assist the City in increasing the permitted flow under the WDR through:

- updating the values within the water balance to be consistent with field observations and current operations;
- confirming that all installed landscape acreage is included in the calculations;
- detailing the requested flow increase in a brief memo for the Regional Board, including the request to include acreage covered under the General Order in the WDR calculations;
- identifying additional storage volume and disposal acreage, if any, required near-term to meet continued development needs across the City.





If in discussions with the Regional Board it is identified that additional documentation and support is needed, Woodard & Curran will work with the City to scope that work as an amendment to this agreement.

Deliverables

- Updated proposed water balance spreadsheet.
- Brief memo (under 10 pages) to the Regional Board

Assumptions

- City will provide most recent water balance
- City will provide details on current spray field irrigation efficiencies and the use of supplemental irrigation water to meet demands.
- Consultant will develop report within two weeks of receiving water balance and associated data from City.
- City will review administrative draft mark-ups within 2 weeks. One round of review by City with consolidated comments provided.

**TASK 2 – MEETINGS AND PROJECT MANAGEMENT**

Woodard & Curran will continue work with City and Regional Board staff to secure flow increases. This task includes the internal and external coordination and communication necessary to assure the project is completed on a schedule that meets the requirements of both the City and Regional Water Board staff. This task includes communication with City staff and team on the status of the project work, as well as preparation of monthly invoices and progress reports.

Deliverables

- Notes from interactions with the Regional Board.
- Meeting prep and attendance (virtual)
- Monthly progress reports.

Assumptions

- One virtual meetings with Regional Board staff.
- Two virtual meetings with City staff.

The estimated level of effort for this scope of services is \$23,560, as detailed in the attached estimate. Woodard & Curran is ready to immediately start working and is eager to continue collaborating with the City to advance your recycled water program goals and objectives. If you have any questions about our proposal or would like additional information, please call me at (926) 627-4138.

Sincerely,

WOODARD & CURRAN

A handwritten signature in cursive script that reads "David L. Richardson".

David L. Richardson, P.E.  
Principal in Charge, Vice President

Attachment: Fee Estimate



Fee Estimate

**City of Lathrop**  
**Recycled Water Program Expansion Permitting Support**

Tasks	Labor				Total Hours	Total Labor Costs (1)	ODCs		Total
	Dave Richardson	Sarah Rhodes	Shelly Masuda	Admin/ Graphics Support			ODCs	Total ODCs (2)	Total Fee
	PIC	PM	PE						
<b>Recycled Water Program Support</b>	\$320	\$273	\$242	\$121					
<b>Task 1: Permitting Assistance</b>	<b>8</b>	<b>18</b>	<b>34</b>	<b>2</b>	<b>62</b>	<b>\$15,944</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,944</b>
<i>Water Balance review and update</i>	2	4	6	0	12	\$3,184	\$0	\$0	\$3,184
<i>Draft and Final Memo to Regional Board</i>	2	6	20	2	30	\$7,360	\$0	\$0	\$7,360
<i>Negotiations and as-needed support</i>	4	8	8	0	20	\$5,400	\$0	\$0	\$5,400
<b>Task 2: Meetings and Project Management</b>	<b>6</b>	<b>12</b>	<b>8</b>	<b>4</b>	<b>30</b>	<b>\$7,616</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,616</b>
<i>Project Management</i>	2	4	0	4	10	\$2,216	\$0	\$0	\$2,216
<i>Regional Board Meetings &amp; Prep</i>	2	4	4	0	10	\$2,700	\$0	\$0	\$2,700
<i>City Meetings &amp; Prep</i>	2	4	4	0	10	\$2,700	\$0	\$0	\$2,700
Subtotal :	14	30	42	6	92	\$23,560	\$0	\$0	\$23,560
<b>TOTAL</b>	<b>14</b>	<b>30</b>	<b>42</b>	<b>6</b>	<b>92</b>	<b>\$23,560</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,560</b>

1. The individual hourly rates include salary, overhead and profit.
2. Other direct costs (ODCs) such as reproduction, delivery, mileage (rates will be those allowed by current IRS guidelines), and travel expenses, will be billed at actual cost plus 5%.
3. Woodard & Curran reserves the right to adjust its hourly rate structure and ODC markup at the beginning of the calendar year for all ongoing contracts.

## ITEM 4.8

### CITY MANAGER'S REPORT SEPTEMBER 14, 2020, CITY COUNCIL REGULAR MEETING

**ITEM:** **APPROVE REIMBURSEMENT TO SAYBROOK CLSP, LLC FOR IMPROVEMENTS CONSTRUCTED IN CENTRAL LATHROP PHASE 1B**

**RECOMMENDATION:** **Adopt a Resolution Approving Reimbursement to Saybrook CLSP, LLC for Improvements Constructed in Central Lathrop Phase 1B and Associated Budget Amendment**

---

#### **SUMMARY:**

Saybrook CLSP, LLC (Saybrook), the developer for the Central Lathrop Specific Plan (CLSP), is responsible for the construction of various facilities that will be dedicated to the City upon their completion. Among these facilities is a neighborhood park and roadway improvements near the Lathrop Generations Center.

During construction, enhancements above and beyond what was required of the developer were identified and requested by staff. These enhancements include a rubberized playground surface, upgraded playground equipment, and a roundabout center island. Having these enhancements installed during construction is more cost-effective and provides a greater benefit to the residents.

Staff is requesting Council approve reimbursement to Saybrook CLSP, LLC and a budget amendment for the enhancements installed during construction. The reimbursement to the developer is based on actual costs incurred and the developer has provided a one-year maintenance bond and a lien release for the work performed.

#### **BACKGROUND:**

Saybrook, the developer for CLSP, is required to construct public improvements for in accordance with their Subdivision Improvement Agreement (SIA) associated with Tracts 3808, 3809, 3810, 3811 and 3812 and Conditions of Approval (COA) associated with the Vesting Tentative Map for Tract 3789.

During construction, enhancements above and beyond what was required of the developer were identified for the neighborhood park and the intersection near the Lathrop Generations Center. Enhancements to the park include the installation of a rubberized playground surface and upgraded playground equipment. Over the past few years, the City has retrofitted many of its existing parks to include rubberized surfacing. Having the rubberized surfacing installed during construction is more cost effective and makes the CLSP neighborhood park consistent with other City parks. The upgraded play structure equipment includes a detailed train theme and multiple structures that allow kids of all ages to utilize the playground.

**CITY MANAGER'S REPORT** **PAGE 2**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**APPROVE REIMBURSEMENT TO SAYBROOK CLSP, LLC FOR IMPROVEMENTS**  
**CONSTRUCTED IN CENTRAL LATHROP PHASE 1B**

The Lathrop Generations Center parking lot exits onto Crespi Street. During the construction of Crespi Street a roundabout center island was identified as an enhancement above any beyond what was required of the developer. Having the roundabout center island installed during construction was more cost effective than trying to retrofit the intersection at a later date. The reimbursement to the developer for the roundabout center island is based on actual costs incurred and takes into account any credits for work not performed. The roundabout will allow for improved traffic operations, specifically during student pickup and drop off, will act as a traffic calming device and will provide a safety benefit for residents.

**REASON FOR RECOMMENDATION:**

Installing these enhancements during construction is more cost effective and provides a greater benefit to the residents.

**FISCAL IMPACT:**

The total cost for the park enhancements is \$207,031, with the rubberized surfacing accounting for \$74,456 and the upgraded play structure for \$132,575. The reimbursement to the developer for playground enhancements is based on actual costs incurred and takes into account any credits for work not performed. Staff is proposing to reimburse the park enhancements as part of CIP PK 20-23 which is funded through Culture and Leisure Fund (2260).

The cost of the roundabout enhancements in the amount of \$101,080 is proposed to be reimbursed from CIP PS 18-02 Traffic Calming. In order to have adequate funds in the Traffic Calming CIP PS 18-02, staff requests City Council approve a budget amendment transferring \$101,080 from the Sidewalk Repair Program, PS 20-03 to the Traffic Calming Measures, PS 18-02 as follows:

Decrease Expense

3310-80-00-420-12-00	PS 20-03	\$101,080
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Increase Expense

3310-80-00-420-12-00	PS 18-02	\$101,080
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**ATTACHMENTS:**

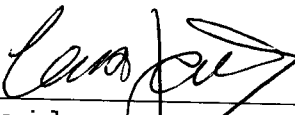
- A. Resolution Approving Reimbursement to Saybrook CLSP, LLC for Improvements Constructed in Central Lathrop Phase 1B and Associated Budget Amendment

**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**APPROVE REIMBURSEMENT TO SAYBROOK CLSP, LLC FOR IMPROVEMENTS**  
**CONSTRUCTED IN CENTRAL LATHROP PHASE 1B**


**APPROVALS:**

  
\_\_\_\_\_  
Michael King  
Director of Public Works


9/1/20  
Date

  
\_\_\_\_\_  
Cari James  
Finance & Administrative  
Services Director

9/3/2020  
Date

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

9.2.2020  
Date

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

9.8.2020  
Date

**RESOLUTION NO. 20 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING REIMBURSEMENT TO SAYBROOK CLSP, LLC FOR IMPROVEMENTS CONSTRUCTED IN CENTRAL LATHROP PHASE 1B AND ASSOCIATED BUDGET AMENDMENT**

**WHEREAS**, Saybrook CLSP, LLC (Saybrook), the developer for the Central Lathrop Specific Plan (CLSP), is responsible for the construction of various facilities that will be dedicated to the City upon their completion; and

**WHEREAS**, among these facilities is a neighborhood park and roadway improvements near the Lathrop Generations Center; and

**WHEREAS**, during construction, enhancements above and beyond what was required of the developer were identified by City Staff; and

**WHEREAS**, these enhancements include a rubberized playground surface, upgraded playground equipment, and a roundabout center island; and

**WHEREAS**, having these enhancements installed during construction is more cost-effective and provides a greater benefit to the residents; and

**WHEREAS**, the total cost for the park enhancements is \$207,031, with the rubberized surfacing accounting for \$74,456 and the upgraded play structure accounting for \$132,575 and staff is proposing to reimburse these costs as part of CIP PK 20-23 which is funded through Culture and Leisure Fund (2260); and

**WHEREAS**, the total cost of the roundabout enhancements is \$101,080 and staff is proposing to reimburse these costs from CIP PS 18-02 Traffic Calming; and

**WHEREAS**, the reimbursement to the developer for the enhancements is based on actual costs incurred and takes into account any credits for work not performed.

**NOW THEREFORE, BE IT RESOLVED**, the City Council of the City of Lathrop does hereby approve reimbursement to Saybrook CLSP, LLC; and

**BE IT FURTHER RESOLVED**, the City Council of the City of Lathrop does hereby approve the following budget amendment from the following accounts to allocate the funds to the project:

<u>Decrease Expense</u>		
3310-80-00-420-12-00	PS 20-03	\$101,080
<u>Increase Expense</u>		
3310-80-00-420-12-00	PS 18-02	\$101,080

The foregoing resolution was passed and adopted this 14th day of September 2020, 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

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## ITEM 4.9

### CITY MANAGER'S REPORT SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING

**ITEM:** **APPROVE RESERVE WASTEWATER TREATMENT CAPACITY TRANSFER FROM SOUTH LATHROP LAND, LLC TO LATHROP LAND ACQUISITION, LLC THROUGH THE CITY**

**RECOMMENDATION:** **Adopt Resolution Approving the Transfer of Reserve Wastewater Treatment Capacity in the Consolidated Treatment Facility from South Lathrop Land, LLC to Lathrop Land Acquisition, LLC through the City and an Associated Transfer Agreement**

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#### **SUMMARY:**

Lathrop Land Acquisition, LLC ("Saybrook") owns parcels within the Central Lathrop Specific Plan. Saybrook will use all their wastewater treatment capacity in the Consolidated Treatment Facility ("CTF") with their next final maps, and has requested to purchase Reserve Capacity from other developers. South Lathrop Land, LLC ("SLL") has unused Reserve Capacity and the City acting in its capacity as the intermediary for transfer of sewer capacity has offered to sell it to Saybrook.

Staff recommends Council approve the requested 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.

On November 21, 2016, Richland Developers, Inc. entered into the CTF 2 Agreement, whereby the City allocated 114,000 gallons per day ("gpd") in Initial Wastewater Treatment Capacity, and 41,455 gpd of Reserve Wastewater Treatment Capacity to Richland Developers, Inc. The capacity was transferred to SLL based on South Lathrop Land, LLC (SLL) acquisition of the SLL Property from Richland Developers, Inc., and Richland Developers, Inc.'s transfer of their rights to the CTF as documented in the Transfer Agreement between SLL and Richland Developers Inc., as adopted by the City Ordinance No. 18-390. Therefore, SLL owns industrial and commercial property within the South Lathrop Specific Plan area (SLL Project).

**CITY MANAGER'S REPORT** **PAGE 2**  
**SEPTEMBER 14, 2020, CITY COUNCIL REGULAR MEETING**  
**APPROVE RESERVE WASTEWATER TREATMENT CAPACITY TRANSFER FROM**  
**SLL, LLC TO LATHROP LAND ACQUISITION, LLC THROUGH THE CITY**

Lathrop Land Acquisition, LLC (Saybrook) owns the property 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 final maps for Tracts 4017 and 4018 at the October 12<sup>th</sup>, 2020, Council meeting. Final maps for Phase 1B (Tracts 4017 and 4018), plus the prior Saybrook final maps for Phase 1A (Tracts 3808, 3809, 3810, 3811, and 3812) will require the use of all of Saybrook's Initial Capacity and Reserve Capacity and will also require additional sewer capacity in the amount of 11,617 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 two Reserve Capacity Requests to the City, one for 11,617 gpd plus a second for any additional Reserve Capacity developers were willing to sell. The City passed those requests to developers holding unperfected Reserve Capacity, and SLL offered to sell 11,617 gpd of unperfected Reserve Capacity to satisfy Saybrook Phase 1B final maps, plus their balance of 29,838 gpd of unperfected Reserve Capacity for a total sale of 41,455 gpd to the City to assist the City with the sale of the sewer capacity to Saybrook.

The purchase price has been established by the City in accordance with the CTF 2 Agreement as \$29.98/gpd, and so the purchase price for 41,455 gpd is \$1,242,820.90. 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 11,617 gpd of unperfected Reserve Capacity to approve Tracts 4017 and 4018 in the very near future, and demonstrated that they would use the balance of 29,838 gpd of unperfected Reserve Capacity from SLL with final maps for Phase 1C within one year. 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 (Attachment B), SLL has filed an application in the form of a Reserve Wastewater Treatment Capacity Transfer Agreement (Transfer Agreement) with the City, SLL, and Saybrook to effect the sale/transfer of 41,455 gpd of Reserve Wastewater Treatment Capacity.

**CITY MANAGER'S REPORT** **PAGE 3**  
**SEPTEMBER 14, 2020, CITY COUNCIL REGULAR MEETING**  
**APPROVE RESERVE WASTEWATER TREATMENT CAPACITY TRANSFER FROM SLL, LLC TO LATHROP LAND ACQUISITION, LLC THROUGH THE CITY**

**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. In accordance with the Transfer Agreement, Saybrook shall make payment in full within ten (10) days after the date when the City Council approves the Transfer Agreement. At the time of receipt of payment, City will transfer the treatment capacity to Saybrook and the funds to SLL.

**FISCAL IMPACT:**

No fiscal impacts are associated with this action.

**ATTACHMENTS:**


- A. Resolution Approving the Transfer of Reserve Wastewater Treatment Capacity in the Consolidated Treatment Facility from South Lathrop Land LLC, to Lathrop Land Acquisition LLC, through the City and an Associated Transfer Agreement
- B. Reserve Wastewater Treatment Capacity Transfer Agreement (Transfer Agreement) from SLL to the City and from City to Saybrook

**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020, CITY COUNCIL REGULAR MEETING**  
**APPROVE RESERVE WASTEWATER TREATMENT CAPACITY TRANSFER FROM**  
**SLL, LLC TO LATHROP LAND ACQUISITION, LLC THROUGH THE CITY**

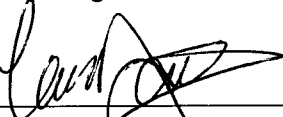
**APPROVALS**

  
\_\_\_\_\_  
Michael King  
Director of Public Works


9/2/2020  
Date

  
\_\_\_\_\_  
Glenn Gebhardt  
City Engineer

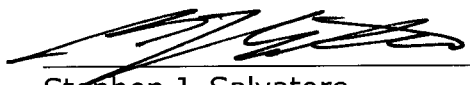
9-2-2020  
Date

  
\_\_\_\_\_  
Cari James  
Finance & Administrative  
Services Director

9/3/2020  
Date

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

9-2-2020  
Date

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

9-9-2020  
Date

**RESOLUTION NO. 20-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING THE TRANSFER OF RESERVE WASTEWATER TREATMENT CAPACITY IN THE CONSOLIDATED TREATMENT FACILITY FROM SOUTH LATHROP LAND, LLC TO LATHROP LAND ACQUISITION, LLC THROUGH THE CITY AND AN ASSOCIATED TRANSFER AGREEMENT**

**WHEREAS**, on November 21, 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"); 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**, Richland Developers, Inc. (Richland) was one of the developers to enter into the CTF 2 Agreement, whereby the City allocated 114,000 gallons per day ("gpd") in initial wastewater treatment capacity, and 41,455 gpd of reserve wastewater treatment capacity to Richland; and

**WHEREAS**, on May 1, 2018 by Doc # 2018-047863 recorded with the San Joaquin County Recorder's Office, South Lathrop Land, LLC (SLL) became and is now the successor to Richland's land and wastewater treatment capacity included in the CTF 2 Agreement; and

**WHEREAS**, SLL owns parcels designated with Assessor Parcel Numbers (APNs) 241-030-15, 241-030-45, 241-030-18, 19, 20, 21, 22 and 23, in the City of Lathrop, California, where it is the developer of industrial and commercial properties pursuant to the South Lathrop Specific Plan ("SLL Project"); and

**WHEREAS**, Lathrop Land Acquisition, LLC (Saybrook) owns parcels in City designated with APNs 192-030-18 through 23 for Phase 1B and 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**, Saybrook intends to request Council approval of final maps for Tracts 4017 and 4018 (Phase 1B) at the October 12<sup>th</sup> Council meeting; and

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

**WHEREAS**, final maps for Phase 1B Tracts 4017 and 4018 plus the prior final maps for Phase 1A Tracts 3808, 3809, 3810, 3811 and 3812 will require use of all of Saybrook's Initial Capacity of 100,000 gallons per day (gpd) and Reserve Capacity of 36,364 gpd, and will also require additional sewer capacity in the amount of 11,617 gpd, which SLL is offering to sell to the City and the City is willing to sell to Saybrook; 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 two Reserve Capacity Requests to the City, one for 11,617 gpd plus a second for any additional Reserve Capacity developers were willing to sell, and the City passed those request to developers holding unperfected Reserve Capacity, and SLL offered to sell 11,617 gpd of unperfected Reserve Capacity plus their balance of 29,838 gpd of unperfected Reserve Capacity for a total sale of 41,455 gpd to the City; and

**WHEREAS**, the purchase price has been established by the City in accordance with the CTF 2 Agreement as \$29.98/gpd, and so the purchase price for 41,455 gpd is \$1,242,820.9; and

**WHEREAS**, Section 7 of the CTF 2 Agreement requires that, before the Reserve Capacity is allocated to the developer, developers must demonstrate that they will use the Reserve Capacity within the one year, unless Council approves a longer term; and

**WHEREAS**, Saybrook demonstrated they would use the 11,617 gpd of unperfected Reserve Capacity to approve Tracts 4017 and 4018 in the very near future, and demonstrated that they would use the balance of 29,838 gpd of unperfected Reserve Capacity from SLL with final maps for Phase 1C within one year, but has requested two years to get approval for those final maps; and

**WHEREAS**, 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; and

**WHEREAS**, consistent with Schedule 3 of the CTF 2 Agreement, attached to the September 14, 2020 Council staff report as Attachment B, SLL has filed an application in the form of a Reserve Wastewater Treatment Capacity Transfer Agreement (Transfer Agreement) with the City, SLL and Saybrook to effect the sale/transfer of 41,455 gpd of Reserve Wastewater Treatment Capacity (attached to the September 14, 2020 Council staff report as Attachment B); and

**WHEREAS**, SLL provided the Transfer Agreement to the Public Works Director offering to sell 41,455 gpd of Reserve Capacity, including all required information; and

**WHEREAS**, 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, and the Public Works Director and the City Engineer recommend City Council approve the sewer transfer that allows two years to use the sewer, and authorize the City Manager to execute the Transfer Agreement, approved as to form 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 transfer from South Lathrop Land, LLC (SLL) to the City and the City's transfer to Saybrook CLSP, LLC (Saybrook) of 41,455 gpd in Reserve Wastewater Treatment Capacity in the Consolidated Treatment Facility, allowing two years to use the sewer; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop does hereby authorize the City Manager to execute the Reserve Wastewater Treatment Capacity Transfer Agreement (Transfer Agreement), approved as to form by the City Attorney, to document the transfer from SLL to the City and then the City to transfer these credits to Saybrook of 41,455 gpd in Reserve Wastewater Treatment Capacity in the Consolidated Treatment Facility.

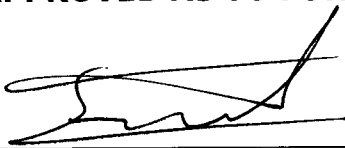
**PASSED AND ADOPTED** by the City Council of the City of Lathrop this 14<sup>th</sup> day of September 2020, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**  
  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney



**RECORDING REQUESTED BY AND  
AFTER RECORDING MAIL TO:**

**CITY OF LATHROP  
ATTN: CITY CLERK  
390 TOWNE CENTRE DRIVE  
LATHROP, CA 95330**

No Fee Document

Space above this line reserved for recorder's use

APN's:  
192-030-18, 19, 20, 21, 22 and 23; 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 \_\_\_\_ day of \_\_\_\_\_, 2020 ("**Effective Date**"), by and between South Lathrop Land, LLC a Delaware limited liability company, hereinafter referred to as "**SLL**", Lathrop Land Acquisition, 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**, SLL owns parcels designated with APNs 241-030-15, 18, 19, 20, 21, 22, 23 and 45 in the City of Lathrop, California, ("SLL Property") where it is the developer of industrial and commercial properties pursuant to the South Lathrop Specific Plan ("SLL Project"); and

**WHEREAS**, on November 21, 2016, Richland Developers, Inc. and Saybrook both 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") attached hereto as Exhibit A. The CTF 2 Agreement states that the City allocated 114,000 gallons per day ("gpd") in Initial Wastewater Treatment Capacity, and 41,455 gpd of Reserve Wastewater Treatment Capacity to Richland Developers, Inc; and

**WHEREAS**, 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, attached hereto as Exhibit B. 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 41,455 gpd of Reserve Wastewater Treatment Capacity, as described in the CTF 2 Agreement, consists of wastewater treatment capacity only, not including storage and disposal; and

**WHEREAS**, Saybrook owns parcels in City designated with APNs 192-030-18 through 23 for phase 1B and 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**, on November 21, 2016, 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") attached hereto as Exhibit A, whereby the City allocated 100,000 gallons per day ("gpd") in Initial Wastewater Treatment Capacity and 36,364 gpd of Reserve Wastewater Treatment Capacity to Saybrook; 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 will require the use of all of Saybrook's Initial Capacity of 100,000 gpd and Reserve Capacity of 36,364 gpd, and will also require additional sewer capacity in the amount of 11,617 gpd, which Saybrook is asking to purchase from SLL; 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 two Reserve Capacity Requests to the City, one for 11,617 gpd plus a second for any additional Reserve Capacity developers were willing to sell, and the City passed those request to developers holding unperfected Reserve Capacity, and Crow offered to sell 11,617 gpd of unperfected Reserve Capacity (for Phase 1B) plus their balance of 29,838 gpd of unperfected Reserve Capacity toward Phase 1C for a Total Reserve Capacity of 41,455 gpd; and

**WHEREAS**, the purchase price has been established by the City in accordance with the Funding Agreement as \$29.98/gpd, and so the purchase price for a total of 41,455 gpd is agreed by Saybrook to equal \$1,242,820.90; and

**WHEREAS**, SLL recognizes the benefits to its own project and to the long term development goals of City for SLL to transfer all of its allocated Reserve Wastewater Treatment Capacity to support the Saybrook Project and therefore wishes to transfer to Saybrook, and Saybrook wishes to accept, 41,455 gpd of Reserve Wastewater Treatment Capacity previously allocated to SLL under the CTF 2 Agreement; and

**WHEREAS**, SLL's Reserve Wastewater Treatment Capacity, which it intends to transfer to Saybrook is reflected on a document entitled "Reallocation of Wastewater (Sewer) Capacity from South Lathrop Land, LLC" which the City Engineer and Director of Finance executed in September and October of 2018 to document the allocation of a portion of SLL Initial Wastewater Capacity to SLL parcels, and which will be again be modified to reflect this Transfer and signed to reflect this proposed allocation to Saybrook. The original signed Reallocation form for SLL parcels and the unsigned Reallocation form to reflect the transfer to Saybrook are attached hereto as Exhibit C; 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 this agreement, approved by the City Attorney, with the applicant; and

**WHEREAS**, consistent with Schedule 3 of the CTF 2 Agreement, SLL has filed an application with the City to effectuate the transfer contemplated in this Agreement, and that application took the form of this Agreement. 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. Schedule 3 of the CTF 2 Agreement is attached hereto in Exhibit C.

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

1. **Allocation of Reserve Wastewater Treatment Capacity.** SLL agrees to transfer to the City 41,455 gpd of the Reserve Wastewater Treatment Capacity previously allocated to SLL in the CTF 2 Agreement and reflected on Exhibit C. This will leave SLL with no remaining Reserve Wastewater Treatment Capacity as identified in the CTF 2 Agreement and no remaining obligation, financial or otherwise, regarding the 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 first to City for transfer to Saybrook once the requirements of this Agreement are satisfied.
2. **Payment for Allocation of Reserve Wastewater Treatment Capacity.** In exchange for SLL's transfer of Reserve Wastewater Treatment Capacity pursuant to this Agreement to the City, Saybrook agrees to pay to City \$1,242,820.90, or \$29.98 for each gpd of Reserve Wastewater Treatment Capacity transferred pursuant to this Agreement. 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 and the funds to SLL. Upon transfer, Saybrook shall have full ownership and use of SLL'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 attached hereto as Exhibit C. In the event that the Lathrop City Council denies the transfer or the Agreement, SLL 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. The City also confirms that SLL and 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, Exhibit A, 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:** Design and Construction Funding Agreement Related to the Phase 2 Expansion of the Existing Lathrop Consolidated Treatment Facility with the City (“CTF 2 Agreement”), dated November 21, 2016

**Exhibit B:** 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 (Doc# 2018-047863), dated May 1, 2018

**Exhibit C:** Original signed Reallocation form for SLL parcels and unsigned Reallocation form to reflect the Reallocation of Reserve Wastewater Treatment Capacity from SLL to the City.

**Exhibit D:** Original signed allocation form for Saybrook parcels and unsigned Reallocation form to reflect the transfer of the Reserve Wastewater Treatment Capacity from the City to SLL.

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

[Signatures on Next Page]

**SLL:**

**South Lathrop Land, L.L.C.,  
a Delaware limited liability company**

By: CHI West 109 South Lathrop Land, L.P.,  
a Delaware limited partnership,  
its managing member

By: CHI LTH GP, L.L.C.,  
a Delaware limited liability company,  
its general partner

By: \_\_\_\_\_  
Philip J. Prassas  
Vice President

**OWNER:**

Saybrook CLSP, LLC

a California 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

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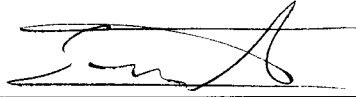
By: Stephen J. Salvatore  
Its: City Manager

**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



**DESIGN AND CONSTRUCTION FUNDING AGREEMENT  
RELATED TO THE PHASE 2 EXPANSION OF THE EXISTING LATHROP CONSOLIDATED  
TREATMENT FACILITY ("LCTF")**

This Design and Construction Funding Agreement (the "**Agreement**") is made and entered into as of November 21, 2016 ("**Effective Date**"), by and between the CITY OF LATHROP, a municipal corporation ("**CITY**"), RIVER ISLANDS DEVELOPMENT, LLC, a California limited liability company ("**RID**"), RICHLAND DEVELOPERS, INC., a Delaware corporation ("**RDI**"), SAYBROOK CLSP, LLC, a California limited liability company ("**Saybrook**"), and LATHROP MOSSDALE INVESTORS, LP, a California limited partnership ("**LMI**") (excluding CITY, collectively, "**DEVELOPERS**"). DEVELOPERS and CITY are referred to herein, individually as "**party**" and collectively as the "**parties**."

**RECITALS**

A. The CITY currently operates the existing LCTF with a flow capacity of 1.0 million gallons per day, or "**MGD**" in accordance with Waste Discharge Requirements R5-2016-0028 approved by the Central Valley Regional Water Quality Control Board (the "**Regional Board**") on April 21, 2016 (the "**WDRs**"). Pursuant to the WDRs, the CITY may add new sprayfields and construct additional recycled water storage ponds in accordance with the requirements of the WDRs with approval of the technical reports submitted to the Executive Officer. The CITY also adopted a CEQA Addenda for the incremental increase of up to 3.0 MGD in treatment capacity, raising the total anticipated treatment capacity to approximately 9.1 MGD. Minor revisions to the WDRs regarding new state water quality standards and a new minimum increment for expansion of disposal areas required for the LCTF are expected to be considered by the Regional Board in fall, 2017. New CEQA review is not expected to be required for the revised WDRs.

B. The parties desire to expand the existing LCTF to process up to 2.5 MGD of treatment capacity by adding a total of 1.5 MGD to the existing LCTF (the "**Phase 2 Expansion**").

C. CITY and DEVELOPERS are parties to a series of sewer funding agreements relating to the Phase 2 Expansion (collectively the "**Funding Agreements**"). The Funding Agreements are listed in Schedule 1 attached hereto. To the extent of any conflicts between the Funding Agreements and this Agreement, this Agreement shall control and supersede any such conflicting terms.

D. During the pre-design and design process for the Phase 2 Expansion, additional developers (listed in Schedule 2 attached) participated in and funded the Phase 2 Expansion. Following the pre-design process, the additional developers withdrew ("**Withdrawn Developers**") from the Phase 2 Expansion. CITY reimbursed (or will reimburse) the Withdrawn Developers for costs they had expended. Accordingly, and once reimbursed, the Withdrawn Developers have no right under this Agreement to receive a "will serve" from CITY with respect to any capacity in the Phase 2 Expansion.

E. 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, and allocations of capacity in the Phase 2 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 2 Expansion.

a. Based upon bids received by the CITY and CITY'S calculation of other costs such as permitting and CITY staff charges, the total estimated cost of the Phase 2 Expansion is \$26,374,212 (the "**Expansion Costs**"). The parties acknowledge that the estimated Expansion Costs include a 10% contingency (the "**Contingency**"), which the parties expressly approve. Of the total estimated Expansion Costs, DEVELOPERS have funded \$2,914,647 pursuant to the Funding Agreements (the "**Funded Expansion Costs**"), which amount is net of any amounts reimbursed or to be reimbursed to Withdrawn Developers by CITY. Section 6.a. and Exhibit A illustrate each DEVELOPER'S share of Funded Expansion Costs paid to date, Unfunded Expansion Costs (defined in Section 6.a) and timing of payment.

b. Upon receipt of the Unfunded Expansion Costs, the CITY shall use commercially reasonable efforts to complete the Phase 2 Expansion in an timely manner, subject to force majeure delays, including without limitation obtaining all applicable permits and approvals necessary to proceed with the Phase 2 Expansion including an updated WDR to clarify minimum increments for additional storage capacity and address new state water quality standards, as well as the requisite administrative design and pond approvals for the Phase 2 Expansion. Newly proposed sprayfield areas and recycled water storage ponds for use in disposal of treated wastewater from the LCTF may require environmental review under CEQA.

3. Initial Capacity Allocations. Subject to the DEVELOPERS' compliance with the terms of this Agreement, CITY will provide DEVELOPERS with initial capacity allocations in the Phase 2 Expansion as set forth in Exhibit B-1 (the "**Initial Capacity Allocations**").

4. Restrictions on Reliance or Use of Sewer Allocation by DEVELOPERS; Other Restrictions. Notwithstanding anything to the contrary contained herein, the following shall apply to restrict DEVELOPERS' reliance upon or use of its Sewer Allocation (defined below):

a. No DEVELOPER shall "**rely**" (defined below) upon its Initial Capacity Allocation or Reserved Capacity Allocation (defined in Section 7.a) (collectively, the "**Sewer Allocation**") unless and until such DEVELOPER has (i) obtained fee title to land for all ponds, sprayfields and related infrastructure (or other alternative methods of disposal approved by the CITY and the Regional Board) necessary to use such capacity (collectively, the "**Disposal Infrastructure**"), (ii) provided CITY with secured funding for construction of Disposal Infrastructure in the form of designated cash on deposit with CITY, security bond, letter of credit, or specifically designated Land Based Financing (defined below) containing a disbursement mechanism in favor of, and as approved by, CITY, (iii) offered the Disposal Infrastructure to CITY for dedication (with conditional right of reversion) and (iv) secured administrative design approval from the CITY and Regional Board for the design of Disposal Infrastructure (with items (i) through (iv) referred to herein, collectively, as the "**Reliance Requirements**"). As used herein, "**rely**" shall mean the ability to rely upon the availability of such capacity for CITY approval of final maps.

b. No DEVELOPER shall be entitled to use its Sewer Allocation (e.g. for CITY approval of building permits) unless and until such DEVELOPER has (i) completed construction of the Disposal Infrastructure, (ii) issued to CITY as-built drawings documenting the completed Disposal Infrastructure and (iii) incorporated the Disposal Infrastructure into the City's Wastewater Discharge Permit by obtaining Regional Board approval of (Y) a completion report for added storage and disposal and (Z) an increase in disposal capacity for CITY'S combined treatment facility (collectively, "**Use Requirements**").

c. Notwithstanding anything to the contrary set forth in this Agreement, DEVELOPER compliance with any provisions herein regarding Disposal Infrastructure is subject to the terms of any DEVELOPER'S Development Agreement with CITY, the terms of which Development Agreement(s) shall control with respect to compliance with Disposal Infrastructure.

d. The terms of this Agreement and any transfer of Sewer Allocations to DEVELOPERS or third parties under this Agreement are exempt from the City's Wastewater Treatment Capacity Policy approved by the City Council on May 4, 2015 by Resolution No. 15-3913 (the "**Transfer Policy**"); provided, however, that no transfer to a DEVELOPER or a third party shall be effective unless and until such DEVELOPER or third party has provided to CITY the information required in Schedule 3 attached hereto ("**Transfer Information**") for CITY approval, which shall not be unreasonably withheld, conditioned or delayed.

e. Notwithstanding anything to the contrary contained herein, including without limitation the provisions of Sections 7 and 9, no DEVELOPER'S Sewer Allocation may be taken away from such DEVELOPER if such DEVELOPER has satisfied all Reliance Requirements for its Sewer Allocation.

f. DEVELOPERS acknowledge and understand that DEVELOPERS cannot use their Sewer Capacity until (i) final completion and CITY acceptance of the Phase 2 Expansion and (ii) final signoff of the completed Phase 2 Expansion by the Regional Board.

#### 5. Standby Charges.

a. CITY shall provide notice to all DEVELOPERS when CITY begins receiving invoices from Veolia Water West Operating Services, Inc. ("**Veolia**") for maintenance of the Phase 2 Expansion (the "**Standby Charge Notification**"). DEVELOPERS' obligation to pay Standby Charges commences upon receipt of the Standby Charge Notification (the "**Standby Trigger Date**"). The Standby Charge Notification shall include an invoice detailing the Standby Charges that are due from each DEVELOPER. The CITY shall calculate the annual charge per gallon of capacity in accordance with Exhibit B-2, which charge will escalate annually at the same rate set forth in the CITY'S separate written agreement with Veolia, which escalation shall not exceed the Consumer Price Index for all urban consumers for the Los Angeles Standard Metropolitan Statistical Area as published by the Bureau of Labor Statistics of the U.S. Department of Labor (the "**Escalation**"), unless otherwise agreed by the parties, in writing.

b. DEVELOPERS shall pay the applicable Standby Charges not later than thirty (30) days after receipt of the Standby Charge Notification. CITY shall provide annual Standby Charge Notifications to each DEVELOPER for future Standby Charges by July 31<sup>st</sup> of each year. Annual standby charges are due thirty (30) days after receipt of invoice. Notwithstanding the foregoing, and except with respect to charges by Veolia that have been incorporated into the construction budget for the Phase 2 Expansion, in no event shall DEVELOPERS be responsible for Standby Charges unless the Completion Requirements (defined in Section 6(c)) have been satisfied.

c. DEVELOPERS are responsible for paying Standby Charges for each DEVELOPER'S Sewer Allocation as illustrated in Exhibit B-2 (including the Escalation, the "**Standby Charges**"). The Standby Charges include overcharges due to the higher operational costs associated with a wastewater treatment plant that is larger than currently needed ("**Standby Overcharges**"), also as illustrated in Exhibit B-2.

d. The parties acknowledge that DEVELOPERS' obligation to pay Standby Charges shall terminate as sewer capacity in the Phase 2 Expansion is used. On or about May 1<sup>st</sup> of year, the CITY shall check the termination date for Standby Charges in the following manner:

i. CITY shall determine the total number of gallons of sewer capacity assigned to rate payers. Solely for purposes of determining the termination date for Standby Charges, each EDU (equivalent dwelling unit) shall be considered to be assigned 260 gallons per day ("**gpd**") of capacity (the "**Used Sewer Capacity**"). CITY shall provide a copy of the CITY'S Used Sewer Capacity determination within thirty (30) days after CITY finalizes the determination.

ii. If CITY determines through its calculation in subsection (i) above that the total gallons of Used Sewer Capacity has met or exceeded the "Threshold of Flow From New

Users at Which Standby Charge is No Longer Needed” as shown on Exhibit B-2, DEVELOPERS’ obligation to pay Standby Charges shall terminate and no additional Standby Charges shall be due for any subsequent year. CITY shall provide written notice to DEVELOPERS at the time that DEVELOPERS’ obligation to pay Standby Charges ceases.

iii. Subject to the foregoing provisions regarding termination of the obligation to pay Standby Charges, DEVELOPERS shall remain responsible for Standby Charges for any Sewer Allocation applicable to such DEVELOPERS unless and until a DEVELOPER transfers all or a portion of its Allocation with the corresponding obligation to pay Standby Charges, and such transfer has been accepted by CITY in accordance with the provisions of Section 4.d.

e. Subject to the provisions of Section 4.f., so long as DEVELOPERS have satisfied Use Requirements for their Sewer Allocation, DEVELOPERS may commence using their Sewer Allocation from and after the Standby Trigger Date.

6. Developer Funding of Phase 2 Expansion.

a. Funded and Unfunded Expansion Costs. Each DEVELOPER’S proportional share of Funded Expansion Costs paid to date and the portion of Expansion Costs that has not yet been funded (“Unfunded Expansion Costs”) are set forth in Exhibit A based upon the percentages set forth therein. Except as set forth below, each DEVELOPER shall pay its applicable share of Unfunded Expansion Costs on the Effective Date. Notwithstanding the foregoing, the parties acknowledge that LMI is owed Oversizing Reimbursements (defined in Section 8(c)) that exceed LMI’s portion of Unfunded Expansion Costs (the “LMI Share”). As a result, (i) LMI is not obligated to pay the LMI Share on the Effective Date, and (ii) CITY shall reduce the Oversizing Reimbursements that are due LMI by the amount of the LMI Share when CITY pays Oversizing Reimbursements to applicable DEVELOPERS under Section 8.

b. Use of Contingency; Cost Overruns.

i. Subject to the terms below, the parties agree that the CITY may use the Contingency for any cost overruns for the Phase 2 Expansion without obtaining the prior approval of DEVELOPERS. Notwithstanding the foregoing, during construction, CITY shall provide DEVELOPERS with written monthly construction updates (“Construction Updates”), which Construction Updates shall include an updated completion schedule, a listing of costs incurred to date based upon invoices received by the end of the previous month, copies of all changes orders executed during the applicable month and notification of any pending or anticipated change orders, and other information as reasonably requested by DEVELOPERS. CITY shall endeavor to provide the Construction Updates to DEVELOPERS not later than the 21<sup>st</sup> of each month, for work completed during the previous month.

ii. If CITY exhausts the Contingency and CITY reasonably believes that it must incur costs in excess of the Contingency to complete the Phase 2 Expansion (“Excess Costs”), CITY shall promptly notify DEVELOPERS of such Excess Costs from time to time, as needed. Subject to Section 6.b.iii, CITY must obtain DEVELOPERS’ prior written approval prior to incurring the Excess Costs, which shall be provided, if at all, not later than ten (10) business days after receipt of CITY’S notice of Excess Costs together with appropriate backup documentation.

iii. Notwithstanding the foregoing, if CITY and RID agree to the Excess Costs, (A) CITY shall notify all DEVELOPERS of such agreement (“Notice of Approval of Excess Costs”), (B) CITY may proceed with the work, and (C) all DEVELOPERS shall pay their respective share of the Excess Costs within ten (10) business days after receipt of the Notice of Approval of Excess Costs.

iv. If any DEVELOPER fails to contribute its share of Excess Costs within ten (10) business days after receipt of the Notice of Approval of Excess Costs, then (Y) the

contributing DEVELOPERS shall pay the non-contributing DEVELOPER'S portion of Excess Costs, on a pro rata basis, and (Z) such non-contributing DEVELOPER'S Sewer Allocation shall be reduced and allocated to the contributing DEVELOPERS on a pro rata basis.

c. Final Accounting.

i. CITY shall provide a draft final accounting of all construction costs incurred by CITY in connection with the Phase 2 Expansion (the "**Final Accounting**") to DEVELOPERS not later than 90 days after (A) final completion and CITY acceptance of the Phase 2 Expansion and (B) final signoff of the completed Phase 2 Expansion by the Regional Board (collectively, "**Completion Requirements**"). CITY shall request written confirmation of receipt of the Final Accounting from each DEVELOPER (whether through confirmation of overnight courier delivery, return receipt request, or other method). The parties acknowledge that the Final Accounting may include Excess Costs in addition to those addressed during construction pursuant to Section 6.b.

ii. Each DEVELOPER shall have the right to review and approve the Final Accounting, which review and approval shall be provided, if at all, within 10 business days after DEVELOPERS' receipt of the Final Accounting. If any DEVELOPER has not timely provided its written approval or comments, if any, then such DEVELOPER shall be deemed to have approved the Final Accounting. Subject to the foregoing, CITY and DEVELOPERS will work together to resolve any questions raised regarding the draft Final Accounting prior to it becoming final.

iii. If all DEVELOPERS approve the Final Accounting OR if all DEVELOPERS do not approve the Final Accounting but CITY and RID agree to the Final Accounting, (A) CITY shall notify all DEVELOPERS of such agreement ("**Notice of Approval of Final Accounting**") and (B) all DEVELOPERS shall pay their respective share of any Excess Costs as set forth in the Final Accounting within thirty (30) days after receipt of the Notice of Approval of Final Accounting. The Notice of Approval of Final Accounting shall attach the approved Final Accounting, the parties' final allocations of the Expansion Costs in accordance with the provisions of this Section 6, and the final Reserved Capacity Overpayment (defined in Section 7.b) applicable to each DEVELOPER.

iv. If any DEVELOPER fails to contribute its share of Excess Costs set forth in the Final Accounting within thirty (30) days after receipt of the Notice of Approval of Final Accounting, then (Y) the contributing DEVELOPERS shall pay the non-contributing DEVELOPER'S portion of Excess Costs, on a pro rata basis, and (Z) such non-contributing DEVELOPER'S Sewer Allocation shall be reduced and allocated to the contributing DEVELOPERS on a pro rata basis.

v. To the extent that the approved Final Accounting illustrates cost savings (e.g. the Phase 2 Expansion was constructed for less than the Expansion Costs contributed by DEVELOPERS, including any savings of Contingency amounts contributed by DEVELOPERS), the CITY shall reimburse to each 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.

7. Reserved Capacity.

a. The parties acknowledge that a portion of the Unfunded Expansion Costs includes the cost of the 0.4 MGD oversized sewer capacity that is not currently needed by each DEVELOPER and CITY (the "**Reserved Capacity**"). Exhibit C-1 attached hereto illustrates each DEVELOPER'S allocation of the Reserved Capacity ("**Reserved Capacity Allocation**"). Exhibit C-2 attached hereto illustrates the overpayment by each DEVELOPER applicable to each DEVELOPER'S Reserved Capacity Allocation (the "**Reserved Capacity Overpayment**").

b. Each DEVELOPER understands and agrees that its Reserved Capacity Allocation will not be deemed allocated to such DEVELOPER until such DEVELOPER can demonstrate to CITY that it needs the Reserved Capacity (a) over the next five (5) years if the Phase 2 Expansion

construction has not yet been substantially completed or (b) over the next 3.5 years if the Phase 2 Expansion construction is substantially complete ("**Demonstration of Need**"). The Demonstration of Need shall illustrate DEVELOPER'S then-current projections of its development and sewer capacity requirements and shall include appropriate backup documentation and other information as reasonably requested by CITY. Upon receipt and approval by CITY of the Demonstration of Need, such DEVELOPER'S portion of Reserved Capacity shall be deemed perfected and allocated to such DEVELOPER, subject to the provisions regarding Use Determinations and Reliance Requirements as set forth herein. Any DEVELOPER that has not yet provided a Demonstration of Need for its allocation of Reserved Capacity is defined as an "**Unperfected Developer**." The date that when all Reserved Capacity has been perfected or sold, as applicable, is defined as the "**Reserved Capacity Exhaustion Date**."

c. If the CITY or any DEVELOPER that has perfected its right to Reserved Capacity (each, a "**Perfected Developer**") determines that it needs additional sewer capacity from unperfected Reserve Capacity, CITY or the Perfected Developer(s) may send a notice (the "**Reserved Capacity Request**") to all DEVELOPERS. Perfected Developers must provide CITY with a copy of all Reserved Capacity Requests by Perfected Developers. Any Reserved Capacity Request from a Perfected Developer must include a Demonstration of Need for the additional portion of Reserved Capacity being requested. If any Unperfected Developer cannot provide an acceptable Demonstration of Need to CITY within thirty (30) days after receipt of the Reserved Capacity Request, and subject to the payment provisions below, CITY shall sell the requested portions of Reserved Capacity to (i) the Perfected Developer that made the Reserved Capacity Request or (ii) third parties or CITY, as applicable, if the CITY issued the Reserved Capacity Request. These sales of Reserved Capacity shall reduce the remaining allocations of Reserved Capacity from Unperfected Developers on a pro rata basis.

d. The purchase price for the Reserved Capacity shall be equal to (a) the Developer Reimbursement (defined below) applicable to the Reserved Capacity being purchased plus (c) simple interest at the lesser of 10% per annum or the highest rate permitted by law ("**Interest**"), accruing on the date that the applicable DEVELOPER funded its share of Expansion Costs (the "**Interest Commencement Date**").

e. As used herein, the term "**Developer Reimbursement**" means the Reserved Capacity Overpayment and Standby Overcharges applicable to the portion of Reserved Capacity being sold from that DEVELOPER'S allocation of Reserved Capacity. An example of the Developer Reimbursement is attached hereto as Exhibit D. The City is responsible for collecting the Developer Reimbursement from the purchaser, and paying the Developer Reimbursement to the selling DEVELOPERS, not later than thirty (30) days after the Reserved Capacity is purchased by CITY, a third party or Perfected Developer.

f. Subject to the provisions of Section 4.e., any DEVELOPER'S Reserved Capacity Allocation, even if perfected, is subject to the Use Determination provisions of Section 9.

#### 8. Previous Oversizing; Oversizing Overpayments.

a. Separate and distinct from the Reserved Capacity, under the terms of previous Funding Agreements for the construction of 0.75 MGD, certain DEVELOPERS have paid for oversizing of the existing LCTF (the "**0.75 MGD Oversizing Overpayments**"). These funding DEVELOPERS are due reimbursement for the 0.75 MGD Oversizing Overpayments at the time the oversized capacity is needed by other developers (the "**0.75 MGD Oversizing Reimbursement**"). Attached hereto as Exhibit E-1 is a table that sets forth (i) the identity of the DEVELOPERS that have paid 0.75 MGD Oversizing Overpayments, (ii) the amount of the 0.75 MGD Oversizing Overpayments, (iii) the applicable 0.75 MGD Oversizing Reimbursement that is due to each of the funding DEVELOPERS and (iv) the DEVELOPERS that are obligated to pay the 0.75 MGD Oversizing Reimbursement (the "**0.75 MGD Reimbursing Developers**"). The 0.75

MGD Reimbursing Developers shall pay the applicable 0.75 MGD Oversizing Reimbursement to CITY on the Effective Date, and the CITY shall pay the applicable 0.75 MGD Oversizing Reimbursement to the applicable funding DEVELOPERS not later than thirty (30) days after the receipt of such funds.

b. Separate and distinct from the Reserved Capacity and the 0.75 MGD Oversizing Overpayments, under the terms of previous Funding Agreements for the construction of 0.25 MGD, certain DEVELOPERS have paid for oversizing of the existing LCTF (the "**0.25 MGD Oversizing Overpayments**"). These funding DEVELOPERS are due reimbursement for the 0.25 MGD Oversizing Overpayments at the time the oversized capacity is needed by other developers (the "**0.25 MGD Oversizing Reimbursement**"). Exhibit E-2 identifies (i) DEVELOPERS that have paid 0.25 MGD Oversizing Overpayments, (ii) the amount of the 0.25 MGD Oversizing Overpayments, (iii) the applicable 0.25 MGD Oversizing Reimbursement that is due to each of the funding DEVELOPERS and (iv) the DEVELOPERS that are obligated to pay the 0.25 MGD Oversizing Reimbursement (the "**0.25 MGD Reimbursing Developers**"). The 0.25 MGD Reimbursing Developers shall pay the applicable 0.25 MGD Oversizing Reimbursement to CITY on the Effective Date, and the CITY shall pay the applicable 0.25 MGD Oversizing Reimbursement to the applicable funding DEVELOPERS not later than thirty (30) days after the receipt of such funds.

c. The 0.75 MGD Oversizing Reimbursement and the 0.25 MGD Oversizing Reimbursement are referred to herein, collectively, as the "**Oversizing Reimbursements**."

#### 9. Use Determinations.

a. Unused Capacity. The terms of this Section 9 shall apply if any DEVELOPER has failed to satisfy Reliance Requirements for such DEVELOPER'S Sewer Allocation by the last to occur of the Standby Trigger Date and Reserved Capacity Exhaustion Date (the "**Use Determination Trigger Date**"). The portion of a DEVELOPER'S Sewer Allocation as to which such DEVELOPER has not satisfied Reliance Requirements is defined as "**Unused Capacity**."

#### b. Unused Capacity Use Determinations.

(i) From and after the Use Determination Trigger Date, and upon thirty (30) days' prior written notice to all parties, any DEVELOPER may request (a "**Use Determination Request**") that CITY determine whether any DEVELOPER has failed to satisfy Reliance Requirements for its Sewer Allocation ("**Use Determination**"). CITY may also independently initiate a Use Determination upon written notice to all parties. The parties acknowledge that there may be multiple Use Determination Requests by individual DEVELOPERS.

(ii) Any Use Determination Request must (A) describe the Sewer Allocation desired by the requesting DEVELOPER (the "**Requested Allocation**") and (B) be accompanied by a Demonstration of Need and proof that the requesting DEVELOPER can satisfy Reliance Requirements for the Requested Allocation.

(iii) Within 30 days after receipt of a Use Determination Request (or initiation of the Use Determination by CITY, as applicable), CITY shall issue a draft summary of Unused Capacity (the "**Unused Capacity Summary**") listing the affected DEVELOPERS and applicable Unused Capacity.

(iv) Affected DEVELOPERS must respond with any clarifications or objections to the Unused Capacity Summary within 15 days after receipt. If affected DEVELOPERS fail to respond, they will be deemed to have approved the Unused Capacity Summary.

(v) The final Unused Capacity Summary shall constitute the final "**Use Determination**" and shall be issued by CITY not later than 15 days after receipt of any objections or clarifications.

(vi) Non-compliant DEVELOPERS shall have thirty (30) days after receipt of the final Use Determination (the "**Use Determination Cure Period**") in which to satisfy Reliance Requirements for their Unused Capacity.

(vii) If any non-compliant DEVELOPER fails to satisfy Reliance Requirements within the Use Determination Cure Period, then CITY shall notify the parties of such failure and the requesting DEVELOPER(S) (or CITY, if CITY initiated the Use Determination) may purchase the Requested Capacity, up to the amount set forth in the Use Determination. The requesting DEVELOPER(S) (or CITY, as applicable) must purchase the Requested Capacity not later than thirty (30) days after expiration of the Use Determination Cure Period by depositing the applicable purchase price with CITY as set forth below; otherwise, the right to purchase shall expire and be of no further force and effect. The CITY shall identify and sell Unused Capacity on a pro-rata basis from all DEVELOPERS with Unused Capacity, so that Unused Capacity is not taken from just one DEVELOPER. If multiple DEVELOPERS have made Use Determination Requests and there is insufficient Unused Capacity to satisfy all Requested Allocations, the CITY shall allocate Unused Capacity on a pro rata basis (based upon all non-compliant DEVELOPERS' Unused Capacity) to requesting DEVELOPERS or CITY, as applicable.

(viii) The purchase price for Unused Capacity shall equal the Developer Reimbursement applicable to the Unused Capacity plus Interest commencing on the Interest Commencement Date. CITY shall permit DEVELOPERS selling Unused Capacity to participate in the next expansion of the LCTF to the extent of the Unused Capacity sold by such DEVELOPER.

10. Land Based Financing. Any DEVELOPER may petition the CITY to use community facilities district or other land based financing ("**Land Based Financing**") to pay its share of Expansion Costs. If the use of Land Based Financing is approved by CITY, then such DEVELOPER'S share of Expansion Costs and any other amounts paid by such DEVELOPER pursuant to applicable Funding Agreements may be reimbursable from proceeds of Land Based Financing. The CITY shall adopt a reimbursement resolution to such effect concurrently with the approval of this Agreement; provided, however, that CITY'S adoption of such a reimbursement resolution does not obligate CITY to issue bonds or act as the lead agency with respect to such Land Based Financing.

#### 11. 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 (the "**Breach Notice**") to cure such breach or noncompliance (as such period may be extended as set forth below, the "**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, however, 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 prosecutes such cure, and provided further that the Breach Notice shall set 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 11(c) below, upon a Default pursuant to Section 11(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 60 days after 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 decided 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 parties 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. Notwithstanding the foregoing, in the event of a payment default hereunder that is not cured within ten (10) business days after any DEVELOPER'S receipt of a Breach Notice from CITY, (i) CITY may immediately suspend such DEVELOPER'S ability to use its Capacity Allocation and (ii) CITY may sell such DEVELOPER'S Capacity Allocation on a pro rata basis to the other DEVELOPERS for the purchase price illustrated in Section 9.b.

12. Counterparts. This Agreement may be executed in counterparts, including electronic (pdf) and facsimile counterparts, each of which shall be considered an original and all of which together shall be considered the same document.

13. 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 or agent or attorney has made a promise, representation, or warranty whatsoever, express or implied, not contained herein concerning the subject matter herein to induce another 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.

14. 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.

15. 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 it shall remain in full force and effect. If, however, 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 11.b.

16. Authorization. Without any personal liability therefor, each person executing this Agreement on behalf of the applicable party hereto warrants that (i) such party is duly organized and existing, (ii) such person has been duly authorized to execute and deliver this Agreement on behalf of the applicable party, (iii) the execution of this Agreement by such person shall bind the applicable party to the terms of this Agreement, and (iv) to such person's knowledge, the execution of this Agreement does not violate any agreement as to which such party is bound. CITY represents and warrants that CITY has obtained any necessary approvals to execute this Agreement and be bound by the terms hereof.

17. Other Agreements Not Affected. This Agreement constitutes the entire agreement between the parties hereto with respect to the Phase 2 Expansion and supersedes all prior understandings or agreements with respect to the subject matter hereof; provided, however, that this Agreement does not supersede, amend, nor replace any prior written agreement relating to any matter other than with respect to the matters expressly set forth in this Agreement relating to this specific Phase 2 Expansion project such as, without limitation, the parties' separate Consortium Agreement, as amended from time to time, and the Conditional Will Serve Agreement for Wastewater between CITY and Saybrook dated August 19, 2013. This Agreement may be modified only by specific reference describing a mutual intent and agreement to amend this Agreement in written documents signed by all parties hereto.

18. Greenlighting Future Expansions. Nothing herein supersedes, amends or replaces any prior written agreement with respect to the DEVELOPERS' ability to "greenlight" future expansions in accordance with the parties' other written agreements regarding "greenlighting."

19. 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 fourth business day after such mailing. Any notice shall be given to all of the following:

<u>CITY</u>	<u>RID</u>	<u>LMI</u>
City of Lathrop 390 Towne Centre Drive Lathrop, CA 95330 Attn: City Manager	River Islands Development, LLC 73 West Stewart Road Lathrop, CA 95330 Attn: Susan Dell'Osso	Lathrop Mossdale Investors LP 675 Hartz Avenue Danville, CA 94526 Attn: Jeff Abramson and Lori Waltzer
With a copy to: City of Lathrop 390 Towne Centre Drive Lathrop, CA 95330 Attn: City Attorney	With a copy to: River Islands Development, LLC 2999 Oak Road, Suite 400 Walnut Creek, CA 94597 Attn: Lisa Freilicher, Esq.	
<u>RDI</u> Richland Developers, Inc. 3161 Michelson Drive, Suite 425 Irvine, CA 92612 Attn: General Counsel	<u>SAYBROOK</u> Saybrook CLSP, LLC 303 Twin Dolphin Drive Suite 600 Redwood Shores, CA 94065 Attn: Jeff Wilson	
With a copy to: Richland Developers, Inc. 3000 Lava Ridge Court, Suite 115 Roseville, CA 95661 Attn: Clifton Taylor	With a copy to: Best and Krieger 300 South Grand Avenue, 25 <sup>th</sup> Floor Los Angeles, CA 90071 Attn: Seth Merewitz, Esq.	

20. 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.

21. 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 a DEVELOPER, no DEVELOPER may 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 any DEVELOPER assignment, (i) the assigning DEVELOPER shall notify all parties of the proposed assignment and provide reasonable information to the parties regarding the proposed assignee and (ii) any potential assignee must reasonably demonstrate to the CITY's satisfaction that the proposed assignee has the financial ability and experience to fulfill the assigning DEVELOPER'S obligations under this Agreement. Any DEVELOPER may assign this Agreement to an Affiliate, with notice to the other parties hereto. As used herein, the term "Affiliate" means any person, entity or organization as to which any 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.

22. Time of the Essence. Time is of the essence of this Agreement.

23. 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 provision(s) to which they pertain.

24. 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 a DEVELOPER or all DEVELOPERS. CITY shall have no responsibility for Disposal Infrastructure or any other public improvements unless and until accepted by CITY.

25. 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.

26. Table of Exhibits. The following exhibits are attached hereto and made a part hereof:

<u>Exhibit A:</u>	Funded and Unfunded Expansion Costs
<u>Exhibit B-1:</u>	Initial Capacity Allocations
<u>Exhibit B-2:</u>	Standby Charges
<u>Exhibit C-1:</u>	Developer Allocations of Reserved Capacity
<u>Exhibit C-2:</u>	Reserved Capacity Overpayment
<u>Exhibit D:</u>	Developer Reimbursement
<u>Exhibit E-1:</u>	Oversizing Overpayments (0.75 MGD)
<u>Exhibit E-2:</u>	Oversizing Overpayments (0.25 MGD)
<u>Schedule 1:</u>	Funding Agreements
<u>Schedule 2:</u>	Withdrawn Developers
<u>Schedule 3:</u>	Transfer Information

[SIGNATURES ON THE FOLLOWING PAGE]

[SIGNATURE PAGE TO CONSTRUCTION FUNDING AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**CITY**

CITY OF LATHROP  
a municipal corporation of the State of  
California

By: [Signature]  
Name: Stephen J. Salvatore  
Its: City Manager

**RID**

RIVER ISLANDS DEVELOPMENT, LLC  
a California limited liability company

By: [Signature]  
Name: Susan Dell'Osso  
Its: Vice President and Secretary

ATTEST:

By: [Signature]  
Name: Teresa Vargas  
Its: City Clerk  
Dated: 1/12/17

**LMI**

LATHROP MOSSDALE INVESTORS LP, a  
California limited partnership

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

APPROVED AS TO FORM:

[Signature]  
Salvador V. Navarrete  
City Attorney

**RDI**

RICHLAND DEVELOPERS, INC.  
a Delaware corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**SAYBROOK**

SAYBROOK CLSP, LLC  
a California limited liability company

By: Saybrook Fund Investors, LLC  
its Managing Member  
By: \_\_\_\_\_  
Name: Jeffrey M. Wilson  
Its: Officer

[SIGNATURE PAGE TO CONSTRUCTION FUNDING AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY

CITY OF LATHROP  
a municipal corporation of the State of California

By: \_\_\_\_\_  
Name: Stephen J. Salvatore  
Its: City Manager

ATTEST:

By: \_\_\_\_\_  
Name: Teresa Vargas  
Its: City Clerk  
Dated: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Salvador V. Navarrete  
City Attorney

RDI

RICHLAND DEVELOPERS, INC.  
a Delaware corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

RID

RIVER ISLANDS DEVELOPMENT, LLC  
a California limited liability company

By: \_\_\_\_\_  
Name: Susan Dell'Osso  
Its: Vice President and Secretary

LMI

LATHROP MOSSDALE INVESTORS LP, a  
California limited partnership  
BY: LATHROP MOSSDALE VENTURES, INC., ITS GENERAL PARTNER

By: Jon Kwa  
Name: Lon R. Wiltzer  
Its: CFO

SAYBROOK

SAYBROOK CLSP, LLC  
a California limited liability company

By: Saybrook Fund Investors, LLC  
its Managing Member

By: \_\_\_\_\_  
Name: Jeffrey M. Wilson  
Its: Officer

[SIGNATURE PAGE TO CONSTRUCTION FUNDING AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**CITY**

CITY OF LATHROP  
a municipal corporation of the State of  
California

By: \_\_\_\_\_  
Name: Stephen J. Salvatore  
Its: City Manager

ATTEST:

By: \_\_\_\_\_  
Name: Teresa Vargas  
Its: City Clerk  
Dated: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Salvador V. Navarrete  
City Attorney

**RDI**

RICHLAND DEVELOPERS, INC.  
a Delaware corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**RID**

RIVER ISLANDS DEVELOPMENT, LLC  
a California limited liability company

By: \_\_\_\_\_  
Name: Susan Dell'Osso  
Its: Vice President and Secretary

**LMI**

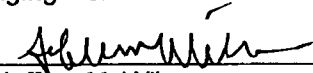
LATHROP MOSSDALE INVESTORS LP, a  
California limited partnership

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**SAYBROOK**

SAYBROOK CLSP, LLC  
a California limited liability company

By: Saybrook Fund Investors, LLC  
its Managing Member

By:   
Name: Jeffrey M. Wilson  
Its: Officer

[SIGNATURE PAGE TO CONSTRUCTION FUNDING AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**CITY**

**CITY OF LATHROP**  
a municipal corporation of the State of  
California

By: \_\_\_\_\_  
Name: **Stephen J. Salvatore**  
Its: **City Manager**

**ATTEST:**

By: \_\_\_\_\_  
Name: **Teresa Vargas**  
Its: **City Clerk**  
Dated: \_\_\_\_\_

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Salvador V. Navarrete**  
**City Attorney**

**RDI**

**RICHLAND DEVELOPERS, INC.**  
a Delaware corporation

By: \_\_\_\_\_  
Name: **John H. Bray**  
Its: **President**

**RID**

**RIVER ISLANDS DEVELOPMENT, LLC**  
a California limited liability company

By: \_\_\_\_\_  
Name: **Susan Dell'Oso**  
Its: **Vice President and Secretary**

**LMI**

**LATHROP MOSSDALE INVESTORS LP, a**  
California limited partnership

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**SAYBROOK**

**SAYBROOK CLSP, LLC**  
a California limited liability company

By: \_\_\_\_\_  
Name: **Jeff Wilson**  
Its: **Co-Managing Member**

**EXHIBIT A**

**Funded and Unfunded Expansion Costs**

**(See Attached)**





**EXHIBIT B-1**

Initial Capacity Allocations

(See Attached)

**EXHIBIT B-1**  
**Capacity Allocations**  
 CTF Phase 2 Expansion, City of Lathrop, California

<b>Developer</b>	<b>Flow Capacity (gpd)</b>	<b>% of Expansion</b>
River Islands	652,840	59.35%
Crossroads (Capacity owned by City)	216,000	19.64%
Richland Developers	114,000	10.36%
Saybrook	100,000	9.09%
Lathrop Mossdale Investors	17,160	1.56%
<b>Total</b>	<b>1,100,000</b>	<b>100.00%</b>

Abbreviations:  
 gpd = gallons per day

**EXHIBIT B-2**

**Standby Charges**

**(See Attached)**

**EXHIBIT B-2**  
**Calculations for Estimated Standby Charges**  
 Consolidated Treatment Facility, City of Lathrop, California

<b>Assumptions:</b>	
Plant Capacity After Expansion:	2.5 mgd
Sold Capacity After Expansion:	2.1 mgd
Standby Charge Goes Into Effect:	FY 2017-2018
Non-Crossroads Flow When Standby Charge In Effect:	0.754 mgd
Crossroads Flow When Standby Charge in Effect:	0.18 mgd
Total CTF Flow When Standby Charge in Effect:	0.934 mgd
Flow Share that is Ineligible for Standby Charges:	0.146 mgd
Wastewater Rate When Standby Charge in Effect	\$79.00 per account per month
	From Table 4-6 of Draft Rate Study

At the time that the first standby district was "sunset", the flow in the treatment plant was approximately 0.604 mgd out of 0.75 mgd capacity. The remaining 0.146 mgd out of the 0.75 mgd is ineligible for standby charges (because of the sunseting) even though some portion of it may remain unused.

<b>Calculations for 2.5 MGD Plant:</b>	
Current Annual Fee for Veolia:	\$950,000
Estimated Annual Fee for Veolia After Expansion:	\$1,440,612
Additional Expenses for Incremental Increase in Veolia Fee:	Veolia Proposal as of mid-May 2016
Contingency for Additional Expenses Other Than Veolia Fee	(Annual Fee After Expansion) - (Current Annual Fee)
Required Revenue from Standby Charge:	10% contingency to cover expected additional maintenance including SCADA, LAS-3, additional monitoring wells, other off-site infrastructure
Standby Flow:	(Additional Expenses for Incremental Increase in Veolia Fee) + (Contingency)
Standby Charge per gpd:	(Sold Capacity) - (Total CTF Flow) - (Flow Share Ineligible for Standby Charges). This is equivalent to the unused sold capacity minus the amount of flow calculated above that cannot be assessed standby charges because the first standby district has "sunset".
	1,020,000 gpd
	(\$0.529 (Required Standby Revenue) / (Standby Flow))

**EXHIBIT B-2**  
**Calculations for Estimated Standby Charges**  
 Consolidated Treatment Facility, City of Lathrop, California

<b>Calculations for Standby Overcharge:</b>	
(For this calculation, we first calculate the standby charges for a 2.1 MGD plant, and then compare to the standby charges for a 2.5 MGD plant)	
Current Annual Fee for Veolia:	\$950,000
Estimated Annual Fee for Veolia After Expansion:	\$1,337,454
Additional Expenses for Incremental Increase in Veolia Fee:	\$387,454
Contingency for Additional Expenses Other Than Veolia Fee	\$38,745
Required Revenue from Standby Charge:	\$426,199
Standby Flow:	1,020,000 gpd
<b>Standby Charge per gpd:</b>	<b>\$0.418</b>
Standby "Overcharge" Due to 2.5 MGD Plant Instead of 2.1 MGD Plant (per gpd of sold capacity)	\$0.111
Standby "Overcharge" Due to 2.5 MGD Plant Instead of 2.1 MGD Plant (per gpd of reserve capacity)	\$0.306

<b>Breakeven Point Calculation:</b>	
Other Variable Wastewater Fund Expenditures in 2017-2018:	\$856,000
Incremental Increase in Other Variable Expenditures Per User:	\$238
Monthly Incremental Increase in Other Variable Expenditures per New User	\$19.86
Number of New Users to Break Even:	760
<b>Threshold of Flow From New Users at Which Standby Charge No Longer Needed:</b>	<b>197,707 gpd</b>
Number of New Users to Fill Capacity:	5,769
Percentage of New Users Needed to Break Even:	13%

**EXHIBIT B-2**

***Calculations for Estimated Standby Charges***

Consolidated Treatment Facility, City of Lathrop, California

**Notes:**

- (a) The standby calculation assumes that the wastewater rates do not change from those stated in the October 2015 Draft Water and Wastewater Rate Studies, prepared by Municipal Financial Services. These rates apply through the Fiscal Year 2019-2020.
- (b) CTF flows shown in the calculation are based on flows shown in the October 2015 Draft Water and Wastewater Rates, while Crossroads flows are based on values provided from Richland in an email dated 24 April 2016.
- (c) The calculation assumes that Crossroads users holding capacity but not yet flowing will continue to pay standby charges.
- (d) It is assumed that none of the excess fees from the Crossroads funds will be used to offset standby charges.

**EXHIBIT C-1**

Developer Allocations of Reserved Capacity

(See Attached)



**EXHIBIT C-1**  
**Reserve Capacity Allocations**  
 CTF Phase 2 Expansion, City of Lathrop, California

<b>Developer</b>	<b>Reserve Capacity (gpd)</b>	<b>% of Expansion</b>
River Islands	237,396	59.35%
Crossroads (capacity owned by City)	78,545	19.64%
Richland Developers	41,455	10.36%
Saybrook	36,364	9.09%
Lathrop Mossdale Investors	6,240	1.56%
<b>Total</b>	<b>400,000</b>	<b>100.00%</b>

Abbreviations:  
 gpd = gallons per day

**EXHIBIT C-2**

Reserved Capacity Overpayment

(See Attached)

**EXHIBIT C-2**  
**Reserve Capacity Overpayment**  
 CTF Phase 2 Expansion, City of Lathrop, California

<b>Project Costs:</b>	
<b>Total Project Costs:</b>	<b>\$25,009,717</b> From Exhibit A

<b>Other Costs:</b>	
Costs for Reimbursement to Original Consortium for Previous Oversizing:	\$1,533,821 Refer to Exhibit E-1
Costs for Reimbursement to Phase 1 for Previous Oversizing:	\$358,674 Refer to Exhibit E-2
<b>Total of Other Costs:</b>	<b>\$1,892,495</b>

<b>Unit Costs:</b>	
Full Expansion to 2.5 MGD (\$/gallon):	\$16.67 (\$25.01 million divided by 1.5 million gallons per day)
Unit Cost at 2.1 MGD (\$/gallon):	\$22.74 (\$25.01 million divided by 1.1 million gallons per day)
Overpayment by Phase 2 Group (\$/gal):	\$6.07 (\$22.74 minus \$16.67)

Developer	Flow Capacity (gpd)	Reserve Capacity (gpd)	% of Expansion	Overpayment of Project Costs (a)	Overpayment for Previous Oversizing	Total Overpayment (Not Including Standby Charge Overpayment)	Estimated Overpayment for Standby Charge (1st Year, per unused gpd)
River Islands	652,840	237,396	59.35%	\$3,960,197	\$1,123,179	\$5,083,376	\$0.111
Crossroads (capacity owned by City)	216,000	78,545	19.64%	\$1,310,279	\$371,617	\$1,681,896	\$0.111
Richland Developers	114,000	41,455	10.36%	\$691,536	\$196,131	\$887,667	\$0.111
Saybrook	100,000	36,364	9.09%	\$606,611	\$172,045	\$778,656	\$0.111
Lathrop Mossdale Investors	17,160	6,240	1.56%	\$104,094	\$29,523	\$133,617	\$0.111
Richland Communities	0	0	0.00%	\$0	\$0	\$0	-
<b>Total</b>	<b>1,100,000</b>	<b>400,000</b>	<b>100.00%</b>	<b>\$6,672,717</b>	<b>\$1,892,495</b>	<b>\$8,565,212</b>	<b>-</b>

<b>Total Payments from Future Developer(s):</b>	
Reimbursement for Phase 2 Group	\$8,565,212 (not including overpayment for standby charge)
Overpayment:	\$21.41 (not including overpayment for standby charge)
<b>Total Unit Cost (\$/gallon)</b>	<b>\$0.306</b> (calculated in Exhibit B-2)

**Notes:**  
 (a) Overpayment is equal to unit cost of overpayment (\$6.07 per gallon) multiplied by the flow capacity.  
 (b) All costs are estimated costs based on current costs, which will have to be tried up when final costs are known.

**Abbreviations:**  
 gpd = gallons per day MGD = million gallons per day

**EXHIBIT D**

Developer Reimbursement

(See Attached)

**EXHIBIT D**  
**Example Developer Reimbursement**  
 CTF Phase 2 Expansion, City of Lathrop, California

<u>Calculation of Payments from Future Developer(s) to Cover Expansion Costs:</u>	
Total Unit Cost (\$/gallon)	\$21.41 (from Exhibit C-2)
Simple Interest Rate	10% (Example)
Number of Years Since Expansion Costs Paid:	1 (Example)
Unit Cost Including Interest (\$/gallon):	\$23.55

<u>Calculation of Payments from Future Developer(s) to Cover Overpayment of Standby Charges</u>	
Cost for Overpayment for Standby Charge (\$/gallon of reserve capacity)	\$0.306 (from Exhibit B-2)
Simple Interest Rate	10% (Example)
Number of Years Since Standby Charges Paid:	1 (Example)
Unit Cost Including Interest (\$/gallon):	\$0.337

<u>Example Calculations for Standby Charge Reimbursement (see Note a below)</u>						
Developer	Flow Capacity (gpd)	Reserve Capacity (gpd)	Standby Charge Overpayment Rate from Exhibit B-2 (\$/gpd of flow capacity)	Standby Charge Overpayment, assuming no flow used (\$, rounded)	Standby Charge Overpayment Rate from above with interest (\$/gpd of reserve capacity)	Example Reimbursement Due for Overpayment of Standby Charges (\$, rounded)
River Islands	652,840	237,396	\$0.111	\$72,500	\$0.337	\$80,000
Crossroads	216,000	78,545	\$0.111	\$24,000	\$0.337	\$26,500
Richland Developers	114,000	41,455	\$0.111	\$12,700	\$0.337	\$14,000
Saybrook	100,000	36,364	\$0.111	\$11,100	\$0.337	\$12,300
Lathrop Mossdale Investors	17,160	6,240	\$0.111	\$1,900	\$0.337	\$2,100

**Notes:**

(a) The calculation is provided for example purposes only, and does not necessarily represent the correct reimbursement amounts, which will depend on the number of homes built and the flow used by each individual developer. The calculation is based on an assumption that the standby flow for each developer is equal to its flow capacity (e.g., the standby flow for River Islands is assumed to be its entire flow capacity of 652,840 gpd). The calculation is for a single year of standby charges, so a similar calculation would be needed for each subsequent year (if any) where standby charges are charged.

**EXHIBIT E-1**

Oversizing Overpayments (0.75 MGD)

(See Attached)

EXHIBIT E-1  
 City of Lathrop  
 Sewer Consortium Reimbursement  
 As of 11/3/2016

Initial 0.75 MGD Plant (.75/.75)									
Initial Cost	Capacity Served (mgd)	.75 mgd % share	.75 mgd Init share	.75 Ult cost	0.75 oversizing	Payback from .25 exp.	Remaining balance	Payback from .75 Exp.	Remaining Balance
Headworks Structure	3	25.00%	\$ 220,000	\$ 55,000	\$ 165,000	\$ 55,000	\$ 110,000	\$ 99,000	\$ 11,000
Headworks Equipment	1.5	50.00%	\$ 279,200	\$ 139,600	\$ 139,600	\$ 69,800	\$ 69,800	\$ 69,800	\$ -
Storage Pond 3	3	25.00%	\$ 1,122,000	\$ 280,500	\$ 841,500	\$ 280,500	\$ 561,000	\$ 504,900	\$ 56,100
Storage Pond 3 R/W	3	25.00%	\$ 473,976	\$ 118,494	\$ 355,482	\$ 118,494	\$ 236,988	\$ 213,289	\$ 23,699
Waste Sludge Tank	1.5	50.00%	\$ 204,000	\$ 102,000	\$ 102,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ -
Sodium Hypochlorite	3	25.00%	\$ 112,500	\$ 28,125	\$ 84,375	\$ 28,125	\$ 56,250	\$ 50,625	\$ 5,625
<b>TOTAL</b>			\$ 2,411,676	\$ 723,719	\$ 1,687,957	\$ 602,919	\$ 1,085,038	\$ 988,614	\$ 96,424
Inflation 6/2003 thru 7/2013					\$ 2,406,107.81				
Inflation 7/2013 thru 8/2016						\$ 859,705	\$ 1,546,403	\$ 1,533,821.49	\$ 149,305

Allocations per second Amendment to Consortium Agreement	gal per day	% of 750kgal
McKee	25,651	3.42%
Western Pacific	100,001	13.33%
TCN	199,745	26.63%
Lathrop Mossdale	324,628	43.28%
River Islands	99,975	13.33%
	750,000	100.00%

	\$29,403	\$52,459	\$5,106
	\$114,629	\$204,512	\$19,908
	\$228,962	\$408,498	\$39,764
	\$372,113	\$663,895	\$64,625
	\$114,599	\$204,458	\$19,902
	\$ 859,705	\$1,533,821	\$149,305

**EXHIBIT E-2**

Oversizing Overpayments (0.25 MGD)

(See Attached)





## **SCHEDULE 1**

### Funding Agreements

- 1) Funding Agreement between City of Lathrop and Jass Sangha dated March 17, 2015
- 2) Funding Agreement between City of Lathrop and David Lazares and Cynthia Lazares Trust dated March 17, 2015
- 3) Funding Agreement between City of Lathrop and Richland Developers, Inc. dated March 19, 2015, as amended by Amendment to the Funding Agreement dated March 10, 2016, as revised by that certain Partial Assignment between Richland Developers, Inc. to Richland Communities, Inc. dated March 10, 2016
- 4) Funding Agreement between City of Lathrop and River Islands Development, LLC dated March 20, 2015, as amended by Amendment to the Funding Agreement dated March 10, 2016
- 5) Funding Agreement between City of Lathrop and Lathrop Mosssdale Investors LP dated March 20, 2015, as amended by Amendment to the Funding Agreement dated March 10, 2016
- 6) Funding Agreement between City of Lathrop and Ramona Chace, LLC dated March 20, 2015

**SCHEDULE 2**

Withdrawn Developers

Lathrop Gateway Business Park  
Ramona/Chase/Pegasus  
Jass Sangha  
Richland Communities, Inc., a Florida corporation

### **SCHEDULE 3**

#### **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 (ECU's) or Interceptor System Units (ISU's) 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 a 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 ECU's or ISU's.

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 ECU's or ISU's 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.

**RECORDING REQUESTED BY, AND**  
**WHEN RECORDED MAIL TO:**

CITY OF LATHROP  
ATTN: CITY CLERK  
390 TOWNE CENTRE DRIVE  
LATHROP, CA 95330

Doc #: 2018-047863  
05/01/2018 08:45:03 AM  
Page: 1 of 22 Fee: \$0  
Steve J. Bestolarides  
San Joaquin County Recorders  
Paid By: SHOWN ON DOCUMENT



SPACE ABOVE THIS LINE FOR RECORDER'S USE

**TRANSFER AGREEMENT RELATING TO DEVELOPMENT  
AGREEMENT**

**BETWEEN SOUTH LATHROP LAND, LLC., AND  
RICHLAND DEVELOPERS INC., FOR  
THE SOUTH LATHROP SPECIFIC PLAN DEVELOPER  
AGREEMENT, DATED AUGUST 3, 2015, RECORDED ON  
SEPTEMBER 5, 2015, (INSTRUMENT NO. 2015-106926)**

**ADOPTED BY CITY OF LATHROP ORDINANCE NO. 18-390**

**RECORDING REQUESTED BY:**

CITY OF LATHROP  
ATTN: CITY CLERK  
390 TOWNE CENTRE DRIVE  
LATHROP, CA 95330

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(Space Above Line For Recorder's Use Only)

**TRANSFER AGREEMENT RELATING TO DEVELOPMENT AGREEMENT**

This Transfer Agreement Relating To Development Agreement ("**Transfer Agreement**") is made this 2nd day of March, 2018, by SOUTH LATHROP LAND, L.L.C., a Delaware limited liability company ("**Assignee**"), and RICHLAND DEVELOPER'S INC., a Delaware corporation ("**Assignor**") with reference to the following recitals.

**RECITALS**

A. Substantially concurrently with the recordation of this Transfer Agreement, Assignor has conveyed to Assignee that certain real property described in Exhibit "A" attached hereto and incorporated herein (the "**Property**").

B. Assignor, as "Seller" and Assignee, as "Buyer" entered into that certain Agreement of Purchase and Sale of Option and Escrow Instructions dated as of February 28, 2018 pursuant to which Assignor has agreed to transfer and assign an option to purchase the Property to Assignee, and Assignee will substantially concurrently obtain fee title (the "**Purchase Agreement**"). Escrow is expected to close on March 2, 2018.

C. Assignor is a party to that certain Annexation Agreement and Separate Development Agreement by and between The City of Lathrop ("**City**") and Richland Developers, Inc. relating to The South Lathrop Specific Plan dated August 3, 2015, which was recorded on September 2, 2015 as Instrument No. 2015-106926 (the "**Development Agreement**").

D. Assignor and Assignee acknowledge that the Ancillary Properties referenced in the Development Agreement were never annexed into the City, were personal to Assignor, and have been sold by Assignor.

E. Pursuant to the Purchase Agreement, Assignor desires to assign and Assignee desires to assume all of Assignor's rights, duties and obligations under the Development Agreement.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants of the parties herein, and for good and valuable consideration, the receipt of sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Incorporation of Recitals. The Recitals of fact set forth above are true and correct and are incorporated into this Agreement in their entirety by this reference.

2. Assignment to and Assumption by Assignee. Effective as of the date that Assignee acquires fee title to the Property, Assignor hereby sells, transfers and assigns to Assignee, and Assignee hereby expressly and unconditionally assumes all the rights, duties and obligations of Assignor under the Development Agreement, including, without limitation, all of the general rights, duties and obligations of Assignor under the Development Agreement for the development of the Property. Assignee agrees to observe and fully perform all of Assignor's obligations under the Development Agreement, and to be subject to all the terms and conditions thereof, it being the express intention of both Assignor and Assignee that, upon execution of this Transfer Agreement, Assignee shall become substituted for Assignor as "Richland" under the Development Agreement. Notwithstanding the foregoing, this Transfer Agreement shall not apply to, and Assignor shall retain, any and all rights in and to, any refunds, reimbursements or credits of any kind or character applicable to work performed or sums paid prior to the effective date of this Transfer Agreement.

3. Release of Assignor. Pursuant to Section 13.02.2 of the Development Agreement, Assignor shall be free from any and all liabilities accruing on or after the date hereof with respect to the Development Agreement. No breach or default under this Transfer Agreement or the Development Agreement by Assignee shall be attributed to Assignor. For purposes of this Transfer Agreement, the "Release Provisions" shall be all Rights and Obligations of Assignor under the Development Agreement that arise from and after the date that Assignee acquires fee title to the Property.

4. Assignee's Acknowledgment. Assignee hereby agrees and acknowledges that Assignee has had full opportunity to read and review the Development Agreement and is familiar with the rights and obligations under the Development Agreement.

5. Notices. Pursuant to Section 15.09 of the Development Agreement, from and after the date hereof, notices for Richland shall be addressed as follows:

If to RDI:

South Lathrop, LLC  
527 W 7th Street, Suite 308  
Los Angeles, CA 90014  
Attn: Philip J. Prassas  
Email: [pprassas@chindustrial.com](mailto:pprassas@chindustrial.com)

With a copy to:

Barack Ferrazzano Kirschbaum & Nagelberg LLP  
200 West Madison Street, Suite 3900  
Chicago, Illinois 60606  
Attn: Mark J. Beaubien  
Facsimile: (312) 984-3150  
Email: [mark.beaubien@bfkn.com](mailto:mark.beaubien@bfkn.com)

6. Termination. This Transfer Agreement shall be of no force and effect unless Assignee acquires fee title to the Property on or before June 1, 2018.

7. Governing Law. This Transfer Agreement is made and entered into in the State of California and shall be interpreted, construed and enforced in accordance with the laws of the State of California. Venue shall be in San Joaquin County.

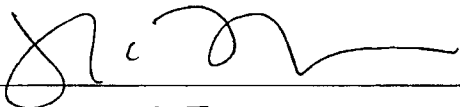
8. Binding Effect. This Transfer Agreement shall apply to, bind, and inure to benefit of Assignor and Assignee, and their respective heirs, legal representatives, successors and assigns.

9. Counterparts. This Transfer Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which shall together constitute one instrument.

**IN WITNESS WHEREOF**, this Transfer Agreement has been executed as of the date first above written.

**ASSIGNOR**

RICHLAND DEVELOPERS, INC.,  
a Delaware corporation


By:   
Name: John C. Troutman  
Vice President  
Title: \_\_\_\_\_

**ASSIGNEE**

SOUTH LATHROP LAND, L.L.C., a Delaware limited liability company

By: CHI West 109 South Lathrop Land, L.P.,  
a Delaware limited partnership,  
its managing member

By: CHI LTH GP, L.L.C., a Delaware limited liability company, its general partner

By:   
Name: Michael J. Rasias  
Title: VP



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

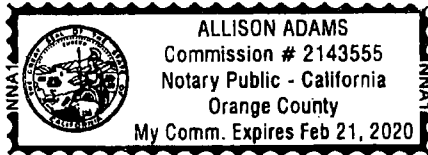
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Orange )  
On March 1, 2018 before me, Allison Adams, Notary Public  
Date Here Insert Name and Title of the Officer  
personally appeared John C. Troutman  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

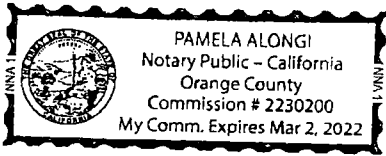
State of California

County of Orange

On March 1, 2018 before me, Pamela Alongi, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Philip J. Prassas  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal and/or Stamp Above

**OPTIONAL**

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**  
 Title or Type of Document: Transfer Agreement  
 Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_  
 Signer(s) Other Than Named Above: \_\_\_\_\_


**Capacity(ies) Claimed by Signer(s)**

Signer's Name: _____	Signer's Name: _____
<input type="checkbox"/> Corporate Officer – Title(s): _____	<input type="checkbox"/> Corporate Officer – Title(s): _____
<input type="checkbox"/> Partner – <input type="checkbox"/> Limited <input type="checkbox"/> General	<input type="checkbox"/> Partner – <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact	<input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee <input type="checkbox"/> Guardian of Conservator	<input type="checkbox"/> Trustee <input type="checkbox"/> Guardian of Conservator
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other: _____
Signer is Representing: _____	Signer is Representing: _____

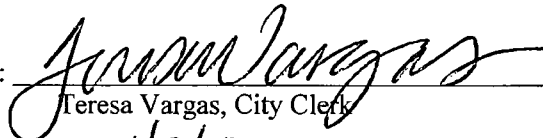
**CITY'S CONSENT TO ASSIGN**

Pursuant to Section 13.02.2 of the Development Agreement, the City of Lathrop hereby consents to the Transfer Agreement and acknowledges that Assignor/Richland, having satisfied the conditions to the release set forth in Section 13.02.2 of the Development Agreement, shall be released from its obligations under the Development Agreement.


**CITY OF LATHROP,**  
a California municipal law corporation

By:   
Name: Sonny Dhaliwal  
Title: Mayor of City of Lathrop  
Dated: 4/9/18

**ATTEST:**

By:   
Teresa Vargas, City Clerk  
Dated: 4/9/18

**APPROVED AS TO LEGAL FORM:**

By:   
Salvador Navarrete, City Attorney  
Dated: 3-27-18

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

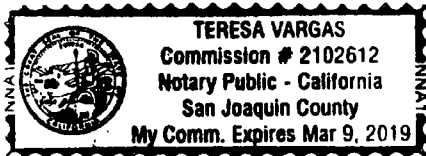
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of San Joaquin )  
On April 9, 2018 before me, Teresa Vargas, Notary Public  
Date Here, Insert Name and Title of the Officer  
personally appeared Sonny Dhalinai  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Teresa Vargas  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: Transfer Agreement for SLSP DA No. 2015-106926 Document Date: 3/2/18  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer -- Title(s): \_\_\_\_\_  
 Partner --  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: Mayor of City of Lathrop

Signer's Name: \_\_\_\_\_  
 Corporate Officer -- Title(s): \_\_\_\_\_  
 Partner --  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

APN 191-270-24 and 191-270-26

**LEGAL DESCRIPTION**

Real property in the unincorporated area of the County of San Joaquin, State of California,  
described as follows:

A PORTION OF SECTIONS 14, 15 AND 16, TOWNSHIP 1 SOUTH, RANGE 6 EAST,  
MOUNT DIABLO BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS  
FOLLOWS:

PARCEL A, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD FEBRUARY 19,  
2004 IN BOOK 23 OF PARCEL MAPS, PAGE 9, SAN JOAQUIN COUNTY RECORDS.

APN 191-270-24 and 191-270-26

APN 191-270-11, 191-270-32 and 191-270-33

### LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Joaquin, State of California,  
described as follows:

PARCEL 1 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD DECEMBER 30,  
2004 IN BOOK 23 OF PARCEL MAPS AT PAGE 91, SAN JOAQUIN COUNTY RECORDS,

TOGETHER WITH ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF SAN  
JOAQUIN, STATE OF CALIFORNIA, BEING A PORTION OF PARCEL 2 AS SHOWN ON THAT  
CERTAIN PARCEL MAP RECORDED IN BOOK 23 OF PARCEL MAPS AT PAGE 91, SAN  
JOAQUIN RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY CORNER OF PARCEL 2 AS SHOWN ON THE ABOVE  
MENTIONED PARCEL MAP, THENCE FROM SAID POINT OF BEGINNING, ALONG THE  
EASTERLY LINE OF SAID PARCEL 2, SOUTH 00°00'43" WEST 1261.03 FEET TO THE  
SOUTHEASTERLY CORNER OF SAID PARCEL 2;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 2, NORTH 89°59'17" WEST  
284.91 FEET;

THENCE LEAVING SAID SOUTHERLY LINE AND ENTERING SAID PARCEL 2, THE  
FOLLOWING FIVE (5) COURSES:

1. NORTH 00°00'43" EAST 721.00 FEET;
2. SOUTH 89°59'17" EAST 18.00 FEET;
3. NORTH 00°00'43" EAST 116.25 FEET;
4. NORTH 89°59'17" WEST 18.00 FEET;
5. NORTH 00°00'43" EAST 424.00 FEET TO A POINT ON THE NORTHERLY LINE OF SAID  
PARCEL 2;

THENCE ALONG SAID NORTHERLY LINE, SOUTH 89°56'35" EAST 284.91 FEET, TO THE  
TRUE POINT OF BEGINNING.

THIS LEGAL DESCRIPTION IS MADE PURSUANT TO THAT CERTAIN CERTIFICATE  
APPROVING A LOT LINE/BOUNDARY LINE ADJUSTMENT, CERTIFICATE NO. PA-0800041,  
RECORDED MARCH 28, 2008, AS INSTRUMENT NO. 2008-050423 OF OFFICIAL RECORDS.

APN 191-270-11, 191-270-32 and 191-270-33

APN 191-280-09 AND 191-280-10

### LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Joaquin, State of California, described as follows:

PARCEL ONE (APN 191-280-09):

A TRACT OF LAND SITUATED IN SECTION NINE (9) AND TEN (10), TOWNSHIP ONE (1) SOUTH, RANGE SIX (6) EAST, MOUNT DIABLO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT AN IRON PIPE AT FENCE CORNER AT THE NORTHEAST CORNER OF THE BRANDT RANCH, SAID PIPE BEING IN THE WEST LINE OF LOT LINE NINE (9) OF SHIPPEE FRENCH CAMP TRACT, AND 12.25 CHAINS NORTH OF THE CENTER OF SAID SECTION 10; THENCE DUE WEST ALONG FENCE ON THE NORTH LINE OF THE BRANDT PROPERTY, 456.5 FEET TO AN IRON PIPE IN THE SOUTHERLY LINE OF COUNTY ROAD, KNOWN AS ROBERTS ISLAND ROAD; THENCE ALONG THE SOUTHERLY LINE OF SAID ROAD AS FOLLOWS:

SOUTH 53°10' WEST, 50.04 FEET TO AN IRON PIPE; DUE WEST 1460.55 FEET TO AN IRON PIPE AT THE TRUE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED TRACT; THENCE CONTINUE ALONG THE SOUTH LINE OF COUNTY ROAD, DUE WEST 1310.0 FEET TO AN IRON PIPE; THENCE SOUTH 01°45' EAST, 3417.0 FEET TO AN IRON PIPE IN THE SOUTH LINE OF THE BRANDT PROPERTY; THENCE SOUTH 89°45'30" EAST ALONG THE SOUTH LINE OF BRANDT PROPERTY, 1310.2 FEET TO AN IRON PIPE; THENCE NORTH 1°45' WEST, 3422.5 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION OF SAID LAND DESCRIBED IN DEED RECORDED MARCH 17, 1967 IN VOL. 3111 OF OFFICIAL RECORDS, PAGE 215 SAN JOAQUIN COUNTY RECORDS.

PARCEL TWO (APN 191-280-09):

A TRACT OF LAND SITUATED IN SECTION NINE (9), TOWNSHIP ONE (1) SOUTH, RANGE SIX (6) EAST, MOUNT DIABLO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT AN IRON PIPE AT FENCE CORNER AT THE NORTHEAST CORNER OF THE BRANDT RANCH, SAID IRON PIPE BEING IN THE WEST LINE OF LOT NINE (9) OF SHIPPEE FRENCH CAMP TRACT AND 12.25 CHAINS NORTH OF THE CENTER OF SECTION TEN (10), SAID TOWNSHIP AND RANGE; THENCE DUE WEST ALONG FENCE ON THE NORTH LINE OF THE BRANDT RANCH, 456.5 FEET TO AN IRON PIPE IN THE SOUTHERLY LINE OF COUNTY ROAD, KNOWN AS THE ROBERTS ISLAND ROAD; THENCE ALONG THE SOUTHERLY LINE OF SAID ROAD AS FOLLOWS:

SOUTH 53°10' WEST, 50.04 FEET TO AN IRON PIPE, DUE WEST 2770.55 FEET TO AN IRON PIPE; THENCE LEAVING ROAD, SOUTH 01°45' EAST, 1153.0 FEET TO AN IRON PIPE AT PROPERTY CORNER; THENCE CONTINUE SOUTH 1°45' EAST, 1168.2 FEET TO AN IRON PIPE AT THE TRUE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED TRACT OF LAND; THENCE

CONTINUE SOUTH 01°45' EAST 1095.8 FEET TO AN IRON PIPE IN THE SOUTH LINE OF THE BRANDT PROPERTY; THENCE ALONG THE SOUTH LINE OF THE BRANDT PROPERTY, NORTH 89°45'30" WEST, 2269 FEET TO THE RIGHT BANK OF THE SAN JOAQUIN RIVER; THENCE DOWNSTREAM ALONG THE RIGHT BANK OF THE SAN JOAQUIN RIVER AS FOLLOWS:

NORTH 01°45' EAST, 382 FEET; NORTH 53°10' EAST, 340 FEET; NORTH 40°30' EAST, 495 FEET; NORTH 20°10' EAST, 136.7 FEET; THENCE LEAVING THE RIVER DUE EAST 1572.3 FEET TO THE TRUE POINT OF BEGINNING.

APN 191-280-09 AND 191-280-10



APN 191-280-11

### LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Joaquin, State of California,  
described as follows:

A PORTION IN SECTION 9, TOWNSHIP 1 SOUTH, RANGE 6 EAST, MOUNT DIABLO BASE  
AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN IRON PIPE AT FENCE CORNER AT THE NORTHEAST CORNER OF  
THE BRANDT RANCH, SAID IRON PIPE BEING IN THE WEST LINE OF LOT 9 OF SHIPPEE  
FRENCH CAMP TRACT, AND 12.25 CHAINS NORTH OF THE CENTER OF SECTION 10, SAID  
TOWNSHIP AND RANGE; THENCE DUE WEST ALONG FENCE ON THE NORTH LINE OF  
BRANDT RANCH,  
456.5 FEET TO AN IRON PIPE IN THE SOUTHERLY LINE OF COUNTY ROAD KNOWN AS THE  
ROBERTS ISLAND ROAD; THENCE ALONG THE SOUTHERLY LINE OF SAID ROAD AS  
FOLLOWS: SOUTH 53° 10' WEST, 50.04 FEET TO AN IRON PIPE; DUE WEST 2770.55 FEET TO  
AN IRON PIPE; THENCE LEAVING ROAD, SOUTH 1° 45' EAST, 1153 FEET TO AN IRON PIPE AT  
THE TRUE POINT OF BEGINNING OF THE FOLLOWING AND WITHIN DESCRIBED 40.585  
ACRE TRACT OF LAND; THENCE CONTINUE SOUTH 1° 45' EAST, 1168.2 FEET TO AN IRON  
PIPE; THENCE DUE WEST 1572.3 FEET TO THE RIGHT BANK OF THE SAN JOAQUIN RIVER;  
THENCE DOWNSTREAM ALONG THE RIGHT BANK OF THE SAN JOAQUIN RIVER, AS  
FOLLOWS: NORTH 25° 10' EAST, 306.8 FEET; NORTH 2° 15' EAST, 210 FEET; NORTH 33° 05'  
EAST, 210 FEET; NORTH 33° 05' WEST, 207 FEET; NORTH 56° 25' WEST, 236 FEET TO  
PROPERTY CORNER; THENCE ALONG PROPERTY LINE, AS FOLLOWS: NORTH 40° 23' EAST,  
494 FEET TO AN IRON PIPE; DUE EAST 1387.65 FEET TO THE TRUE POINT OF BEGINNING.

APN 191-280-11

**LEGAL DESCRIPTION**

Real property in the unincorporated area of the County of San Joaquin, State of California, described as follows:

THAT CERTAIN REAL PROPERTY SITUATED IN SECTIONS (3) AND G OF C. M. WEBER GRANT, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A STEEL AXLE AT THE SOUTHWEST CORNER OF SAID C. M. WEBER GRANT; THENCE NORTH 89°23' EAST ALONG THE SOUTH LINE OF SAID C. M. WEBER GRANT, BEING THE SOUTH LINE OF BRIGGS PROPERTY, 4004.07 FEET TO A STEEL AXLE AT THE SOUTHWEST CORNER OF PETERS, 41.56 ACRE TRACT DESCRIBED IN DEED RECORDED IN VOL. 592 OF OFFICIAL RECORDS, PAGE 341; THENCE ALONG THE WEST LINE OF SAID PETERS PROPERTY, NORTH 0°37' WEST, 1191.8 FEET TO A STEEL AXLE AT THE NORTHWEST CORNER OF SAID 41.56 ACRE TRACT; THENCE SOUTH 89°52'15" WEST, 691.05 FEET TO A POINT DESIGNATED A; THENCE NORTH 0°07'45" WEST, 50 FEET TO A POINT IN THE SOUTH LINE OF THE STUART 60 ACRE TRACT DESCRIBED IN DEED RECORDED IN VOL. 506 OF OFFICIAL RECORDS, PAGE 489; THENCE ALONG THE SOUTH LINE OF STUART PROPERTY, SOUTH 89°52'15" WEST, 1607.48 FEET TO THE SOUTHWEST CORNER OF THE STUART 5 ACRE TRACT DESCRIBED IN DEED RECORDED IN VOL. 531 OF OFFICIAL RECORDS, PAGE 332; THENCE ALONG THE WEST LINE OF SAID 5 ACRE TRACT, NORTH 0°07'45" WEST, 557.77 FEET TO THE NORTHWEST CORNER OF SAID 5 ACRE TRACT; THENCE ALONG BOUNDARY LINE OF ABOVE MENTIONED STUART 60 ACRE TRACT, SOUTH 89°52'15" WEST, 1753.02 FEET TO A CORNER OF SAID 60 ACRE TRACT IN THE WEST LINE OF SAID C. M. WEBER GRANT; THENCE ALONG THE WEST LINE OF SAID C. M. WEBER GRANT, SOUTH 1°56' EAST, 1834.5 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION DESCRIBED IN DEED TO ROSAURO A. DACLAN AND PAULA D. DACLAN, HIS WIFE, RECORDED JANUARY 22, 1952 IN VOL. 1389 OF OFFICIAL RECORDS, PAGE 359, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A PORTION OF SECTION G OF C. M. WEBER'S GRANT, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION G OF SAID WEBER GRANT; THENCE NORTH 1°56' WEST ALONG THE WEST LINE OF SAID SECTION, A DISTANCE OF 1834.5 FEET TO THE SOUTHWEST CORNER OF THE STUART 60 ACRE TRACT, RECORDED NOVEMBER 6, 1935 IN VOL. 506 OF OFFICIAL RECORDS, PAGE 489; THENCE SOUTH 89°30' EAST ALONG THE SOUTH LINE OF SAID 60 ACRE TRACT, A DISTANCE OF 1753.02 FEET TO THE NORTHWEST CORNER OF THE STUART 5 ACRES TRACT, DESCRIBED IN DEED RECORDED JUNE 5, 1936 IN VOL. 531 OF OFFICIAL RECORDS, PAGE 332; THENCE SOUTH 0°07'45" WEST ALONG THE WEST LINE OF SAID 5 ACRE TRACT AND SAID WEST LINE PROJECTED SOUTHERLY TO A POINT IN THE SOUTH LINE OF SAID WEBER GRANT; THENCE WEST ALONG THE SOUTH LINE OF SAID WEBER GRANT TO THE POINT OF BEGINNING.

APN 193-340-03

APN 241-020-70

## LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Joaquin, State of California, described as follows:

A PORTION OF SECTION 3, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MOUNT DIABLO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF THE CENTRAL PACIFIC RAILWAY COMPANY WITH THE QUARTER SECTION LINE NORTH AND SOUTH THROUGH SAID SECTION 3; THENCE RUNNING SOUTHWESTERLY ALONG SAID SOUTH RIGHT OF WAY LINE TO THE INTERSECTION OF THE EAST LINE OF THE MOSSDALE ROAD PRODUCED TO MEET THE SAME; BEING THE POINT OF BEGINNING OF THE TRACT OF LAND HEREIN DESCRIBED; THENCE RUNNING SOUTH TO THE SOUTH LINE OF SECTION 3; THENCE WEST TO THE RIGHT BANK OF THE SAN JOAQUIN RIVER; THENCE FOLLOWING THE MEANDERS OF SAID RIVER DOWNSTREAM TO ITS INTERSECTION WITH THE EAST LINE OF THE MOSSDALE ROAD; THENCE FOLLOWING SAID LINE OF ROAD NORTHEASTERLY TO ITS INTERSECTION WITH THE SOUTH LINE OF THE RIGHT OF WAY OF CENTRAL PACIFIC RAILWAY COMPANY; THENCE NORTHEASTERLY ALONG SAID RIGHT OF WAY TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM A 100 FOOT STRIP OF LAND CONVEYED TO STATE OF CALIFORNIA FOR HIGHWAY PURPOSES BY DEED RECORDED APRIL 17, 1925 IN BOOK OF OFFICIAL RECORDS, BOOK 67, PAGE 375, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING THEREFROM ALL THAT PORTION OF THE FOLLOWING DESCRIBED REAL PROPERTY LYING EAST OF THE EAST LINE OF THE OLD MOSSDALE ROAD AND NORTH OF THE NORTH LINE OF THE NEW STATE HIGHWAY:

COMMENCING AT A POINT 50 FEET SOUTH OF INTERSECTION OF CENTER LINE OF CENTRAL PACIFIC RAILWAY RIGHT OF WAY WITH THE ONE-HALF SECTION LINE RUNNING NORTH AND SOUTH THROUGH SECTION 3, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MOUNT DIABLO BASE AND MERIDIAN; THENCE RUNNING SOUTH ALONG SAID ONE-HALF SECTION LINE TO THE SOUTH LINE OF SAID SECTION 3; THENCE WEST ALONG THE SOUTH LINE OF SECTION 3 TO THE RIGHT BANK OF SAN JOAQUIN RIVER; THENCE FOLLOWING THE MEANDERINGS OF SAID RIVER DOWNSTREAM TO ITS INTERSECTION WITH THE EAST LINE OF OLD MOSSDALE ROAD; THENCE ALONG THE EAST LINE OF SAID OLD MOSSDALE ROAD NORTHEASTERLY TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND 50 FEET SOUTH OF THE CENTER LINE OF CENTRAL PACIFIC RAILWAY RIGHT OF WAY; THENCE NORTHEASTERLY ALONG SAID LINE PARALLEL WITH AND 50 FEET SOUTH OF THE CENTER LINE OF THE CENTRAL PACIFIC RAILWAY RIGHT OF WAY TO THE POINT OF COMMENCEMENT AND BEING A PORTION OF THE WEST 1/2 OF SECTION 3, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MOUNT DIABLO BASE AND MERIDIAN.

ALSO EXCEPTING THEREFROM ANY PORTION THEREOF LYING WITHIN THE 400 FOOT CONGRESSIONAL GRANT OF CENTRAL PACIFIC RAILWAY COMPANY.

ALSO EXCEPTING THEREFROM A TRACT OF LAND CONVEYED TO STATE OF CALIFORNIA FOR HIGHWAY PURPOSES BY DEED RECORDED AUGUST 16, 1928 IN BOOK OF OFFICIAL RECORDS, BOOK 247, PAGE 165, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO STATE OF CALIFORNIA FOR HIGHWAY PURPOSES BY DEED RECORDED OCTOBER 11, 1955 IN BOOK OF OFFICIAL

RECORDS, BOOK 1797, PAGE 536, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO STATE OF CALIFORNIA FOR HIGHWAY PURPOSES BY DEED RECORDED JANUARY 8, 1945 IN BOOK OF OFFICIAL RECORDS, BOOK 907, PAGE 334, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO STATE OF CALIFORNIA BY DEED RECORDED APRIL 17, 1969 IN BOOK OF OFFICIAL RECORDS, BOOK 3297, PAGE 147, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO RECLAMATION DISTRICT NO. 17, A PUBLIC AGENCY BY DEED RECORDED APRIL 22, 2010 AS INSTRUMENT NO. 2010055050 OF OFFICIAL RECORDS, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING ANY PORTION OF THE LAND WITHIN THE NATURAL BED OF THE SAN JOAQUIN RIVER AND ITS TRIBUTARIES BELOW THE ORDINARY HIGH WATER MARK WHERE IT WAS LOCATED PRIOR TO ANY ARTIFICIAL OR AVULSIVE CHANGES IN THE LOCATION OF THE RIVERBED.

APN 241-020-70

APN 241-030-13

## LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Joaquin, State of California,  
described as follows:

### PARCEL ONE:

A PORTION OF SECTIONS 3 AND 10, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MOUNT  
DIABLO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE ONE-HALF SECTION LINE, 6.44 CHAINS WEST OF THE  
QUARTER SECTION CORNER OF THE EAST SIDE OF SECTION 10, TOWNSHIP 2 SOUTH,  
RANGE 6 EAST, MOUNT DIABLO BASE AND MERIDIAN; THENCE NORTH ALONG A FENCE  
AND 6.44 CHAINS WEST OF THE SECTION LINE TO THE SOUTHERLY LINE OF THE RIGHT OF  
WAY OF THE CENTRAL PACIFIC RAILWAY COMPANY; THENCE SOUTHWESTERLY ALONG  
SAID RIGHT OF WAY TO THE ONE-HALF SECTION LINE RUNNING NORTH AND SOUTH  
THROUGH THE CENTER OF SECTION 3, SAID TOWNSHIP AND RANGE; THENCE SOUTH TO  
THE QUARTER SECTION CORNER BETWEEN SECTIONS 3 AND 10, SAID TOWNSHIP AND  
RANGE; THENCE WEST ALONG THE QUARTER SECTION LINE TO THE EASTERLY BANK OF  
THE SAN JOAQUIN RIVER; THENCE MEANDERING THE EASTERLY BANK OF SAID RIVER  
UPSTREAM TO WALTHALL SLOUGH; THENCE UP SAID SLOUGH TO A POINT 15.37 CHAINS  
WEST OF THE EAST LINE OF SECTION 10, SAID TOWNSHIP AND RANGE; THENCE NORTH  
PARALLEL TO SAID SECTION LINE, TO THE QUARTER SECTION LINE, EAST AND WEST  
THROUGH THE CENTER OF SAID SECTION 10; THENCE EAST TO THE POINT OF BEGINNING.

SAVING AND EXCEPTING THEREFROM THAT CERTAIN STRIP OF LAND CONTAINING  
7.57 ACRES, CONVEYED BY ANGEL LITCHFIELD TO ALAMEDA AND SAN JOAQUIN  
RAILROAD COMPANY BY DEED DATED AUGUST 31, 1885, FILED FOR RECORD IN BOOK  
"A" OF DEEDS, VOL. 87, PAGE 474, SAN JOAQUIN COUNTY RECORDS.

ALSO SAVING AND EXCEPTING THEREFROM THAT CERTAIN PIECE OF LAND 100 BY 150  
FEET, CONVEYED BY ANGEL LITCHFIELD TO RECLAMATION DISTRICT NO. 17, BY DEED  
DATED FEBRUARY 9, 1909, FILED FOR RECORD IN BOOK "A" OF DEEDS, VOL. 173, PAGE  
470, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION CONVEYED TO THE STATE OF  
CALIFORNIA BY DEED RECORDED OCTOBER 5, 1955 IN BOOK 1796 OF OFFICIAL  
RECORDS, PAGE 30, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION CONVEYED TO ROBERT H. BROWN, ET  
UX, RECORDED JUNE 4, 1964 IN BOOK 2829 OF OFFICIAL RECORDS, PAGE 434, SAN  
JOAQUIN COUNTY RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION CONVEYED TO THE STATE OF  
CALIFORNIA, BY DEED RECORDED AUGUST 19, 1974 IN BOOK 3903 OF OFFICIAL  
RECORDS, PAGE 106, SAN JOAQUIN COUNTY RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE LAND DESCRIBED IN THE GRANT

DEED TO RECLAMATION DISTRICT NO. 17, A PUBLIC AGENCY RECORDED APRIL 22, 2010 AS INSTRUMENT NO. 2010-055046 OF OFFICIAL RECORDS.

PARCEL TWO:

AN EASEMENT 20 FEET IN WIDTH FOR DRAINAGE PURPOSES OVER A PORTION OF SECTION 10, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTER LINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE CENTER LINE OF THE WESTERN PACIFIC RAILROAD RIGHT OF WAY, AT THE EASTERLY END OF A STEEL BRIDGE ACROSS THE SAN JOAQUIN RIVER; RUNNING THENCE ALONG THE CENTERLINE OF SAID RIGHT OF WAY, NORTH 68°49' EAST 350 FEET; THENCE SOUTH 23°11' EAST 50 FEET TO A POINT IN THE SOUTHERLY LINE OF THE WESTERN PACIFIC RAILROAD COMPANY RIGHT OF WAY, SAID POINT BEING IN THE CENTERLINE OF A DRAINAGE CANAL AND ALSO BEING THE TRUE POINT OF BEGINNING; THENCE RUNNING ALONG THE CENTERLINE OF SAID DRAINAGE CANAL SOUTH 23°11' EAST, 238 FEET, MORE OR LESS, TO THE INTERSECTION OF SAID CENTERLINE WITH THE CENTERLINE OF A DRAINAGE CANAL RUNNING IN A GENERALLY NORTHWESTERLY DIRECTION; THENCE ALONG THE CENTERLINE OF SAID DRAINAGE CANAL RUNNING IN A NORTHWESTERLY DIRECTION ON THE FOLLOWING TWO COURSES:

1. NORTH 62°09'41" WEST 190 FEET;
2. NORTH 78°26'34" WEST 29.00 FEET TO THE WESTERLY END OF A CONCRETE INTAKE STRUCTURE; THENCE SOUTH 66°49' WEST 235 FEET, MORE OR LESS, TO THE EASTERLY BANK OF THE SAN JOAQUIN RIVER, AS RESERVED IN DEED TO ROBERT B. BROWN, ET UX, RECORDED JUNE 4, 1964 IN BOOK 2829 OF OFFICIAL RECORDS, PAGE 434, SAN JOAQUIN COUNTY RECORDS.

APN: 241-030-13

APN 241-410-02

### LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Joaquin, State of California,  
described as follows:

A PORTION OF THE WEST 1/2 OF SECTION 2 AND A PORTION OF THE EAST 1/2 OF SECTION 3, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MOUNT DIABLO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF STATE HIGHWAY RT. 120, SAID POINT BEING A CONCRETE MONUMENT MARKING THE WEST LINE OF MCALPIN PROPERTY AS DESCRIBED IN DEED RECORDED JULY 7, 1954 IN BOOK 1648, PAGE 424; THENCE SOUTH 0 DEGREES 18 MINUTES WEST, ALONG SAID WEST LINE, A DISTANCE OF 1438 FEET; THENCE DUE EAST A DISTANCE OF 25 FEET TO THE NORTHWEST CORNER OF PROPERTY AS DESCRIBED IN DEED TO TRACEY E. DALE, ET UX, RECORDED IN BOOK 2788 PAGE 514; THENCE NORTH 84 DEGREES 30 MINUTES 52 SECONDS EAST, ALONG THE SOUTH LINE OF PROPERTY AS DESCRIBED IN DEED TO RUTH REHAK, RECORDED NOVEMBER 18, 1966 IN BOOK 3088, PAGE 198, OFFICIAL RECORDS, A DISTANCE OF 636 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREINAFTER DESCRIBED PARCEL:

THENCE CONTINUE NORTH 84 DEGREES 30 MINUTES 52 SECONDS EAST, A DISTANCE OF 430.52 FEET TO THE EAST LINE OF PROPERTY DESCRIBED AS THE —NORTH PARCEL“ IN THE INTERLOCUTORY JUDGMENT OF DIVORCE, RECORDED JUNE 16, 1966 IN BOOK 3057, PAGE 206; THENCE NORTH 4 DEGREES 08 MINUTES 50 SECONDS EAST, ALONG THE EAST LINE OF SAID —NORTH PARCEL“, A DISTANCE OF 1655.57 FEET, MORE OR LESS, TO THE SOUTHERLY LINE OF STATE HIGHWAY RT. 120; THENCE SOUTHWESTERLY ALONG THE SOUTHERLY LINE OF SAID HIGHWAY A DISTANCE OF 411 FEET; THENCE SOUTHERLY, PARALLEL WITH THE EASTERLY LINE OF SAID REHEK PROPERTY; A DISTANCE OF 500 FEET; THENCE SOUTHWESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF SAID HIGHWAY 120, TO THE EASTERLY LINE OF REHEK PROPERTY; THENCE SOUTHERLY, ALONG THE EAST LINE OF SAID REHAK PARCEL TO THE TRUE POINT OF BEGINNING EXCEPT THEREFROM THAT PORTION DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JUNE 21, 1977, IN BOOK 4274, PAGE 697, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM PARCELS A AND B AS SHOWN ON PARCEL MAP FILED JANUARY 10, 1978 IN BOOK 5 OF PARCEL MAPS, AT PAGE 120, SAN JOAQUIN COUNTY RECORDS.

APN 241-410-02

APN 241-410-03

**LEGAL DESCRIPTION**

Real property in the unincorporated area of the County of San Joaquin, State of California,  
described as follows:

**PARCEL ONE:**

PARCEL A, AS SHOWN ON PARCEL MAP FILED OCTOBER 31, 1980 IN VOL. 9 OF PARCEL  
MAPS, PAGE 173, SAN JOAQUIN COUNTY RECORDS.

**PARCEL TWO:**

AN EASEMENT FOR INGRESS AND EGRESS OVER AND UPON THE FOLLOWING  
DESCRIBED PROPERTY:

A PORTION OF SECTION 3, TOWNSHIP 2 SOUTH, RANGE 6 EAST, MOUNT DIABLO BASE  
AND MERIDIAN, DESCRIBED AS FOLLOWS:

A STRIP OF LAND 25 FEET WIDE, THE WEST LINE THEREOF BEING DESCRIBED AS  
FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF STATE HIGHWAY  
ROUTE 120, SAID POINT BEING A CONCRETE MONUMENT MARKING THE WEST LINE OF  
THE MCALPIN PROPERTY; THENCE SOUTH 0°18' WEST ALONG THE WEST LINE OF SAID  
MCALPIN PROPERTY A DISTANCE OF 1961 FEET TO A POINT ON THE NORTH LINE OF THE  
DESCRIBED IN DEED TO JAMES ROBERT POWELL, ET UX, RECORDED SEPTEMBER 19, 1967  
IN BOOK 3153 OF OFFICIAL RECORDS, PAGE 465, AND BEING THE TERMINATION POINT OF  
SAID LINE.

EXCEPT THEREFROM THAT PORTION OF PROPERTY AS DESCRIBED IN THE FINAL  
ORDER OF CONDEMNATION RECORDED AUGUST 16, 1977 IN BOOK 4295 OF OFFICIAL  
RECORDS, PAGE  
676.

APN: 241-410-030-000



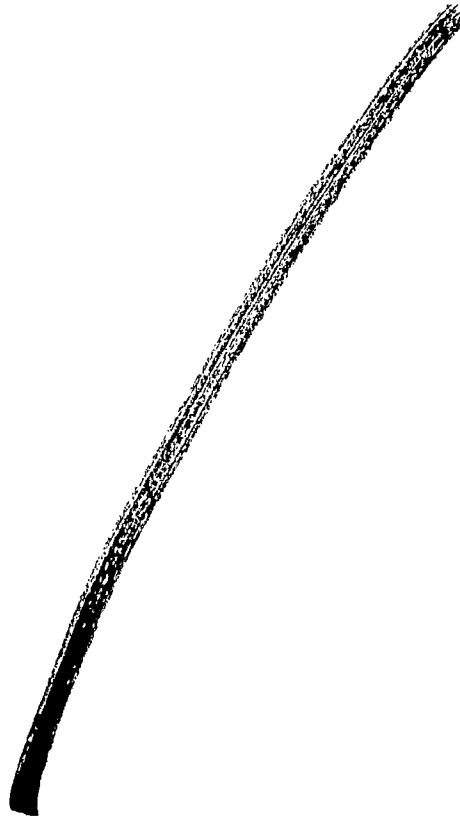
APN 241-410-06

**LEGAL DESCRIPTION**

Real property in the unincorporated area of the County of San Joaquin, State of California, described as follows:

PARCEL C, AS SHOWN ON PARCEL MAP FILED DECEMBER 28, 1977 IN BOOK 5 OF PARCEL MAPS, PAGE 105, SAN JOAQUIN COUNTY RECORDS.

APN 241-410-06



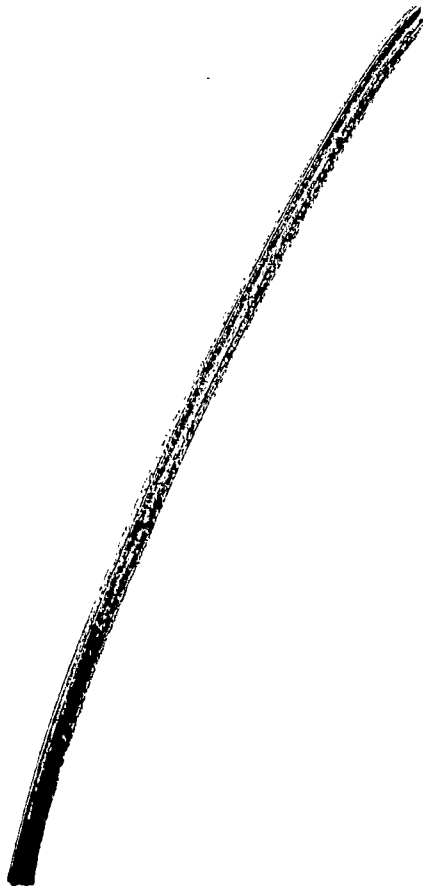
APN 241-410-07

**LEGAL DESCRIPTION**

Real property in the unincorporated area of the County of San Joaquin, State of California,  
described as follows:

PARCEL B, AS SHOWN ON PARCEL MAP FILED OCTOBER 31, 1980 IN VOL. 9 OF  
PARCEL MAPS, PAGE 173, SAN JOAQUIN COUNTY RECORDS.

APN 241-410-07



**Reallocation of Wastewater (Sewer) Capacity from South Lathrop Land, LLC**

**Exhibit C**

<b>Total Initial Balance, Full Capacity</b> <sup>1</sup>	114,000	gpd
<b>New Development</b>	Allocation	
<b>SISP Parcels (225.21 Acres)</b>	79,950	gpd
<b>Remaining Initial Capacity</b>	34,050	gpd

<b>Allocation Date</b>	<b>Allocation No.</b>	<b>gpd/Acre</b> <sup>2,4</sup>
September 10, 2018	2018-01	355

<b>Reserve Sewer Treatment Capacity</b> <sup>1,5</sup>	41,455	gpd
<b>City of Lathrop</b> <sup>6</sup>	41,455	gpd
<b>Remaining Reserve Capacity</b>	0	gpd

<b>Allocation Date</b>	<b>Allocation No.</b>	<b>gpd</b>
September 14, 2020	2020-01	41,455

**Notes:**

- Capacity per Exhibit B-1 of CTF Phase 2 Expansion Design and Construction Agreement dated 11-21-16, transferred to South Lathrop Land LLC
- Disposal Capacity in Land Application Area #3 assumed to match treatment capacity allocated
- South Lathrop Land LLC owns South Lathrop Specific Plan parcels include APN 241-030-15, 17, 18, 19, 20, 21, 22 and 23 plus 241-030-45
- Per Draft Master Plan dated January 2018
- Reserve Capacity requires ponds and sprayfields before capacity can be used.
- Per Agreement, City will sell Reserve Capacity to Saybrook for Phases 1B and 1C

**Allocation 2020-01 Authorized by:**

**City of Lathrop**

**South Lathrop Land, LLC**

\_\_\_\_\_  
Glenn Gebhardt, City Engineer

Date

\_\_\_\_\_  
Type Name

Date

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

Date



**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**

**ITEM: APPLICATION FOR STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM**

**RECOMMENDATION: Adopt a Resolution Approving an Application to the Statewide Park Development and Community Revitalization Program for Sangalang Park Revitalization**

---

**SUMMARY:**

Staff requests Council approval of the submission of an application for Statewide Park Development and Community Revitalization Program grant funds for the design and construction of the Sangalang Park Revitalization.

In order for the City to submit an application to the State of California Department of Parks and Recreation (CDPR) for funding, authorization for the funding request is required and the authorizing resolution must be sent to CDPR.

**BACKGROUND:**

In July of 2020, the State of California Department of Parks and Recreation's Office of Grants and Local Services (OGALS) announced the availability of up to \$395,302,155 in Prop. 68 grant funding through the Statewide Park Development and Community Revitalization Program. These funds are intended to construct additional facilities or revitalize an existing facility to increase the recreational opportunities for the health and wellness of Californians. Types of outdoor recreation features include but are not limited to athletic fields, athletic courts, community gardens, dog parks, open space, performance venues, picnic areas, playgrounds and tot lots, trails, tracks, and jogging loops.

Staff is recommending the submission of a grant application which would be applied to the design and revitalization of Apolinar Sangalang Community Park. Sangalang a City owned park located at 13470 Slate Street. The proposed project would include the removal of the existing outdated play structure and the installation of new play structures, including one for ages 2 to 5 and another for ages 5 to 12. The addition of a splash pad water play area, a new restrooms placed closer to the playground and picnic shelters, two tennis courts adjacent to the existing basketball court, a permanent concrete park sign, and the installation of a historical marker acknowledging Apolinar Sangalang as a Veteran of World War II, a Prisoner of War, and as the first Filipino Mayor in the United States of America.

The Statewide Park Development and Community Revitalization Program (SPP) of 2018 (Prop. 68) is the largest park related grant program in California's history and possibly U.S. history, with over \$1 billion in funding between the 2018 Prop. 68 and

**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**APPLICATION FOR STATEWIDE PARK DEVELOPMENT AND COMMUNITY**  
**REVITALIZATION PROGRAM**

**PAGE 2**

2006 Prop. 84 Bond Acts. This program will award grants on a competitive basis for park development and community revitalization.

The City must submit an application package to the California Department of Parks and Recreation's Office of Grants and Local Services (OGALS) on or before the December 14, 2020 deadline. Applications will be reviewed by OGALS for approximately four months, applications considered for approval will be forwarded to the National Park Services for a final review and approval.

**NEXT STEPS:**

If approved by Council, City Manager will sign the application, and staff will submit the application packet prior to the December 14, 2020 deadline. The City will be notified in the Summer of 2021 of any grant award.

**REASON FOR RECOMMENDATION:**

In order to be considered for available grant funding the application must include an "Authorizing Resolution" acknowledging Council approval of the submission of the application. Staff recommends Council adopt the Authorizing Resolution allowing for the submission of an application for grant funding to the Statewide Park Development and Community Revitalization Program (SPP) for the design and construction of the Sangalang Park Revitalization.

**FISCAL IMPACT:**

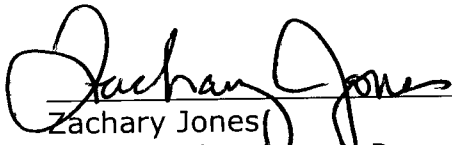
If the proposed Sangalang Park Revitalization project is approved for funding from the Statewide Park Development and Community Revitalization Program Grant, the City would be responsible for paying the associated costs of the project through a combination of CFF and Measure C funds which will be reimbursed by funding from Statewide Park Development and Community Revitalization Program (Prop 68).

**ATTACHMENTS:**


- A. Resolution to authorize the submission an application for the Statewide Park Development and Community Revitalization Program (SPP)

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
APPLICATION FOR STATEWIDE PARK DEVELOPMENT AND COMMUNITY  
REVITALIZATION PROGRAM**

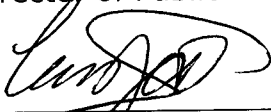
**APPROVALS:**

  
\_\_\_\_\_  
Zachary Jones  
Director of Parks and Recreation

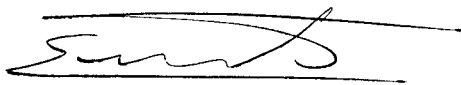
8-31-2020  
Date

  
\_\_\_\_\_  
Michael King  
Director of Public Works


8/31/2020  
Date

  
\_\_\_\_\_  
Carl James  
Director of Finance and Administrative Services

8/31/2020  
Date

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

8.31.2020  
Date

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

9.8.2020  
Date

**RESOLUTION NO. 20-**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING THE SUBMISSION OF AN APPLICATION FOR THE STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM GRANT FUNDS**

**WHEREAS**, the State Department of Parks and Recreation has been delegated the responsibility by the Legislature of the State of California for the administration of the Statewide Park Development and Community Revitalization Grant Program; and

**WHEREAS**, said procedures established by the State Department of Parks and Recreation has established procedure that require the City of Lathrop to certify by resolution the approval of the application before submission of said application to the State; and

**WHEREAS**, successful applicants will enter into a contract with the State of California to complete the Grant Scope project.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop hereby:

Approves the filing of an application for the Apolinar Sangalang Park revitalization; and

1. Certifies that the City of Lathrop has or will have available, prior to commencement of any work on the project included in this application, the sufficient funds to complete the project if the grant is awarded; and
2. Certifies that if the project is awarded, the City of Lathrop has or will have sufficient funds to operate and maintain the project, and
3. Certifies that the City of Lathrop has reviewed, understands, and agrees to the General Provisions contained in the contract shown in the Grant Administration Guide; and
4. Delegates the authority to City Manager to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Grant Scope; and
5. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.
6. Will consider promoting inclusion per Public Resources Code §80001(b)(8A-G).



The foregoing resolution was passed and adopted this 14<sup>th</sup> day of September 2020, by the following vote of the City Council, to wit:

AYES:

NOES:

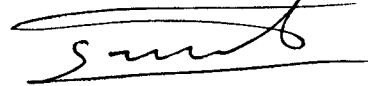
ABSENT:

ABSTAIN:

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

ATTEST:

APPROVED AS TO FORM:



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

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

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## ITEM 5.1

### **CITY MANAGER'S REPORT SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**

**ITEM:** PUBLIC HEARING (PUBLISHED NOTICE) TO ANNEX TERRITORY TO THE EXISTING IMPROVEMENT AREA NO. 5 OF COMMUNITY FACILITIES DISTRICT 2018-1 (CENTRAL LATHROP SPECIFIC PLAN FACILITIES) ("CFD") UNDER THE MELLO ROOS COMMUNITY FACILITIES ACT OF 1982, SECTION 53311 ET SEQ., OF THE CALIFORNIA GOVERNMENT CODE (THE "ACT")

**RECOMMENDATION:** Council to Consider the Following:

- 1. Hold a Public Hearing; and**
- 2. Adopt Resolution Authorizing Annexation of Territory, Authorizing the Levy of a Special Tax Therein and Submitting Levy of Tax to Qualified Electors; Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities) as provided in the Act and described in the Resolution of Intention adopted August 10, 2020; and**
- 3. Adopt Resolution Declaring Results of Special Annexation Election, Determining Validity of Prior Proceedings and Directing Recording of Amended Notice of Special Tax Lien: Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities)**

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#### **SUMMARY:**

In November of 2018, the City formed Community Facilities District 2018-1 (Central Lathrop Specific Plan Facilities) (CFD 2018-1). CFD 2018-1 paid off defaulted Community Facilities District 2006-1 (CFD 2006-1) bonds, which financed infrastructure necessary for development of land in the district.

In July of 2020, Evergreen-Golden Valley & River Islands, LLC (Evergreen) purchased various parcels in the City, most of which were already located within CFD 2018-1 and Community Facilities District 2019-2 (Central Lathrop City Services) (CFD 2019-2). However, certain portions of the purchased land (referred to as parcels 3 and 4 (see Attachment C)) were not located within CFD 2018-1 or CFD 2019-2 boundary, thereby requiring an annexation of these parcels into both CFD 2018-1 and CFD 2019-2 in order for Evergreen to complete its planned development.

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
PUBLIC HEARING BOUNDARY MODIFICATION CFD 2018-1**

**PAGE 2**

Even though portions of parcels 3 and 4 are within the district, CFD law requires annexation of the entire parcel. The Public Hearings will be held separately, therefore, this Staff Report only addresses CFD 2018-1.

At the August 10, 2020 City Council meeting, Council adopted Resolution 20-4765 declaring its intention to annex territory into Improvement Area No. 5 of Community Facilities District 2018-1 (Central Lathrop Specific Plan Facilities) and to authorize the levy of special taxes therein.

Today is the date set for the public hearing, at which time the City Council will hear a presentation on the proposed Annexation. At the same time, the election of the property owners is to be completed. The election results will unanimously favor the District annexation, as the Developer is the only property owner within the District boundaries that will be voting. The Developer has waived a number of noticing and election procedures that make it possible for the proposed annexation to be completed in a short period of time. Per Government Code 53339.4 and 53322, publication shall be complete at least seven days prior to the date of the hearing. The Notice of Public Hearing was published on August 26, 2020, in the same manner as the City's other public hearing notifications.

Staff recommends that Council approve the attached Resolutions to annex territory into CFD 2018-1 and to levy a special tax to finance the costs of certain public facilities and certain public services.

**BACKGROUND:**

Community Facilities District 2018-1 (Central Lathrop Specific Plan Facilities) (CFD 2018-1) was established in November of 2018 to pay off defaulted bonds issued for Community Facilities District 2006-1 (2006-1). Pursuant to the Restructuring Agreement the City entered into in August of 2018, CFD 2018-1 was established and issued bonds to refinance and restructure approximately \$45.8 million of outstanding CFD 2006-1 bonds. The CFD 2006-1 bonds had financed infrastructure necessary for development of land in the district.

Evergreen purchased several parcels inside and outside of the existing boundary of CFD 2018-1. In order for the parcels to move forward with development, annexation of territory into CFD 2018-1 is required.

Tonight, City Council has two Resolutions for consideration:

1. ***Resolution Authorizing Annexation of Territory to Community Facilities District 2018-1 (Central Lathrop Specific Plan Facilities) (Attachment A)*** - The resolution sets forth the approval of the Council to annex territory to CFD 2018-1 and to levy a special tax to pay for the authorized facilities/bonds. The parcels would be annexed into "Improvement Area No. 5" previously established for CFD 2018-1. The Resolution also sets September 14, 2020 as the date for the annexation election, and refers to the annexation boundary map showing the parcels to be annexed to CFD 2018-1 (Attachment C).
2. ***Resolution Declaring Results of Special Landowner Election (Attachment B)*** - This is for adoption by the Council after the vote is announced by the City Clerk. It confirms the outcome of the property owner election for the annexation proceedings. Attached to it is a copy of the official Canvass and Statement of Result of Election to be completed by the Clerk after the vote is announced. This resolution also directs the filing of the Amended Notice of Special Tax Lien against the annexed property to provide notice of the City's authorization to collect the special tax on the annexed property.

Once the above actions are completed, the City Clerk is authorized to record with the County Recorder an Amended Notice of Special Tax Lien pertaining to each of the annexed parcels.

**REASON FOR RECOMMENDATION:**

In order for the certain parcels owned by Evergreen to continue to develop and pay their fair share of the special taxes levied in CFD 2018-1.

**FISCAL IMPACT:**

None. Evergreen is funding all cost associated with the annexations.

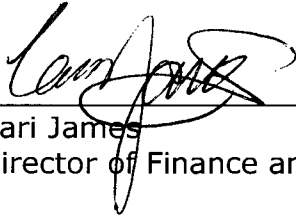
**ATTACHMENTS:**

- A. A Resolution Authorizing Annexation of Territory, Authorizing the Levy of a Special Tax Therein and Submitting Levy of Tax to Qualified Electors; Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities) as provided in the Act and described in the Resolution of Intention adopted August 10, 2020
- B. A Resolution Declaring Results of Special Annexation Election, Determining Validity of Prior Proceedings and Directing Recording of Amended Notice of Special Tax Lien: Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities)
- C. Annexation Map No. 1 of the City of Lathrop Community Facilities District No 2018-1

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
PUBLIC HEARING BOUNDARY MODIFICATION CFD 2018-1**

**PAGE 5**

**APPROVALS:**



\_\_\_\_\_  
Cari James  
Director of Finance and Administrative Services

8/31/2020

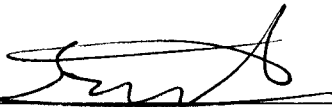
Date



\_\_\_\_\_  
Glenn Gebhardt  
City Engineer

8/31/2020

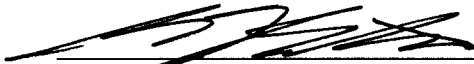
Date



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

9-1-2020

Date



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

9-8-2020

Date

**RESOLUTION NO. 20-\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
AUTHORIZING THE ANNEXATION OF TERRITORY, AUTHORIZING THE LEVY  
OF SPECIAL TAX THEREIN AND  
SUBMITTING LEVY OF TAX TO QUALIFIED ELECTORS**

**CITY OF LATHROP  
Improvement Area No. 5 of  
Community Facilities District No. 2018-1  
(Central Lathrop Specific Plan Facilities)**

**RESOLVED** by the City Council (the "Council") of the City of Lathrop (the "City"), County of San Joaquin, State of California, that:

**WHEREAS**, this Council on August 10, 2020, considered and adopted its Resolution of the City Council of the City of Lathrop of Intention to Annex Territory to Community Facilities District and to Levy Special Taxes Therein (the "Resolution of Intention to Annex") stating its intention to annex certain territory to Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities) (the "CFD IA#5"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), being Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code;

**WHEREAS**, a copy of the Resolution of Intention to Annex, incorporating a description and map of the proposed boundaries of the territory to be annexed to CFD IA#5 and stating the facilities to be provided and the rate and method of apportionment of the special tax to be levied within CFD IA#5 to finance the facilities for CFD IA#5, which are described in Exhibit A to Resolution No. 18-4480, adopted by the Council on November 19, 2018 (the "Resolution of Formation");

**WHEREAS**, on the date hereof, this Council held a noticed public hearing as required by the Act and the Resolution of Intention to Annex relative to the proposed annexation of territory to CFD IA#5 and at such hearing all interested persons desiring to be heard on all matters pertaining to the annexation of territory to CFD IA#5 and the levy of said special taxes within the area proposed to be annexed were heard and a full and fair hearing was held;

**WHEREAS**, at the conclusion of such hearing, written protests had not been filed against the proposed annexation of territory to CFD IA#5 by (i) 50% of more of the registered voters, or six registered voters, whichever is more, residing in the existing boundary of CFD IA#5, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be annexed to CFD IA#5, or (iii) owners of one-half or more of the area of land in the territory proposed to be annexed to CFD IA#5; and

**ATTACHMENT " A "**



**WHEREAS**, Annexation Map No. 1 to the CFD, showing the territory proposed to be annexed to CFD IA#5 is on file with the City Clerk and reference is hereby made thereto.

**NOW, THEREFORE, IT IS HEREBY ORDERED**, as follows:

1. All prior proceedings taken by this Council with respect to CFD IA#5 and the proposed annexation of territory thereto have been duly considered and are hereby determined to be valid and in conformity with the Act, and CFD IA#5 has been validly established pursuant to the Act.

2. The territory proposed to be annexed to CFD IA#5 is as shown on the Annexation Map No. 1 to CFD IA#5, now on file with the City Clerk in connection with this resolution and recorded on August 18, 2020 at 10:12 o'clock a.m. at Book 7 Maps of Assessment and Community Facilities Districts at Page 019 as Document No. 2020-103284 in the office of the County Recorder of the County of San Joaquin, State of California. The description and map of the boundaries of the territory to be annexed to CFD IA#5, as described in said Annexation Map No. 1 on file with the City Clerk are hereby finally approved, are incorporated herein by reference, and shall be included within the boundaries of CFD IA#5, and said territory is hereby ordered annexed to CFD IA#5, subject to voter approval of the levy of the special taxes therein as hereinafter provided.

3. The provisions of the Resolution of Formation and the Resolution of Intention to Annex, each as heretofore adopted by this Council are by this reference incorporated herein as if fully set forth herein.

4. Pursuant to the provisions of the Act, the proposition of the levy of the special tax within the territory to be annexed to CFD IA#5 shall be submitted to the voters of the area to be annexed to CFD IA#5 at an election called therefor as hereinafter provided.

5. This Council hereby finds that fewer than 12 persons have been registered to vote within the territory proposed to be annexed to CFD IA#5 for each of the 90 days preceding the close of the hearing heretofore conducted and concluded by this Council for the purposes of these annexation proceedings. Accordingly, and pursuant to Section 53326 of the Act, this Council finds that for purposes of these proceedings the qualified electors are the landowners within the territory proposed to be annexed to CFD IA#5 and that the vote shall be by said landowners, each having one vote for each acre or portion thereof such landowner owns in the territory proposed to be annexed to CFD IA#5.

6. Pursuant to Section 53326 and Section 53327 of the Act, the election shall be conducted solely by mail ballot on the election date specified herein. Except as otherwise provided in the Act, the provisions of law regulating elections of the City, insofar as they may be applicable, shall govern the election.

7. The Council hereby calls a special election to consider the measure described in the ballot referred to in paragraph 8 below, which election shall be held on September 14, 2020 in the regular meeting place of this Council, City Council Chambers, City of Lathrop, City Hall, 390 Town Centre, Lathrop, California.

8. The City Clerk is hereby appointed as the election official to conduct the election and cause to be provided to each landowner in the territory to be annexed to CFD IA#5, a ballot in the form of Exhibit A hereto, which form of ballot is hereby approved.

9. The City Clerk shall accept the ballots of the qualified electors received prior to 5:00 o'clock p.m. on September 14, 2020, whether received by mail or by personal delivery.

10. This Council hereby further finds that the provision of Section 53326 of the Act requiring a minimum of 90 days to elapse before such election is for the protection of voters, that the voters have waived such requirement and the date for the election hereinabove specified is established accordingly.

\* \* \* \* \*

The foregoing Resolution was regularly introduced and adopted by the City Council of the City of Lathrop at a meeting held on the 14<sup>th</sup> day of September, 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

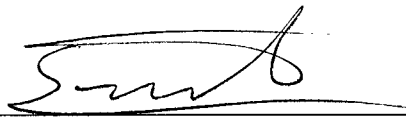
ABSENT:

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

ATTEST:

APPROVED AS TO FORM:

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

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

**Exhibit A  
CITY OF LATHROP  
Improvement Area No. 5 of  
Community Facilities District No. 2018-1  
(Central Lathrop Specific Plan Facilities)**

**OFFICIAL BALLOT  
SPECIAL TAX ANNEXATION ELECTION**

This ballot is for the special landowner election. You must return this ballot in the enclosed postage paid envelope to the office of the City Clerk of the City of Lathrop no later than 5:00 o'clock p.m. on Monday, September 14, 2020, either by mail or in person. The City Clerk's office is located at City Hall, 390 Towne Centre, Lathrop, California, 95330.

To Vote, mark a cross (X) in the voting square after the word "YES" or after the word "NO." All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Lathrop and obtain another.

The amount of money to be raised annually by the levy of the special tax on the property to be annexed to Improvement Area No. 5 of the CFD is \$\_\_\_\_\_ and the rate and duration of the tax to be levied is as set forth in the rate and method of apportionment of special tax for Improvement Area No. 5 of the CFD.

**Shall the measure** pursuant to which the City of Lathrop, by and for its Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities), Improvement Area No. 5, shall be authorized to levy special taxes within the territory annexed to Improvement Area No. 5 pursuant to and as described in the Resolution of the City Council of the City of Lathrop of Annexation of Territory to Community Facilities District, Authorizing the Levy of Special Tax and Submitting Levy Of Tax to Qualified Electors, approved by the City Council on September 14, 2020 **be adopted?**

YES: \_\_\_\_\_

NO: \_\_\_\_\_

By execution in the space provided below, you also confirm your waiver of the time limit pertaining to the conduct of the election and any requirement for notice of election and analysis and arguments with respect to the ballot measure, as such waivers are described and permitted by Section 53326(a) and 5327(b) of the California Government Code.

**Number of Votes:** \_\_\_\_\_

**Property Owner:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**RESOLUTION NO. 20-\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
DECLARING RESULTS OF SPECIAL ANNEXATION ELECTION,  
DETERMINING VALIDITY OF PRIOR PROCEEDINGS  
AND DIRECTING RECORDING OF AMENDED NOTICE OF SPECIAL TAX LIEN**

**CITY OF LATHROP  
Improvement Area No. 5 of  
Community Facilities District No. 2018-1  
(Central Lathrop Specific Plan Facilities)**

**RESOLVED** by the City Council (the "Council") of the City of Lathrop (the "City"), County of San Joaquin, State of California, that:

**WHEREAS**, this Council has conducted proceedings to establish Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities) (the "CFD IA#5") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code;

**WHEREAS**, in proceedings heretofore conducted by the Council pursuant to Act, this Council has heretofore adopted a resolution calling a special election of the qualified landowner electors in the territory of land proposed to be annexed to CFD IA#5;

**WHEREAS**, pursuant to the terms of the resolution which is hereby incorporated herein by this reference, the special election has been held and the City Clerk has filed a Canvass of Votes Cast in Special Election, a copy of which is attached hereto as Exhibit A; and,

**WHEREAS**, this Council has reviewed the Canvass and hereby approves it.

**NOW, THEREFORE, IT IS HEREBY ORDERED** as follows:

1. The issue presented at the special election was the levy of a special tax for the territory annexed to CFD IA#5, to be levied in accordance with the formula heretofore approved by this Council as described in A Resolution of the City Council of the City of Lathrop of Annexation of Territory to Community Facilities District, Authorizing the Levy of a Special Tax and Submitting Levy of Tax to Qualified Electors, adopted on the date hereof.

2. Pursuant to the Canvass on file with the City Clerk, this Council finds that the issue presented at the special election was approved unanimously by the landowner electors of the territory annexed to CFD IA#5 at the special election.

ATTACHMENT " B "

3. Pursuant to such approval, the annexation to CFD IA#5 is hereby declared to be fully annexed to and part of the IA#5 and this Council is authorized to and may levy special taxes therein as heretofore provided in these proceedings.

4. It is hereby found that all prior proceedings and actions taken by this Council in and for CFD IA#5 and the annexation of territory thereto were valid and in conformity with the Act.

5. Within 15 days of the date hereof, the City Clerk shall execute and cause to be recorded in the office of the County Recorder of the County of San Joaquin, an amendment to the Notice of Special Tax Lien for CFD IA#5 as required by Section 3117.5 of the California Streets and Highways Code.

\* \* \* \* \*

The foregoing Resolution was regularly introduced and adopted by the City Council of the City of Lathrop at a meeting held on the 14<sup>th</sup> day of September, 2020, by the following vote:

AYES:

NOES:

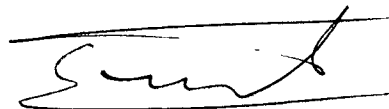
ABSTAIN:

ABSENT:

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

ATTEST:

APPROVED AS TO FORM:



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

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

**EXHIBIT A**

**CITY OF LATHROP  
Improvement Area No. 5 of  
Community Facilities District No. 2018-1  
(Central Lathrop Specific Plan Facilities)**

**CANVASS AND STATEMENT OF RESULT OF ELECTION**

I hereby certify that on this date, I canvassed the returns of the election held on this date, in the territory annexed to Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities), which election is designated as the Special Tax Annexation Election, and the total number of ballots cast in the territory to be annexed and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

	Qualified Landowner Votes	Votes Cast	YES	NO
<b>City of Lathrop Improvement Area No. 5 of Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities) Special Tax Annexation Election, September 14, 2020</b>	_____	_____	_____	_____

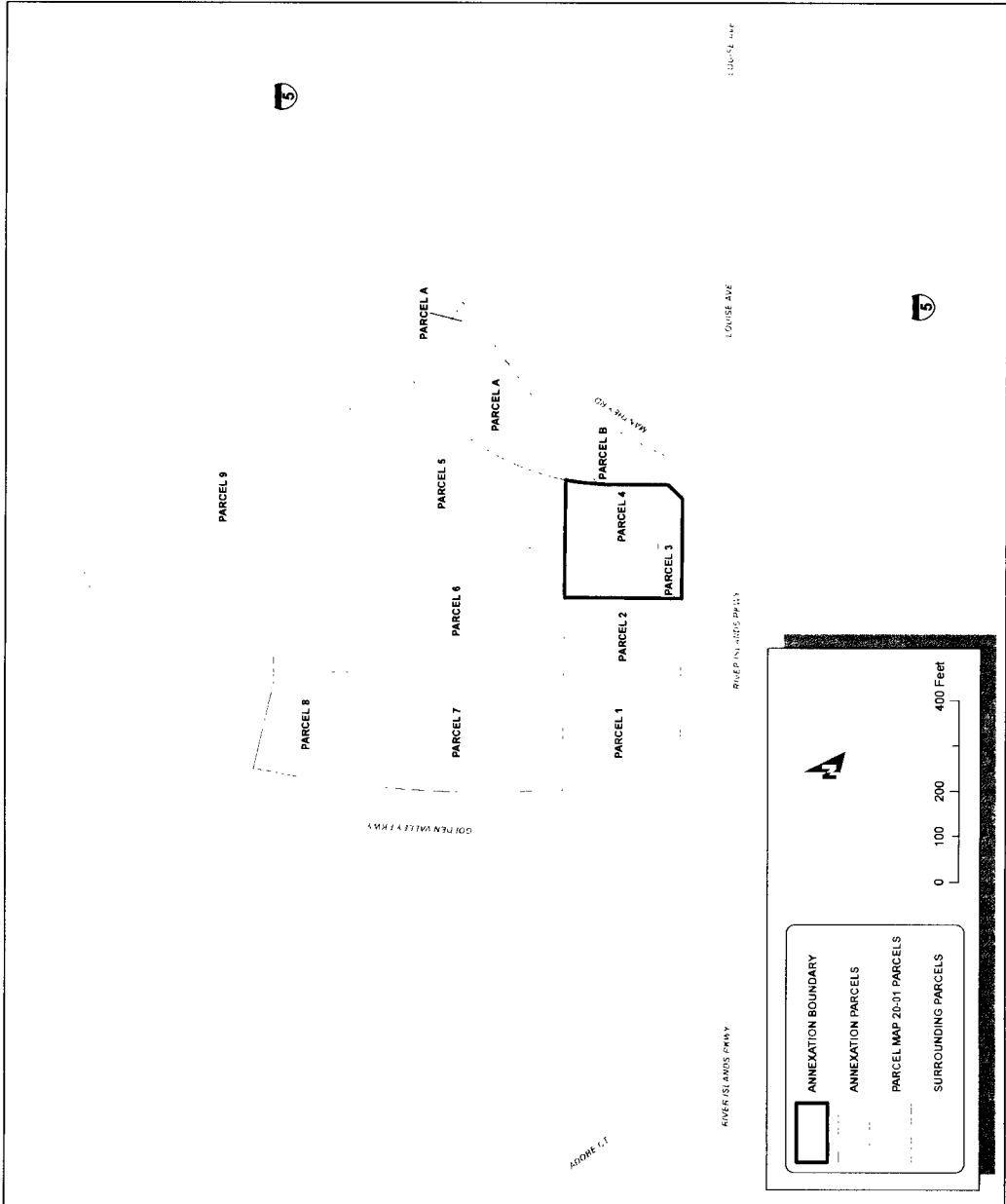
**Shall the measure** pursuant to which the City of Lathrop, by and for its Community Facilities District No. 2018-1 (Central Lathrop Specific Plan Facilities), Improvement Area No. 5, shall be authorized to levy special taxes within the territory annexed to Improvement Area No. 5 pursuant to and as described in the Resolution of the City Council of the City of Lathrop of Annexation of Territory to Community Facilities District, Authorizing the Levy of Special Tax and Submitting Levy Of Tax to Qualified Electors, approved by the City Council on September 14, 2020 **be adopted?**

**IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND** this 14th day of September, 2020.

CITY OF LATHROP

By: \_\_\_\_\_  
City Clerk

**ANNEXATION MAP NO. 1  
OF THE  
CITY OF LATHROP  
COMMUNITY FACILITIES DISTRICT NO. 2018-1**  
CITY OF LATHROP  
COUNTY OF SAN JOAQUIN  
STATE OF CALIFORNIA



REFERENCE IS HEREBY MADE TO THAT CERTAIN MAP ENTITLED "PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2018-1 (CENTRAL LATHROP SPECIFIC PLAN FACILITIES), COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA" FILED THE 31ST DAY OF OCTOBER 2018 AT THE HOUR OF 2 O'CLOCK PM IN BOOK 6 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGE 141, (DOCUMENT NO. 2018-120652), IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, WHICH THIS ANNEXATION MAP AFFECTS

ANNEXATION PARCELS LEGAL DESCRIPTION  
COMMENCING AT THE SOUTHWESTERLY CORNER OF SAID PARCEL 3, THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 3 SOUTH 88°30'51" EAST 6.32 FEET TO THE POINT OF BEGINNING, THENCE LEAVING SAID SOUTHERLY LINE AND ENTERING SAID PARCELS 3 AND 4 NORTH 53°10'14" EAST 305.70 FEET TO THE EASTERLY LINE OF SAID PARCEL 4.

THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 4 AND THE SOUTHERLY LINE OF SAID PARCELS 3 AND 4 THE FOLLOWING FOUR (4) COURSES  
1. ALONG A NON-TANGENT CURVE TO THE LEFT, FROM WHICH THE RADIUS POINT BEARS SOUTH 86°37'25" EAST, HAVING A RADIUS OF 535.00 FEET, THROUGH A CENTRAL ANGLE OF 2°53'15", AND A NARC DISTANCE OF 26.86 FEET.  
2. SOUTH 00°29'20" WEST, 126.80 FEET.  
3. SOUTH 45°00'38" WEST, 44.55 FEET.  
4. THENCE NORTH 88°30'51" WEST, 211.19 FEET TO THE POINT OF BEGINNING CONTAINING 1.22 ACRES, MORE OR LESS

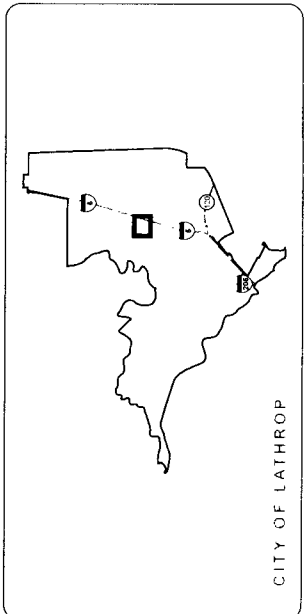
CERTIFICATIONS  
FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LATHROP THIS \_\_\_\_ DAY OF \_\_\_\_ 20\_\_

CITY CLERK \_\_\_\_\_  
CITY OF LATHROP \_\_\_\_\_

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION NO. 1 TO THE COMMUNITY FACILITIES DISTRICT NO. 2018-1 (CENTRAL LATHROP SPECIFIC PLAN FACILITIES), COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LATHROP, AT A MEETING THEREOF, HELD ON THE \_\_\_\_ DAY OF \_\_\_\_ 20\_\_ BY ITS RESOLUTION NO. \_\_\_\_\_

CITY CLERK \_\_\_\_\_  
CITY OF LATHROP \_\_\_\_\_  
FILED THIS \_\_\_\_ DAY OF \_\_\_\_ 20\_\_ 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 IN THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

COUNTY RECORDER \_\_\_\_\_  
COUNTY OF SAN JOAQUIN \_\_\_\_\_



CITY OF LATHROP

Source: San Joaquin County GIS  
Geographic Coordinate Reference: GCS North American 1983  
Projection: NAD 1983 StatePlane California III FIPS 5403 Feet





## ITEM 5.2

### **CITY MANAGER'S REPORT SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**

**ITEM:** **PUBLIC HEARING (PUBLISHED NOTICE) TO ANNEX TERRITORY TO THE EXISTING COMMUNITY SERVICES DISTRICT NO. 2019-2 (CENTRAL LATHROP CITY SERVICES) ("CFD"), UNDER THE MELLO ROOS COMMUNITY FACILITIES ACT OF 1982, SECTIONS 53311 ET SEQ., CALIFORNIA GOVERNMENT CODE (THE "ACT")**

**RECOMMENDATION:** **Council to Consider the Following:**

- 1. Hold a Public Hearing; and**
- 2. Adopt Resolution of Authorizing Annexation of Territory, Authorizing the Levy of a Special Tax Therein and Submitting Levy of Tax to Qualified Electors; Community Facilities District No. 2019-2 (Central Lathrop City Services), as Provided in the Act and Described in the Resolution of Intention Adopted August 10, 2020; and**
- 3. Adopt Resolution Declaring Results of Special Annexation Election, Determining Validity of Prior Proceedings and Directing Recording of Amended Notice of Special Tax Lien; Community Facilities District No. 2019-2 (Central Lathrop City Services)**

---

#### **SUMMARY:**

Community Facilities District 2019-2 (Central Lathrop City Services) (CFD 2019-2) was formed in March of 2019. CFD 2019-2 finances public services in the area of the district. As part of their development agreement requirements, master developers are required to submit to the City a fiscal impact analysis estimating the overall financial impacts the 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 special taxes levied in CFD 2019-2 cover the projected shortfalls of providing City services, and can be levied in accordance with different tax zones established for CFD 2019-2, as necessary. At the time of formation of CFD 2019-2, "Tax Zone 1" was established for all the parcels then in the district.

In July of 2020, Evergreen-Golden Valley & River Islands, LLC (Evergreen) purchased various parcels in the City, most of which were already located within CFD 2018-1

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
PUBLIC HEARING BOUNDARY MODIFICATION CFD 2019-2**

**PAGE 2**

and Community Facilities District 2019-2 (Central Lathrop City Services) (CFD 2019-2). However, certain portions of the purchased land (referred to as parcels 3 and 4 (see Attachment C)) were not located within CFD 2018-1 or CFD 2019-2 boundary, thereby requiring an annexation of these parcels into both CFD 2018-1 and CFD 2019-2 in order for Evergreen to complete its planned development. Even though portions of parcels 3 and 4 are within the district, CFD law requires annexation of the entire parcel. The Public Hearings will be held separately, therefore, this Staff Report only addresses CFD 2019-2.

Today is the date set for the public hearing, at which time the City Council will hear a presentation on the proposed Annexation. At the same time, the election of the property owners is to be completed. The election results will unanimously favor the District annexation, as the Developer is the only property owner within the District boundaries that will be voting. The Developer has waived a number of noticing and election procedures that make it possible for the proposed annexation to be completed in a short period of time. Per Government Code 53339.4 and 53322, publication shall be complete at least seven days prior to the date of the hearing. The Notice of Public Hearing was published on August 26, 2020, in the same manner as the City's other public hearing notifications.

Staff recommends that Council approve the attached Resolutions to annex territory into CFD 2019-2 and to levy a special tax to finance the costs of certain public facilities and certain public services.

**BACKGROUND:**

Community Facilities District 2019-2 (Central Lathrop City Services) (CFD 2019-2) was formed in March of 2019 to finance public services in the area of the district. Land currently in CFD 2019-2 includes approximately 1,576 planned homes, 274 high-density residential units and 951,350 square feet of office and retail/commercial space. The services funded by CFD 2019-2 include:

- A. Parks, Parkways, and Open Space, including but not limited to:
  - 1. Maintenance of parkway landscaping and bus shelters
  - 2. Operation and maintenance of parkway streetlights and traffic signals
  - 3. Maintenance and repair of sound walls along parkways
  - 4. Reserve for regular replacement of plants and materials
  - 5. Maintenance of community, neighborhood, and linear parks
  - 6. Maintenance of c pedestrian/bike paths
  - 7. Operation and maintenance of park lighting
- B. Flood and Storm Protection, including but not limited to:
  - 1. Maintenance of the storm drain system and detention basins

2. Operation and maintenance of the outfall structure and the pump lift stations for the detention basins
3. Implementation of NPDES Storm Water Management Plan requirements
4. Reserve for replacement of structures and pumps
- C. Police Protection, including but not limited to:
  1. Police services, including animal control
  2. Reserve for replacement of vehicles and equipment
- D. Fire Protection, including but not limited to:
  1. Fire services provided by the Lathrop-Manteca Fire Protection District
  2. Reserve for replacement of vehicles and equipment

Evergreen purchased several parcels inside and outside of the existing boundary of CFD 2019-2. In order for the parcels to move forward with development, annexation of territory into CFD 2019-2 is required.

Tonight, City Council has two Resolutions for consideration:

1. ***Resolution Authorizing Annexation of Territory to Community Facilities District 2019-2 (Central Lathrop City Services) (Attachment A)*** - The resolution sets forth the approval of the Council to annex territory to CFD 2019-2 and to levy a special tax to pay for the authorized services. The parcels will be annexed into "Tax Zone 1" previously established for CFD 2019-2. The Resolution also sets September 14, 2020 as the date for the annexation election, and refers to the annexation boundary map showing the parcels to be annexed to CFD 2019-2 (Attachment C).
2. ***Resolution Declaring Results of Special Landowner Election (Attachment B)*** - This is for adoption by the Council after the vote is announced by the City Clerk. It confirms the outcome of the property owner election for the annexation proceedings. Attached to it is a copy of the official Canvass and Statement of Result of Election to be completed by the Clerk after the vote is announced. This resolution also directs the filing of the Amended Notice of Special Tax Lien against the annexed property to provide notice of the City's authorization to collect the special tax on the annexed property.

Once the above actions are completed, the City Clerk is authorized to record with the County Recorder an Amended Notice of Special Tax Lien pertaining to each of the annexed parcels.

**REASON FOR RECOMMENDATION:**

In order for the certain parcels owned by Evergreen to continue to develop and pay their fair share of the special taxes levied in CFD 2019-2.

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
PUBLIC HEARING BOUNDARY MODIFICATION CFD 2019-2**

**PAGE 4**

**FISCAL IMPACT:**

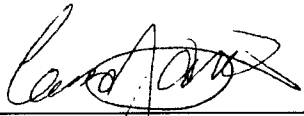
None. Evergreen is funding all cost associated with the annexations.

**ATTACHMENTS:**


- A. A Resolution Authorizing Annexation of Territory, Authorizing the Levy of a Special Tax Therein and Submitting Levy of Tax to Qualified Electors; Community Facilities District No. 2019-2 (Central Lathrop City Services), as provided in the Act and described in the Resolution of Intention adopted August 10, 2020; and
- B. A Resolution Declaring Results of Special Annexation Election, Determining Validity of Prior Proceedings and Directing Recording of Amended Notice of Special Tax Lien; Community Facilities District No. 2019-2 (Central Lathrop City Services)
- C. Annexation Map No. 1 of the City of Lathrop Community Facilities District No. 2019-2

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
PUBLIC HEARING BOUNDARY MODIFICATION CFD 2019-2**


**APPROVALS:**

  
\_\_\_\_\_  
Cari James  
Director of Finance and Administrative Services


8/31/2020  
Date

  
\_\_\_\_\_  
Glenn Gebhardt  
City Engineer

8/31/2020  
Date

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

9-1-2020  
Date

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

9-8-2020  
Date

**RESOLUTION NO. 20-\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
OF ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES DISTRICT,  
AUTHORIZING THE LEVY OF A SPECIAL TAX AND  
SUBMITTING LEVY OF TAX TO QUALIFIED ELECTORS**

**CITY OF LATHROP  
Community Facilities District No. 2019-2  
(Central Lathrop City Services)**

**RESOLVED** by the City Council (the "Council") of the City of Lathrop (the "City"), County of San Joaquin, State of California, that:

**WHEREAS**, this Council on August 10, 2020, considered and adopted its Resolution of the City Council of the City of Lathrop of Intention to Annex Territory to Community Facilities District and to Levy Special Taxes Therein (the "Resolution of Intention to Annex") stating its intention to annex certain territory to Community Facilities District No. 2019-2 (Central Lathrop City Services) (the "CFD"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), being Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code;

**WHEREAS**, a copy of the Resolution of Intention to Annex, incorporating a description and map of the proposed boundaries of the territory to be annexed to CFD and stating the public services to be provided and the rate and method of apportionment of the special tax to be levied within CFD to finance the facilities for CFD, which are described in Exhibit A to Resolution No. 19-4547, adopted by the Council on April 8, 2019 (the "Resolution of Formation");

**WHEREAS**, on the date hereof, this Council held a noticed public hearing as required by the Act and the Resolution of Intention to Annex relative to the proposed annexation of territory to CFD and at such hearing all interested persons desiring to be heard on all matters pertaining to the annexation of territory to CFD and the levy of said special taxes within the area proposed to be annexed were heard and a full and fair hearing was held;

**WHEREAS**, at the conclusion of such hearing, written protests had not been filed against the proposed annexation of territory to CFD by (i) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the existing boundary of CFD, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be annexed to CFD, or (iii) owners of one-half or more of the area of land in the territory proposed to be annexed to CFD; and

**WHEREAS**, Annexation Map No. 1 to the CFD, showing the territory proposed to be annexed to CFD is on file with the City Clerk and reference is hereby made thereto.

**ATTACHMENT "A"** ■

**NOW, THEREFORE, IT IS HEREBY ORDERED**, as follows:

1. All prior proceedings taken by this Council with respect to CFD and the proposed annexation of territory thereto have been duly considered and are hereby determined to be valid and in conformity with the Act, and CFD has been validly established pursuant to the Act.

2. The territory proposed to be annexed to CFD is as shown on the Annexation Map No. 1 to CFD, now on file with the City Clerk in connection with this resolution and recorded on August 18, 2020 at 10:12 o'clock a.m. at Book 7 Maps of Assessment and Community Facilities Districts at Page 020 as Document No. 2020-103285 in the office of the County Recorder of the County of San Joaquin, State of California. The description and map of the boundaries of the territory to be annexed to CFD, as described in said Annexation Map No. 1 on file with the City Clerk are hereby finally approved, are incorporated herein by reference, and shall be included within the boundaries of CFD, and said territory is hereby ordered annexed to CFD, subject to voter approval of the levy of the special taxes therein as hereinafter provided.

3. The provisions of the Resolution of Formation and the Resolution of Intention to Annex, each as heretofore adopted by this Council are by this reference incorporated herein as if fully set forth herein. All of the parcels to be annexed into the CFD will be annexed into "Tax Zone 1" previously established for the CFD and set forth in Exhibit B to the Resolution of Formation.

4. Pursuant to the provisions of the Act, the proposition of the levy of the special tax within the territory to be annexed to CFD shall be submitted to the voters of the area to be annexed to CFD at an election called therefor as hereinafter provided.

5. This Council hereby finds that fewer than 12 persons have been registered to vote within the territory proposed to be annexed to CFD for each of the 90 days preceding the close of the hearing heretofore conducted and concluded by this Council for the purposes of these annexation proceedings. Accordingly, and pursuant to Section 53326 of the Act, this Council finds that for purposes of these proceedings the qualified electors are the landowners within the territory proposed to be annexed to CFD and that the vote shall be by said landowners, each having one vote for each acre or portion thereof such landowner owns in the territory proposed to be annexed to CFD.

6. Pursuant to Section 53326 and Section 53327 of the Act, the election shall be conducted solely by mail ballot on the election date specified herein. Except as otherwise provided in the Act, the provisions of law regulating elections of the City, insofar as they may be applicable, shall govern the election.

7. The Council hereby calls a special election to consider the measure described in the ballot referred to in paragraph 8 below, which election shall be held

on September 14, 2020 in the regular meeting place of this Council, City Council Chambers, City of Lathrop, City Hall, 390 Town Centre, Lathrop, California.

8. The City Clerk is hereby appointed as the election official to conduct the election and cause to be provided to each landowner in the territory to be annexed to CFD, a ballot in the form of Exhibit A hereto, which form of ballot is hereby approved.

9. The City Clerk shall accept the ballots of the qualified electors received prior to 5:00 o'clock p.m. on September 14, 2020, whether received by mail or by personal delivery.

10. This Council hereby further finds that the provision of Section 53326 of the Act requiring a minimum of 90 days to elapse before such election is for the protection of voters, that the voters have waived such requirement and the date for the election hereinabove specified is established accordingly.

\* \* \* \* \*



The foregoing Resolution was regularly introduced and adopted by the City Council of the City of Lathrop at a meeting held on the 14<sup>th</sup> day of September, 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

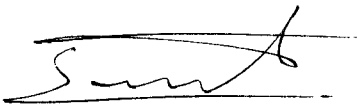
ABSENT:

\_\_\_\_\_  
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. 2019-2  
(Central Lathrop City Services)**

**OFFICIAL BALLOT  
SPECIAL TAX ANNEXATION ELECTION**

This ballot is for the special landowner election. You must return this ballot in the enclosed postage paid envelope to the office of the City Clerk of the City of Lathrop no later than 5:00 o'clock p.m. on Monday, September 14, 2020, either by mail or in person. The City Clerk's office is located at City Hall, 390 Towne Centre, Lathrop, California, 95330.

To Vote, mark a cross (X) in the voting square after the word "YES" or after the word "NO." All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Lathrop and obtain another.

The amount of money to be raised annually by the levy of the special tax on the property to be annexed to the CFD is \$\_\_\_\_\_ and the rate and duration of the tax to be levied is as set forth in the rate and method of apportionment of special tax for the CFD.

**Shall the measure** pursuant to which the City of Lathrop, by and for its Community Facilities District No. 2019-2 (Central Lathrop City Services) shall be authorized to levy special taxes within the territory annexed to the CFD pursuant to and as described in the Resolution of the City Council of the City of Lathrop of Annexation of Territory to Community Facilities District, Authorizing the Levy of Special Tax and Submitting Levy Of Tax to Qualified Electors, approved by the City Council on September 14, 2020 **be adopted?**

YES: \_\_\_\_\_

NO: \_\_\_\_\_

By execution in the space provided below, you also confirm your waiver of the time limit pertaining to the conduct of the election and any requirement for notice of election and analysis and arguments with respect to the ballot measure, as such waivers are described and permitted by Section 53326(a) and 5327(b) of the California Government Code.

**Number of Votes:** \_\_\_\_\_

**Property Owner:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**RESOLUTION NO. 20-\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
DECLARING RESULTS OF SPECIAL ANNEXATION ELECTION,  
DETERMINING VALIDITY OF PRIOR PROCEEDINGS  
AND DIRECTING RECORDING OF AMENDED NOTICE OF SPECIAL TAX LIEN**

**CITY OF LATHROP  
Community Facilities District No. 2019-2  
(Central Lathrop City Services)**

**RESOLVED** by the City Council (the "Council") of the City of Lathrop (the "City"), County of San Joaquin, State of California, that:

**WHEREAS**, this Council has conducted proceedings to establish Community Facilities District No. 2019-2 (Central Lathrop City Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code;

**WHEREAS**, in proceedings heretofore conducted by the Council pursuant to Act, this Council has heretofore adopted a resolution calling a special election of the qualified landowner electors in the territory of land proposed to be annexed to CFD;

**WHEREAS**, pursuant to the terms of the resolution which is hereby incorporated herein by this reference, the special election has been held and the City Clerk has filed a Canvass of Votes Cast in Special Election, a copy of which is attached hereto as Exhibit A; and,

**WHEREAS**, this Council has reviewed the Canvass and hereby approves it.

**NOW, THEREFORE, IT IS HEREBY ORDERED** as follows:

1. The issue presented at the special election was the levy of a special tax for the territory annexed to CFD, to be levied in accordance with the formula heretofore approved by this Council as described in A Resolution of the City Council of the City of Lathrop of Annexation of Territory to Community Facilities District, Authorizing the Levy of a Special Tax and Submitting Levy of Tax to Qualified Electors, adopted on the date hereof.

2. Pursuant to the Canvass on file with the City Clerk, this Council finds that the issue presented at the special election was approved unanimously by the landowner electors of the territory annexed to CFD at the special election.

3. Pursuant to such approval, the annexation to CFD is hereby declared to be fully annexed to and part of the CFD and this Council is authorized to and may levy special taxes therein as heretofore provided in these proceedings.

**ATTACHMENT " B "**

4. It is hereby found that all prior proceedings and actions taken by this Council in and for CFD and the annexation of territory thereto were valid and in conformity with the Act.

5. Within 15 days of the date hereof, the City Clerk shall execute and cause to be recorded in the office of the County Recorder of the County of San Joaquin, an amendment to the Notice of Special Tax Lien for CFD as required by Section 3117.5 of the California Streets and Highways Code.

\* \* \* \* \*

The foregoing Resolution was regularly introduced and adopted by the City Council of the City of Lathrop at a meeting held on the 14<sup>th</sup> day of September, 2020, by the following vote:

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. 2019-2  
(Central Lathrop City Services)**

**CANVASS AND STATEMENT OF RESULT OF ELECTION**

I hereby certify that on this date, I canvassed the returns of the election held on this date, in the territory annexed to Community Facilities District No. 2019-2 (Central Lathrop City Services), which election is designated as the Special Tax Annexation Election, and the total number of ballots cast in the territory to be annexed and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

	Qualified Landowner Votes	Votes Cast	YES	NO
<b>City of Lathrop Community Facilities District No. 2019-2 (Central Lathrop City Services) Special Tax Annexation Election, September 14, 2020</b>	_____	_____	_____	_____

**Shall the measure** pursuant to which the City of Lathrop, by and for its Community Facilities District No. 2019-2 (Central Lathrop City Services) shall be authorized to levy special taxes within the territory annexed to the CFD pursuant to and as described in the Resolution of the City Council of the City of Lathrop of Annexation of Territory to Community Facilities District, Authorizing the Levy of Special Tax and Submitting Levy Of Tax to Qualified Electors, approved by the City Council on September 14, 2020 **be adopted?**

**IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND** this 14th day of September, 2020.

CITY OF LATHROP

By: \_\_\_\_\_  
City Clerk

**ANNEXATION MAP NO. 1  
OF THE  
CITY OF LATHROP  
COMMUNITY FACILITIES DISTRICT NO. 2019-2**

CITY OF LATHROP  
COUNTY OF SAN JOAQUIN  
STATE OF CALIFORNIA

REFERENCE IS HEREBY MADE TO THAT CERTAIN MAP ENTITLED "CITY OF LATHROP COMMUNITY FACILITIES DISTRICT NO. 2019-2" WAS FILED IN THE OFFICE OF THE COUNTY CLERK OF THE COUNTY OF CALIFORNIA ON THE 13TH DAY OF MARCH, 2019, AT THE HOUR OF 3:32 O'CLOCK P.M. IN BOOK 8 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGE 151, (DOCUMENT NO. 2019-025429) IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, WHICH THIS ANNEXATION MAP AFFECTS ANNEXATION PARCELS LEGAL DESCRIPTION

COMMENCING AT THE SOUTHWESTERLY CORNER OF SAID PARCEL 3, THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL 3 SOUTH 88°30'51" EAST, 6.32 FEET TO THE POINT OF BEGINNING, THENCE LEAVING SAID SOUTHERLY LINE AND ENTERING SAID PARCELS 3 AND 4 NORTH 53°10'14" EAST, 305.70 FEET TO THE EASTERLY LINE OF SAID PARCEL 4.

THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 4 AND THE SOUTHERLY LINE OF SAID PARCELS 3 AND 4 THE FOLLOWING (FOUR 4) COURSES

1. ALONG A NON-TANGENT CURVE TO THE LEFT FROM WHICH THE RADIUS POINT BEGINS 188.72 FEET EAST, HAVING A RADIUS OF 555.00 FEET THROUGH A CENTRAL ANGLE OF 2°53'15" AND AN ARC DISTANCE OF 26.96 FEET.
2. SOUTH 00°29'20" WEST, 126.60 FEET.
3. SOUTH 46°00'38" WEST, 44.55 FEET.
4. THENCE NORTH 88°30'51" WEST, 211.19 FEET TO THE POINT OF BEGINNING CONTAINING 1.22 ACRES, MORE OR LESS.

CERTIFICATIONS

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LATHROP THIS \_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_.

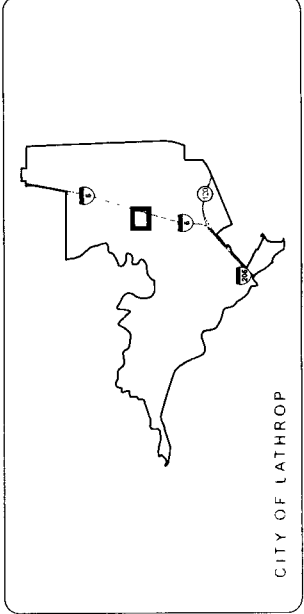
CITY CLERK \_\_\_\_\_  
CITY OF LATHROP

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION NO. 1 TO THE COMMUNITY FACILITIES DISTRICT NO. 2019-2 (CENTRAL LATHROP SERVICES) COUNTY OF SAN JOAQUIN STATE OF CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LATHROP AT A MEETING THEREOF HELD ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_, BY ITS RESOLUTION NO. \_\_\_\_\_.

CITY CLERK \_\_\_\_\_  
CITY OF LATHROP

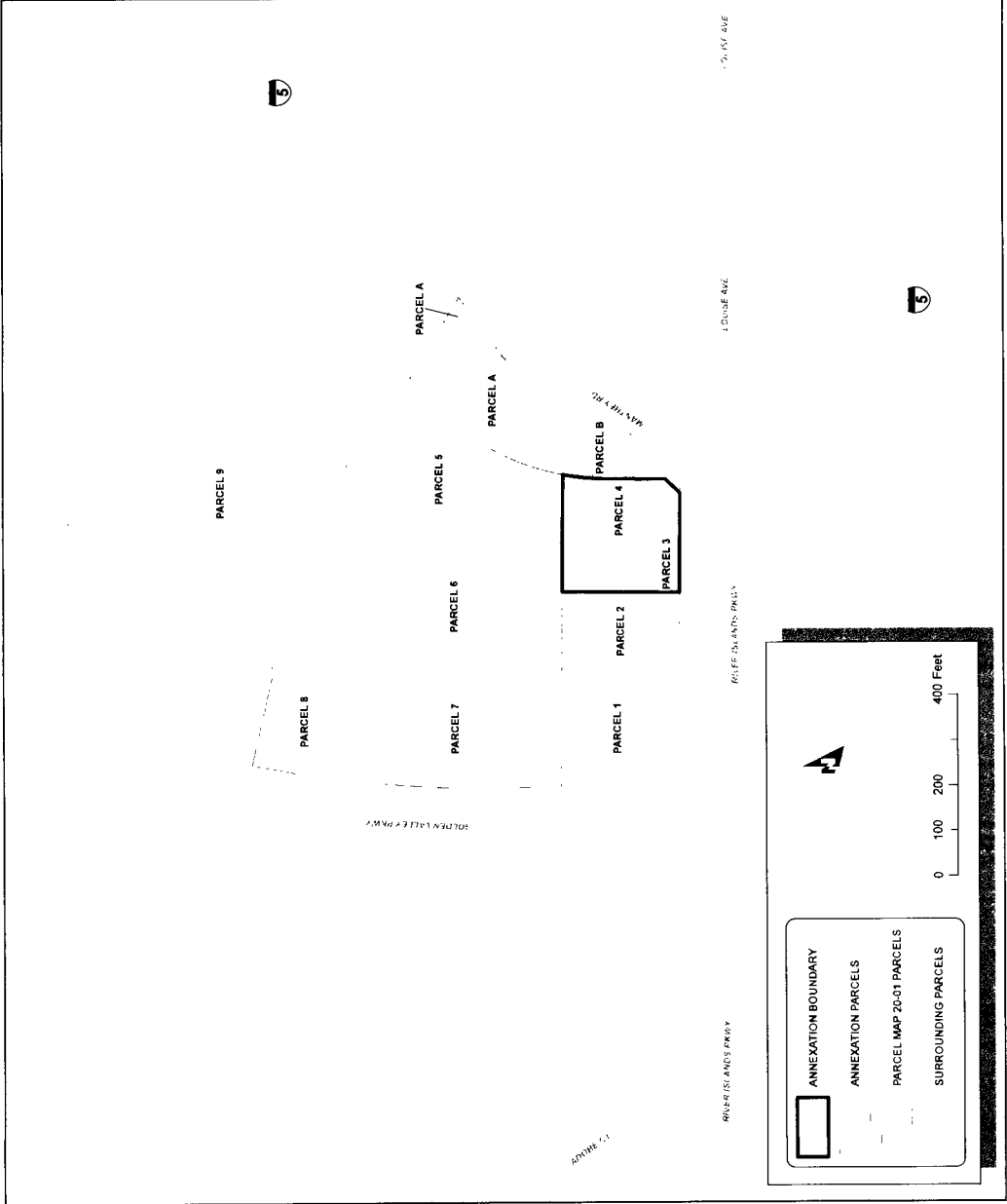
FILED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_, AT THE HOUR OF \_\_\_\_ O'CLOCK, \_\_\_\_ M., IN BOOK \_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE \_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

COUNTY RECORDER \_\_\_\_\_  
COUNTY OF SAN JOAQUIN



**NBS**

Source: San Joaquin County GIS  
Geographic Coordinate Reference: GCS North American 1983  
Projection: NAD 1983 StatePlane California III FIPS 0403 Feet



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## ITEM 5.3

### CITY MANAGER'S REPORT SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING

**ITEM:** PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER AN ORDINANCE ADDING SECTION 13.26.170 DENTAL AMALGAM-MERCURY SOURCE CONTROL PROGRAM TO CHAPTER 13.26 SEWER USE AND INDUSTRIAL WASTEWATER REGULATIONS OF THE LATHROP MUNICIPAL CODE

**RECOMMENDATION:** City Council to Consider the Following:

1. Hold a Public Hearing; and
2. Introduction and First Reading of an Ordinance Adding Section 13.26.170 Dental Amalgam-Mercury Source Control Program to Chapter 13.26 Sewer Use and Industrial Wastewater Regulations

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#### **SUMMARY:**

Addition of Section 13.26.170 Dental Amalgam-Mercury Source Control Program to update Chapter 13.26 Sewer Use and Industrial Wastewater Regulations is needed to ensure compliance with the new EPA regulations. This Program requires dental offices to use amalgam separators and two Best Management Practices recommended by the American Dental Association (ADA).

#### **BACKGROUND:**

Chapter 13.26 Sewer Use and Industrial Wastewater Regulations of the City of Lathrop Municipal Code was adopted to set forth uniform requirements for users of the publicly owned treatment works for the City of Lathrop and enables the City to comply with all applicable state and federal laws, including the Clean Water Act (33 United States Code § 1251 et seq.).

The United States Environmental Protection Agency (EPA) has promulgated pretreatment standards under the Clean Water Act to reduce discharge of mercury from dental offices into publicly owned treatment works (POTW) like City of Lathrop's Consolidated Treatment Facility. The final rule requires dental offices to use amalgam separators and two Best Management Practices recommended by the ADA. Nationwide, the EPA expects compliance with this new rule to reduce mercury discharged to POTWs by 5.1 tons as well as 5.3 tons of other metals found in waste dental amalgam.

**CITY MANAGER'S REPORT** **PAGE 2**  
**SEPTEMBER 14, 2020, CITY COUNCIL REGULAR MEETING**  
**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER AN ORDINANCE**  
**ADDING SECTION 13.26.170 DENTAL AMALGAM-MERCURY SOURCE**  
**CONTROL PROGRAM TO CHAPTER 13.26 SEWER USE AND INDUSTRIAL**  
**WASTEWATER REGULATIONS OF THE LATHROP MUNICIPAL CODE**

**REASON FOR RECOMMENDATION:**

Addition of Section 13.26.170 Dental Amalgam-Mercury Source Control Program to update Chapter 13.26 Sewer Use and Industrial Wastewater Regulations is needed to ensure compliance with the new EPA regulations.

**FISCAL IMPACT:**

There are no significant fiscal impacts anticipated for this action other than staff time needed to develop and administer the program.

**ATTACHMENTS:**

- A. An Ordinance of the City Council of the City of Lathrop to Consider an Ordinance Adding Section 13.26.170 Dental Amalgam-Mercury Source Control Program to Chapter 13.26 Sewer Use and Industrial Wastewater Regulations

**CITY MANAGER'S REPORT** **PAGE 3**  
**SEPTEMBER 14, 2020, CITY COUNCIL REGULAR MEETING**  
**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER ADDING SECTION**  
**13.26.170, DENTAL AMALGAM-MERCURY SOURCE CONTROL PROGRAM TO**  
**CHAPTER 13.26 SEWER USE AND INDUSTRIAL WASTEWATER REGULATIONS**  
**OF THE LATHROP MUNICIPAL CODE**

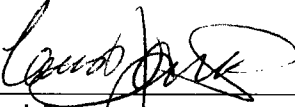
**APPROVALS:**

  
\_\_\_\_\_  
Greg Gibson  
Senior Civil Engineer

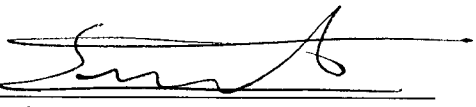
08/27/2020  
Date

  
\_\_\_\_\_  
Michael King  
Director of Public Works


8/27/2020  
Date

  
\_\_\_\_\_  
Cari James  
Finance & Administrative  
Services Director

8/31/2020  
Date

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

8.28.2020  
Date

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

9.8.2020  
Date

**ORDINANCE NO. 20-**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP TO CONSIDER AN ORDINANCE ADDING SECTION 13.26.170 DENTAL AMALGAM-MERCURY SOURCE CONTROL PROGRAM TO CHAPTER 13.26 SEWER USE AND INDUSTRIAL WASTEWATER REGULATIONS**

**WHEREAS**, Chapter 13.26 Sewer Use and Industrial Wastewater Regulations of the City of Lathrop Municipal Code was adopted to set forth uniform requirements for users of the publicly owned treatment works for the City of Lathrop and enables the City to comply with all applicable state and federal laws, including the Clean Water Act (33 United States Code § 1251 et seq.); and

**WHEREAS**, the United States Environmental Protection Agency (EPA) promulgated pretreatment standards under the Clean Water Act to reduce discharge of mercury from dental offices into publicly owned treatment works (POTW) like City of Lathrop’s Consolidated Treatment Facility and the Manteca Water Quality Control Facility; and

**WHEREAS**, the final rule requires dental offices to use amalgam separators and two Best Management Practices recommended by the American Dental Association (ADA); and

**WHEREAS**, nationwide, the EPA expects compliance with this new rule to reduce mercury discharged to POTWs by 5.1 tons as well as 5.3 tons of other metals found in waste dental amalgam; and

**WHEREAS**, the addition of Section 13.26.170 Dental Amalgam-Mercury Source Control Program to update Lathrop’s Chapter 13.26 Sewer Use and Industrial Wastewater Regulations is needed to ensure compliance with the new EPA regulations.

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

Section 1. Section 13.26.170 is added to the Lathrop Municipal Code to read in full as follows:

**13.26.170 Dental amalgam-mercury source control program.**

- A. Best Management Practices. All owners and operators of dental facilities that remove or replace amalgam fillings shall comply with the following best management practices:
  - 1. No person shall rinse chairside traps, vacuum screens, or amalgam separators equipment in a sink or other connection to the sanitary sewer.

2. Owners and operators of dental facilities shall ensure that all staff members who handle amalgam waste are trained in the proper handling, management and disposal of mercury-containing material and fixer-containing solutions, and shall maintain training records that shall be available for inspection by city environmental compliance staff during normal business hours.
3. Amalgam waste shall be stored and managed in accordance with the instructions of the recycler or hauler of such materials.
4. Dental unit water lines, chair-side traps, and vacuum lines that discharge amalgam process wastewater to a POTW must not be cleaned with oxidizing or acidic cleaners, including, but not limited to, bleach, chlorine, iodine and peroxide that have a pH lower than 6 or greater than 8.
5. The use of bulk mercury is prohibited. Only precapsulated dental amalgam is permitted.

B. Amalgam Separators.

1. All existing dental facilities must install, operate, and maintain one or more amalgam separators or amalgam removal devices that meet the following requirements to remove dental amalgam solids from all amalgam process wastewater:

- a. Compliant with either the American National Standard Institute (ANSI), American National Standards/American Dental Association (ADA) Specifications 108 for Amalgam Separators (2009) with Technical Addendum (2011) or the International Organization for Standardization (ISO) 11143 Standard (2008) or subsequent versions so long as that version requires amalgam separators to achieve at least ninety-five percent removal efficiency. Compliance must be assessed by an accredited testing laboratory under ANSI's accreditation program for product certification or a testing laboratory that is a signatory to the International Laboratory Accreditation Cooperation's Mutual Recognition Arrangement. The testing laboratory's scope of accreditation must include ANSI/ADA 108-2009 or ISO 11143.

- b. The amalgam separator must be sized to accommodate the maximum discharge rate of the amalgam process wastewater.

- c. An existing dental facility that operates an amalgam separator(s) that was installed prior to June 14, 2017 satisfies the requirement of this section until the existing separator is replaced or until June 14, 2027, whichever is sooner.

- d. In the event that an amalgam separator is not functioning properly, it must be repaired consistent with manufacturer instructions or replaced with a unit that meets the requirements of subsection (B)(1)(a) of this section as soon as possible, but no later than ten business days after the malfunction is discovered by the owner, operator, agent or representative of the dental facilities.

2. As of July 14, 2017, any newly constructed dental facilities must comply with the requirements of subsection (B)(1)(a), (b) and (d) and the reporting and recordkeeping requirement of subsection C.
  3. Proof of certification and installation records shall be submitted to the city environmental compliance staff within thirty days of installation.
  4. Amalgam separators shall be maintained in accordance with manufacturer recommendations. Installation, certification, and maintenance records shall be available for immediate inspection upon request by the city environmental compliance staff during normal business hours.
- C. Reporting and Record Keeping Requirement.
1. One-Time Compliance Report Deadlines. For existing dental facilities, a one-time compliance report must be submitted to city environmental compliance staff no later than October 12, 2020 or ninety days after a transfer of ownership. For newly constructed dental facilities, a one-time compliance report must be submitted to city environmental compliance staff no later than ninety days following the introduction of wastewater into a POTW.
  2. Signature and Certification. The one-time compliance report must be signed and certified by a responsible corporate officer, a general partner or proprietor if the dental facility is a partnership or sole proprietorship, or a duly authorized representative of the dental facility.
  3. Contents.
    - a. The one-time compliance report for dental facilities that do not place or remove dental amalgam must include the facility name, physical address, mailing address, contact information, name(s) of the operator(s) and owner(s); and a certification statement that states that the facility does not practice the placement of dental amalgam and does not remove amalgam.
    - b. The one-time compliance report for dental facilities subject to the standards of this section must include:
      - i. The facility name, physical address, mailing address, contact information.
      - ii. Name of the operator(s) and owner(s).
      - iii. A description of the operation at the dental facility including: the total number of chairs, the total number of chairs at which dental amalgam may be present and may discharge into the resulting wastewater, and a description of any existing amalgam separator(s) or equivalent device(s) currently operated to include, at a minimum, the make, model and year of installation.
      - iv. Certification that the amalgam separator(s) or equivalent device is designed and will be operated and maintained to meet the requirements specified in subsection B.

v. Certification that the dental facility is implementing BMPs specified in subsection A and will continue to do so.

vi. The name of the third party service provider that maintains the amalgam separator(s) or equivalent device(s) operated at the dental facility, if applicable. Otherwise, a brief description of the practices employed by the facility to ensure proper operation and maintenance in accordance with subsection B.

4. Transfer of Ownership Notification. If a dental facility transfers ownership of the facility, the new owner must submit a new one-time compliance report to the city environmental compliance staff no later than ninety days after the transfer.

5. Retention Period. As long as a dental facility subject to this section in operation, or until ownership is transferred, the dental facility or the dental discharger or an agent or representative of the dental discharger must maintain the one-time compliance report, installation, certification, maintenance and repair, inspection, waste hauling records shall be retained for a minimum of three years and make them available for inspection in either physical or electronic form.

D. Vacuum Suction Systems Exemption. The following types of vacuum suction systems are exempt from requirements listed under subsection B:

1. The system was installed before 2003.
2. The system is a dry vacuum pump system with an air-water separator.
3. The sedimentation tank is non-bottom draining, with a drain above the anticipated maximum level of accumulated sludge.
4. Evidence of the regular pump outs (a minimum of once a year, or more often if either directed by the manufacturer or necessary to keep solids from exiting through the drain) is maintained and open to inspection by the city during normal business hours.
5. The system has no direct discharge pipe to the sewer on the bottom of the sedimentation tank.

Any owner(s) or operator(s) whose dental facilities meet conditions of subsections (D)(1) through (5) may apply for this exemption by written letters to the city environmental compliance staff. The city environmental compliance staff will review the system and, if the exemption is approved, shall provide a written letter of exemption.

Any exemption obtained pursuant to the section shall expire upon installation of a new vacuum system. Upon expiration of the exemption, the facility shall comply with this section before commencing further operation.

E. Exemptions. The following types of dental practices are exempt from this section, provided that the removal or placement of amalgam fillings occurs at the facility no more than three days per year: (1) orthodontics; (2) periodontics; (3) oral and maxillofacial surgery; (4) oral radiology;

(5) oral pathology or oral medicine; (6) endodontistry and prosthodontistry; (7) mobile units.

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 regular meeting of the City Council of the City of Lathrop on the 14<sup>th</sup> day of September 2020, and was **PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Lathrop on the \_\_\_\_\_ day of \_\_\_\_\_ 2020, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

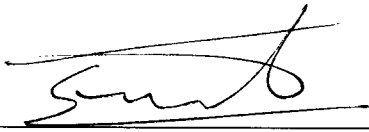
ABSENT:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

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## ITEM 5.4

### CITY MANAGER'S REPORT SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING

**ITEM:** **ADOPTION OF THRESHOLDS OF SIGNIFICANCE AND SCREENING CRITERIA FOR THE PURPOSE OF ANALYZING TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) RELATED TO VEHICLE MILES TRAVELED (VMT).**

**RECOMMENDATION:** **Adopt a Resolution to 1) Find the Action Exempt from the California Environmental Quality Act, 2) Adopt the Proposed Thresholds of Significance and Screening Criteria for the Purpose of Analyzing Transportation Impacts Under CEQA Related to Vehicle Miles Traveled, and 3) Find that the Previous Thresholds of Significance Regarding Level of Service Shall Continue for the Purpose of Reviewing Non-CEQA Related Impacts for Discretionary Planning Approvals in Accordance with the General Plan.**

---

#### **SUMMARY:**

Changes in state law require the City to adopt new CEQA thresholds of significance for transportation impacts. Specifically, the City is required to use Vehicle Miles Travelled ("VMT") instead of Level of Service ("LOS") as the metric to evaluate transportation impacts in all future Environmental Impact Reports and Initial Studies. Outside of the CEQA process, the City can choose to maintain the LOS metric to determine localized roadway impacts. Based on guidance provided by the Governor's Office of Planning and Research ("OPR"), City staff has prepared new VMT transportation impact thresholds for consideration by the Planning Commission and City Council.

This report summarizes the state mandate that requires modifying the CEQA thresholds, discusses the City staff recommendations, and includes a Resolution for City Council to adopt the new transportation thresholds in accordance with State law.

#### **BACKGROUND:**

On September 27, 2013, Governor Jerry Brown signed Senate Bill 743 ("SB 743") into law and started a process intended to fundamentally change how transportation impact analysis is conducted as part of the CEQA review of projects. SB 743 replaces LOS as the basis for determining transportation impacts under CEQA with VMT.

**CITY MANAGERS REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
VMT THRESHOLDS AND SCREENING CRITERIA**

**PAGE 2**

The state shifted the focus of CEQA traffic analysis from measuring a project's impact on automobile delay and congestion (LOS) to measuring the amount and distance of automobile travel attributed to a project (VMT). The State's goal for changing the metric used to determine a significant transportation impact is to encourage land use and transportation decisions that reduce greenhouse gas emissions, encourage infill development, and improve public health through active transportation. Active transportation is any self-propelled, human-powered mode of transportation, such as walking or bicycling.

Caltrans Review

Staff referred the proposed VMT Thresholds and Screening Criteria to the California Department of Transportation ("Caltrans") for review and comment. On August 26, 2020, the City received a letter from Mr. Tom Dumas, Chief of Caltrans Office of Metropolitan Planning, stating that 1) Caltrans commends the City on the proposed VMT Thresholds, 2) that the proposed standards appear to follow the guidance of the Office of Planning and Research (OPR), and 3) that Caltrans looks forward to working closely with the City, on all future development projects and General Plan Amendments. The Caltrans letter is attached to this Staff Report as Attachment #4.

At their special meeting of August 26, 2020, the Planning Commission voted unanimously (5-0), to recommend the City Council approve a Resolution to adopt the proposed VMT Thresholds of Significance and Screening criteria. Attached is the Planning Commission Resolution No. 20-8 for reference (Attachment #5).

**ANALYSIS:**

The California Environmental Quality Act Guidelines ("CEQA Guidelines") encourages public agencies to develop and publish generally applicable "thresholds of significance" to be used in determining the significance of a project's environmental effects. CEQA Guidelines section 15064.7(a) defines a threshold of significance as an identifiable quantitative, qualitative or performance level of a particular environmental effect. Exceeding the threshold means the effect will be determined to be significant. Conversely, not exceeding the thresholds will be determined to be less than significant.

CEQA establishes four categories of environmental impacts:

1. No impact
2. Less than significant impact
3. Less than significant impact with the adoption of mitigation measures (a way of reducing an impact's effect)
4. Significant unavoidable impacts

Existing Traffic Thresholds Metrics (LOS)

Historically, the focus of most traffic analysis is on a project's impact on nearby intersections and roadway segments. This analysis compares how the existing intersection or roadway segment functions in comparison to how it will function when the project is complete. At the heart of this analysis, is how an intersection or street segment should function.

To analyze this, engineers look at the intersections and roadway segments level of service (LOS). LOS, in its simplest form, is a ratio of an intersection's or roadway segment's volume to its capacity. If the volume of traffic exceeds the intersection's capacity, one would expect to find traffic delays. If the capacity exceeds volume, one expects to find an absence of congestion.

The City's existing thresholds of significance develop a sensitive approach to traffic planning so that streets with different purposes, functions, and geometrics (number of lanes and proximity to freeway interchanges) have different thresholds. Staff still believes that this approach is valid. While it can no longer be used for CEQA, the City can continue to use these thresholds outside of the CEQA process as an enforceable policy. Therefore, staff is recommending that these existing LOS thresholds be adopted as an official policy by the City Council.

While SB 743 changes the focus of traffic analysis to reducing VMT, it also does not prohibit cities from continuing maintain to LOS standards for infrastructure planning purposes. SB 743 reorients CEQA away from traffic congestion and toward the negative environmental effects of automobile trips (air pollution and greenhouse gas emissions) thus refocusing CEQA on the environment.

Adopting a New Metric Traffic VMT Threshold

In 2018, the Governor's Office of Planning and Research ("OPR") proposed, and the California Natural Resources Agency adopted, CEQA Guidelines section 15064.3 that identifies VMT—meaning the amount and distance of automobile travel attributable to a project—as the most appropriate metric to evaluate a project's transportation impacts under CEQA Section 15064.3 became effective on July 1, 2020.

As a result, OPR has determined that automobile delay, as measured by "level of service" and other similar metrics, is no longer an appropriate metric for evaluating a project's environmental impacts under CEQA.

OPR issued a *Technical Advisory on Evaluating Transportation Impacts*, dated December 2018, a copy of which can be viewed at the following website ([http://opr.ca.gov/docs/20190122-743\\_Technical\\_Advisory.pdf](http://opr.ca.gov/docs/20190122-743_Technical_Advisory.pdf)).

The Technical Advisory recommended a nonbinding VMT threshold that is 15% below that of existing development for residential and office projects, a VMT threshold of no net increase in VMT for retail projects, and "screening thresholds" that help identify projects that are expected to cause a less-than-significant impact without the need for conducting a detailed study.

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Pursuant to CEQA Guidelines section 15064.7(c), when adopting thresholds of significance, a public agency may consider thresholds of significance adopted or recommended by other public agencies provided that the decision of the agency is supported by substantial evidence.

The City’s contract Traffic Consultant, Fehr & Peers, has evaluated the benefits of adopting the VMT thresholds of significance analysis in a memorandum attached hereto as Attachment #2. Fehr & Peers further finds that in order to align the City with SB 743, it is recommended that the City should adopt the following set of VMT thresholds and screening criteria that are consistent with OPR’s recommendations, as shown in the following table and attached hereto as Attachment #3:

<b>Project Type</b>	<b>Thresholds</b>
Residential Project	A proposed project exceeding a level of 15 percent below existing (baseline) city-wide VMT per household or per resident would indicate a significant transportation impact.
Office Project	A proposed project exceeding a level of 15 percent below existing (baseline) city-wide VMT per employee would indicate a significant transportation impact.
Retail Project	A proposed project resulting in a net increase in existing (baseline) city-wide VMT per employee would indicate a significant transportation impact. This metric reflects the nature of most local-serving retail to distribute existing vehicle trips, rather than generate or induce new vehicle trips and would apply to retail and food projects.
Mixed-Use Project	The City will apply the above applicable residential, office, or retail thresholds for mixed-use projects. Each of the primary land uses would be evaluated independently by applying the relevant threshold above.
<p>Note: Baseline VMT is defined as the average VMT per project type for the City of Lathrop under Baseline Year 2020 conditions using the City of Lathrop Travel Demand Model.</p>	

Impact on Existing Projects / Approved Projects

A VMT Analysis may be conducted if an existing approved project is modified. The VMT analysis will be completed for both the existing and proposed project. Because the project already received CEQA approval, the threshold would be limited in scope to ensure the changed project did not create impacts greater than the already approved project. Therefore, a net increase in VMT per household, VMT per capita, or VMT per employee for any applicable project type (residential, office, retail, or mixed-use) would indicate a significant transportation impact from the proposed change.

Screening

The OPR *Technical Advisory* includes suggested methods for screening projects to quickly identify when a project should be expected to cause a less than significant VMT impact without conducting a detailed VMT analysis. The OPR *Technical Advisory* suggests that lead agencies may screen out VMT impacts for small projects, residential and office projects located in low-VMT areas, projects located in proximity to a major transit stop, affordable housing developments, local-serving retail projects of less than 50,000 square feet, and transportation projects that would not result in an increase to vehicle capacity. Since major land use plans affect a larger area and serve as the basis for environmental analysis of future projects, all major land use plans (including the General Plan, Precise Plans, and Specific Plans) should conduct a quantitative VMT analysis.

In summary, Fehr and Peers recommends that the City of Lathrop use the Screening Process to determine if a proposed project in the following categories is expected to cause a less than significant VMT impact without conducting a detailed VMT analysis:

- Small Projects;
- Projects Located in Low VMT Areas;
- Projects in Proximity to a Major Transit Stop;
- Affordable Housing;
- Local Serving Retail; and
- Transportation Projects.

A description of each Screening Criteria is attached to this Staff Report as Attachment #2 and #3.

**CEQA REVIEW:**

The adoption of new local CEQA thresholds of significance for transportation impacts and the adoption of new Local Transportation Assessment Guidelines will not have a significant environmental impact and are exempt from CEQA pursuant to Section 15308 of Title 14 of the California Code of Regulations because the two actions are undertaken by the City for the protection of the environment. The revised CEQA thresholds will be compliant with a State mandate (SB 743) and will be used in a regulatory process (CEQA process) that involves procedures for the protection of the environment.

**RECOMMENDATION:**

The Planning Commission and staff recommend that the City Council consider all information provided and submitted, take and consider all public testimony and, if determined to be appropriate, adopt a resolution to 1) Find the Action Exempt from the California Environmental Quality Act, 2) Adopt the Proposed Thresholds of Significance and Screening Criteria for the Purpose of Analyzing Transportation Impacts Under CEQA Related to Vehicle Miles Traveled, and 3) Find that the Previous Thresholds of Significance Regarding Level of Service Shall Continue for the Purpose of Reviewing Non-CEQA Related Impacts for Discretionary Planning Approvals in Accordance with the General Plan.

**FISCAL IMPACT:**

There is no fiscal impact to the City of Lathrop, only staff time to prepare the report.


**ATTACHMENTS:**

1. City Council Resolution
2. Summary for SB 743 Implementation for the City of Lathrop, CA, prepared by Fehr and Peers, dated August 19, 2020
3. VMT Thresholds and Screening Criteria
4. Caltrans Letter, dated August 26, 2020
5. Planning Commission Resolution No. 20-8

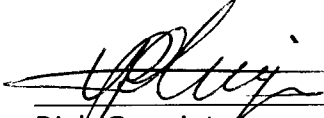


**CITY MANAGERS REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
VMT THRESHOLDS AND SCREENING CRITERIA**

**APPROVALS:**

  
\_\_\_\_\_  
John B. Anderson  
Contract Planner

9/2/2020  
Date

  
\_\_\_\_\_  
Rick Caguiat  
Principal Planner


9/2/2020  
Date

*for*   
\_\_\_\_\_  
Mark Meissner  
Community Development Director

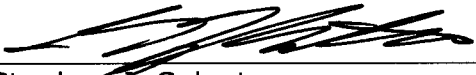
9/2/2020  
Date

  
\_\_\_\_\_  
Glenn Gebhardt  
City Engineer

9/2/2020  
Date

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

9-2-2020  
Date

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

9.8.2020  
Date

**RESOLUTION NO. 20 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO FIND THE ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA"), ADOPT THE PROPOSED THRESHOLDS OF SIGNIFICANCE AND SCREENING CRITERIA FOR THE PURPOSE OF ANALYZING TRANSPORTATION IMPACTS UNDER CEQA RELATED TO VEHICLE MILES TRAVELED ("VMT") AND FIND THAT THE PREVIOUS THRESHOLDS REGARDING LEVEL OF SERVICE SHALL CONTINUE FOR THE PURPOSE OF REVIEWING NON-CEQA RELATED IMPACTS FOR DISCRETIONARY PLANNING APPROVALS IN ACCORDANCE WITH THE GENERAL PLAN**

**WHEREAS**, the California Environmental Quality Act Guidelines ("CEQA Guidelines") encourage public agencies to develop and publish generally applicable "thresholds of significance" to be used in determining the significance of a project's environmental effects; and

**WHEREAS**, CEQA Guidelines section 15064.7(a) defines a threshold of significance as "an identifiable quantitative, qualitative or performance level of a particular environmental effect, noncompliance with which means the effect will normally be determined to be significant by the agency and compliance with which means the effect normally will be determined to be less than significant"; and

**WHEREAS**, CEQA Guidelines section 15064.7(b) requires that thresholds of significance adopted for general use as part of a lead agency's environmental review process to be adopted by ordinance, resolution, rule, or regulations, developed through a public review process, and be supported by substantial evidence; and

**WHEREAS**, pursuant to CEQA Guidelines section 15064.7(c), when adopting thresholds of significance, a public agency may consider thresholds of significance adopted or recommended by other public agencies provided that the decision of the agency is supported by substantial evidence; and

**WHEREAS**, Senate Bill ("SB") 743, enacted in 2013 and codified in Public Resources Code section 21099, required changes to the CEQA Guidelines regarding the criteria for determining the significance of transportation impacts of projects; and

**WHEREAS**, in 2018, the Governor's Office of Planning and Research ("OPR") proposed, and the California Natural Resources Agency adopted, CEQA Guidelines section 15064.3 that identifies vehicle miles traveled ("VMT")—meaning the amount and distance of automobile travel attributable to a project—as the most appropriate metric to evaluate a project's transportation impacts under CEQA; and

**WHEREAS**, as a result, OPR has determined that automobile delay, as measured by "level of service" and other similar metrics, is no longer an appropriate metric for evaluating a project's environmental impacts under CEQA; and

**WHEREAS**, OPR issued a *Technical Advisory on Evaluating Transportation Impacts*, dated December 2018, OPR recommended a nonbinding VMT threshold that is 15% below that of existing development for residential and office projects, a VMT threshold of no net increase in VMT for retail projects, and a “screening process” that help identify projects that are expected to cause a less-than-significant impact without the need for conducting a detailed study; and

**WHEREAS**, CEQA Guidelines section 15064.3 became effective on July 1, 2020; and

**WHEREAS**, a local agency’s choice of a significance threshold requires careful judgment and must be supported by substantial evidence. (*Mission Bay Alliance v. Office of Community Investment & Infrastructure* (2016) 6 Cal.App.5th 160, 206; see also CEQA Guidelines, § 15064(b)(1).)

**WHEREAS**, the City’s contract Traffic Engineer, Fehr & Peers, has evaluated the benefits of adopting the VMT thresholds of significance in a memorandum listed as Attachment “2” of the September 14, 2020, Staff Report and incorporated by reference herein (the “City of Lathrop VMT Thresholds of Significance”). Fehr & Peers further finds that that previous thresholds regarding levels of service shall be continued for purposes of reviewing non-CEQA related impacts for discretionary planning approvals in accordance with the General Plan; and

**WHEREAS**, on August 26, 2020, at a duly noticed public meeting, the Planning Commission considered Staff’s presentation and reviewed the Summary for SB 743 Implementation for the City of Lathrop, CA, and the recommended VMT Thresholds and Screening Criteria listed as Attachments “2” and “3”, respectively, of the September 14, 2020, Staff Report and incorporated by reference herein and recommended that the City Council adopt these VMT thresholds of significance for land use projects.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Lathrop as follows:

**Section 1.** The City Council hereby finds the foregoing recitals true and correct.

**Section 2.** The City of Lathrop hereby adopts the VMT thresholds of significance and Screening Criteria (“VMT Thresholds and Screening Criteria”) recommended by the OPR Technical Advisory to use in identifying projects expected to cause a less-than-significant impact without requiring a detailed environmental study, listed as Attachment 3 of the September 14, 2020, Staff Report and incorporated by reference herein the Summary for SB 743 Implementation for the City of Lathrop, CA prepared by Fehr and Peers, dated August 19, 2020, listed as Attachment 2 of the September 14, 2020 Staff Report and incorporated by reference herein.

**Section 3.** The City Council has reviewed and considered the information contained in the VMT Thresholds and Screening Criteria listed as Attachments 3 of the September 14, 2020, Staff Report. In accordance with CEQA, the City Council has determined that the adoption of the VMT Thresholds and Screening Criteria, which are actions consistent with SB 743, will not result in a direct or reasonably foreseeable indirect physical change in the environment, and thus the thresholds are not subject to CEQA. (14 Cal. Code Regs., § 15378(a).) In addition, the adoption of the VMT Thresholds and Screening Criteria is not a “project” within the meaning of CEQA, pursuant to Section 15378(b)(5) of the CEQA Guidelines, and constitutes an action involving procedures for the protection of the environment which is categorically exempt from CEQA pursuant to Section 15308 of the CEQA Guidelines. Finally, if the adoption of the VMT Thresholds and Screening Criteria is determined to be subject to CEQA, it is exempt therefrom because it can be seen with certainty that the thresholds will have a significant effect on the environment. (14 Cal. Code Regs., § 15061(b)(3).)

**Section 4.** The City Council of the City of Lathrop hereby finds the VMT Thresholds and Screening Criteria were developed through a public review process, and are supported by substantial evidence, as required by CEQA Guidelines section 15064.7.

**Section 5.** The City Council of the City of Lathrop further finds that the use of level of service thresholds shall be utilized in the review of non-CEQA related impacts for discretionary planning applications in accordance with the General Plan, separate and distinct from the VMT Thresholds described herein.

**PASSED AND ADOPTED** by the City Council of the City of Lathrop this 14<sup>th</sup> day of September, 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

ATTEST:

APPROVED AS TO FORM:

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

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

# Attachment 2

Date: August 19, 2020  
 To: Glenn Gebhardt and Mark Meissner, City of Lathrop, CA  
 From: Fred Choa and Rodney Brown, Fehr & Peers  
 Subject: **Summary for SB 743 Implementation for the City of Lathrop, CA –  
 for Resolution No. 20-\_\_**

5/20/2021

This memorandum summarizes the key decisions and recommendations that are required for implementation of Senate Bill (SB) 743 within the City of Lathrop. SB 743 eliminates the use of automobile delay, Level of Service (LOS) from the California Environmental Quality Act (CEQA) environmental review process and the determination of CEQA transportation impacts. The new metric required by the CEQA Guidelines is Vehicle-Miles Traveled (VMT). The shift from automobile delay to VMT changes the focus of transportation impact analysis in CEQA from measuring impacts *to* drivers, to measuring the impact *of* driving.

SB 743 took full effect on July 1, 2020, and now requires all transportation impact analysis for CEQA to rely on VMT. CEQA Statute Section 21099(b)(2) states that upon certification of the 2018 CEQA Guidelines, LOS shall not be considered a significant impact on the environment. CEQA transportation studies should continue to evaluate the effect of a project on transit, pedestrian, and bicycle service or facilities as well as safety.

It should be noted that the City of Lathrop will continue to use Level of Service in the analysis of AM and PM Peak Hour Conditions to determine improvements for the Capital Facilities Fee and Capital Improvement Program.

As described in this memorandum, SB 743 has ramifications for a range of City processes, including but not limited to the CEQA process, the entitlements review process, and traffic impact fees.



## Key Decisions for SB 743 Implementation

Changing the metric used to determine significant transportation impacts requires the City to provide guidance to project sponsors and environmental consultants on the following items:

- **Metrics**, or how VMT is presented;
- **Screening**, or determining which projects require quantitative or qualitative VMT analysis;
- **Methods**, or how VMT will be calculated;
- **Thresholds**, or how much VMT is determined to have a significant impact on the environment; and,
- **Mitigation Options**, or how project sponsors can address significant VMT impacts related to their projects.

### **Metrics**

*The City of Lathrop may assess projects based on a preferred form of the VMT metric. There are two options for measuring VMT (project generated VMT and the project's effect on VMT) and several options for reporting VMT, including total VMT or VMT as an efficiency metric (such as VMT per household or resident).*

There are two primary metrics for measuring VMT of a given project or geographic area: project-generated VMT, or the total amount of travel to and from the project, and the project's effect on VMT, or the way a project changes travel in a selected geographic area. A more detailed description of each metric is provided below.

**Project-generated VMT** measures the amount of all vehicle type travel generated by a project (i.e., number of vehicle trips multiplied by their corresponding trip lengths). This is the VMT metric that is currently calculated for land use projects as a key input to CEQA air quality, greenhouse gas (GHG), and energy assessments. This VMT metric will be measured to determine transportation impacts for certain land use types such as residential and office uses, as well as provide inputs to a project's air quality, GHG, and energy assessments.

**Project's effect on VMT** is measured by comparing all VMT on roadways within a selected geographic area for scenarios without and with a project or plan. VMT is forecasted using a travel demand model and provides a more complete evaluation of the potential effects of certain land use projects because it captures the combined effect of new VMT, shifting of existing VMT to/from other neighborhoods, and/or shifting of existing VMT to alternate travel routes or travel modes. Project effect on VMT would be evaluated for retail uses and large development projects that would result in a significant change in the city's jobs-housing balance.



It would be evaluated to measure potential VMT impacts for transportation projects that add roadway capacity or induce demand when adding capacity to the transportation system. It is also the approach that would be used where a cumulative analysis of VMT is required, likely for office or regional-serving retail / commercial uses. This metric measures the effect a project would have on the way all people travel in a selected geographic area (i.e., either a citywide, countywide, or regional scale). It can also provide an indication of whether there would be a net increase or net decrease in VMT if a land use project were built in a different location.

There are also several ways to report VMT. New land use projects accommodate population and employment growth; this growth generates new VMT (e.g., a new office building resulting from a land use rezone will generate new vehicle trips and VMT). Whether a project contributes to a more efficient land use pattern (i.e., one that requires less vehicle travel compared to similar land uses) can be determined by using a VMT efficiency metric. Efficiency metrics express this total increase in VMT relative to the increase in residents and employees (VMT per household or per resident, or VMT per worker). Total project generated VMT as a stand-alone metric tends to be more relevant as an input to air quality, GHG, and energy consumption impact analysis.

**It is recommended that the City of Lathrop use total project generated VMT using the City of Lathrop Travel Demand Model.**

VMT efficiency metrics can be further disaggregated into specific types of VMT and populations, such as considering only the VMT generated by residents making trips to and from home. Each of the VMT efficiency metrics listed below addresses a slightly different question in terms of impact analysis.

**Home-based VMT per household** reflects how close households are to complimentary destinations (jobs, shopping, schools, etc.), as well as the available transportation options and demographics of the household (i.e. single family, multi-family, or age restricted dwelling units). Because the trip type is specific to residents, it helps compare residential projects across different locations.

*Answers the question: Do people living here drive more or less on average compared to other places?*

**Home-based work VMT per employee** reflects how close a workplace is to places where employees live. Because the trip type is specific to work trips, it helps compare office or other employment projects across different locations.

*Answers the question: Do people working here drive more or less during their commutes compared to workers in other places?*





For most single-use projects (residential, office and retail), using one of the VMT efficiency metrics (home-based trips per resident, for example) described above is the simplest way to analyze the VMT generated by a project for screening purposes. This is also the metric recommended by the Office of Planning and Research (OPR) in its *Technical Advisory*.<sup>1</sup>

***It is recommended that the City of Lathrop use the following VMT efficiency metrics:***

- ***Residential VMT Per Household or Per Resident;***
- ***Office VMT Per Employee***
- ***Retail VMT Per Employee***
- ***Industrial VMT Per Employee***

### **Screening**

*Office of Planning and Research (OPR) recommends a screening process for project types known to be low VMT generators. The City of Lathrop may choose to screen projects based on one or more of the OPR criteria described in more detail below, requiring only a qualitative discussion in the CEQA document. This screening approach would enable project streamlining by eliminating the need to prepare a quantitative VMT analysis for low VMT-generating projects that meet the screening criteria. This is most appropriate for projects that are consistent with the Comprehensive Plan and/or those that would reduce VMT based on their characteristics. As with all CEQA screening, an impact presumption of less-than-significant should be based on substantial evidence for the project.*

The OPR *Technical Advisory* includes suggested methods for screening projects to quickly identify when a project should be expected to cause a less than significant VMT impact without conducting a detailed VMT analysis. The OPR *Technical Advisory* suggests that lead agencies may screen out VMT impacts for small projects, residential and office projects located in low-VMT areas, projects located in proximity to a major transit stop, affordable housing developments, local-serving retail projects of less than 50,000 square feet, and transportation projects that would not result in an increase to vehicle capacity. Since land use plans affect a larger area and serve as the basis for environmental analysis of future projects, all land use plans (including the Comprehensive Plan, Precise Plans, and Specific Plans) should conduct a quantitative VMT analysis and not utilize screening.

<sup>1</sup> [http://opr.ca.gov/docs/20190122-743\\_Technical\\_Advisory.pdf](http://opr.ca.gov/docs/20190122-743_Technical_Advisory.pdf)



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### **Screening for Small Projects**

The City of Lathrop may choose to screen projects that generate or attract fewer than 110 trips per day. Based on research for small project triggers, this may equate to nonresidential (e.g., office) projects of 10,000 square feet or less and residential projects of 20 units or less.

### **Screening for Projects Located in Low-VMT Areas**

The City of Lathrop may choose to screen residential and office projects located in low-VMT areas that incorporate similar features to the nearby developments (i.e., density, mix of uses, and transit accessibility) on the basis that the project will exhibit similarly low VMT. This screening metric for projects within Low-VMT Areas would be completed as part of the General Plan Update.

### **Screening for Projects in Proximity to a Major Transit Stop**

The City of Lathrop may choose to screen projects that are located within a half mile of an existing or planned high-quality transit corridor or major transit station. Proximity to transit is explicitly listed in the CEQA Guidelines as a reason to presume a project has no significant impacts based on VMT. In Lathrop, this includes the existing Lathrop ACE station, the future Valley Link station, and at stops for bus routes with headways of 15 minutes or less.

The OPR *Technical Advisory* notes that a presumption of less than significant should not be applied, and a VMT analysis should be performed, if the project:

- Has a Floor Area Ratio (FAR) of less than 0.75;
- Includes more parking than required by the City of Lathrop;
- Is inconsistent with SJCPG RTP / SCS; and
- Replaces affordable residential units with a smaller number of moderate- or high-income residential units.

If any of the above conditions apply, a detailed VMT analysis should be conducted to determine whether the project exceeds the VMT thresholds.

### **Screening for Affordable Housing**

The City of Lathrop may choose to screen residential projects containing a particular amount of affordable housing (based on local circumstances and substantial evidence as determined by the City) on the basis that affordable housing generates less VMT than market-rate housing. Affordable housing located within infill locations generally improves jobs-housing balance and may thus result in shorter commutes for low-income workers.



### **Screening for Local-Serving Retail**

The City of Lathrop may choose to screen local-serving retail projects of less than 50,000 square feet, on the basis that they attract trips that would otherwise travel longer distances. Staff would evaluate both the project characteristics and the context of the project location to decide as to whether a given retail project is local serving. Regional-serving retail projects would not be subject to screening.

### **Screening for Transportation Projects**

The City of Lathrop may choose to screen transit projects, bicycle and pedestrian projects, and roadway projects that do not result in an increase in vehicle capacity or VMT.

***It is recommended that the City of Lathrop use the Screening Process to determine if a proposed project should be expected to cause a less than significant VMT impact without conducting a detailed VMT analysis:***

- ***Small Projects;***
- ***Projects Located in Low VMT Areas;***
- ***Projects in Proximity to a Major Transit Stop;***
- ***Affordable Housing;***
- ***Local Serving Retail; and***
- ***Transportation Projects.***



## Methods

*The City of Lathrop has discretion to select its preferred method for calculating VMT. The method used for setting VMT impact thresholds must be the same method used for project impact analysis.*

CEQA requires environmental analyses to reflect a “good faith effort at full disclosure.” Lead agencies should not truncate any VMT analysis because of jurisdictional or other boundaries, for example, by failing to count the portion of a trip that falls outside the jurisdiction or by discounting the VMT from a trip that crosses a jurisdictional boundary. Thus, where methodologies exist that can estimate the full extent of vehicle travel from a project, CEQA specifies that a lead agency should apply them to do so. The following describes both a screening methodology and a quantitative VMT evaluation method.

The City of Lathrop Travel Demand Model was developed from the San Joaquin Council of Governments (SJCOG) Travel Demand Model with additional detail added for both land use and transportation network. It should be used to calculate the VMT metrics described above. This would consist of calculating total project-generated VMT, total Citywide VMT, and VMT per employee/resident/service population for model scenarios with and without the project.

Potential impacts could be assessed based on both efficiency metrics (e.g., home-based VMT per resident) as well as the project’s effect on VMT (the total change between no project and plus project scenarios). VMT reported by the model has already been adjusted to account for VMT that extends beyond the model limits. These adjustments include adding an average trip length for vehicle trips leaving the model area based on data from the SJCOG Travel Demand Model and the California Household Travel Survey.

Mixed-use projects should be analyzed using the City of Lathrop Travel Demand Model to assess the project’s effect on VMT and report home-based VMT per resident and home-based work VMT per employee for residential and office and warehousing / industrial components, respectively. Home-based VMT per resident may also be useful for other uses with similar travel characteristics, such as hotels. Home-based work VMT per employee may be useful for other uses similar to employment, such as K-12 schools (faculty and students) and universities.

Based on guidance in the OPR *Technical Advisory*, retail projects should be assessed based on the project’s effect on VMT.

***It is recommended that Year 2020 City of Lathrop Travel Demand Model be used to determine existing (baseline) city-wide VMT for Residential, Office, Retail, and Industrial land uses. The General Plan Travel Demand Model will be used to determine VMT significant transportation impacts.***



## Thresholds

OPR's technical advisory document recommends thresholds that vary by project and land use type. The thresholds are generally based on applying total VMT or VMT efficiency metrics. The City of Lathrop has discretion to set its own VMT impact thresholds for land use and transportation projects. A key question that must be addressed as part of choosing this threshold is whether the City's expectations for VMT reduction align with state goals. State goals are tied directly to GHG reduction goals, which may or may not be shared with the City. Since thresholds must be supported by substantial evidence, the City will need to carefully review state guidance from OPR and California Air Resources Board (CARB) about VMT thresholds before making a determination. Further, the Caltrans endorsement of the OPR thresholds is likely to establish the expectation that a state threshold has been set for land use projects that add VMT to the state highway system.

The CEQA Guidelines encourage local jurisdictions to adopt significance thresholds intended for general use by resolution or ordinance as part of a public process. Lead agencies also have the option to establish thresholds on a project-by-project basis.

The City of Lathrop will need to identify VMT impact thresholds for land use projects, land use plans, and transportation projects. Adopting these thresholds through a public process improves transparency and can be used to help educate the public and project applicants about the City's expectations.

VMT goals that the City sets should be consistent with other adopted plans. Adopting a VMT threshold is a discretionary action and should be reviewed and potentially refined with the General Plan 2040 Update that is currently underway. VMT reduction is often a part of policies related to reducing air quality impacts, reducing greenhouse gas emissions, or improving energy efficiency. The City should also reconcile how its adopted VMT threshold would contribute to state goals for GHG reduction and discuss how it is helping to meet these goals in the General Plan 2040 Update.

Any CEQA impact threshold should be supported by substantial evidence, which in turn should consist of facts and reasonable assumptions based on facts. Regardless of the specific threshold the City selects, Lathrop will still need to consider other substantial evidence related to VMT impacts when analyzing specific projects and making determinations of VMT impact significance.<sup>2</sup>

<sup>2</sup> [https://ww2.arb.ca.gov/sites/default/files/2018-11/Final2018Report\\_SB150\\_112618\\_02\\_Report.pdf](https://ww2.arb.ca.gov/sites/default/files/2018-11/Final2018Report_SB150_112618_02_Report.pdf)



*Thresholds – Land Use Projects and Plans*

The state's guidance on thresholds is presented in the OPR *Technical Advisory* and the CARB *California Air Resources Board 2017 Scoping Plan – Identified VMT Reductions and Relationship to State Climate Goals*. The OPR threshold generally requires land use projects to achieve a VMT reduction of 15 percent below the city or regional (e.g., San Joaquin County) baseline average depending on the type of land use and vehicle type (passenger vehicles, passenger SUV's / trucks, and light duty trucks). The CARB analysis indicates that this threshold would need to be 16.8 percent for automobile only VMT, using a baseline of 2015-2018 to achieve state GHG reduction goals.

For residential and office projects, OPR indicates that a "per capita or per employee VMT that is 15 percent below that of existing development may be a reasonable threshold." This overarching goal is consistent with SJCOG's Regional Transportation Plan / Sustainable Communities Strategy (RTP/SCS), which includes several goals and policies that strive to reduce GHG emissions and air quality impacts, reduce single-occupancy vehicle use, and encourage multi-modal transportation

***In order to align the City with SB 743, it is recommended that the City should adopt the following initial set of VMT thresholds that are consistent with OPR's recommendations and update those thresholds later as needed. For individual land use projects, this would mean the following:***

- ***Residential projects – A proposed project exceeding a level of 15 percent below existing (baseline) city-wide VMT per household or per resident would indicate a significant transportation impact.***
- ***Office projects – A proposed project exceeding a level of 15 percent below existing (baseline) city-wide VMT per employee would indicate a significant transportation impact.***
- ***Retail projects – A proposed project resulting in a net increase in existing city-wide VMT by employee would indicate a significant transportation impact. This metric reflects the nature of most local-serving retail to distribute existing vehicle trips, rather than generate or induce new vehicle trips and would apply to retail and food projects.***
- ***Mixed-use projects – The City will apply the above residential, office, or retail thresholds for mixed-use projects. Each of the primary land uses would be evaluated independently by applying the relevant threshold above.***



***In addition, it is recommended that for projects that have been approved prior to the adoption of this resolution, and changes to the project description are proposed, then a VMT analysis will be completed. The VMT analysis will be completed for both the approved project and the proposed project. A net increase in VMT per household, VMT per capita, VMT per employee for any applicable project type (residential, office, retail, or mixed-use) would indicate significant transportation impact.***

When applying the above thresholds, project's VMT is compared to a baseline citywide VMT value for a land use type. The baseline VMT represents existing conditions and estimated changes over time. As VMT assessments are conducted over the coming years, the VMT baseline values will be updated with the analysis of the Comprehensive General Plan Update and Data from the 2020 Census.

One other agency threshold to consider is Caltrans. The Local Development-Intergovernmental Review (LD-IGR) Branch at Caltrans has responsibility to reduce potential adverse impacts of local development on the state transportation system. As part of its responsibilities, each district branch performs reviews of CEQA environmental documents for local land use projects. These reviews include providing expectations for transportation impact analysis such as metrics and thresholds.

(<https://dot.ca.gov/programs/transportation-planning/office-of-smart-mobility-climate-change/local-development-intergovernmental-review>)

Caltrans released a *VMT-Focused Transportation Impact Study Guide* (February 28, 2020) that recommends use of the OPR thresholds for land use projects and plans. This guidance refers to the OPR thresholds and identifies the use of the 15.0 percent threshold value. The Caltrans Guide also mentions that Caltrans may request additional analysis for transportation projects; standards for those projects are discussed in the section below.

Each of the thresholds above uses a nexus between VMT and GHG to establish substantial evidence. However, future court decisions may indicate that VMT as a metric may be more analogous to prior LOS analysis (i.e., allowing communities to determine what level of VMT change would result in effects that the *community* finds to be significant, including effects such as increased traffic and noise). If VMT thresholds are treated more like LOS thresholds, then lead agencies would have a similar level of discretion to establish thresholds based on context (i.e., sensitivity to the amount of vehicle travel). Past practice allowed lead agencies to set LOS thresholds based largely on the local community's sensitivity to travel delay. For example, rural areas that were more sensitive were allowed to establish LOS thresholds that equated to lower levels of delay. Using this analogy, a lead agency could set VMT thresholds based on a community's sensitivity to the amount of vehicle travel or its associated effects. However, the courts may find that VMT is more analogous to air pollution, with specific thresholds based on more absolute standards.



## Mitigation

Trip reduction measures or changes in project land use mix or density are two of the most common strategies for reducing significant VMT impacts at the project site. Longer-term options include program-based approaches such as adopting VMT impact fees, developing a mitigation exchange, or using a mitigation bank. Program-based approaches rely on VMT reduction as the essential nexus and offer the ability to mitigate off-site. Use of transportation demand management (TDM) strategies for mitigation requires monitoring because effectiveness depends on building tenant performance.

**Based on the results of the VMT analysis, it is recommended that the primary methods of mitigating a VMT impact are to either change the project or implement a program designed to reduce VMT, such as a TDM program. SJCOC has identified a list of potential VMT mitigation categories.**

- **Change the project land use mix or density;**
- **Implement on-site or off-site capital improvements for transit, bicycle, or pedestrian travel;**
- **Implement a Transportation Demand Management (TDM) program;**
- **Provide public transit service;**
- **Provide on-site amenities (lockers, e-bikes, etc.) to reduce vehicle trips during the workday; and**
- **Provide carpool and/or vanpool incentive programs.**

Project changes may include incorporating a mix of land uses or increasing a project's density. Reduced vehicle parking supply, often in combination with providing increased bicycle parking, can have a substantial effect on reducing vehicle travel or VMT. TDM measures include telecommuting, transit subsidies and/or shuttles, parking strategies to discourage automobile trips (e.g., unbundled parking, paid parking, etc.), promotional programs and incentives (e.g., hosting Bike to Work day or providing transit vouchers), subsidies for commuters using transit or carpooling, and facilities for bicyclists and pedestrians. The TDM programs may be implemented on a project-by-project basis or through a citywide or countywide program, potentially funded by a future VMT impact fee.





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## Considerations for Future General Plan Goals Policies

### Retaining LOS and Other Metrics

The City of Lathrop may set operational metrics such as Multi-Modal Delay (Vehicles, Pedestrians, and Bicyclists) and Multi-Modal Level of Service (LOS) as standards in the development of the City's Traffic Impact Study (TIS) Guidelines. Future projects would then be required to conduct traffic studies as part of the entitlement process that evaluate all travel modes.

The City of Lathrop can continue to use vehicle LOS outside of the CEQA process if the City determines it is an important part of the transportation analysis process. For instance, the City may wish to set roadway operating standards based on LOS in the General Plan or use LOS to determine a nexus for a transportation impact fee program. Although the City of Lathrop can also continue to condition projects to build transportation improvements through the entitlement process in a variety of ways, projects that increase roadway capacity would likely be required to conduct a detailed CEQA VMT analysis to measure induced vehicle travel.

### Mitigation Programs

Including improvement measures and plans/programs that reduce VMT in the General Plan Circulation Element can help establish a nexus for off-site mitigation.

To compensate for limitation of on-site project mitigation, the City can develop off-site mitigation programs as noted above, these types of programs are strengthened when the General Plan Circulation Element includes VMT reduction policies and recommends a specific program type considering the other objectives of the General Plan. The policies need to consider whether support exists in the community to mitigate in areas not adjacent to the project where the direct impact of new development will be felt the most.

**CITY OF LATHROP VMT BASELINES AND THRESHOLDS OF SIGNIFICANCE**

Consistent with State CEQA Guidelines section 15064.3, the City of Lathrop has adopted the following project baselines and thresholds of significance, as set forth in the table below, to guide in determining when a project will have a significant transportation impact in a CEQA document.

For projects that have been approved prior to the adoption of this resolution, and changes to the project description are proposed, then a VMT analysis will be completed. The VMT analysis will be completed for both the approved project and the proposed project. A net increase in VMT per household, VMT per capita, VMT per employee for any applicable project type (residential, office, retail, or mixed-use) would indicate significant transportation impact.

<b>Project Type</b>	<b>Thresholds</b>
Residential Project	A proposed project exceeding a level of 15 percent below existing (baseline) city-wide VMT per household or per resident would indicate a significant transportation impact.
Office Project	A proposed project exceeding a level of 15 percent below existing (baseline) city-wide VMT per employee would indicate a significant transportation impact.
Retail Project	A proposed project resulting in a net increase in existing (baseline) city-wide VMT per employee would indicate a significant transportation impact. This metric reflects the nature of most local-serving retail to distribute existing vehicle trips, rather than generate or induce new vehicle trips and would apply to retail and food projects.
Mixed-Use Project	The City will apply the above applicable residential, office, or retail thresholds for mixed-use projects. Each of the primary land uses would be evaluated independently by applying the relevant threshold above.
Note: Baseline VMT is defined as the average VMT per project type for the City of Lathrop under Baseline Year 2020 conditions using the City of Lathrop Travel Demand Model.	

## **CITY OF LATHROP VMT SCREENING CRITERIA**

Office of Planning and Research (OPR) recommends a screening process for project types known to be low VMT generators. The City of Lathrop shall screen projects based on one or more of the OPR criteria described in more detail below, requiring only a qualitative discussion in the CEQA document. This screening approach would enable project streamlining by eliminating the need to prepare a quantitative VMT analysis for low VMT-generating projects that meet the screening criteria. This is most appropriate for projects that are consistent with the General Plan and/or those that would reduce VMT based on their characteristics. As with all CEQA screening, an impact presumption of less-than-significant should be based on substantial evidence for the project.

The OPR *Technical Advisory* includes suggested methods for screening projects to quickly identify when a project should be expected to cause a less than significant VMT impact without conducting a detailed VMT analysis. The OPR *Technical Advisory* suggests that lead agencies may screen out VMT impacts for small projects, residential and office projects located in low-VMT areas, projects located in proximity to a major transit stop, affordable housing developments, local-serving retail projects of less than 50,000 square feet, and transportation projects that would not result in an increase to vehicle capacity. Since land use plans affect a larger area and serve as the basis for environmental analysis of future projects, all land use plans (including the General Plan, Precise Plans, and Specific Plans) should conduct a quantitative VMT analysis and not utilize screening.

***The City of Lathrop shall use the Screening Criteria to determine if a proposed project should be expected to cause a less than significant VMT impact without conducting a detailed VMT analysis:***

- ***Small Projects;***
- ***Projects Located in Low VMT Areas;***
- ***Projects in Proximity to a Major Transit Stop;***
- ***Affordable Housing;***
- ***Local Serving Retail; and***
- ***Transportation Projects.***

### **Screening for Small Projects**

The City of Lathrop shall screen projects that generate or attract fewer than 110 trips per day. Based on research for small project triggers, this may equate to nonresidential (e.g., office) projects of 10,000 square feet or less and residential projects of 20 units or less.

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The OPR *Technical Advisory* notes that a presumption of less than significant should not be applied, and a VMT analysis should be performed, if the project:

- Has a Floor Area Ratio (FAR) of less than 0.75;
- Includes more parking than required by the City of Lathrop;
- Is inconsistent with San Joaquin Council of Governments (SJCOG) Regional Transportation Plan / Sustainable Communities Strategy (RTP / SCS); or
- Replaces affordable residential units with a smaller number of moderate- or high-income residential units.

If any of the above conditions apply, a detailed VMT analysis should be conducted to determine whether the project exceeds the VMT thresholds.

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The City of Lathrop shall local-serving retail projects of less than 50,000 square feet, on the basis that they attract trips that would otherwise travel longer distances. Staff shall evaluate both the project characteristics and the context of the project location to decide as to whether a given retail project is local serving. Regional-serving retail projects would not be subject to screening.

### **Screening for Transportation Projects**

The City of Lathrop shall screen transit projects, bicycle and pedestrian projects, and roadway projects that do not result in an increase in vehicle capacity or VMT.

**DEPARTMENT OF TRANSPORTATION**

P.O. BOX 2048 STOCKTON, CA 95201  
 (1976 E. CHARTER WAY/1976 E. DR. MARTIN  
 LUTHER KING JR. BLVD. 95205)  
 TTY: California Relay Service (800) 735-2929  
 PHONE (209) 941-1921  
 FAX (209) 948-7194

*Making Conservation  
 a California Way of Life.*

August 26, 2020

**Planning Commission  
 Adoption of VMT Thresholds**

Mark Meissner  
 Director of Community Development  
 City of Lathrop  
 390 Towne Centre Drive  
 Lathrop, CA 95330

Dear Mr. Meissner:

The California Department of Transportation appreciates the opportunity to review the City of Lathrop's proposed adoption of Vehicle Miles Traveled (VMT) thresholds. The Planning Commission will consider adoption at a meeting on August 26, 2020. The Department has the following comments:

- We commend the city on the proposed VMT thresholds.
- The proposed standards appear to follow the guidance of the Office of Planning and Research (OPR).
- Caltrans looks forward to working closely with the City, on all future development projects and General Plan Amendments.

If you have any questions or would like to discuss our comments in more detail, please contact Nicholas Fung at (209) 948-7190 or myself at (209) 941-1921.

Sincerely,

FOR

TOM DUMAS, CHIEF  
 OFFICE OF METROPOLITAN PLANNING

**CITY OF LATHROP  
PLANNING COMMISSION RESOLUTION NO. 20-8**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LATHROP RECOMMENDING THE CITY COUNCIL OF THE CITY OF LATHROP FIND THE ACTION IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”), ADOPT THRESHOLDS OF SIGNIFICANCE AND SCREENING CRITERIA FOR THE PURPOSES OF ANALYZING TRANSPORTATION IMPACTS UNDER CEQA RELATED TO VEHICLE MILES TRAVELED (“VMT”) AND THAT THE PREVIOUS THRESHOLDS REGARDING LEVELS OF SERVICE SHALL BE CONTINUED FOR PURPOSES OF REVIEWING NON-CEQA RELATED IMPACTS FOR DISCRETIONARY PLANNING APPROVALS IN ACCORDANCE WITH THE GENERAL PLAN.**

**WHEREAS**, the California Environmental Quality Act Guidelines (“CEQA Guidelines”) encourage public agencies to develop and publish generally applicable “thresholds of significance” to be used in determining the significance of a project’s environmental effects; and

**WHEREAS**, CEQA Guidelines section 15064.7(a) defines a threshold of significance as “an identifiable quantitative, qualitative or performance level of a particular environmental effect, noncompliance with which means the effect will normally be determined to be significant by the agency and compliance with which means the effect normally will be determined to be less than significant”; and

**WHEREAS**, CEQA Guidelines section 15064.7(b) requires that thresholds of significance adopted for general use as part of a lead agency’s environmental review process to be adopted by ordinance, resolution, rule, or regulations, developed through a public review process, and be supported by substantial evidence; and

**WHEREAS**, pursuant to CEQA Guidelines section 15064.7(c), when adopting thresholds of significance, a public agency may consider thresholds of significance adopted or recommended by other public agencies provided that the decision of the agency is supported by substantial evidence; and

**WHEREAS**, Senate Bill (“SB”) 743, enacted in 2013 and codified in Public Resources Code section 21099, required changes to the CEQA Guidelines regarding the criteria for determining the significance of transportation impacts of projects; and

**WHEREAS**, in 2018, the Governor’s Office of Planning and Research (“OPR”) proposed, and the California Natural Resources Agency adopted, CEQA Guidelines section 15064.3 that identifies vehicle miles traveled (“VMT”)—meaning the amount and distance of automobile travel attributable to a project—as the most appropriate metric to evaluate a project’s transportation impacts under CEQA; and

**WHEREAS**, as a result, OPR has determined that automobile delay, as measured by “level of service”, also known as LOS and other similar metrics, is no longer an appropriate metric for evaluating a project’s environmental impacts under CEQA; and

**WHEREAS**, OPR issued a *Technical Advisory on Evaluating Transportation Impacts*, dated December 2018, OPR recommended a nonbinding VMT threshold that is 15% below that of existing development for residential and office projects, a VMT threshold of no net increase in VMT for retail projects, and a “screening process” that help identify projects that are expected to cause a less-than-significant impact without the need for conducting a detailed study; and

**WHEREAS**, CEQA Guidelines section 15064.3 became effective on July 1, 2020; and

**WHEREAS**, a local agency’s choice of a significance threshold requires careful judgment and must be supported by substantial evidence. (*Mission Bay Alliance v. Office of Community Investment & Infrastructure* (2016) 6 Cal.App.5th 160, 206; *see also* CEQA Guidelines, § 15064(b)(1).); and

**WHEREAS**, the City’s consultant Traffic Engineer, Fehr & Peers, has evaluated the benefits of adopting the VMT thresholds of significance in a memorandum attached hereto as Exhibit “B” (the “City of Lathrop VMT Thresholds of Significance”). The City’s consultant Traffic Engineer further finds that previous thresholds regarding levels of service shall be continued for purposes of reviewing non-CEQA related impacts for discretionary planning approvals in accordance with the General Plan; and

**WHEREAS**, in accordance with CEQA, the Planning Commission recommends that the City Council determine that the adoption of the VMT Thresholds, which are actions consistent with SB 743, will not result in a direct or reasonably foreseeable indirect physical change in the environment, and thus the thresholds are not subject to CEQA. (14 Cal. Code Regs., § 15378(a).) In addition, the adoption of the VMT Thresholds is not a “project” within the meaning of CEQA, pursuant to Section 15378(b)(5) of the CEQA Guidelines, and constitutes an action involving procedures for the protection of the environment which is categorically exempt from CEQA pursuant to Section 15308 of the CEQA Guidelines. Finally, if the adoption of the VMT Thresholds is determined to be subject to CEQA, it is exempt therefrom because it can be seen with certainty that the thresholds will not have a significant effect on the environment. (14 Cal. Code Regs., § 15061(b)(3).); and

**WHEREAS**, while the use of LOS and similar metrics are no longer appropriate for CEQA analysis, the Planning Commission recommends that the City Council find that such metrics are still valuable to the City in evaluating other non-environmental impacts to traffic, and such metrics are consistent with the adopted General Plan and therefore can be utilized for conditions of approval to discretionary development permits and entitlements; and

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

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

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Commission of the City of Lathrop does hereby recommend the City Council find that the action is exempt from the California Environmental Quality Act (CEQA) as the adoption of the VMT Thresholds, which are actions consistent with SB 743, will not result in a direct or reasonably foreseeable indirect physical change in the environment, and thus the thresholds are not subject to CEQA. (14 Cal. Code Regs., § 15378(a).) In addition, the adoption of the VMT Thresholds is not a “project” within the meaning of CEQA, pursuant to Section 15378(b)(5) of the CEQA Guidelines, and constitutes an action involving procedures for the protection of the environment which is categorically exempt from CEQA pursuant to Section 15308 of the CEQA Guidelines. Finally, if the adoption of the VMT Thresholds is determined to be subject to CEQA, it is exempt therefrom because it can be seen with certainty that the thresholds will not have a significant effect on the environment. (14 Cal. Code Regs., § 15061(b)(3).).

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the Planning Commission 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 recommend the City Council adopt the VMT thresholds of significance (the “VMT Thresholds”) and Screening Process recommended by the OPR Technical Advisory to use in identifying projects expected to cause a less-than-significant impact without requiring a detailed environmental study. The VMT Thresholds and Screening Criteria are attached hereto as Exhibit “A” (“VMT Thresholds” and “Screening Criteria”); and the Summary for SB 743 Implementation for the City of Lathrop, CA prepared by Fehr and Peers, dated Aug. 14, 2020, listed as Attachment B of the staff report and incorporated by reference herein.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the Planning Commission of the City of Lathrop does hereby recommend the City Council find that that previous thresholds regarding levels of service shall be continued for purposes of reviewing non-CEQA related impacts for discretionary planning approvals in accordance with the General Plan.



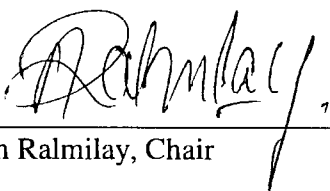
**PASSED AND ADOPTED** by the Planning Commission of the City of Lathrop at a special meeting on the 26<sup>th</sup> day of August, 2020 by the following vote:

AYES: Ralmilay, Dresser, Rhodes, Ishihara, Gatto

NOES: None

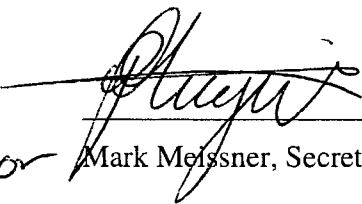
ABSTAIN: None

ABSENT: None

  
\_\_\_\_\_  
Ash Ralmilay, Chair

ATTEST:

APPROVED AS TO FORM:

  
\_\_\_\_\_  
for Mark Meissner, Secretary

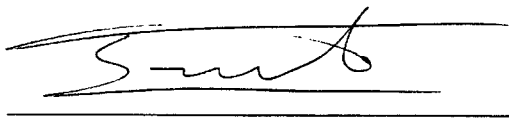
  
\_\_\_\_\_  
Salvador Navarrete, City Attorney

Exhibit A: VMT Thresholds and Screening Criteria

**EXHIBIT A**  
**CITY OF LATHROP VMT BASELINES AND THRESHOLDS OF SIGNIFICANCE**

Consistent with State CEQA Guidelines section 15064.3, the City of Lathrop has adopted the following project baselines and thresholds of significance, as set forth in the table below, to guide in determining when a project will have a significant transportation impact in a CEQA document.

For projects that have been approved prior to the adoption of this resolution, and changes to the project description are proposed, then a VMT analysis will be completed. The VMT analysis will be completed for both the approved project and the proposed project. A net increase in VMT per household, VMT per capita, VMT per employee for any applicable project type (residential, office, retail, or mixed-use) would indicate significant transportation impact.

<b>Project Type</b>	<b>Thresholds</b>
Residential Project	A proposed project exceeding a level of 15 percent below existing (baseline) city-wide VMT per household or per resident would indicate a significant transportation impact.
Office Project	A proposed project exceeding a level of 15 percent below existing (baseline) city-wide VMT per employee would indicate a significant transportation impact.
Retail Project	A proposed project resulting in a net increase in existing (baseline) city-wide VMT per employee would indicate a significant transportation impact. This metric reflects the nature of most local-serving retail to distribute existing vehicle trips, rather than generate or induce new vehicle trips and would apply to retail and food projects.
Mixed-Use Project	The City will apply the above applicable residential, office, or retail thresholds for mixed-use projects. Each of the primary land uses would be evaluated independently by applying the relevant threshold above.
<p>Note: Baseline VMT is defined as the average VMT per project type for the City of Lathrop under Baseline Year 2020 conditions using the City of Lathrop Travel Demand Model.</p>	

## **CITY OF LATHROP VMT SCREENING CRITERIA**

Office of Planning and Research (OPR) recommends a screening process for project types known to be low VMT generators. The City of Lathrop shall screen projects based on one or more of the OPR criteria described in more detail below, requiring only a qualitative discussion in the CEQA document. This screening approach would enable project streamlining by eliminating the need to prepare a quantitative VMT analysis for low VMT-generating projects that meet the screening criteria. This is most appropriate for projects that are consistent with the General Plan and/or those that would reduce VMT based on their characteristics. As with all CEQA screening, an impact presumption of less-than-significant should be based on substantial evidence for the project.

The OPR *Technical Advisory* includes suggested methods for screening projects to quickly identify when a project should be expected to cause a less than significant VMT impact without conducting a detailed VMT analysis. The OPR *Technical Advisory* suggests that lead agencies may screen out VMT impacts for small projects, residential and office projects located in low-VMT areas, projects located in proximity to a major transit stop, affordable housing developments, local-serving retail projects of less than 50,000 square feet, and transportation projects that would not result in an increase to vehicle capacity. Since land use plans affect a larger area and serve as the basis for environmental analysis of future projects, all land use plans (including the General Plan, Precise Plans, and Specific Plans) should conduct a quantitative VMT analysis and not utilize screening.

***The City of Lathrop shall use the Screening Criteria to determine if a proposed project should be expected to cause a less than significant VMT impact without conducting a detailed VMT analysis:***

- ***Small Projects;***
- ***Projects Located in Low VMT Areas;***
- ***Projects in Proximity to a Major Transit Stop;***
- ***Affordable Housing;***
- ***Local Serving Retail; and***
- ***Transportation Projects.***

### **Screening for Small Projects**

The City of Lathrop shall screen projects that generate or attract fewer than 110 trips per day. Based on research for small project triggers, this may equate to nonresidential (e.g., office) projects of 10,000 square feet or less and residential projects of 20 units or less.

### **Screening for Projects Located in Low-VMT Areas**

The City of Lathrop shall screen residential and office projects located in low-VMT areas that incorporate similar features to the nearby developments (i.e., density, mix of uses, and transit accessibility) on the basis that the project will exhibit similarly low VMT. This screening metric for projects within Low-VMT Areas would be completed as part of the General Plan Update.

### **Screening for Projects in Proximity to a Major Transit Stop**

The City of Lathrop shall screen projects that are located within a half mile of an existing or planned high-quality transit corridor or major transit station. Proximity to transit is explicitly listed in the CEQA Guidelines as a reason to presume a project has no significant impacts based on VMT. In Lathrop, this includes the existing Lathrop ACE station, the future Valley Link station, and at stops for bus routes with headways of 15 minutes or less.

The OPR *Technical Advisory* notes that a presumption of less than significant should not be applied, and a VMT analysis should be performed, if the project:

- Has a Floor Area Ratio (FAR) of less than 0.75;
- Includes more parking than required by the City of Lathrop;
- Is inconsistent with San Joaquin Council of Governments (SJCOG) Regional Transportation Plan / Sustainable Communities Strategy (RTP / SCS); and
- Replaces affordable residential units with a smaller number of moderate- or high-income residential units.

If any of the above conditions apply, a detailed VMT analysis should be conducted to determine whether the project exceeds the VMT thresholds.

### **Screening for Affordable Housing**

The City of Lathrop shall screen residential projects containing a particular amount of affordable housing (based on local circumstances and substantial evidence as determined by the City) on the basis that affordable housing generates less VMT than market-rate housing. Affordable housing located within infill locations generally improves jobs-housing balance and may thus result in shorter commutes for low-income workers.

### **Screening for Local-Serving Retail**

The City of Lathrop shall local-serving retail projects of less than 50,000 square feet, on the basis that they attract trips that would otherwise travel longer distances. Staff shall evaluate both the project characteristics and the context of the project location to decide as to whether a given retail project is local serving. Regional-serving retail projects would not be subject to screening.

### **Screening for Transportation Projects**

The City of Lathrop shall screen transit projects, bicycle and pedestrian projects, and roadway projects that do not result in an increase in vehicle capacity or VMT.

**CITY MANAGER’S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**

**ITEM: CROSSROADS SEWER RATES**

**RECOMMENDATION: Adopt a Resolution Approving the Decrease of Crossroads Sewer Rates**

**SUMMARY:**

The Crossroads Treatment Facility (Crossroads WWTF) was constructed in 1993, initially designed to solely treat the commercial and industrial waste from the businesses located within the Crossroads Business Park. The plant was nearing the end of its service life and had become extremely inefficient and expensive to operate.

In 2015, after several months of looking for solutions to the high sewer costs in the Crossroads Business Park, Staff began a project to consolidate the (Crossroads WWTF) with the Lathrop Consolidated Treatment Facility (LCTF). With the expansion of the LCTF, the City had the opportunity to move the Crossroads sewer capacity to the expanded LCTF Facility.

In July 2015, the City sold Series B Crossroads Bonds to help fund the decommissioning of the Crossroads WWTF and to purchase Crossroads share of sewer capacity in the expanded LCTF Facility. After the bond sale, the City was able to reduce sewer rates to the Crossroads users by 50%. The reduction in sewer saved Crossroads users an estimated \$600,000 annually.

The LCTF facility expansion has been completed and Crossroads users have paid for their share of the plant expansion through the current rate structure (shown in Table 1 below). Therefore, the City is now able to once again reduce the sewer rates for Crossroads users. See Table 1 below for proposed sewer rates:

Table 1

Crossroads Sewer Rates	Rate before Consolidating	Current Rate	Proposed New Rate
Non-Residential Monthly Meter Charge	\$1,041.60	\$520.80	\$9.50
Non-Residential Monthly KGal Charge			
Low Strength	\$20.96	\$10.48	\$9.50
Medium Low Strength	\$22.40	\$11.20	\$10.60
Medium Strength	\$26.72	\$13.36	\$13.90
Medium High Strength	\$34.14	\$17.07	\$17.30
High Strength	\$41.57	\$20.79	\$26.00
Industrial	\$36.94	\$18.47	\$18.47

The proposed rate reduction would be effective October 1, 2020 and is estimated to save Crossroads users about \$200,000 annually.

**BACKGROUND:**

The Crossroads Treatment Facility (Crossroads WWTF) was constructed in 1993, initially designed to solely treat the commercial and industrial waste from the businesses located within the Crossroads Business Park. The plant was nearing the end of its service life and had become extremely inefficient and expensive to operate.

In 2015, after several months of looking for solutions to the high sewer costs in the Crossroads Business Park, Staff began a project to consolidate the Crossroads WWTF with the Lathrop Consolidated Treatment Facility (LCTF). With the expansion of the LCTF, the City had the opportunity to move the Crossroads sewer capacity to the expanded LCTF Facility.

Due to the expensive operating costs and economies of scale, Crossroads sewer ratepayers were paying much higher sewer rates than ratepayers from other local service areas. The proposed expansion project permanently shut down the Crossroads WWTF and began to decommission the facility. This action reduced sewer rates for Crossroads WWTF users and sent its influent flow to the adjacent expanded LCTF Facility.

City staff worked with the Central Valley Regional Water Quality Control Board (CVRWQCB) and the developer Richland Crossroads to form a plan to decommission the Crossroads WWTP. The justification was to reduce the high sewer rates for Crossroads users, improve the water quality at Land Application Area #3 (LAA#3) and allow Land Application Area #1 (LAA#1) and Land Application Area #2 (LAA#2) to be developed for industrial land use. In 2016, construction began on three buildings on LAA #1 and LAA #2, totaling more than 550 thousand square feet owned by Buzz Oates.

In addition, in July 2015, the City sold Series B Crossroads Bonds to help fund the decommissioning of the Crossroads WWTF and to purchase Crossroads share of sewer capacity in the expanded LCTF Facility. After the bond sale, the City was able to reduce sewer rates to the Crossroads users by 50%. The reduction in sewer rates has saved Crossroads users an estimated \$600,000 annually. With the expansion complete, and the Crossroad share of the expansion paid off, the City can once again reduce sewer rates for Crossroads users. The new reductions are estimated to save Crossroads Business Park wastewater users an additional \$200,000 annually.

**REASON FOR RECOMMENDATION:**

With the completion of the expansion of the LCTF and Crossroads share of the expansion paid off, the City can reduce sewer rates for Crossroads Business Park Sewer customers beginning October 1, 2020.

**FISCAL IMPACT:**

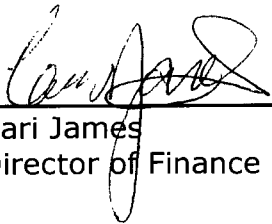
The proposed reduction in sewer rates will save the Crossroads Business Park sewer customers an additional \$200,000 annually (estimated).

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
REDUCTION OF CROSSROADS SEWER RATES**

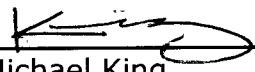
**ATTACHMENTS:**

- A. Resolution Approving the Decrease of Crossroads Sewer Charges

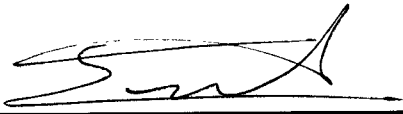
**APPROVALS:**

  
\_\_\_\_\_  
Cari James  
Director of Finance and Administrative Services


8/27/2020  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Michael King  
Director of Public Works

8/27/2020  
\_\_\_\_\_  
Date

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

8-27-2020  
\_\_\_\_\_  
Date

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

8.27.2020  
\_\_\_\_\_  
Date

**RESOLUTION NO. 20-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
DECREASING CROSSROADS SEWER CHARGES AS STATED IN TITLE  
13.16.250 OF THE LATHROP MUNICIPAL CODE REGARDING WATER AND  
SEWER CHARGES**

**WHEREAS**, Chapter 13.16 of Title 13 of the Lathrop Municipal Code permits the City Council of the City of Lathrop to set the City's sewer charges; and

**WHEREAS**, on January 20, 2009 and February 17, 2009, the City Council held a full and fair public hearing at which the City Council heard and considered protest and oral and written testimony regarding proposed water and sewer charges and closed the public hearing and did not find a majority protest; and

**WHEREAS**, pursuant to Article XIIID, Section 6 of the California Constitution and applicable state law, notice of the public hearings were mailed to each customer and property owner affected by the proposed rates; and

**WHEREAS**, on May 2, 2011, the City Council adopted the final year of the proposed Crossroads sewer rates; and

**WHEREAS**, with the expansion of the Lathrop Consolidated Treatment Facility (LCTF), the City had the opportunity to move Crossroads sewer capacity to the expanded LCTF facility; and

**WHEREAS**, on August 1, 2015, the City Council reduced Crossroads sewer rates by 50%; and

**WHEREAS**, with the expansion of the LCTF complete and Crossroads users paying for their share of the plant expansion through the current rate structure, the City can once again reduce sewer rates for Crossroads sewer users; and



**NOW, THEREFORE, BE IT RESOLVED** that the City Council does hereby adopt the following as the rate schedule for Crossroads sewer service for the purposes of Section 13.16.250 of the Municipal Code:

<b>Commercial/Industrial</b>	<b>Current Rate</b>	<b>Effective 10/1/2020</b>
Non-residential Monthly, \$/month		
5/8 Inch Meter	\$520.80	\$9.50
3/4 Inch Meter	\$520.80	\$9.50
1 Inch Meter	\$520.80	\$9.50
1 ½ Inch Meter	\$520.80	\$9.50
2 Inch Meter	\$520.80	\$9.50
3 Inch Meter	\$520.80	\$9.50
4 Inch Meter	\$520.80	\$9.50
6 Inch Meter	\$520.80	\$9.50
8 Inch Meter	\$520.80	\$9.50
Non-residential Monthly, \$/KGAL Metered Water Usage		
Low Strength	\$10.48	\$9.50
Medium Low Strength	\$11.20	\$10.60
Medium Strength	\$13.36	\$13.90
Medium High Strength	\$17.07	\$17.30
High Strength	\$20.79	\$26.00
Industrial Strength	\$18.47	\$18.47

The foregoing resolution was passed and adopted this 14<sup>th</sup> day of September 2020, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

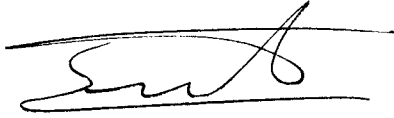
ABSTAIN:

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

ATTEST:

APPROVED AS TO FORM:

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

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

**CITY MANAGER'S REPORT  
SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**

**ITEM:** **FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET**

**RECOMMENDATION:** **Adopt Resolution Approving the FY 2019/20 Year-End Report and Related Budget Amendments and Amending the FY 2020/21 Budget**

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**SUMMARY:**

In June 2019, City Council adopted their second Biennial Budget for fiscal years 2019/20 and 2020/21 by Resolution No. 19-4591. In March 2020, Staff presented a Mid-Year update to Council. At the Year 1 Mid-Year Report, the projected (unaudited) General Fund Balance at June 30, 2020 was estimated at \$8.3 million. Higher than expected property and sales tax collections combined with lower than projected expenditures due to operational efficiencies and salary savings from key vacant positions resulted in a General Fund surplus at fiscal year-end.

The City has started to see a decline in our Sales Tax Revenues related to the Coronavirus pandemic. The good news is that Sales Tax Revenues have come in above the projected FY 2019/20 budget. However, they are about \$850 thousand less than actual revenue received in FY 2018/19.

Staff recommends creating a Fiscal Stabilization Reserve to help mitigate the economic ambiguity associated with the Coronavirus pandemic. The effects of the pandemic and related economic conditions have had an almost immediate effect on sales tax revenues. Taxable sales of motor vehicle fuel and related products have fallen dramatically due to the shelter in place order.

In April 2020, the Governor announced the State would allow small businesses to defer state and local sales tax payments of up to \$50,000 for up to 12 months. This program is being administered through the California Department of Tax and Fee Administration (CDTFA). The State acknowledges that the immediate fiscal impacts of this program are unknown at this time. A majority of Lathrop business qualify for this program and to mitigate the trickle-down effects of this staff is proposing the creation of the Fiscal Stabilization Reserve for the Fiscal Year 2020/21 budget year.

With the proposed creation of the Fiscal Stabilization Reserve the General Fund unassigned reserves will remain steady. The estimated General Fund Balance at June 30, 2020 is \$8.4 million or 37% of actual expenditures. The estimated fund balance remains above the 25% recommended target.

**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED  
AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET**

Staff recommends applying approximately \$4.7 million in prior year's funds to currently identified unfunded liabilities as follows:

- Transfer \$400 thousand to the Public Safety Reserves account to help offset against future increases in public safety costs.
- Transfer \$2.2 million to the Street Repair Reserves to maintain deteriorating City roads.
- Transfer \$600 thousand to the Retirement Stabilization Reserves account to set aside funds for future retirement unfunded liability.
- Transfer \$1.5 million to establish a Fiscal Stabilization Reserve to accommodate for unforeseen economic uncertainties associated with the coronavirus.

In addition, staff is proposing amendments to the position control roster for City Council consideration. The proposed adjustments include the addition of four (4) full-time-equivalent positions (FTE) to support the Public Works Department, the Building Division and the IT Department.

**BACKGROUND:**

In June 2019, City Council adopted their second Biennial Budget for fiscal years 2019/20 and 2020/21 by Resolution No. 19-4591. Staff has presented to Council updates on the budget during the Mid-Year Budget review. At the Year 1 Mid-Year Report, the projected (unaudited) General Fund Balance at June 30, 2020 was estimated at \$8.3 million. Higher than expected property and sales tax collections combined with lower than projected expenditures due to operational efficiencies and salary savings from key vacant positions resulted in a General Fund surplus at fiscal year-end.

Staff recommends applying approximately \$4.7 million in prior year's funds to designated unfunded liability accounts as identified in the General Fund Reserves/ Fund Balance Section below.

The creation of the Fiscal Stabilization Reserve will aim to mitigate the economic ambiguity associated with the Coronavirus pandemic. The effects of the pandemic and related economic conditions will have a fairly immediate effect on sales tax revenues. Taxable sales of motor vehicle fuel and related products have fallen dramatically due to the shelter in place order.

In April 2020, the Governor announced the State would allow small businesses to defer state and local sales tax payments of up to \$50,000 for up to 12 months. The 12-month, interest free, deferral allows businesses with less than \$5 million in taxable annual sales to keep the sales taxes collected from consumers in what is essentially a loan from the state, counties, and cities. The deferred remittances will be subject to a future payment plan. This program is being administered through the California Department of Tax and Fee Administration (CDTFA).

**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED  
AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET**

The State acknowledges that the immediate fiscal impacts of this program are unknown at this time. The State Department of Finance estimates the deferrals could total as much as \$3 billion and provide relief for up to 300,000 businesses statewide. A majority of Lathrop business qualify for this program and to mitigate the trickle-down effects of this staff is proposing the creation of the Fiscal Stabilization Reserve for the Fiscal Year 2020/21 budget year.

**GF Reserves/Fund Balance:**

Apply approximately \$4.7 million in prior year's funds to designated unfunded liability accounts as follows:

- Transfer \$400 thousand to the Public Safety Reserves account to help offset against future increases in public safety costs.
- Transfer \$2.2 million to the Street Repair Reserves to maintain deteriorating City roads.
- Transfer \$600 thousand to the Retirement Stabilization Reserves account to set aside funds for future retirement unfunded liability.
- Transfer \$1.5 million to establish a Fiscal Stabilization Reserve to accommodate for unforeseen economic uncertainties associated with the coronavirus.

The estimated General Fund Balance at June 30, 2020 is \$8.4 million or 37% of actual expenditures. The estimated fund balance remains above the 25% recommended target.

**Staffing**

In addition, staff is proposing amendments to the position control roster for City Council consideration. The proposed adjustments include the addition of four (4) full-time-equivalent positions (FTE) to support the mission of the organization. Due to recent unforeseen vacancies and the constant search of workflow efficiencies, departments have had the opportunity to review their staffing needs and recommend the following actions:

1. Fund a Permit Technician in the Building Division.
  - The department currently is staffed with 1 full time Permit Technician and 2 contract Permit Technicians. With the continued increase in building activity, Staff proposes adding 1 additional full time Permit Technician positions to the Building Division.  
**Annual Cost: \$102,500 – 1.0 FTE**

## SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING

## FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET

## 2. Fund a Senior Maintenance Worker.

- The continued increase in development activity has resulted in additional facilities that must be maintained by the City. Staff proposes adding 1 full time Senior Maintenance Worker to the Operations and Maintenance Division of the Public Works Department. This action will increase organizational efficiency in the Department by utilizing the autonomy and full scope of duties associated with the Senior Maintenance Worker Classification. The position will perform a variety of operations and maintenance support for the City's streets, parks and buildings. **Annual Cost: \$102,200 – 1.0 FTE**

## 3. Create and fund a Permit and Plan Check Supervisor (Attachment C)-Grade 68

- Create a job description for a Permit and Plan Check Supervisor.
- Fund a supervisory level position in the Public Works Department, Building Division. This position will perform a variety of supervisory and technical responsibilities in the areas of building permit processing and plan check for commercial and residential structures. In addition, the position will provide information to the public, calculate and collect fees, provide administrative support within the Division, prepare permit activity reports and will represent the City with a variety of customers and the public. **Annual Cost: \$151,000 – 1.0 FTE**

## 4. Create and fund an Information Technology Engineer I/II/III Classification (Attachment D) Grade 60/Grade 67/Grade 71

- Create a job description for an Information Technology Engineer I/II/III classification. The entry-level class will specialize in GIS and day-to-day general IT responsibilities. The mid-level class in addition to the entry-level duties will specialize in software programming and configuration. The journey-level class in addition to both the entry and mid-level duties will specialize in network management and system security.
- Reclassify an existing GIS Specialist I/II to an Information Technology Engineer I. This position will specialize in GIS and day-to-day general IT responsibilities. **Annual Cost: \$14,800**
- Reclassify an existing Programmer Analyst to an Information Technology Engineer II. In addition to the IT Engineer I position responsibilities, this position will specialize in software programming and configuration. **No Fiscal Impact**
- Fund an Information Technology Engineer III. This position will be the journey level class of the Information Technology Engineer series. In addition to the entry and mid-level duties, the new position will specialize in network management and system security. **Annual Cost: \$160,800 - 1.0 FTE**

## SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING

## FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET

5. Reclassify an Administrative Assistant I/II/III position in the City Attorney's Office to a Senior Administrative Assistant.
  - The City Attorney's Office currently staffs two Administrative Assistant positions. Staff proposes reclassification of one of the current Administrative Assistant positions to a Senior Administrative Assistant. Of the two assigned assistants, one currently undertakes responsibilities more in line with functions of a Senior Administrative Assistant position through department support duties involving the handling of sensitive legal and confidential documents and reports, and research, compilation and organization of a variety of information from various sources on specialized topics including litigation in support of the department's goals. **Annual Cost: \$4,100**
  
6. Grade Step Table Clean-up
  - Remove unfilled positions
    - Information Technology Analyst – Grade 59
    - GIS Specialist I/II – Grade 53/Grade 57
    - Programmer Analyst – Grade 67
    - Information Technology Manager – Grade 75
    - Plans Examiner – Grade 64
    - Permit Center Manager – Grade 76

**Program/Project Requests**

The following program/project requests require additional funding from the General Fund to address a specific need:

1. Human Resources Division: Increase appropriations in the amount of \$100,000 to cover revised budget estimates from Central San Joaquin Valley Risk Management Authority (CSJVRMA). The CSJVRMA provides the City with pooled liability, workers compensation and property coverage and has revised the costs associated with providing the City's coverage.
  
2. Community Development: Increase expense and revenue appropriations in the amount of \$150,000 to acknowledge the award of the Local Early Action Planning (LEAP) Grant. This award will be used toward the 6<sup>th</sup> Cycle Housing Element Update, the Accessory Dwelling Units Pre-Approved Building Plans and the General Plan Update.
  
3. Community Development: Increase expense and revenue appropriations in the amount of \$150,000 to acknowledge the award of the SB 2 Planning Grants Program administered through the California Department of Housing and Community Development. The program and award reflect the States commitment to working with local governments to address California's critical housing needs.

**CITY MANAGER’S REPORT** **PAGE 6**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED**  
**AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET**

**Technical Adjustments**

These actions are recommended to align the General Fund budget levels with previously approved Council actions or fix inadvertent oversights from the approved Adopted budget as follows:

1. Reduction of Fund 2015 – Building Safety and Inspection by \$99,193 with a subsequent increase to the City Attorney Office budget in the same amount. This action memorializes the action that was approved in the adopted budget to assign an Administrative Assistant I/II/III from the Building Division to the City Attorney’s Office.

**Year-End Transfer Requests**

As part of the Biennial Budget process approved by Council in June 2019, a mid-cycle review is conducted on the first year’s programmed allocations (Year 1 or FY 2020). The Year-End Budget Report includes budget transfers reflecting transfers between funds to accommodate changes to Capital Improvement Projects (CIP’s) revenues, expenses and staffing in the fiscal plan.

**REASON FOR RECOMMENDATION:**

The recommended FY 2019/20 budget amendments result from changes in estimates and activity through June 30, 2020, and are necessary in order for the City to meet auditing and budgetary requirements.

In addition, setting aside funds to mitigate the impacts associated with the Coronavirus event will prepare the City to effectively endure difficult conditions without affecting its structure and core services.

**FISCAL IMPACTS:**

The FY 2019/20 and FY 2020/21 budget amendments are as follows:

<b>FISCAL YEAR 2019/20</b>		
<b>REVENUE – BUDGET AMENDMENTS</b>		
<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
Measure C – City Services	1060-1910-313-03-00	\$1,603,614
CIP PS1801 – Recycled & Recovery	2130-8000-372-05-08	27,662
RI CFD 2013-1 – Services	2640-5068-355-01-25	202,340
Cares Act CDBG - CV	2650-2010-333-01-04	35,721
CIP GG1917 – CFF Update	2710-8000-372-01-00	14,381
CIP PW1009 – UWMP	2710-8000-372-01-00	20,125
CIP RW1916 – Developers	2710-8000-372-01-00	18,800
<b>Revenue Total:</b>		<b>\$1,922,643</b>
<b>EXPENDITURE – BUDGET AMENDMENTS</b>		



## SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING

## FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET

<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
Measure C - LMFD	2010-1920-425-16-00	\$698,487
SLSP Agreement - Interchange	2250-8000-440-50-00	919,879
Cares Act CDBG - CV	2650-2010-440-45-00	35,721
CIP GG1917 - CFF Update	3010-8000-420-01-00	14,381
CIP PS1801 - Recycled & Recovery	3310-8000-420-12-00	27,662
CIP PW1009 - UWMP	5690-8000-420-01-00	20,125
CIP RW1916 - Developers	6091-8000-420-01-00	18,800
<b>Expenditure Total:</b>		<b>\$1,735,055</b>
<b>TRANSFER IN - BUDGET AMENDMENTS</b>		
<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
General Fund - CFD 2013-1	1010-9900-393-00-00	\$248,441
Measure C - LMFD	2010-9900-393-00-00	633,547
CIP GG1917 - CFF Update	3010-9900-393-00-00	14,381
CIP PS1801 - Recycled & Recovery	3310-9900-393-00-00	27,662
CIP PW1009 - UWMP	5690-9900-393-00-00	20,125
CIP RW1916 - Developers	6091-9900-393-00-00	18,800
<b>Transfer In Total:</b>		<b>\$962,956</b>
<b>TRANSFER OUT - BUDGET AMENDMENTS</b>		
<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
Measure C - City Services	1060-9900-990-90-10	\$633,547
RI CFD 2013-1 - Services	2640-9900-990-90-10	248,441
CIP GG1917 - CFF Update	2710-9900-990-90-10	14,381
CIP PS1801 - Recycled & Recovery	2130-9900-990-90-10	27,662
CIP PW1009 - UWMP	2710-9900-990-90-10	20,125
CIP RW1916 - Developers	2710-9900-990-90-10	18,800
<b>Transfer Out Total:</b>		<b>\$962,956</b>
<b>FUND BALANCE RESERVES - BUDGET AMENDMENTS</b>		
<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
General Fund - Street Repair	1010-0000-251-03-00	\$2,200,000
General Fund - Retirement Stabilization	1010-0000-251-06-00	600,000
General Fund - Public Safety	1010-0000-251-05-00	400,000
General Fund - Fiscal Stabilization Reserve	1010-0000-251-09-00	1,500,000
<b>Fund Balance Reserves Total:</b>		<b>\$4,700,000</b>
<b>FISCAL YEAR 2020/21</b>		
<b>REVENUE - BUDGET AMENDMENTS (YEAR 2)</b>		
<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
General Fund - Property Taxes	1010-1510-311-01-00	\$500,000
General Fund - State Grant	1010-2010-331-05-00	300,000
General Fund - Transfer In	1010-9900-393-00-00	(204,741)

**CITY MANAGER'S REPORT** **PAGE 8**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED**  
**AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET**

Capital Improvement Projects	Various	15,209,582
<b>Expenditure Total:</b>		<b>\$15,804,841</b>
<b>EXPENDITURE – BUDGET AMENDMENTS (YEAR 2)</b> <b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
General Fund – City Attorney	1010-1310-410-11-00	\$102,693
General Fund – Central Services	1010-1440-440-31-00	100,000
General Fund - IT	1010-1520-410-11-00	133,000
General Fund – Community Dev.	1010-2010-420-01-00	300,000
General Fund – Building Maint.	1010-5070-410-11-00	76,600
Building & Safety Inspection	2015-5030-410-11-00	99,400
Water	5620-5050-410-11-00	14,300
Transfers Out	Various	(204,741)
Capital Improvement Projects	Various	16,233,260
<b>Expenditure Total:</b>		<b>\$16,854,512</b>


All proposed FY 2020/21 expenditure adjustments have an offsetting revenue stream; therefore, there is no impact to the projected ending fund balance.

**ATTACHMENTS:**

- A. Resolution Approving the Fiscal Year 2019/20 Year-End Budget Report and Related Amendments and Amendments to the Fiscal Year 2020/21 Budget.
- B. Position Control Table – Authorized Positions by Department
- C. Job Description: Permit and Plan Check Supervisor
- D. Job Description: Information Technology Engineer I/II/III
- E. Grade Step Table, Effective 9/14/2020

**CITY MANAGER'S REPORT**  
**SEPTEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**FISCAL YEAR (FY) 2019/20 YEAR-END BUDGET REPORT AND RELATED**  
**AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2020/21 BUDGET**

**APPROVALS:**



Thomas Hedegard  
Accounting Manager

9/10/20

Date



Cari James  
Finance Director/ Administrative Services Director

9/10/2020

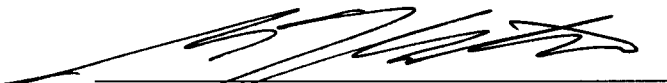
Date



Salvador Navarrete  
City Attorney

9-10-2020

Date



Stephen Salvatore  
City Manager

9.10.2020

Date

**RESOLUTION NO. 20-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
APPROVING THE FISCAL YEAR 2019/20 YEAR-END BUDGET REPORT AND  
RELATED AMENDMENTS AND AMENDMENTS TO THE FISCAL YEAR 2019/20  
BUDGET**

**WHEREAS**, the City Council of the City of Lathrop adopted the 2019/20 and 2020/21 Expenditure Budget on June 12, 2019 by Resolution No. 19-4591; and

**WHEREAS**, the City Council of the City of Lathrop has amended the 2019/20 Fiscal Year Expenditure Budget in subsequent actions during the fiscal year; and

**WHEREAS**, an overview of the City's mid-year financial condition for Fiscal Year 2019/20 was presented to the City Council; and

**WHEREAS**, City Staff have proposed amendments to revenues and expenditures to more accurately project estimates for activity in the General Fund and certain other funds; and

**WHEREAS**, the newly approved organizational changes and applicable position(s) will be automatically added to the 2020 Conflict of Interest Code Amendment, previously approved under Consent Items, with the appropriate disclosure categories, as recommended by the City Clerk; and

**WHEREAS**, the proposed Year-End Budget Report recommends the following staffing actions:

1. Approve/Amend Job Descriptions for the following positions:
  - a. Permit and Plan Check Supervisor (new) (Attachment C) – Grade 68
  - b. Information Technology Engineer I/II/III (new) (Attachment D) Grade 60/Grade 67/Grade 71
2. Approve the following Reorganization:
  - a. Reclassifications:
    - i. Reclassify a GIS Specialist I in the Information Technology Department to an Information Technology Engineer I.
    - ii. Reclassify a Programmer Analyst in the Information Technology Department to an Information Technology Engineer II.
    - iii. Reclassify an Administrative Assistant III in the City Attorney's Office to a Senior Administrative Assistant.
  - b. Additional Positions:
    - i. Add the newly created Permit and Plan Check Supervisor (1.0 FTE) to the Public Works Department, Building Division.
    - ii. Add a Permit Technician (1.0 FTE) to the Public Works Department, Building Division.

- iii. Add an Information Technology Engineer III (1.0 FTE) to the Information Technology Department.
- iv. Add a Senior Maintenance Worker (1.0 FTE) to the Public Works Department, Building Maintenance Division

- c. Remove Positions from the Grade Step Table:
  - i. Information Technology Analyst – Grade 59
  - ii. GIS Specialist I/II – Grade 53/Grade 57
  - iii. Programmer Analyst – Grade 67
  - iv. Information Technology Manager – Grade 75
  - v. Plans Examiner – Grade 64
  - vi. Permit Center Manager – Grade 76

**WHEREAS**, the proposed Year-End Budget Report recommends approving the Grade Step Table including various technical adjustments and Job Descriptions; and

**WHEREAS**, the City Council recognizes the need for budgetary amendments.

**NOW, THEREFORE, BE IT RESOLVED** the City Council of the City of Lathrop does hereby approve the year-end budget/ position control amendments to the Fiscal Year 2019/20 and 2020/21 Operating Budget as shown below and contained in Attachments: B-E;

<b>FISCAL YEAR 2019/20</b>		
<b>REVENUE – BUDGET AMENDMENTS</b>		
<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
<b>Measure C – City Services</b>	1060-1910-313-03-00	\$1,603,614
<b>CIP PS1801 – Recycled &amp; Recovery</b>	2130-8000-372-05-08	27,662
<b>RI CFD 2013-1 – Services</b>	2640-5068-355-01-25	202,340
<b>Cares Act CDBG - CV</b>	2650-2010-333-01-04	35,721
<b>CIP GG1917 – CFF Update</b>	2710-8000-372-01-00	14,381
<b>CIP PW1009 – UWMP</b>	2710-8000-372-01-00	20,125
<b>CIP RW1916 – Developers</b>	2710-8000-372-01-00	18,800
<b>Revenue Total:</b>		<b>\$1,922,643</b>
<b>EXPENDITURE – BUDGET AMENDMENTS</b>		
<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
<b>Measure C - LMFD</b>	2010-1920-425-16-00	\$698,487
<b>SLSP Agreement – Interchange</b>	2250-8000-440-50-00	919,879
<b>Cares Act CDBG - CV</b>	2650-2010-440-45-00	35,721
<b>CIP GG1917 – CFF Update</b>	3010-8000-420-01-00	14,381
<b>CIP PS1801 – Recycled &amp; Recovery</b>	3310-8000-420-12-00	27,662
<b>CIP PW1009 – UWMP</b>	5690-8000-420-01-00	20,125
<b>CIP RW1916 – Developers</b>	6091-8000-420-01-00	18,800

<b>Expenditure Total:</b>		<b>\$1,735,055</b>
<b>TRANSFER IN – BUDGET AMENDMENTS</b> [Increase/(Decrease)]		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
General Fund – CFD 2013-1	1010-9900-393-00-00	\$248,441
Measure C – LMFD	2010-9900-393-00-00	633,547
CIP GG1917 – CFF Update	3010-9900-393-00-00	14,381
CIP PS1801 – Recycled & Recovery	3310-9900-393-00-00	27,662
CIP PW1009 – UWMP	5690-9900-393-00-00	20,125
CIP RW1916 – Developers	6091-9900-393-00-00	18,800
<b>Transfer In Total:</b>		<b>\$962,956</b>
<b>TRANSFER OUT – BUDGET AMENDMENTS</b> [Increase/(Decrease)]		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
Measure C – City Services	1060-9900-990-90-10	\$633,547
RI CFD 2013-1 – Services	2640-9900-990-90-10	248,441
CIP GG1917 – CFF Update	2710-9900-990-90-10	14,381
CIP PS1801 – Recycled & Recovery	2130-9900-990-90-10	27,662
CIP PW1009 – UWMP	2710-9900-990-90-10	20,125
CIP RW1916 – Developers	2710-9900-990-90-10	18,800
<b>Transfer Out Total:</b>		<b>\$962,956</b>
<b>FUND BALANCE RESERVES – BUDGET AMENDMENTS</b> [Increase/(Decrease)]		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
General Fund – Street Repair	1010-0000-251-03-00	\$2,200,000
General Fund – Retirement Stabilization	1010-0000-251-06-00	600,000
General Fund – Public Safety	1010-0000-251-05-00	400,000
General Fund – Fiscal Stabilization Reserve	1010-0000-251-09-00	1,500,000
<b>Fund Balance Reserves Total:</b>		<b>\$4,700,000</b>
<b>FISCAL YEAR 2020/21</b>		
<b>REVENUE – BUDGET AMENDMENTS (YEAR 2)</b> [Increase/(Decrease)]		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
General Fund – Property Taxes	1010-1510-311-01-00	\$500,000
General Fund – State Grant	1010-2010-331-05-00	300,000
General Fund – Transfer In	1010-9900-393-00-00	(204,741)
Capital Improvement Projects	Various	15,209,582
<b>Revenue Total:</b>		<b>\$15,804,841</b>

<b>EXPENDITURE – BUDGET AMENDMENTS (YEAR 2)</b>		
<b>[Increase/(Decrease)]</b>		
<b>Source</b>	<b>GL Account</b>	<b>Amount</b>
<b>General Fund – City Attorney</b>	1010-1310-410-11-00	\$102,693
<b>General Fund – Central Services</b>	1010-1440-440-31-00	100,000
<b>General Fund - IT</b>	1010-1520-410-11-00	133,000
<b>General Fund – Community Dev.</b>	1010-2010-420-01-00	300,000
<b>General Fund – Building Maint.</b>	1010-5070-410-11-00	76,600
<b>Building &amp; Safety Inspection</b>	2015-5030-410-11-00	99,400
<b>Water</b>	5620-5050-410-11-00	14,300
<b>Transfers Out</b>	Various	(204,741)
<b>Capital Improvement Projects</b>	Various	16,233,260
<b>Expenditure Total:</b>		<b>\$16,854,512</b>

The foregoing resolution was passed and adopted this 14<sup>th</sup> day of September, 2020, 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



**Budget for Fiscal Year 19/20 - 20/21**

	2019/20 Proposed	2020/21 Proposed	Amended 3/9/2020	Amended 7/13/2020	Amended 9/14/20
<b>ADMINISTRATIVE SERVICES</b>					
<b>Animal Services</b>					
Animal Services Assistant	1.00	1.00	1.00	1.00	1.00
Animal Services Officer	1.00	1.00	1.00	1.00	1.00
Director of Finance	0.05	0.05	0.05	0.05	0.05
Senior Animal Services Officer	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>3.05</b>	<b>3.05</b>	<b>3.05</b>	<b>3.05</b>	<b>3.05</b>
<b>Human Resources</b>					
Director of Finance	0.45	0.45	0.45	0.45	0.45
Human Resources Manager	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>1.45</b>	<b>1.45</b>	<b>1.45</b>	<b>1.45</b>	<b>1.45</b>
<b>ADMINISTRATIVE SERVICES - Total</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>
<b>CITY ATTORNEY</b>					
City Attorney					
Administrative Assistant I/II	1.00	1.00	2.00	2.00	1.00
City Attorney	1.00	1.00	1.00	1.00	1.00
Senior Administrative Assistant	0.00	0.00	0.00	0.00	1.00
<b>Total</b>	<b>2.00</b>	<b>2.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
<b>CITY ATTORNEY - Total</b>	<b>2.00</b>	<b>2.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
<b>CITY CLERK</b>					
City Clerk					
Administrative Assistant I/II	1.00	1.00	1.00	1.00	1.00
City Clerk	0.50	0.50	0.50	0.50	0.50
<b>Total</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>
<b>CITY CLERK - Total</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>
<b>CITY MANAGER</b>					
City Manager					
City Clerk	0.50	0.50	0.50	0.50	0.50
City Engineer	0.15	0.15	0.15	0.15	0.15
City Manager	1.00	1.00	1.00	1.00	1.00
Economic Development Administrator	1.00	1.00	1.00	1.00	1.00
Executive Assistant	0.05	0.05	0.05	0.05	0.05
<b>Total</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>
<b>CITY MANAGER - Total</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>

**ATTACHMENT " B "**

**Budget for Fiscal Year 19/20 - 20/21**

	2019/20 Proposed	2020/21 Proposed	Amended 3/9/2020	Amended 7/13/2020	Amended 9/14/20
<b>COMMUNITY DEVELOPMENT</b>					
Planning					
Accounting Manager	0.07	0.07	0.07	0.07	0.07
Administrative Assistant I/II	0.33	0.33	0.33	0.33	0.33
Associate Planner	1.00	1.00	1.00	1.00	1.00
Director of Community Development	1.00	1.00	1.00	1.00	1.00
Principal Planner	1.00	1.00	1.00	1.00	1.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>
<b>COMMUNITY DEVELOPMENT - Total</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>	<b>4.40</b>
<b>FINANCE</b>					
Finance					
Accountant I/II	1.00	1.00	1.00	1.00	1.00
Accounting Manager	0.82	0.82	0.82	0.82	0.82
Accounting Specialist I/II/Technician	5.00	5.00	5.00	5.00	5.00
Administrative Technician I/II	0.00	0.00	1.00	1.00	1.00
Deputy Finance Director	1.00	1.00	1.00	1.00	1.00
Director of Finance	0.50	0.50	0.50	0.50	0.50
Finance Manager	0.00	0.00	1.00	1.00	1.00
Management Analyst II	0.50	0.50	0.50	0.50	0.50
Senior Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>10.82</b>	<b>10.82</b>	<b>12.82</b>	<b>12.82</b>	<b>12.82</b>
Information Technology					
Accounting Manager	0.11	0.11	0.11	0.11	0.11
Chief Information Officer	0.00	0.00	1.00	1.00	1.00
GIS Specialist I/II	1.00	1.00	1.00	1.00	0.00
Information Technology Engineer I/II/III	0.00	0.00	0.00	0.00	3.00
Information Technology Manager	1.00	1.00	0.00	0.00	0.00
Programmer Analyst	1.00	1.00	1.00	1.00	0.00
<b>Total</b>	<b>3.11</b>	<b>3.11</b>	<b>3.11</b>	<b>3.11</b>	<b>4.11</b>
<b>FINANCE - Total</b>	<b>13.93</b>	<b>13.93</b>	<b>15.93</b>	<b>15.93</b>	<b>16.93</b>

**Budget for Fiscal Year 19/20 - 20/21**



	2019/20 Proposed	2020/21 Proposed	Amended 3/9/2020	Amended 7/13/2020	Amended 9/14/20
<b>MEASURE C</b>					
<b>Essential City Services</b>					
Facility Attendant	0.45	0.45	0.45	0.45	0.45
Office Assistant I/II	1.00	1.00	1.00	1.00	1.00
Parks and Recreation Superintendent	1.00	1.00	1.00	1.00	1.00
Recreation Leader	0.45	0.45	0.45	0.45	0.45
Senior Facility Attendant	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>3.90</b>	<b>3.90</b>	<b>3.90</b>	<b>3.90</b>	<b>3.90</b>
<b>Essential City Services - Contract Staff</b>					
Deputy Sheriff II	1.00	1.00	1.00	1.00	1.00
Deputy Sheriff II for Community Impact	1.00	1.00	1.00	1.00	1.00
Deputy Sheriff II for Investigations	1.00	1.00	1.00	1.00	1.00
Deputy Sheriff II for School Resource Off	1.00	1.00	1.00	1.00	1.00
Deputy Sheriff II Patrol	0.50	0.50	0.50	0.50	0.50
Sergeant to serve as Supervisor	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>5.50</b>	<b>5.50</b>	<b>5.50</b>	<b>5.50</b>	<b>5.50</b>
<b>Lathrop Manteca Fire District</b>					
Battalion Chiefs	1.98	1.98	1.98	1.98	1.98
Firefighters/Engineers	6.00	6.00	6.00	6.00	6.00
<b>Total</b>	<b>7.98</b>	<b>7.98</b>	<b>7.98</b>	<b>7.98</b>	<b>7.98</b>
<b>MEASURE C - Total</b>	<b>17.38</b>	<b>17.38</b>	<b>17.38</b>	<b>17.38</b>	<b>17.38</b>
<b>PARKS AND RECREATION</b>					
Parks and Recreation					
Administrative Assistant I/II	1.00	1.00	1.00	1.00	1.00
Director of Parks and Recreation	1.00	1.00	1.00	1.00	1.00
Facility Attendant	1.35	1.35	1.35	1.35	1.35
Management Analyst I/II	0.25	0.25	0.25	0.25	0.25
Recreation Coordinator	3.00	3.00	3.00	3.00	3.00
Recreation Leaders	7.65	7.65	7.65	16.65	16.65
Recreation Supervisor	2.00	2.00	2.00	2.00	2.00
Senior Recreation Leaders	2.00	2.00	2.00	3.35	3.35
<b>Total</b>	<b>18.25</b>	<b>18.25</b>	<b>18.25</b>	<b>28.60</b>	<b>28.60</b>
<b>PARKS AND RECREATION - Total</b>	<b>18.25</b>	<b>18.25</b>	<b>18.25</b>	<b>28.60</b>	<b>28.60</b>

Budget for Fiscal Year 19/20 - 20/21



	2019/20 Proposed	2020/21 Proposed	Amended 3/9/2020	Amended 7/13/2020	Amended 9/14/20
<b>PUBLIC SAFETY</b>					
<b>Administration</b>					
Management Analyst I/II	1.25	1.00	1.00	1.00	1.00
Police Office Manager	1.00	1.00	1.00	1.00	1.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>3.25</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
<b>Contract Staff</b>					
Chief of Police	1.00	1.00	1.00	1.00	1.00
Deputy Sheriff II for Com Resource Off	1.00	1.00	1.00	1.00	1.00
Deputy Sheriff II for Investigations	1.00	1.00	1.00	1.00	1.00
Deputy Sheriff II for Patrol	16.50	16.50	16.50	16.50	16.50
Deputy Sheriff II for School Resource Off	1.00	1.00	1.00	1.00	1.00
Lieutenant to serve as Supervisor	0.00	0.00	0.00	0.00	1.00
Sergeant to serve as Supervisor	2.00	2.00	2.00	2.00	1.00
<b>Total</b>	<b>22.50</b>	<b>22.50</b>	<b>22.50</b>	<b>22.50</b>	<b>22.50</b>
<b>PUBLIC SAFETY - Total</b>	<b>25.75</b>	<b>25.50</b>	<b>25.50</b>	<b>25.50</b>	<b>25.50</b>
<b>PUBLIC WORKS</b>					
<b>Building</b>					
Administrative Assistant I/II	0.33	0.33	0.33	0.33	0.33
Building Inspector I/II/III	2.00	2.00	2.00	2.00	2.00
Chief Building Official	1.00	1.00	1.00	1.00	1.00
Permit and Plan Check Supervisor	0.00	0.00	0.00	0.00	1.00
Permit Technician	2.00	2.00	1.00	1.00	2.00
<b>Total</b>	<b>5.33</b>	<b>5.33</b>	<b>4.33</b>	<b>4.33</b>	<b>6.33</b>
<b>Code Compliance Division</b>					
Administrative Assistant I/II	0.00	0.00	1.00	1.00	1.00
Code Compliance Officer I/II/III	1.00	1.00	1.00	1.00	1.00
Code Compliance Supervisor	0.75	0.75	0.75	0.75	0.75
<b>Total</b>	<b>1.75</b>	<b>1.75</b>	<b>2.75</b>	<b>2.75</b>	<b>2.75</b>

Budget for Fiscal Year 19/20 - 20/21

**ADDITIONAL POSITIONS**

	2019/20 Proposed	2020/21 Proposed	Amended 3/9/2020	Amended 7/13/2020	Amended 9/14/20
<b>Public Works</b>					
Administrative Assistant I/II	2.34	2.34	2.34	2.34	2.34
Assistant Engineer	1.00	1.00	1.00	1.00	1.00
Associate Engineer	1.00	1.00	1.00	2.00	2.00
City Engineer	0.85	0.85	0.85	0.85	0.85
Construction Inspector	2.00	2.00	2.00	2.00	2.00
Director of Public Works	1.00	1.00	1.00	1.00	1.00
Executive Assistant	0.95	0.95	0.95	0.95	0.95
Maintenance Services Supervisor	1.00	1.00	1.00	1.00	1.00
Maintenance Worker I/II	6.00	6.00	6.00	6.00	6.00
Management Analyst I/II	0.25	0.25	0.25	0.25	0.25
Meter Reader	1.00	1.00	1.00	1.00	1.00
Principal Engineer	1.00	1.00	1.00	0.00	0.00
Public Works Superintendent	1.00	1.00	1.00	1.00	1.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00	1.00	1.00
Senior Construction Inspector I/II	1.00	1.00	1.00	1.00	1.00
Senior Construction Manager	1.00	1.00	1.00	1.00	1.00
Senior Maintenance Worker	2.00	2.00	2.00	2.00	3.00
Senior Management Analyst	1.00	1.00	0.00	0.00	0.00
Utility Operator I/II/III	5.00	5.00	5.00	5.00	5.00
Water Treatment Plant Manager	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>32.39</b>	<b>32.39</b>	<b>31.39</b>	<b>31.39</b>	<b>32.39</b>
<b>PUBLIC WORKS - Total</b>	<b>39.47</b>	<b>39.47</b>	<b>38.47</b>	<b>38.47</b>	<b>41.47</b>
<b>Grand Total</b>	<b>129.88</b>	<b>129.63</b>	<b>131.63</b>	<b>141.98</b>	<b>145.98</b>
<b>Total City Staff Positions</b>	<b>93.90</b>	<b>93.65</b>	<b>95.65</b>	<b>106.00</b>	<b>110.00</b>
<b>Total Contractual Positions</b>	<b>35.98</b>	<b>35.98</b>	<b>35.98</b>	<b>35.98</b>	<b>35.98</b>
<b>Total funded Positions</b>	<b>129.88</b>	<b>129.63</b>	<b>131.63</b>	<b>141.98</b>	<b>145.98</b>

## CITY OF LATHROP

### PERMIT AND PLAN CHECK SUPERVISOR

*Class specifications are only intended to present a descriptive summary of the range of duties and responsibilities that are associated with specified positions. Therefore, specifications **may not include all** duties performed by individuals within a classification. In addition, specifications are intended to outline the **minimum** qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.*

#### **DEFINITION:**

Under general direction, performs a variety of supervisory and technical responsibilities in the areas of building permit processing and plan check for commercial and residential structures;; provides information to the public; calculates and collects fees; provides administrative support within the Division; prepares permit activity reports; represents City with a variety of customers and the public, performs other related duties as required.

#### **DISTINGUISHING CHARACTERISTICS:**

The **Permit and Plan Check Supervisor** is a supervisory level class in which the incumbent is expected to supervise and coordinate the activities of the permit services and plan check for the Building Division. This is a single incumbent classification, which is differentiated from the next highest classification of Chief Building Official in that the latter is responsible for supervision and oversight of the Building Division.

#### **SUPERVISION RECEIVED/EXERCISED:**

Receives general direction from the Chief Building Official, or designee. Exercises direct supervision over permit and plan check staff, and indirect supervision over Building Division support staff.

#### **ESSENTIAL FUNCTIONS:** *(include but are not limited to the following)*

- Responsible for supervising the consistency, accuracy and quality of services provided at the permit services counter including the review and processing of building permits for new construction and building modifications; supervises, trains, motivates, assigns work and evaluates assigned staff; participates in the hiring process; recommends disciplinary actions as necessary; recommends policies and procedures related to permit processing and issuing.
- Participates in the review and processing of building plans for routine and complex structures, and building systems compliance primarily for residential buildings, alterations and repair by reviewing plans, architectural drawings, structural calculations, and specifications submitted with development permit applications to insure completeness and conformance with California Building, Plumbing, Mechanical, and Electrical Codes and relevant State, County and local ordinances.
- Performs over the counter plan checks for small construction projects including but not limited to retail, restaurants, offices, commercial/industrial projects, projects with structural changes and code compliance cases.
- Verifies and coordinates permit documentation, agency clearances and approvals, project information, and contractor licensing information in preparation of project for permit issuance; Receives building plans and specifications for completeness, review and conformance to permit

requirements and regulations; reviews, distributes, and tracks construction plans from project submittal to permit issuance; forwards plans to the appropriate Department staff; relays necessary corrections to the permit applicant.

- Accepts plans for plan checks; oversees all plan checks and ensures they are completed in a timely manner; recommends corrections to violations; maintains department logs; performs input and retrieves data; assists in the preparation of permit and construction activity reports.
- Provides customer service by responding to public and agency inquiries by phone and at the counter; provides information regarding building permit policies and application procedures; works cooperatively with property owners, contractors, architects, developers, engineers, or their representatives to resolve questions regarding permit issuance and permit fees.
- Responds to contractors, builders and the public to answer questions and resolve complaints related to plan check requirements and conditions of permit approvals.
- Oversees and manages the development, installation, and maintenance of a case management and permit tracking system for managing all aspects of the building permit and plan check process.
- Calculates, collects, and records permit application and plan check fees; coordinates fee payment with the cashier; issues over the counter permits.
- Establishes positive working relationships with representatives of community organizations, state/local agencies and associations, City management and staff, and the public.

#### **PHYSICAL, MENTAL, AND ENVIRONMENTAL WORKING CONDITIONS:**

Position requires prolonged sitting, standing, walking, reaching, twisting, bending, grasping, and stooping in the performance of daily activities. The position also requires repetitive hand movement and fine coordination in preparing reports using a computer keyboard. Additionally, the position requires both near and far vision in reading written reports and work related documents. Acute hearing is required when providing phone and personal service. The need to lift, drag, and push files, paper, and documents weighing up to 25 pounds is also required.

Some of these requirements may be accommodated for otherwise qualified individuals requiring and requesting such accommodations.

**QUALIFICATIONS:** *(The following are minimal qualifications necessary for entry into the classification.)*

#### **Education and/or Experience:**

Any combination of education and experience that has provided the knowledge, skills, and abilities necessary for a **Permit and Plan Check Supervisor**. A typical way of obtaining the required qualifications is to possess the equivalent of five years of experience in processing plan submittals and permit applications, and an associate's degree. A bachelor's degree in construction management, public administration, or a related field is highly desirable.

**License/Certificate:**

Possession of, or ability to obtain, a valid Class C California driver's license. Possession of or ability to obtain CALBO Residential Plans Examiner or Residential Building Inspector Certificate within one year of hire is required.

**KNOWLEDGE/ABILITIES/SKILLS:** *(The following are a representative sample of the KAS's necessary to perform essential duties of the position.)*

**Knowledge of:**

Building and municipal code sections as related to the permit and inspection process; principles and practices of plan checking; various construction methods, materials and terminology for both residential and commercial projects; case management and permit tracking systems; real property description and terminology; basic research methods used in the collection, tabulation, analysis, and application of building inspection data; public relations techniques and procedures; supervision, training, and motivation; basic principles of mathematics; applicable federal, state, and local laws, codes, and regulations; methods and techniques of scheduling work assignments; standard office procedures, practices, and equipment; modern office equipment, including a computer and applicable software; methods and techniques for record keeping and report preparation and writing; proper English, spelling, and grammar; occupational hazards and standard safety practices.

**Ability to:**

Manage, oversee, and supervise all permit services and plan checks; review plans, blueprints, and supporting documentation for completeness; collect, analyze, and present data; explain and give zoning and planning ordinances and engineering information; work with the public in a courteous and friendly manner; plan, organize, train, evaluate, and direct work of assigned staff; perform mathematical calculations quickly and accurately; interpret, explain, and apply applicable laws, codes, and regulations pertinent to permit issuance; read, interpret, and record data accurately; organize, prioritize, and follow-up on work assignments; work independently and as part of a team; make sound decisions within established guidelines; analyze a complex issue and develop and implement an appropriate response; follow written and oral directions; observe safety principles and work in a safe manner; communicate clearly and concisely, both orally and in writing; establish and maintain effective working relationships.

**Skill to:**

Operate standard office equipment, including a computer and variety of word processing software programs.

**HISTORICAL DATA**

Adopted: September 14, 2020 by Resolution 20-\_\_\_\_

FLSA Status: Exempt

Bargaining Unit: LMCEA



## CITY OF LATHROP

### INFORMATION TECHNOLOGY ENGINEER I/II/III

*Class specifications are only intended to present a descriptive summary of the range of duties and responsibilities associated with specified positions. Therefore, specifications **may not include all** duties performed by individuals within a classification. In addition, specifications are intended to outline the **minimum** qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.*

#### **DEFINITION:**

Under general supervision, assists and performs a full range of entry level to high-level technical, operational, and specialty work in support of the City's Information Technology (IT) Department including analyzing, planning, implementing, maintaining, troubleshooting and enhancing large complex systems or networks consisting of a combination that may include, personal computers, Virtual Desktop Infrastructure (VDI), cell and mobile devices, switches, routers, firewalls, LANS, WANs, point-to-point network radios, physical, virtual and blade servers, Storage Area Network(SAN), Network Attached Storage (NAS), and the physical and logical components that integrate these systems together as an enterprise networking backbone. Incumbents support planning, managing, and coordinating the day-to day network operations, software maintenance activities, and special projects/assignments of the IT Department including security compliance and network maintenance operations, training and technical assistance to users as needed; performs other related duties and responsibilities as assigned.

#### **DISTINGUISHING CHARACTERISTICS:**

The **Information Technology Engineer I** is the entry-level class in the Information Technology Engineer series that allows the incumbent to develop journey level knowledge and abilities in support of the City's GIS system. Incumbents in this series have basic to moderate knowledge associated with the development and maintenance of a GIS system. This classification is alternatively staffed with Information Technology Engineer II and incumbents may advance to the higher level after gaining experience and demonstrating a level of proficiency that meets the qualifications of the next higher-level class; and/or successfully managing the GIS system at journey level and demonstrating basic knowledge of managing and programming specialty software.

The **Information Technology Engineer II** is the journey level class responsible for independently performing the full scope of assigned duties, including but not limited to duties assigned under the entry-level class; performs complex systems development, documentation and operational analysis, programming, technical support, troubleshooting, as well as may provide on-the-job training and instructions to subordinate staff as needed, under the direction of the Chief Information Officer, or his or her designee. This classification is distinguished from the next higher classification of Information Technology Engineer III in that the latter has advanced journey level class responsible for performing the full scope of routine and complex assigned duties of the Information Technology Department and related activities. Incumbents may advance to the higher level after gaining experience and demonstrating a level of proficiency that meets the qualifications of the next higher-level class; and/or successfully managing and programming specialty software at advanced journey level and demonstrating basic knowledge of managing and programming security software and demonstrating sound judgement and solutions on securing vulnerabilities and reducing risk of system and/or asset compromises.

The **Information Technology Engineer III** is the advanced journey level class responsible for independently performing the full scope of routine and complex assigned duties; including but not limited to duties assigned under the entry-level and journey level class.

This class is distinguished from the journey level class by the complexity and size of the tasks, projects, or duties assigned; it is also distinguished by the amount of discretion exercised over technical issues, problems and resolutions, and that it possesses a significant level of specialized technical and functional expertise beyond that expected at the journey level. Incumbents at this level require highly specialized knowledge, abilities, skills, and experience and often exercise independent judgement in the performance of their duties; are expected to formulate recommendations consistent with directives, policies, standards, and regulations; work is judged primarily on overall results with great latitude in determining work methods and assignment requirements; serves as the senior technical engineer for large complex systems and networks, with a focus on securing vulnerabilities and reducing risk of system and/or asset compromises. This classification differs from the next higher classification of Chief Information Officer in that the latter provides overall supervision, direction and performs the most complex assignments of the Information Technology Department. Incumbents may provide on-the-job training and instructions to subordinate staff as needed, under the direction of the Chief Information Officer, or designee

**SUPERVISION RECEIVED/EXERCISED:**

Receives direction and supervision from the Chief Information Officer, or assigned Department Head. Direction and supervision may also come from the City Manager or designee. The incumbents in these positions typically do not exercise supervision over other support staff.

**ESSENTIAL FUNCTIONS:** *(include but are not limited to the following)*

*Entry Level Engineer*

- Knowledge of techniques, principals and procedures for planning, scheduling, assigning, evaluating, and monitoring daily activities and operations of the Information Technology Division; including but not limited to GIS software, techniques, procedures, concepts, software and technical operating systems, including analysis, design, development and programming of GIS applications and databases; parcel, tract, right-of-way, and easement complex map design; performs research and interpretation of a variety of maps and other data files from public or private agencies for conversion to the GIS system; prepares accumulated information for input to GIS.
- Plan, implement, document, support and maintain the City's GIS application software, database and all test and productions servers; utilizes GIS to produce a variety of high-tech maps and other data for use by City departments, other public and private agencies; assists in software demonstrations, implementations, provides training and support of GIS software for City departments, public and private agencies; performs special studies for City departments utilizing GIS spatial analysis or other tools; resolves maintenance issues and implements corrective measures; monitors operating conditions of GIS equipment and software to ensure efficiency and effectiveness; assists departments in the periodic reassessment of GIS needs and goals; implements solutions as necessary.
- Responds to helpdesk requests for assistance with hardware, software, firmware, encryption, and basic networking and security; repairs or arranges for the repair or replacement of faulty hardware such as; printers, scanners, desktops and other peripherals and software packages; monitors operational performance and troubleshoots system problems, isolates the cause of system failures; performs procedures for preventative maintenance, security updates, backup verification, recovery, and documentation updates of systems, networking and security, configuration of new hardware, software, active directory, email system, phones, ERP security provisioning, changes and de-provisioning; assist with surveillance systems deployments, maintenance and troubleshooting, and video broadcasting, networking, peripherals, and other related equipment setup; performs routine cleaning, repairs, and replacement of computer equipment.

- Assist with server, network equipment deployment and surveillance systems; configuration and deployment of user computer hardware and peripherals including networking, and desk and wireless phones; configures network security settings to access permissions groups for employees and vendor for electronic key systems, vehicle fuel systems, security/access roles, and access permissions.
- Maintains inventory records of existing and newly acquired computer hardware and software; performs monthly inventory of all desktops, tablets and laptops including security patches and virus protection updates of spare systems including encryption for tables and laptops; maintains security, operating systems and firmware patching for desktops, laptops and tablets are performed weekly unless urgent patching is necessary based on CISA (Cybersecurity & Infrastructure Security Agency) Vulnerability Bulletin.
- Assist with maintenance of Citywide HVAC and building security electronic systems and logs; procures quotes for repairs, and or coordinates work order requests.
- Creates and maintains geographic files using GPS, plotters and personal computers; edits computer output for completeness and accuracy and makes necessary corrections and updates.
- Trains users on the use of computer equipment and peripherals, software packages, web-based technologies help desk systems and assists with applications; provides technical support, responds to helpdesk tickets from the users and system notifications of network, security, and servers.

*Journey Level Engineer*

- May perform some or all duties assigned to the entry-level class.
- Serves as a liaison and project manager between software vendors and internal team; initiates contact and meets with department users; analyzes processes, procedures, and programs to determine the feasibility of conversion to electronic processing; researches, initiates contact and evaluates vendor software for potential use in the City.
- Oversees the installation of new vendor purchased application software; maintains changes and upgrades to the software; monitors software performance; troubleshoots system problems; and interfaces with the vendor when necessary to expedite implementation of needed fixes/changes.
- Designs, documents, and develops applications according to the Software Development Lifecycle (SDLC); extracts, transforms, and loads (ETL) data from business systems for reports or use by other systems.
- Understands and implements service requirements for client-server and web-based information systems; Windows, Windows Server Administration, Microsoft .Net and ASP.Net, SQL Server (database engine, analysis services, integration services) and Windows PowerShell; reporting tools, such as SQL Server Reporting Services (SSRS), Development environments – SQL, .NET, web programming techniques and practices; applications and use Android App development tools and various scripting (Javascript, VB).
- Analyzes, designs, codes, modifies and tests computer programs in accordance with the City's and industry standards; provides documentation as needed for necessary compliance; performs database maintenance duties, including backup, restore, and schema changes, develop queries and reports, and recover from error conditions.

- Responsible to backup all internal developed applications source code to a system with daily backup scheduled to the cloud as well the local backup appliance.
- Reviews and conducts detailed analyses of computer systems and makes recommendations for improved system hardware and software; researches and develops ways to improve the effectiveness and efficiency of business processes.
- Provides consultation for department users with complex program or database considerations and assists with problem solving; takes the lead in identifying resource needs, developing project agreements and project plans for the implementation of new systems; prepares proposals and change orders for existing contracts.
- Develops detailed work breakdown systems and work plans using project management and time tracking tools; Tracks, identifies, and repairs data connectivity problems. Provides regular reports on web page access and web site performance metrics.
- Performs tasks related to the enterprise web presence for the City of Lathrop such as architectural design, administration, support, security, documentation and performance management; investigates and recommends new methods, procedures, tools, and technologies as they apply to content management, search engine placement, and web page development.

*Advanced Journey Level Engineer*

- May perform some or all duties assigned to the entry-level and journey class.
- Takes lead in establishing networking environment by installing, configuring, testing, and documenting the equipment/network systems according to the design and specifications; monitors network traffic; analyzes server and network activity; maintains performance monitoring systems as well as other software programs including intrusion detection and virus scanning applications and documentation.
- Perform day-to-day networking tasks to ensure network and server reliability, availability, and serviceability within minimal interruption; develops and maintains documentation of area network infrastructure and operations of local and wide area networks with the assistance of the lower level IT Engineers.
- Review of daily system backups; troubleshoot if necessary of any issues, monthly verification of all servers' backups and monthly backup restores testing; backup configuration of all networking equipment, switches, radios, firewall, routers, and other network equipment.
- Assists department personnel on networking and security troubleshooting; initiates and provides applicable training; develops and administers, or provides advice, evaluation, and oversight for, information security user training and awareness programs.
- Maintains inventory records of existing and newly acquired server hardware, software license, telecommunications circuits, and network equipment.
- Reviews, maintains, and implements network group policies for Active Directory.
- Ensures monthly security and firmware patching for network equipment, server hardware, and operating systems, unless urgent patching is necessary based on CISA (Cybersecurity & Infrastructure Security Agency) Vulnerability Bulletin recommendations.

- Plans, coordinates, configures, implements, administers and maintains security systems, including administration of firewall, switches, routers, wireless technologies, physical security for all sites with network access and security systems; configures network security settings for employees, vendor and processes for incoming and outgoing internet traffic as well internal data flows.
- Perform network technology upgrades or expansion, including installation of hardware, software, and integration testing, security, as well as coordinating these activities without impacting functions of existing systems and networks; plans, tests, and implements programs to ensure network system redundancy; performs backups of all network equipment configuration; and plans for and implements disaster recovery site test every six months or as required.
- Develop and maintain documentation of network topology, and troubleshooting of networking hardware and software; Plans, coordinates of installation, monitoring, and trouble-shooting of surveillance and LPR networks.
- Knowledge of and responsible for compliance of Federal, State and City laws, codes, ordinances, policies and procedures relevant to information technology; reviews and maintains FCC license for radio infrastructure as well as Wide Area Network systems.
- Responsible for PCI compliance requirements; stays abreast of newest technology for payment card industry security information and provides tools to help the organization maintain a secure electronic payment environment.
- Responsible to configure, train, deploy, maintain and trouble-shooting of two factor authentication and VPN software.
- Designs, implements, maintains and operates information system security controls and countermeasures; assists as the City's project lead in the design and oversees installation of fiber and wiring for networking and telecommunications in new building or remodels.
- Analyzes and recommends security controls and procedures in business processes related to use of information systems and assets, and monitors for compliance.
- Monitors information systems for security incidents and vulnerabilities; develops monitoring and visibility capabilities; reports on incidents, vulnerabilities, and trends; examines systems, networking logs daily, and maintains computing environment free of malware and security threats.
- Responds to information system security incidents, including investigation of, countermeasures to, and recovery from computer-based attacks, unauthorized access, and policy breaches; interacts and coordinates with third-party incident responders, including law enforcement; monitors homeland security notifications for security risks/threats and implementation of recommendations.
- Administers authentication and access controls, including provisioning, changes, and de-provisioning of user and system accounts, security/access roles, and access permissions.
- Analyzes trends, news and changes in threat and compliance environment with respect to organizational risk; advises organization management and develops and executes plans for compliance and mitigation of risk; performs risk and compliance self-assessments, and engages and coordinates third-party risk and compliance assessments.

- Analyzes and develops information security governance, including organizational policies, procedures, standards, baselines, and guidelines with respect to information security and use and operation of information systems.
- Maintains inventory records of existing and newly acquired networking hardware and software, telecommunications circuits and carriers, servers, security encryption keys, SSL certificates, access points, Network radios, communications, firmware versions and network maps. Perform audits every six months to validate inventory.

**PHYSICAL, MENTAL, AND ENVIRONMENTAL WORKING CONDITIONS:**

Position requires prolonged sitting, standing, walking, pushing, pulling, reaching, twisting, turning, kneeling, bending, squatting, and stooping and/or crawling in order to install or repair computer or printer cables and hand/eye coordination and manual dexterity for semi-skilled movements, such as taking apart casings, installing parts, reconnecting computers and data entry. May involve extensive Video Display Terminal (VDT) exposure, in the performance of daily activities. The position also requires grasping, repetitive hand movement, and fine coordination in preparing statistical reports and data using a computer keyboard. Additionally, the position requires near and far vision in written reports and work related documents. Acute hearing is required when providing phone and personal service. The employee is occasionally exposed to fumes or airborne particles potentially found in the maintenance or installation of equipment. The employee may occasionally work with use of a vehicle. The noise level in the work environment is usually moderate, but may increase around the use of heavy computer hardware, servers, and sound systems.

**QUALIFICATIONS:** *(The following are minimal qualifications necessary for entry into the classification.)*

**Education and/or Experience:**

Any combination of education and experience that has provided the knowledge, skills, and ability necessary for an Information Technology Engineer I/II/III. A typical way of obtaining the required qualifications is to possess the equivalent of:

**Information Technology Engineer I**

Three (3) years of high-level technical experience in the installation, repair and maintenance of computer hardware, software systems, LAN (local area networks), TCP/IP protocols, web site maintenance (HTML), Microsoft Operating System-Desktop and Server; GIS (ESRI) maintenance, updates and implementation; possession of an Associates of Arts Degree from an accredited college or university in pre-engineering, computer science, computer applications and systems, information systems management, or equivalent field experience.

**License/Certificate:**

Possession of, or ability to obtain, a valid Class C California driver’s license.  
CompTIA A+ Certification – Preferred

### Information Technology Engineer II

Three (3) years of experience equivalent to the City of Lathrop Information Technology Engineer I; or four (4) years as a journey level in high-level technical experience with increasingly responsible experience as a project lead in programming, possession of an Associates of Arts Degree from an accredited college or university in pre-engineering, computer science, computer applications and systems, information systems management, or equivalent field experience.

#### **License/Certificate:**

Possession of, or ability to obtain, a valid Class C California driver's license.

MCSA (Microsoft Certified Solution Developer) - preferred

MCSA (Microsoft Certified Solutions Associate) - preferred

### Information Technology Engineer III

Four (4) years of directly related experience equivalent to the City of Lathrop Information Technology Engineer II; or five (5) years of experience as advanced journey level in high-level technical experience with increasingly responsible experience as a project lead or lead technical architect and systems integrator for large complex systems or networks, with a focus on securing vulnerabilities and reducing risk of system and/or asset compromises; possession of an Associates of Arts Degree from an accredited college or university in pre-engineering, computer science, computer applications and systems, information systems management, or equivalent field experience. Bachelor's Degree and responsible supervisory experience is highly desirable.

#### **License/Certificate:**

Possession of, or ability to obtain, a valid Class C California driver's license.

CCNP or higher (CCIE and/or CISSP)

CompTIA networking certifications

**KNOWLEDGE/ABILITIES/SKILLS** *(The following are a representative sample of the KAS's necessary to perform essential duties of the position.)*

#### **Knowledge of:**

Current principles, technology methods, and implementation techniques of local-area and wide-area voice and data networking, network security, including use of high-speed digital transmission facilities; principles, methods, practices, and techniques of managing telecommunications and information system; current technology in the areas of multi-user computer server hardware, software, and support functions; current management practices; principles of supervision, training, and employee development; applicable federal, state, and local laws, regulations, and reporting requirements, including related safety regulations; principles and practices of project management, administrative analysis, and report preparation; techniques for dealing with the users, representatives of other agencies, organizations, and the public, and resolving problems tactfully and effectively; basic principles of mathematics; methods and techniques of scheduling work assignments; standard office procedures, practices, and equipment; modern office practices, methods, and equipment, including a computer and applicable software; methods and techniques for record keeping and report preparation and writing; proper English, spelling, and grammar; occupational hazards and standard safety practices.

**Ability to:**

Develop and implement improvements to systems, organizations, and operations; research and analyze current and future network, systems and telecommunication requirements; provide high-level technical advice and consultation to ensure efficient data communications, telecommunications, and computer utilizations; stay current with new technological developments; analyze data and develop logical solutions to problems; review and approve appropriate revisions to processes and procedures; establish priorities; respond to deadlines and time restrictions; acquire a thorough knowledge of applicable policies; learn principles and operational characteristics, services; create and prepare a variety of written procedures and policies; establish and maintain cooperative relationships with those contacted in the course of the work, such as with employees, labor unions, officials, contractors, and the public; maintain confidentiality regarding sensitive information; analyze a complex issue and develop and implement an appropriate response; follow written and oral directions; observe safety principles and work in a safe manner; communicate clearly and concisely, both orally and in writing; establish and maintain effective working relationships; respond to after hours call-outs as assigned.

**Skill to:**

Operate an office computer, a variety office, and financial software applications; operate various equipment, communication, and Cisco network systems; Microsoft Server Operating Systems network systems; operate tools needed for the repair of information system hardware. Communicate clearly verbally and in writing.

**HISTORICAL DATA**

Adopted: September 14, 2020 by Resolution 20-\_\_\_\_\_  
FLSA Status: Exempt  
Bargaining Unit: LMCEA



**CITY OF LATHROP  
GRADE-STEP TABLE**

FOR REFERENCE USE ONLY

Eff. 07/01/2020 9/14/2020

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
<b>NON-PUBLIC EMPLOYEES' RETIREMENT SYSTEM (NON-PERS) SCHEDULE</b>								
17	RECREATION LEADER	Unrep	hourly			\$13.41	\$14.08	\$14.78
			bi-weekly			1,072	1,126	1,182
			monthly			2,324	2,440	2,562
			annual			27,883	29,278	30,742
18			hourly			\$13.74	\$14.43	\$15.15
			bi-weekly			1,099	1,154	1,212
			monthly			2,382	2,501	2,626
			annual			28,581	30,010	31,510
19			hourly		\$13.41	\$14.08	\$14.79	\$15.53
			bi-weekly		1,073	1,127	1,183	1,242
			monthly		2,325	2,441	2,563	2,691
			annual		27,900	29,295	30,760	32,298
20			hourly		\$13.75	\$14.44	\$15.16	\$15.92
			bi-weekly		1,100	1,155	1,213	1,273
			monthly		2,383	2,502	2,627	2,759
			annual		28,598	30,028	31,529	33,106
21	FACILITY ATTENDENT	Unrep	hourly	\$13.42	\$14.09	\$14.80	\$15.54	\$16.31
			bi-weekly	1,074	1,127	1,184	1,243	1,305
			monthly	2,326	2,443	2,565	2,693	2,828
			annual	27,917	29,312	30,778	32,317	33,933
22			hourly	\$13.76	\$14.44	\$15.17	\$15.93	\$16.72
			bi-weekly	1,101	1,156	1,213	1,274	1,338
			monthly	2,384	2,504	2,629	2,760	2,898
			annual	28,614	30,045	31,547	33,124	34,780
23			hourly	\$14.10	\$14.81	\$15.55	\$16.32	\$17.14
			bi-weekly	1,128	1,184	1,244	1,306	1,371
			monthly	2,444	2,566	2,695	2,829	2,971
			annual	29,330	30,796	32,336	33,953	35,651
24	SENIOR RECREATION LEADER	Unrep	hourly	\$14.45	\$15.18	\$15.94	\$16.73	\$17.57
			bi-weekly	1,156	1,214	1,275	1,339	1,405
			monthly	2,505	2,631	2,762	2,900	3,045
			annual	30,063	31,567	33,145	34,802	36,542
25			hourly	\$14.81	\$15.56	\$16.33	\$17.15	\$18.01
			bi-weekly	1,185	1,244	1,307	1,372	1,441
			monthly	2,568	2,696	2,831	2,973	3,121
			annual	30,815	32,356	33,974	35,672	37,456
26			hourly	\$15.19	\$15.94	\$16.74	\$17.58	\$18.46
			bi-weekly	1,215	1,276	1,339	1,406	1,477
			monthly	2,632	2,764	2,902	3,047	3,199
			annual	31,585	33,165	34,823	36,564	38,392
27			hourly	\$15.56	\$16.34	\$17.16	\$18.02	\$18.92
			bi-weekly	1,245	1,307	1,373	1,441	1,514
			monthly	2,698	2,833	2,974	3,123	3,279
			annual	32,375	33,994	35,693	37,478	39,352
28			hourly	\$15.95	\$16.75	\$17.59	\$18.47	\$19.39
			bi-weekly	1,276	1,340	1,407	1,477	1,551
			monthly	2,765	2,904	3,049	3,201	3,361
			annual	33,184	34,843	36,585	38,415	40,335
29			hourly	\$16.35	\$17.17	\$18.03	\$18.93	\$19.88
			bi-weekly	1,308	1,374	1,442	1,514	1,590
			monthly	2,835	2,976	3,125	3,281	3,445
			annual	34,014	35,715	37,500	39,375	41,344
30			hourly	\$16.76	\$17.60	\$18.48	\$19.40	\$20.37
			bi-weekly	1,341	1,408	1,478	1,552	1,630
			monthly	2,905	3,051	3,203	3,363	3,531
			annual	34,864	36,607	38,438	40,360	42,378

ATTACHMENT "E"

**CITY OF LATHROP  
GRADE-STEP TABLE**

FOR REFERENCE USE ONLY

Eff. 07/01/2020 9/14/2020

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
31			hourly	\$17.18	\$18.04	\$18.94	\$19.89	\$20.88
			bi-weekly	1,374	1,443	1,515	1,591	1,671
			monthly	2,978	3,127	3,283	3,447	3,620
			annual	35,736	37,522	39,399	41,368	43,437
32	OFFICE ASSISTANT I	Unrep	hourly	17.61	18.49	19.42	20.39	21.41
			bi-weekly	1,409	1,479	1,553	1,631	1,712
			monthly	3,052	3,205	3,365	3,534	3,710
			annual	36,629	38,461	40,384	42,403	44,523
33			hourly	\$18.05	\$18.95	\$19.90	\$20.90	\$21.94
			bi-weekly	1,444	1,516	1,592	1,672	1,755
			monthly	3,129	3,285	3,449	3,622	3,803
			annual	37,545	39,422	41,393	43,463	45,636
34			hourly	\$18.50	\$19.43	\$20.40	\$21.42	\$22.49
			bi-weekly	1,480	1,554	1,632	1,713	1,799
			monthly	3,207	3,367	3,536	3,712	3,898
			annual	38,484	40,408	42,428	44,550	46,777
35	OFFICE ASSISTANT II	Unrep	hourly	\$18.96	\$19.91	\$20.91	\$21.95	\$23.05
			bi-weekly	1,517	1,593	1,673	1,756	1,844
			monthly	3,287	3,452	3,624	3,805	3,996
			annual	39,446	41,418	43,489	45,664	47,947
36			hourly	\$19.44	\$20.41	\$21.43	\$22.50	\$23.63
			bi-weekly	1,555	1,633	1,714	1,800	1,890
			monthly	3,369	3,538	3,715	3,900	4,095
			annual	40,432	42,453	44,576	46,805	49,145
37	ANIMAL SERVICES ASSISTANT RECREATION SPECIALIST	Unrep	hourly	\$19.92	\$20.92	\$21.97	\$23.06	\$24.22
			bi-weekly	1,594	1,674	1,757	1,845	1,937
		Unrep	monthly	3,454	3,626	3,808	3,998	4,198
			annual	41,442	43,514	45,690	47,975	50,373
38	ACCOUNTING SPECIALIST I MAINTENANCE WORKER I METER READER SENIOR CENTER RECREATION COORDINATOR	Unrep	hourly	\$20.42	\$21.44	\$22.52	\$23.64	\$24.82
			bi-weekly	1,634	1,715	1,801	1,891	1,986
		Unrep	monthly	3,540	3,717	3,903	4,098	4,303
			annual	42,479	44,603	46,833	49,175	51,633
39			hourly	\$20.93	\$21.98	\$23.08	\$24.23	\$25.44
			bi-weekly	1,675	1,758	1,846	1,939	2,036
			monthly	3,628	3,810	4,000	4,200	4,410
			annual	43,540	45,717	48,003	50,403	52,924
40	RECREATION COORDINATOR	Unrep	hourly	\$21.46	\$22.53	\$23.66	\$24.84	\$26.08
			bi-weekly	1,717	1,802	1,892	1,987	2,086
			monthly	3,719	3,905	4,100	4,305	4,521
			annual	44,629	46,861	49,204	51,664	54,247
<b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) SCHEDULE</b>								
12			hourly				\$ 13.47	\$ 14.14
			bi-weekly				1,077	1,131
			monthly				2,334	2,451
			annual				28,010	29,411
13			hourly				\$ 13.80	\$ 14.49
			bi-weekly				1,104	1,159
			monthly				2,393	2,512
			annual				28,711	30,146
14			hourly			\$ 13.47	\$ 14.15	\$ 14.86
			bi-weekly			1,078	1,132	1,188
			monthly			2,336	2,452	2,575
			annual			28,027	29,428	30,900
15	RECREATION LEADER	SEIU	hourly			\$ 13.81	\$ 14.50	\$ 15.23
			bi-weekly			1,105	1,160	1,218
			monthly			2,394	2,514	2,639
			annual			28,727	30,164	31,672

**CITY OF LATHROP  
GRADE-STEP TABLE**

*\*FOR REFERENCE USE ONLY*

*Eff. 07/01/2020 9/1/2020*

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
16			hourly		\$ 13.48	\$ 14.16	\$ 14.86	\$ 15.61
			bi-weekly		1,079	1,133	1,189	1,249
			monthly		2,337	2,454	2,577	2,705
			annual		28,044	29,446	30,918	32,464
17			hourly		\$ 13.82	\$ 14.51	\$ 15.24	\$ 16.00
			bi-weekly		1,106	1,161	1,219	1,280
			monthly		2,395	2,515	2,641	2,773
			annual		28,744	30,182	31,691	33,275
18			hourly	\$ 13.49	\$ 14.17	\$ 14.87	\$ 15.62	\$ 16.40
			bi-weekly	1,079	1,133	1,190	1,249	1,312
			monthly	2,338	2,455	2,578	2,707	2,842
			annual	28,060	29,463	30,937	32,483	34,108
19			hourly	\$ 13.83	\$ 14.52	\$ 15.25	\$ 16.01	\$ 16.81
			bi-weekly	1,106	1,162	1,220	1,281	1,345
			monthly	2,397	2,517	2,643	2,775	2,913
			annual	28,762	30,200	31,710	33,296	34,960
20			hourly	\$ 14.17	\$ 14.88	\$ 15.63	\$ 16.41	\$ 17.23
			bi-weekly	1,134	1,191	1,250	1,313	1,378
			monthly	2,457	2,580	2,709	2,844	2,986
			annual	29,481	30,955	32,503	34,128	35,834
21	FACILITY ATTENDENT	SEIU	hourly	\$ 14.53	\$ 15.25	\$ 16.02	\$ 16.82	\$ 17.66
			bi-weekly	1,162	1,220	1,281	1,345	1,413
			monthly	2,518	2,644	2,776	2,915	3,061
			annual	30,218	31,729	33,315	34,981	36,730
22			hourly	\$ 14.89	\$ 15.64	\$ 16.42	\$ 17.24	\$ 18.10
			bi-weekly	1,191	1,251	1,313	1,379	1,448
			monthly	2,581	2,710	2,846	2,988	3,137
			annual	30,972	32,521	34,147	35,854	37,647
23			hourly	\$ 15.26	\$ 16.03	\$ 16.83	\$ 17.67	\$ 18.55
			bi-weekly	1,221	1,282	1,346	1,414	1,484
			monthly	2,646	2,778	2,917	3,063	3,216
			annual	31,748	33,335	35,002	36,752	38,589
24	SENIOR FACILITY ATTENDANT SENIOR RECREATION LEADER	SEIU SEIU	hourly	\$ 15.65	\$ 16.43	\$ 17.25	\$ 18.11	\$ 19.02
			bi-weekly	1,252	1,314	1,380	1,449	1,521
			monthly	2,712	2,847	2,990	3,139	3,296
			annual	32,542	34,169	35,877	37,671	39,555
25			hourly	\$ 16.04	\$ 16.84	\$ 17.68	\$ 18.56	\$ 19.49
			bi-weekly	1,283	1,347	1,414	1,485	1,559
			monthly	2,780	2,919	3,065	3,218	3,379
			annual	33,355	35,023	36,774	38,613	40,544
26			hourly	\$ 16.44	\$ 17.26	\$ 18.12	\$ 19.03	\$ 19.98
			bi-weekly	1,315	1,381	1,450	1,522	1,598
			monthly	2,849	2,992	3,141	3,298	3,463
			annual	34,189	35,898	37,693	39,578	41,557
27			hourly	\$ 16.85	\$ 17.69	\$ 18.57	\$ 19.50	\$ 20.48
			bi-weekly	1,348	1,415	1,486	1,560	1,638
			monthly	2,920	3,066	3,220	3,381	3,550
			annual	35,044	36,796	38,636	40,567	42,596
28			hourly	\$ 17.27	\$ 18.13	\$ 19.04	\$ 19.99	\$ 20.99
			bi-weekly	1,382	1,451	1,523	1,599	1,679
			monthly	2,993	3,143	3,300	3,465	3,638
			annual	35,920	37,715	39,601	41,581	43,660
29			hourly	\$ 17.70	\$ 18.59	\$ 19.52	\$ 20.49	\$ 21.52
			bi-weekly	1,416	1,487	1,561	1,639	1,721
			monthly	3,068	3,222	3,383	3,552	3,729
			annual	36,818	38,659	40,592	42,621	44,752

**CITY OF LATHROP  
GRADE-STEP TABLE**

FOR REFERENCE USE ONLY

Eff. 07/01/2020 9/14/2020

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
30			hourly	\$ 18.14	\$ 19.05	\$ 20.00	\$ 21.00	\$ 22.05
			bi-weekly	1,451	1,524	1,600	1,680	1,764
			monthly	3,145	3,302	3,467	3,641	3,823
			annual	37,738	39,625	41,606	43,687	45,871
31			hourly	\$ 18.60	\$ 19.53	\$ 20.50	\$ 21.53	\$ 22.60
			bi-weekly	1,488	1,562	1,640	1,722	1,808
			monthly	3,223	3,385	3,554	3,732	3,918
			annual	38,682	40,616	42,647	44,779	47,018
32	OFFICE ASSISTANT I	SEIU	hourly	\$ 19.06	\$ 20.01	\$ 21.02	\$ 22.07	\$ 23.17
			bi-weekly	1,525	1,601	1,681	1,765	1,854
			monthly	3,304	3,469	3,643	3,825	4,016
			annual	39,649	41,631	43,713	45,898	48,193
33			hourly	\$ 19.54	\$ 20.52	\$ 21.54	\$ 22.62	\$ 23.75
			bi-weekly	1,563	1,641	1,723	1,809	1,900
			monthly	3,387	3,556	3,734	3,920	4,116
			annual	40,640	42,672	44,805	47,045	49,398
34			hourly	\$ 20.03	\$ 21.03	\$ 22.08	\$ 23.18	\$ 24.34
			bi-weekly	1,602	1,682	1,766	1,855	1,947
			monthly	3,471	3,645	3,827	4,018	4,219
			annual	41,656	43,739	45,925	48,222	50,633
35	OFFICE ASSISTANT II	SEIU	hourly	\$ 20.53	\$ 21.55	\$ 22.63	\$ 23.76	\$ 24.95
			bi-weekly	1,642	1,724	1,811	1,901	1,996
			monthly	3,558	3,736	3,923	4,119	4,325
			annual	42,698	44,832	47,074	49,428	51,899
36			hourly	\$ 21.04	\$ 22.09	\$ 23.20	\$ 24.36	\$ 25.58
			bi-weekly	1,683	1,767	1,856	1,949	2,046
			monthly	3,647	3,829	4,021	4,222	4,433
			annual	43,765	45,953	48,251	50,663	53,196
37	ANIMAL SERVICES ASSISTANT RECREATION SPECIALIST	SEIU	hourly	\$ 21.57	\$ 22.64	\$ 23.78	\$ 24.97	\$ 26.21
			bi-weekly	1,725	1,812	1,902	1,997	2,097
		SEIU	monthly	3,738	3,925	4,121	4,327	4,544
			annual	44,859	47,101	49,457	51,929	54,526
38	ACCOUNTING SPECIALIST I MAINTENANCE WORKER I WATER METER READER I SENIOR CENTER RECREATION COORDINATOR	SEIU	hourly	\$ 22.11	\$ 23.21	\$ 24.37	\$ 25.59	\$ 26.87
			bi-weekly	1,768	1,857	1,950	2,047	2,150
		SEIU	monthly	3,832	4,023	4,224	4,436	4,657
			annual	45,980	48,280	50,693	53,228	55,890
39			hourly	\$ 22.66	\$ 23.79	\$ 24.98	\$ 26.23	\$ 27.54
			bi-weekly	1,813	1,903	1,998	2,098	2,203
			monthly	3,927	4,124	4,330	4,547	4,774
			annual	47,130	49,486	51,960	54,558	57,286
40			hourly	\$ 23.23	\$ 24.39	\$ 25.61	\$ 26.89	\$ 28.23
			bi-weekly	1,858	1,951	2,048	2,151	2,258
			monthly	4,026	4,227	4,438	4,660	4,893
			annual	48,308	50,724	53,260	55,923	58,719
41	ADMINISTRATIVE ASSISTANT I UTILITY OPERATOR I	SEIU	hourly	\$ 23.81	\$ 25.00	\$ 26.25	\$ 27.56	\$ 28.94
			bi-weekly	1,904	2,000	2,100	2,205	2,315
		SEIU	monthly	4,126	4,333	4,549	4,777	5,016
			annual	49,516	51,991	54,591	57,321	60,187
42	ACCOUNTING SPECIALIST II MAINTENANCE WORKER II WATER METER READER II	SEIU	hourly	\$ 24.40	\$ 25.62	\$ 26.90	\$ 28.25	\$ 29.66
			bi-weekly	1,952	2,050	2,152	2,260	2,373
		SEIU	monthly	4,229	4,441	4,663	4,896	5,141
			annual	50,753	53,291	55,956	58,753	61,691
43			hourly	\$ 25.01	\$ 26.26	\$ 27.57	\$ 28.95	\$ 30.40
			bi-weekly	2,001	2,101	2,206	2,316	2,432
			monthly	4,335	4,552	4,780	5,018	5,269
			annual	52,022	54,623	57,354	60,222	63,233

**CITY OF LATHROP  
GRADE-STEP TABLE**

*\*FOR REFERENCE USE ONLY*

*Eff. 07/01/2020 9/1/2020*

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
44	INFORMATION TECHNOLOGY TECHNICIAN	SEIU	hourly	\$ 25.64	\$ 26.92	\$ 28.26	\$ 29.68	\$ 31.16
			bi-weekly	2,051	2,153	2,261	2,374	2,493
			monthly	4,444	4,666	4,899	5,144	5,401
			annual	53,323	55,989	58,788	61,728	64,814
45	ADMINISTRATIVE ASSISTANT II RECREATION COORDINATOR UTILITY OPERATOR II	SEIU	hourly	\$ 26.28	\$ 27.59	\$ 28.97	\$ 30.42	\$ 31.94
			bi-weekly	2,102	2,207	2,318	2,433	2,555
			monthly	4,555	4,782	5,021	5,273	5,536
			annual	54,656	57,389	60,258	63,271	66,434
46	ANIMAL SERVICES OFFICER	SEIU	hourly	\$ 26.93	\$ 28.28	\$ 29.69	\$ 31.18	\$ 32.74
			bi-weekly	2,155	2,262	2,376	2,494	2,619
			monthly	4,669	4,902	5,147	5,404	5,675
			annual	56,023	58,824	61,765	64,853	68,096
47	PERMIT TECHNICIAN ADMINISTRATIVE TECHNICIAN I ADMINISTRATIVE ASSISTANT III	SEIU	hourly	\$ 27.61	\$ 28.99	\$ 30.44	\$ 31.96	\$ 33.56
			bi-weekly	2,209	2,319	2,435	2,557	2,685
			monthly	4,785	5,024	5,276	5,539	5,816
			annual	57,423	60,294	63,308	66,474	69,797
48	SENIOR MAINTENANCE WORKER SOLID WASTE&RESOURCE CONSERV. COORD.	SEIU	hourly	\$ 28.30	\$ 29.71	\$ 31.20	\$ 32.76	\$ 34.40
			bi-weekly	2,264	2,377	2,496	2,621	2,752
			monthly	4,905	5,150	5,408	5,678	5,962
			annual	58,859	61,802	64,892	68,136	71,543
49	ACCOUNTING TECHNICIAN	SEIU	hourly	\$ 29.00	\$ 30.46	\$ 31.98	\$ 33.58	\$ 35.26
			bi-weekly	2,320	2,436	2,558	2,686	2,820
			monthly	5,027	5,279	5,543	5,820	6,111
			annual	60,330	63,346	66,514	69,839	73,331
50	ENGINEERING TECHNICIAN I SENIOR ANIMAL SERVICES OFFICER	SEIU	hourly	\$ 29.73	\$ 31.22	\$ 32.78	\$ 34.42	\$ 36.14
			bi-weekly	2,378	2,497	2,622	2,753	2,891
			monthly	5,153	5,411	5,681	5,965	6,264
			annual	61,838	64,930	68,176	71,585	75,164
51	CRIME & INTELLEGENCE ANALYST SENIOR ADMINISTRATIVE ASSISTANT ADMINISTRATIVE TECHNICIAN II	SEIU	hourly	\$ 30.47	\$ 32.00	\$ 33.60	\$ 35.28	\$ 37.04
			bi-weekly	2,438	2,560	2,688	2,822	2,963
			monthly	5,282	5,546	5,823	6,115	6,420
			annual	63,384	66,554	69,881	73,375	77,044
52	ACCOUNTANT I BUILDING INSPECTOR I CODE COMPLIANCE OFFICER I	SEIU	hourly	\$ 31.23	\$ 32.80	\$ 34.44	\$ 36.16	\$ 37.97
			bi-weekly	2,499	2,624	2,755	2,893	3,037
			monthly	5,414	5,685	5,969	6,267	6,581
			annual	64,969	68,217	71,628	75,209	78,970
53	CONSTRUCTION INSPECTOR I GIS SPECIALIST I LEGAL SECRETARY	SEIU	hourly	\$ 32.02	\$ 33.62	\$ 35.30	\$ 37.06	\$ 38.92
			bi-weekly	2,561	2,689	2,824	2,965	3,113
			monthly	5,549	5,827	6,118	6,424	6,745
			annual	66,593	69,923	73,419	77,090	80,944
54	ENGINEERING TECHNICIAN II EXECUTIVE ASSISTANT	SEIU	hourly	\$ 32.82	\$ 34.46	\$ 36.18	\$ 37.99	\$ 39.89
			bi-weekly	2,625	2,757	2,894	3,039	3,191
			monthly	5,688	5,973	6,271	6,585	6,914
			annual	68,258	71,671	75,254	79,017	82,968
55	ASSISTANT PLANNER BUILDING INSPECTOR II CODE COMPLIANCE OFFICER II SENIOR ACCOUNTING TECHNICIAN	SEIU	hourly	\$ 33.64	\$ 35.32	\$ 37.08	\$ 38.94	\$ 40.89
			bi-weekly	2,691	2,825	2,967	3,115	3,271
			monthly	5,830	6,122	6,428	6,749	7,087
			annual	69,964	73,463	77,136	80,992	85,042
56	ACCOUNTANT II MANAGEMENT ANALYST I (CONFIDENTIAL)	SEIU	hourly	\$ 34.48	\$ 36.20	\$ 38.01	\$ 39.91	\$ 41.91
			bi-weekly	2,758	2,896	3,041	3,193	3,353
			monthly	5,976	6,275	6,589	6,918	7,264
			annual	71,714	75,299	79,064	83,017	87,168
57	CONSTRUCTION INSPECTOR II GIS SPECIALIST II LEGAL ASSISTANT PARKS & RECREATION SUPERVISOR	SEIU	hourly	\$ 35.34	\$ 37.11	\$ 38.96	\$ 40.91	\$ 42.96
			bi-weekly	2,827	2,969	3,117	3,273	3,436
			monthly	6,125	6,432	6,753	7,091	7,446
			annual	73,506	77,181	81,040	85,092	89,347

**CITY OF LATHROP  
GRADE-STEP TABLE**

*FOR REFERENCE USE ONLY*

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GRADE	CLASSIFICATION	UNIT	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	
58	ASSOCIATE PLANNER	SEIU	hourly	\$ 36.22	\$ 38.03	\$ 39.94	\$ 41.93	\$ 44.03
	JUNIOR ENGINEER	SEIU	bi-weekly	2,898	3,043	3,195	3,355	3,522
	SENIOR ENGINEERING TECHNICIAN	SEIU	monthly	6,279	6,593	6,922	7,268	7,632
			annual	75,344	79,111	83,066	87,220	91,581
59	BUILDING INSPECTOR III	SEIU	hourly	\$ 37.13	\$ 38.98	\$ 40.93	\$ 42.98	\$ 45.13
	CHIEF UTILITY OPERATOR	SEIU	bi-weekly	2,970	3,119	3,275	3,438	3,610
	CODE COMPLIANCE OFFICER III	SEIU	monthly	6,436	6,757	7,095	7,450	7,823
	INFORMATION TECHNOLOGY ANALYST	LMCEA	annual	77,227	81,089	85,143	89,400	93,870
	MAINTENANCE SERVICES SUPERVISOR	LMCEA						
UTILITY OPERATOR III	SEIU							
60	EXECUTIVE ASSISTANT TO THE CITY MANAGER	LMCEA	hourly	\$ 38.06	\$ 39.96	\$ 41.96	\$ 44.06	\$ 46.26
	HUMAN RESOURCES MANAGER	EXEMPT	bi-weekly	3,045	3,197	3,357	3,524	3,701
	MANAGEMENT ANALYST II (CONFIDENTIAL)	LMCEA	monthly	6,597	6,926	7,273	7,636	8,018
	INFORMATION TECHNOLOGY ENGINEER I	LMCEA	annual	79,159	83,116	87,272	91,636	96,218
61	POLICE SERVICES MANAGER	LMCEA	hourly	\$ 39.01	\$ 40.96	\$ 43.01	\$ 45.16	\$ 47.41
	SENIOR CONSTRUCTION INSPECTOR	LMCEA	bi-weekly	3,121	3,277	3,441	3,613	3,793
	UTILITY MAINTENANCE SUPERVISOR	LMCEA	monthly	6,761	7,099	7,454	7,827	8,219
			annual	81,137	85,194	89,454	93,926	98,623
62	WASTEWATER TREATMENT PLANT SUPERVISOR	LMCEA	hourly	\$ 39.98	\$ 41.98	\$ 44.08	\$ 46.29	\$ 48.60
			bi-weekly	3,199	3,359	3,527	3,703	3,888
			monthly	6,930	7,277	7,641	8,023	8,424
			annual	83,165	87,324	91,690	96,274	101,088
63	SENIOR BUILDING INSPECTOR	SEIU	hourly	\$ 40.98	\$ 43.03	\$ 45.18	\$ 47.44	\$ 49.82
			bi-weekly	3,279	3,443	3,615	3,795	3,985
			monthly	7,104	7,459	7,832	8,223	8,635
			annual	85,245	89,507	93,982	98,682	103,616
64	ANIMAL SERVICES MANAGER	LMCEA	hourly	\$ 42.01	\$ 44.11	\$ 46.31	\$ 48.63	\$ 51.06
	ASSISTANT ENGINEER	SEIU	bi-weekly	3,361	3,529	3,705	3,890	4,085
	PARKS AND RECREATION ADMINISTRATOR	SEIU	monthly	7,281	7,645	8,028	8,429	8,850
	PLANS EXAMINER	SEIU	annual	87,376	91,744	96,332	101,148	106,206
65	BUDGET MANAGER	LMCEA	hourly	\$ 43.06	\$ 45.21	\$ 47.47	\$ 49.84	\$ 52.34
	SENIOR ACCOUNTANT	LMCEA	bi-weekly	3,445	3,617	3,798	3,988	4,187
			monthly	7,463	7,837	8,228	8,640	9,072
			annual	89,560	94,038	98,740	103,677	108,861
66			hourly	\$ 44.13	\$ 46.34	\$ 48.66	\$ 51.09	\$ 53.65
			bi-weekly	3,531	3,707	3,893	4,087	4,292
			monthly	7,650	8,032	8,434	8,856	9,299
			annual	91,799	96,389	101,209	106,269	111,582
67	CODE COMPLIANCE SUPERVISOR	LMCEA	hourly	\$ 45.24	\$ 47.50	\$ 49.87	\$ 52.37	\$ 54.99
	PROGRAMMER ANALYST	LMCEA	bi-weekly	3,619	3,800	3,990	4,189	4,399
	INFORMATION TECHNOLOGY ENGINEER II	LMCEA	monthly	7,841	8,233	8,645	9,077	9,531
	SENIOR PLANNER	LMCEA	annual	94,094	98,799	103,739	108,926	114,372
	SENIOR MANAGEMENT ANALYST	LMCEA						
SPECIAL DISTRICTS MANAGER	LMCEA							
68	PERMIT AND PLAN CHECK SUPERVISOR	LMCEA	hourly	\$ 46.37	\$ 48.69	\$ 51.12	\$ 53.68	\$ 56.36
			bi-weekly	3,709	3,895	4,090	4,294	4,509
			monthly	8,037	8,439	8,861	9,304	9,769
			annual	96,446	101,268	106,332	111,648	117,231
69	UTILITY PLANT SUPERVISOR	LMCEA	hourly	\$ 47.53	\$ 49.90	\$ 52.40	\$ 55.02	\$ 57.77
			bi-weekly	3,802	3,992	4,192	4,402	4,622
			monthly	8,238	8,650	9,083	9,537	10,014
			annual	98,858	103,800	108,991	114,440	120,162
70	ASSOCIATE ENGINEER	SEIU	hourly	\$ 48.72	\$ 51.15	\$ 53.71	\$ 56.39	\$ 59.21
			bi-weekly	3,897	4,092	4,297	4,512	4,737
			monthly	8,444	8,866	9,310	9,775	10,264
			annual	101,329	106,396	111,716	117,301	123,166

**CITY OF LATHROP  
GRADE-STEP TABLE**

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GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
71	PARKS AND RECREATION SUPERINTENDENT INFORMATION TECHNOLOGY ENGINEER III	LMCEA LMCEA	hourly	\$ 49.93	\$ 52.43	\$ 55.05	\$ 57.80	\$ 60.70
			bi-weekly	3,995	4,194	4,404	4,624	4,856
			monthly	8,655	9,088	9,542	10,020	10,520
			annual	103,863	109,056	114,509	120,234	126,246
72	PRINCIPAL PLANNER	LMCEA	hourly	\$ 51.18	\$ 53.74	\$ 56.43	\$ 59.25	\$ 62.21
			bi-weekly	4,095	4,299	4,514	4,740	4,977
			monthly	8,872	9,315	9,781	10,270	10,783
			annual	106,459	111,782	117,371	123,240	129,402
73	ASSISTANT CHIEF BUILDING OFFICIAL	LMCEA	hourly	\$ 52.46	\$ 55.08	\$ 57.84	\$ 60.73	\$ 63.77
			bi-weekly	4,197	4,407	4,627	4,858	5,101
			monthly	9,093	9,548	10,025	10,527	11,053
			annual	109,120	114,576	120,305	126,320	132,636
74	CITY CLERK SENIOR CIVIL ENGINEER SENIOR ENGINEER FINANCE MANAGER	EXEMPT	hourly	\$ 53.77	\$ 56.46	\$ 59.29	\$ 62.25	\$ 65.36
		LMCEA	bi-weekly	4,302	4,517	4,743	4,980	5,229
		LMCEA	monthly	9,321	9,787	10,276	10,790	11,329
		LMCEA	annual	111,849	117,441	123,313	129,479	135,953
75	INFORMATION TECHNOLOGY MANAGER	LMCEA	hourly	\$ 55.12	\$ 57.87	\$ 60.77	\$ 63.81	\$ 67.00
			bi-weekly	4,409	4,630	4,861	5,104	5,360
			monthly	9,554	10,031	10,533	11,060	11,613
			annual	114,645	120,377	126,396	132,716	139,352
76	ACCOUNTING MANAGER PARKS PROJECT MANAGER PERMIT CENTER MANAGER PROJECTS MANAGER UTILITIES & STREET MAINTENANCE SUPERINTENDENT	LMCEA	hourly	\$ 56.50	\$ 59.32	\$ 62.29	\$ 65.40	\$ 68.67
		LMCEA	bi-weekly	4,520	4,746	4,983	5,232	5,494
		LMCEA	monthly	9,793	10,282	10,796	11,336	11,903
		LMCEA	annual	117,511	123,386	129,555	136,033	142,835
77	ASSISTANT CITY ATTORNEY CHIEF BUILDING OFFICIAL	EXEMPT	hourly	\$ 57.91	\$ 60.80	\$ 63.84	\$ 67.04	\$ 70.39
		UNREP	bi-weekly	4,633	4,864	5,107	5,363	5,631
			monthly	10,037	10,539	11,066	11,619	12,200
			annual	120,448	126,470	132,794	139,434	146,405
78	DEPUTY FINANCE DIRECTOR	LMCEA	hourly	\$ 59.36	\$ 62.32	\$ 65.44	\$ 68.71	\$ 72.15
			bi-weekly	4,748	4,986	5,235	5,497	5,772
			monthly	10,288	10,803	11,343	11,910	12,506
			annual	123,460	129,633	136,114	142,920	150,066
79	ECONOMIC DEVELOPMENT ADMINISTRATOR LAND DEVELOPMENT MANAGER	LMCEA	hourly	\$ 60.84	\$ 63.88	\$ 67.08	\$ 70.43	\$ 73.95
		LMCEA	bi-weekly	4,867	5,111	5,366	5,634	5,916
			monthly	10,546	11,073	11,626	12,208	12,818
			annual	126,546	132,873	139,517	146,493	153,818
80	ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR CHIEF PLANNING OFFICIAL PRINCIPAL ENGINEER	LMCEA	hourly	\$ 62.36	\$ 65.48	\$ 68.75	\$ 72.19	\$ 75.80
		LMCEA	bi-weekly	4,989	5,238	5,500	5,775	6,064
		LMCEA	monthly	10,809	11,350	11,917	12,513	13,139
			annual	129,710	136,195	143,005	150,155	157,663
81	SENIOR CONSTRUCTION MANAGER CHIEF INFORMATION OFFICER	LMCEA	hourly	\$ 63.92	\$ 67.12	\$ 70.47	\$ 74.00	\$ 77.69
		EXEMPT	bi-weekly	5,114	5,369	5,638	5,920	6,216
			monthly	11,079	11,633	12,215	12,826	13,467
			annual	132,953	139,601	146,581	153,910	161,605
82	ASSISTANT PUBLIC WORKS DIRECTOR	LMCEA	hourly	\$ 65.52	\$ 68.79	\$ 72.23	\$ 75.84	\$ 79.64
			bi-weekly	5,241	5,503	5,779	6,068	6,371
			monthly	11,356	11,924	12,520	13,146	13,804
			annual	136,276	143,090	150,245	157,757	165,645
83	DIRECTOR OF HUMAN RESOURCES	EXEMPT	hourly	\$ 67.16	\$ 70.51	\$ 74.04	\$ 77.74	\$ 81.63
			bi-weekly	5,372	5,641	5,923	6,219	6,530
			monthly	11,640	12,222	12,833	13,475	14,149
			annual	139,683	146,668	154,001	161,701	169,786
84			hourly	\$ 68.83	\$ 72.28	\$ 75.89	\$ 79.68	\$ 83.67
			bi-weekly	5,507	5,782	6,071	6,375	6,693
			monthly	11,931	12,528	13,154	13,812	14,503
			annual	143,175	150,334	157,851	165,743	174,030

**CITY OF LATHROP  
GRADE-STEP TABLE**

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GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
85	DIRECTOR OF PARKS & RECREATION	EXEMPT	hourly	\$ 70.56	\$ 74.08	\$ 77.79	\$ 81.68	\$ 85.76
			bi-weekly	5,644	5,927	6,223	6,534	6,861
			monthly	12,230	12,841	13,483	14,157	14,865
			annual	146,754	154,092	161,797	169,887	178,381
86	DIRECTOR OF ADMINISTRATIVE SERVICES	EXEMPT	hourly	\$ 72.32	\$ 75.93	\$ 79.73	\$ 83.72	\$ 87.90
			bi-weekly	5,786	6,075	6,379	6,697	7,032
			monthly	12,535	13,162	13,820	14,511	15,237
			annual	150,423	157,944	165,842	174,134	182,840
87	DEPUTY CITY MANAGER/DIRECTOR OF PUBLIC WORKS DIRECTOR OF FINANCE	EXEMPT	hourly	\$ 74.13	\$ 77.83	\$ 81.73	\$ 85.81	\$ 90.10
			bi-weekly	5,930	6,227	6,538	6,865	7,208
			monthly	12,849	13,491	14,166	14,874	15,618
			annual	154,184	161,894	169,988	178,488	187,412
88	DIRECTOR OF COMMUNITY DEVELOPMENT DIRECTOR OF PUBLIC WORKS	EXEMPT	hourly	\$ 75.98	\$ 79.78	\$ 83.77	\$ 87.96	\$ 92.35
			bi-weekly	6,078	6,382	6,701	7,037	7,388
			monthly	13,170	13,828	14,520	15,246	16,008
			annual	158,039	165,941	174,238	182,950	192,097
89	CITY ENGINEER	EXEMPT	hourly	\$ 77.88	\$ 81.77	\$ 85.86	\$ 90.16	\$ 94.66
			bi-weekly	6,230	6,542	6,869	7,212	7,573
			monthly	13,499	14,174	14,883	15,627	16,408
			annual	161,990	170,089	178,594	187,524	196,900
90			hourly	\$ 79.83	\$ 83.82	\$ 88.01	\$ 92.41	\$ 97.03
			bi-weekly	6,386	6,705	7,041	7,393	7,762
			monthly	13,837	14,528	15,255	16,018	16,819
			annual	166,040	174,342	183,059	192,212	201,823
91	ASSISTANT CITY MANAGER	EXEMPT	hourly	\$ 81.82	\$ 85.91	\$ 90.21	\$ 94.72	\$ 99.46
			bi-weekly	6,546	6,873	7,217	7,578	7,956
			monthly	14,183	14,892	15,636	16,418	17,239
			annual	170,191	178,700	187,635	197,017	206,868
<b>CONTRACT</b>								
	CITY ATTORNEY	EXEMPT	annual	\$ 220,691				
	CITY MANAGER	EXEMPT	annual	\$ 234,588				

**Changes**

Added: 9/14/2020 Reso 20-\_\_\_\_\_ - Permit and Plan Check Supervisor Grade 64, Information Technology Engineer I/II/III Grade 60/67/71

Delete: Information Technology Analyst, GIS specialist I/II, Programmer Analyst, Information Technology Manager, Plans Examiner, Permit Center Manager

\* Step calculations in this workbook are formula driven, thus, causing minimal decimal differences when compared to the salaries shown in the financial software, New World System. Also, the Grade Step Table does not reflect special salary arrangements adopted for Y-Rated classifications. To obtain Y-Rated salaries, please contact the Human Resources Department.