

# November 18, 2024 – City Council Special Meeting – 7:00 p.m.



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

## City Council

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

## City Staff

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

## 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.



**November 18, 2024 – Special Meeting Agenda – 7:00 p.m.**



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## **IMPORTANT NOTICE REGARDING THIS MEETING**

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

<https://www.zoomgov.com/j/1600567465?pwd=ZazdF1rPzPReXtIS56Xu7jmbSMCwbo.1>

- ✦ During the meeting, those joining ZoomGov, will be allowed to speak prior to the close of public comment on an item. If you are using this method, please “raise the hand” feature to inform the City Clerk (meeting host) you wish to speak on the matter. Please ensure your computer speaker and microphone are fully functional.
- ✦ For audio / calling in only, dial: +1 (669) 254-5252 or +1 (669) 216-1590
  - To request to speak (same as the “raise hand” feature) press \*9 / When the City Clerk calls your name, press \*6 to unmute.
- ✦ Meeting Webinar ID: 160 056 7465/ Passcode: 042827
- ✦ If you are not able to attend the meeting in person or virtually - Public comment / questions will be accepted by email to City Clerk Teresa Vargas at [website\\_cco@ci.lathrop.ca.us](mailto:website_cco@ci.lathrop.ca.us) or by calling (209) 941-7230. Please refer to the Agenda Item or Public Comment Matter, and the date of the City Council Meeting, in your written communication.
- ✦ Questions or comments submitted by email must be submitted by 4:00 p.m., on the day of the meeting.
- ✦ To address City Council in person, please submit a purple card to the City Clerk indicating name, address, and number of the item upon which a person wishes to speak.

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

### **Addressing the Council**

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

## Citizen's Forum

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

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

## General Information

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

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

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



**CITY OF LATHROP  
CITY COUNCIL SPECIAL MEETING  
MONDAY, NOVEMBER 18, 2024  
7:00 P.M.  
COUNCIL CHAMBER, CITY HALL  
390 Towne Centre Drive  
Lathrop, CA 95330**

**AGENDA**

**PLEASE NOTE: There will be a Closed Session commencing at 5:45 p.m. The Special Meeting will reconvene at 7:00 p.m., or immediately following the Closed Session, whichever is later.**

**1. PRELIMINARY**

1.1 CALL TO ORDER

1.2 CLOSED SESSION

1.2.1 LIABILITY CLAIM - Pursuant to Government Code Section 54956.95

Claimant: Fernando Flores

Agency Claimed Against: City of Lathrop

1.2.2 LIABILITY CLAIM - Pursuant to Government Code Section 54956.95

Claimant: Gerald Ray

Agency Claimed Against: City of Lathrop

1.2.3 CONFERENCE WITH LEGAL COUNSEL: Anticipated Litigation - Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(b) and 54956.9(e)(1)

- 1 Potential Case(s)

**RECONVENE**

1.2.4 REPORT FROM CLOSED SESSION

1.3 ROLL CALL

1.4 INVOCATION

1.5 PLEDGE OF ALLEGIANCE

1.6 ANNOUNCEMENT(S) BY MAYOR / CITY MANAGER

1.7 INFORMATIONAL ITEM(S) - None

1.8 DECLARATION OF CONFLICT(S) OF INTEREST

**2. PRESENTATIONS**

2.1 PROCLAMATION DECLARING NOVEMBER AS SIKH AWARENESS AND APPRECIATION MONTH

2.2 PROCLAMATION DECLARING NOVEMBER 21, 2024, AS CHILDREN'S GRIEF AWARENESS DAY

2.3 INTRODUCTION OF NEW EMPLOYEES

Police Department

- Ramandeep Grewal, Police Records Assistant
- Gabrielle Embers-Hartman, Police Officer
- Alejandra Maldonado, Police Officer

Public Works Department

- Bryan Howe, Maintenance Worker
- Armando Mendoza, Maintenance Worker

**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 in speaking, 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 City Council majority, 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 City Council Meeting of October 14, 2024, and the Special City Council Meeting of October 21, 2024
- 4.3 TREASURER'S REPORT FOR SEPTEMBER 2024  
Approve Quarterly Treasurer's Report for September 2024
- 4.4 COMMUNITY FACILITIES DISTRICTS ANNUAL BOND ACCOUNTABILITY REPORT FOR FISCAL YEAR 2023-24  
Receive Report for Bonded and Non-Bonded Community Facilities Districts
- 4.5 RATIFY COUNCIL PARTICIPATION AT THE NAACP 2024 ANNUAL FREEDOM FUND BANQUET  
Adopt Resolution Ratifying Council Participation at the National Association for the Advancement of Colored People (NAACP) 2024 Annual Freedom Fund Banquet, November 16, 2024, at the Mercedes-Benz of Stockton, in Stockton, California
- 4.6 RATIFY SERVICE CONTRACT WITH MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS HARDWARE AND SOFTWARE  
Adopt Resolution to Ratify a Service Contract with MCC Controls LLC dba Primex to Provide Technical Services and Support for Control Systems Hardware and Software
- 4.7 RATIFY THE SOFTWARE AS A SERVICE AGREEMENT WITH TYLER TECHNOLOGIES INC. FOR THE RENEWAL OF SOFTWARE SUBSCRIPTION LICENSING AND APPROVE BUDGET AMENDMENT  
Adopt Resolution to Ratify the Software as a Service Agreement with Tyler Technologies, Inc. for the Renewal of Software Subscription Licensing and Approve Budget Amendment
- 4.8 APPROVE CONTRACT CHANGE ORDER NO. 8 WITH D.L. FALK CONSTRUCTION, INC. FOR POLICE PROPERTY & EVIDENCE BUILDING, CIP 21-13, AND APPROVE BUDGET AMENDMENT  
Adopt Resolution Approving Contract Change Order No. 8 with D.L. Falk Construction, Inc. for Police Property & Evidence Building, CIP 21-13, and Approving Budget Amendment
- 4.9 APPROVE TEMPORARY STREET CLOSURES FOR THE LATHROP CHRISTMAS PARADE AND TREE LIGHTING ON DECEMBER 7, 2024, FOR THOMSEN ROAD, J STREET, AND 5TH STREET

Adopt Resolution to Approve Temporary Street Closures for the Lathrop Christmas Parade and Tree Lighting on December 7, 2024, for Thomsen Road, J Street, and 5th Street

- 4.10 APPROVE OUT OF STATE TRAVEL AUTHORIZING THE PARKS AND RECREATION DIRECTOR AND MANAGER TO ATTEND THE REC C.A.M.P. (COMMUNITY ARCHITECTURE MANAGEMENT AND PLANNING) CONFERENCE IN DALLAS, TEXAS

Adopt Resolution to Authorize Out of State Travel for the Parks and Recreation Director and Manager to Attend the REC C.A.M.P. (Community Architecture Management and Planning) Conference, April 7-10, 2025, in Dallas, Texas

- 4.11 APPROVE OUT OF STATE TRAVEL AUTHORIZING THE PARKS, AND RECREATION DIRECTOR TO ATTEND THE GOVERNMENT FLEET EXPO AND CONFERENCE IN CHARLOTTE, NORTH CAROLINA

Adopt Resolution to Authorize Out of State Travel for the Parks and Recreation Director to Attend the 2025 Government Fleet Expo and Conference, June 23-27, 2025, in Charlotte, North Carolina

- 4.12 APPROVE 2025 FACILITY FEE WAIVER REQUESTS FOR LATHROP LITTLE LEAGUE, LATHROP LIONS CLUB, LATHROP SUNRISE ROTARY, AND ALCOHOLICS ANONYMOUS

1. Adopt Resolution to Approve a Facility Fee Waiver Request from Lathrop Little League; and
2. Adopt Resolution to Approve a Facility Fee Waiver Request from Lathrop Lions Club; and
3. Adopt Resolution to Approve a Facility Fee Waiver Request from Lathrop Sunrise Rotary; and
4. Adopt Resolution to Approve a Facility Fee Waiver Request from Alcoholics Anonymous

- 4.13 APPROVE A MASTER AGREEMENT WITH NBS GOVERNMENT FINANCE GROUP DBA NBS TO PROVIDE SPECIAL DISTRICT ADMINISTRATION SERVICES

Adopt Resolution to Approve a Master Agreement with NBS Government Finance Group to Provide Special District Administration Services

- 4.14 APPROVE PROFESSIONAL SERVICE AGREEMENT WITH PAVEMENT ENGINEERING, INC. FOR PAVEMENT ASSESSMENT AND MANAGEMENT SYSTEM AND APPROVE BUDGET AMENDMENT

Adopt Resolution to Approve a Professional Service Agreement with Pavement Engineering, Inc. for Pavement Assessment and Management System and Approve Budget Amendment

- 4.15 APPROVE PROFESSIONAL SERVICES AGREEMENT WITH PACE, INC. FOR INTEGRATION SERVICES AND EQUIPMENT FOR CTF PHASE 3 EXPANSION, CIP WW 22-38 AND APPROVE BUDGET AMENDMENT

Adopt Resolution to Approve Professional Services Agreement with Pacific Advanced Civil Engineering, Inc. for Integration Services and Equipment for CTF Phase 3 Expansion, CIP WW 22-38 and Approve Budget Amendment

4.16 AUTHORIZE THE POSTPONEMENT OF DELINQUENT UTILITY TURN-OFFS  
Adopt Resolution to Approve the Suspension of Service Disconnections in the Month of December 2024 for All Delinquent Accounts

4.17 AUTHORIZE THE RELEASE OF CONTRACT RETENTION, AND PERFORMANCE AND PAYMENT BONDS FOR THE LATHROP ROAD RESIDENTIAL DRIVEWAY RECONSTRUCTION, CIP GG 24-27

Adopt Resolution to Release the Contract Retention, and Performance and Payment Bonds from Dirt Dynasty, Inc. for the Lathrop Road Residential Driveway Reconstruction, CIP GG 24-27

4.18 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DSS COMPANY DBA KNIFE RIVER CONSTRUCTION FOR PAVEMENT REHABILITATION, CIP PS 24-29

Adopt Resolution to Accept Public Improvements Constructed by DSS Company dba Knife River Construction for the Pavement Rehabilitation CIP PS 24-29, and Authorize the Filing of a Notice of Completion, Release of Contract Retention, Release of Performance and Payment Bonds, and File a One-Year Maintenance Warranty Bond

4.19 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY MG & JC CONCRETE, INC. FOR CTF SERVICE DRIVEWAY, CIP WW 22-38

Adopt Resolution to Accept Public Improvements Constructed by MG & JC Concrete, Inc. for CTF Service Driveway, CIP WW 22-38, and Authorize the Filing of a Notice of Completion, Release of Contract Retention, Release of Performance and Payment Bonds, and File a One-Year Maintenance Warranty Bond

4.20 CREATE CIP PS 25-15 FOR STREET LIGHTS ON MCKINLEY AVENUE, AWARD CONSTRUCTION CONTRACT TO BEAR ELECTRICAL SOLUTIONS, LLC, AND APPROVE BUDGET AMENDMENT

Adopt Resolution to Create Capital Improvement Project PS 25-15 for Street Lights on McKinley Avenue, Award a Construction Contract to Bear Electrical Solutions, LLC, and Approve a Budget Amendment

*RIVER ISLANDS DEVELOPMENT CONSENT ITEM(S)*

4.21 APPROVE FINAL MAP, CFD ANNEXATION, AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 33 LOTS IN TRACT 4244 VILLAGE 28 UNIT 1 WITHIN WEST VILLAGE DISTRICT OF RIVER ISLANDS

Adopt Resolution to Approve Final Map for Tract 4244 Village 28 Unit 1 within the West Village District, Totaling 33 Single Family Lots, Annexation into CFD 2023-1, and a Subdivision Improvement Agreement with River Islands Development Area 1, LLC



- 4.22 ACCEPT N8 AND N9 PUBLIC PARK IMPROVEMENTS WITH CONDITIONS WITHIN TRACTS 4020 AND 4089 FROM RIVER ISLANDS  
Adopt Resolution to Accept N8 and N9 Public Park Improvements with Conditions within Tracts 4020 and 4089 from River Islands

## 5. SCHEDULED ITEMS

- 5.1 DISCUSSION OF POSSIBLE FINANCIAL INCENTIVE PROGRAM(S) TO ATTRACT ENTERTAINMENT RETAIL BUSINESSES TO LATHROP  
Council to Consider Incentive Options Presented, Discuss, and Provide Staff Direction to Establish an Entertainment Incentive Program Based on Use of Measure D Funding
- 5.2 APPROVE TIME EXTENSION REQUEST FOR THE ASHLEY FURNITURE PROJECT  
Adopt Resolution to Approve a Two (2) Year Time Extension Request for the Ashley Furniture Project Conditional Use Permit No. CUP-23-08 and Site Plan Review No. SPR-23-09 (TE-24-175)
- 5.3 CANNABIS REVENUE ALLOCATION  
Adopt Resolution Approving the Cannabis Revenue Allocation

## 6. COUNCIL COMMUNICATIONS

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

## 7. ADJOURNMENT

*/Teresa Vargas/*

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Teresa Vargas, MMC  
Government Services Director, City Clerk

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**CITY OF LATHROP  
CITY COUNCIL REGULAR MEETING  
MONDAY, OCTOBER 14, 2024  
7:00 P.M.  
COUNCIL CHAMBER, CITY HALL  
390 Towne Centre Drive  
Lathrop, CA 95330**

**MINUTES**

**PLEASE NOTE: There was a Closed Session, which commenced at 6:15 p.m. The Regular Meeting reconvened at 7:03 p.m.**

**1. PRELIMINARY**

1.1 CALL TO ORDER – Mayor Dhaliwal called the meeting to order at 6:15 p.m.

1.2 CLOSED SESSION

1.2.1 LIABILITY CLAIM - Pursuant to Government Code Section 54956.95

Claimant: Fernando Flores

Agency Claimed Against: City of Lathrop

1.2.2 CONFERENCE WITH LEGAL COUNSEL: Anticipated Litigation - Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(b) and 54956.9(e)(1)

- 1 Potential Case(s)

**RECONVENE** – Mayor Dhaliwal reconvened the meeting at 7:03 p.m.

1.2.3 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 Diallo; and Councilmembers: Akinjo, Lazard and Torres-O’Callaghan

Absent: None

1.4 INVOCATION – Parks and Recreation Commissioner Jimmy Zien provided the invocation.

1.5 PLEDGE OF ALLEGIANCE – Commissioner Zien led the pledge of allegiance.

1.6 ANNOUNCEMENT(S) BY MAYOR / CITY MANAGER – None

1.7 INFORMATIONAL ITEM(S) - None

1.8 DECLARATION OF CONFLICT(S) OF INTEREST

Vice Mayor Diallo declared a conflict of interest with Items 4.27 through 4.29, due to an agreement with the River Islands Development. Councilmember Lazard declared a conflict of interest with Items 4.27 through 4.29, due to her employment with Dell’Osso Farms.

## **2. PRESENTATIONS**

2.1 PRESENTATION OF LIFETIME ACHIEVEMENT AWARD PRESENTED TO BENNIE GATTO

Mayor Dhaliwal, on behalf of the Lathrop City Council, presented the lifetime achievement award to Bennie Gatto.

2.2 INTRODUCTION OF NEW EMPLOYEES

Assistant City Manager Michael King introduced Building Inspector Alberto Navarro and Maintenance Worker Emmanuel Mondragon, as the newest members of the Public Works Department.

Police Chief Stephen Sealy introduced Police K-9 Duke and his handler, Officer Armstrong, as the newest member of the Police Department’s K-9 Unit. Officer Armstrong provided additional information regarding K-9 Duke’s qualifications and skills. (*Police Officer Alejandra Maldonado was not available for introduction.*)

2.3 PRESENTATION REGARDING LOCAL GOVERNMENT EDUCATIONAL FORUM PRESENTATION BY PG&E

Eric Alvarez, Local Government Affairs Representative for PG&E, provided the presentation.

2.4 ECONOMIC DEVELOPMENT QUARTERLY UPDATE & PRESENTATION REGARDING “A CITY’S ROLE IN ATTRACTING NEW BUSINESS: BALANCING COMMUNITY WANTS AND RETAILER NEEDS”

Economic Development Administrator Shelley Burcham provided the quarterly economic development update and presentation.

## **3. CITIZEN’S FORUM**

Paul Camarena (in person speaker) expressed concern with the lack of lighting at Sangalang Park near the basketball and tennis courts; requested that additional lighting be installed within the subject area.

#### 4. CONSENT CALENDAR

On a motion by Mayor Dhaliwal, seconded by Councilmember Torres-O'Callaghan, the City Council approved the Consent Calendar, except \*Items 4.27 through 4.29, by the following roll call vote, unless otherwise indicated:

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

*\*(Items 4.27 and 4.29, voted on separately after Items 4.1 through 4.26, due to Conflicts of Interest declared under Item 1.8)*

##### 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 City Council Meeting of September 9, 2024.

##### 4.3 CITY COUNCIL MEETING SCHEDULE FOR NOVEMBER DUE TO HOLIDAY

Set Special Meeting Date for November 18, 2024, in Lieu of the Regular Meeting Scheduled for November 11, 2024, due to the Veteran's Day Holiday.

##### 4.4 TABLE SPONSORSHIP AT THE POLICE CHIEF'S BLACK-TIE BALL, A NIGHT AMONG HEROES

Adopted **Resolution 24-5641** approving the Police Department's participation and table sponsorship for the City of Manteca's Police Chief's Black-Tie Ball, provided by Manteca Police Chief's Foundation, scheduled on November 2, 2024, in Manteca, California.

##### 4.5 ANNUAL REVIEW AND ADOPTION OF THE CITY'S INVESTMENT POLICY

Adopted **Resolution 24-5642** approving the Annual Investment Policy for Fiscal Year 2024-25.

##### 4.6 VALIDATION OF THE 2023 FINDING OF ADEQUATE PROGRESS IN THE MOSSDALE TRACT AREA

Adopted **Resolution 24-5643** validating the 2023 Urban Level of Flood Protection (ULOP), finding of adequate progress in the Mossdale Tract Area, acting as the Land Use Agency.

- 4.7 APPROVE PLANNING FEE WAIVER REQUEST BY GLOBAL SEVA FOUNDATION (TUP-24-131)

Adopted **Resolution 24-5644** waiving the temporary use permit application processing and document retention fees for the Global Seva Foundation, in the combined amount of \$392.

- 4.8 APPROVE PLANNING FEE WAIVER REQUEST BY HOME CHURCH (TUP-24-138)

Adopted **Resolution 24-5645** waiving the temporary use permit application processing and document retention fees for Home Church, in the combined amount of \$392.

- 4.9 APPROVE PARTICIPATION IN THE SAN JOAQUIN REGIONAL HOUSING FUND

Adopted **Resolution 24-5646** approving participation in the San Joaquin Regional Housing Fund, administered by the San Joaquin Council of Governments Board of Directors.

- 4.10 APPROVE PURCHASE OF PROJECT MANAGEMENT SOFTWARE AND SUPPORT SERVICES FROM EC AMERICA, INC., AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 24-5647** approving the purchase of project management software and support services from EC America, Inc., and approving related budget amendment.

- 4.11 APPROVE TASK ORDER NO. 12 WITH CRANE TRANSPORTATION GROUP FOR THE PREPARATION OF THE 2024 TRAFFIC MONITORING PROGRAM AND ANALYSIS AND RELATED BUDGET AMENDMENT

Adopted **Resolution 24-5648** approving Task Order No. 12 with Crane Transportation Group for the preparation of the 2024 Traffic Monitoring Program and Analysis, pursuant to Master Consulting Agreement dated June 11, 2018, and approving related budget amendment.

- 4.12 APPROVE REIMBURSEMENT AGREEMENT FOR THE MURPHY PARKWAY EXTENSION IMPROVEMENTS WITHIN THE CROSSROADS AREA AND ADJUSTMENT TO THE GASB 34 REPORT ASSOCIATED WITH EP NO. 2020-41

Adopted **Resolution 24-5649** approving a Reimbursement Agreement for design and construction of the Murphy Parkway extension within the Crossroads Area with Prologis, Inc. and an adjustment to the GASB 34 Report, associated with Encroachment Permit No. 2020-41.

- 4.13 APPROVE AMENDMENT NO. 2 TO THE PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH O'DELL ENGINEERING, INC., FOR THE HISTORIC LATHROP BEAUTIFICATION PROJECT, CIP GG 24-23 AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 24-5650** approving Amendment No. 2 to the Professional Engineering Services Agreement with O'Dell Engineering, Inc., for the Historic Lathrop Beautification Project, CIP GG 24-23, and approving related budget amendment.

- 4.14 APPROVE PURCHASE OF SWARCO MCCAIN, INC., AND ITERIS, INC., PRODUCTS FOR CITY-WIDE TRAFFIC SYSTEMS AND SAFETY UPGRADES PROJECT, CIP PS 23-01 AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 24-5651** approving the purchase of Swarco McCain Inc., and Iteris, Inc., products for the City-Wide Traffic Systems and Safety Upgrades Project, CIP PS 23-01, and approving related budget amendment.

- 4.15 APPROVE CONTRACT CHANGE ORDER NO. 2 WITH DSS COMPANY DBA KNIFE RIVER CONSTRUCTION FOR YOSEMITE AVENUE PAVEMENT REHABILITATION, CIP PS 24-31 AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 24-5652** approving Contract Change Order No. 2 with DSS Company, dba Knife River Construction, for Yosemite Avenue Pavement Rehabilitation, CIP PS 24-31, and approving related budget amendment.

- 4.16 APPROVE AMENDMENT NO. 3 WITH CAROLLO ENGINEERS, INC., FOR AQUIFER STORAGE AND RECOVERY, CIP PW 22-36

Adopted **Resolution 24-5653** approving Amendment No. 3 with Carollo Engineers, Inc., for the Aquifer and Storage Recovery Project, CIP PW 22-36.

- 4.17 APPROVE AMENDMENT NO. 4 WITH PACE, INC., AND BUDGET AMENDMENT FOR CTF PHASE 3 EXPANSION, CIP WW 22-38

Adopted **Resolution 24-5654** approving Amendment No. 4 with Pacific Advanced Civil Engineering, Inc., for the CTF Phase 3 Expansion, CIP WW 22-38, and approving related budget amendment.

- 4.18 ACCEPT PUBLIC IMPROVEMENTS ASSOCIATED WITH THE SUBDIVISION IMPROVEMENT AGREEMENT FOR PARCEL MAP 21-02, FROM YOSEMITE LATHROP 2, LLC., LOCATED WITHIN THE LATHROP GATEWAY BUSINESS PARK

Adopted **Resolution 24-5655** accepting public improvements associated with the Subdivision Improvement Agreement for Parcel Map 21-02, from Yosemite Lathrop 2, LLC, located within the Lathrop Gateway Business Park.

- 4.19 ACCEPT PUBLIC IMPROVEMENTS ASSOCIATED WITH EP NO. 2022-98, LOCATED AT 1700 E LOUISE AVENUE FROM CBC STEEL BUILDINGS, LLC

Pulled by Councilmember Akinjo. A question and answer period ensued. City Engineer Brad Taylor provided additional information.

Adopted **Resolution 24-5656** accepting public improvements associated with Encroachment Permit No. 2022-98, located at 1700 E Louise Avenue, from CBC Steel Buildings, LLC.

- 4.20 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY STOCKBRIDGE GENERAL CONTRACTING INC., FOR CIP PK 20-02, MILESTONE PARK IMPROVEMENTS

Adopted **Resolution 24-5657** accepting public improvements constructed by Stockbridge General Contracting, Inc., for CIP PK 20-02, Milestone Park Improvements, and authorize the filing of a Notice of Completion, releasing of contract retention, and releasing of Performance and Payment Bonds.

- 4.21 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY TIM PAXINS PACIFIC EXCAVATION, INC., FOR THE INSTALLATION OF TRAFFIC SIGNAL NETWORK CABINETS, CIP PS 23-01, APPROVE CONTRACT CHANGE ORDER NO. 2, AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 24-5658** accepting public improvements constructed by Tim Paxin's Pacific Excavation, Inc., for the installation of traffic signal network cabinets, CIP PS 23-01, and authorizing the filing of a Notice of Completion, releasing of contract retention, releasing of Performance and Payment Bonds, approving Contract Change Order No. 2, and approving related budget amendment.

- 4.22 ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY MG AND JC CONCRETE, INC., FOR RECONSTRUCTION OF MOSSDALE ELEMENTARY SCHOOL CURB RAMPS, CIP PS 24-07, RATIFY CONTRACT CHANGE ORDER NO. 1, AND APPROVE BUDGET AMENDMENT



Adopted **Resolution 24-5659** accepting public improvements constructed by MG and JC Concrete, Inc., for reconstruction of Mosssdale Elementary School curb ramps, CIP PS 24-07, ratifying City Manager's action to execute Contract Change Order No. 1, and approving related budget amendment.

- 4.23 CREATE CIP PK 25-13 SANGALANG PARK SHADE SHELTER, AWARD CONSTRUCTION CONTRACT TO B&M BUILDERS, INC., AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 24-5660** creating CIP PK 25-13, Sangalang Park Shade Shelter, awarding a Construction Contract to B&M Builders, Inc., and approving related budget amendment.

- 4.24 CREATE CIP PS 25-04 FOR ROTH ROAD PAVEMENT REHABILITATION, AWARD CONSTRUCTION CONTRACT TO GEORGE REED, INC., APPROVE BUDGET AMENDMENT, APPROVE PROGRAM SUPPLEMENT AGREEMENT WITH CALTRANS, AND AUTHORIZE CITY MANAGER TO EXECUTE THE AGREEMENT

Pulled by Councilmember Akinjo. A question and answer period ensued. City Engineer Brad Taylor provided additional information.

Adopted **Resolution 24-5661** creating CIP PS 25-04, Roth Road Pavement Rehabilitation Project, awarding Construction Contract to George Reed, Inc., approving related budget amendment, approving a Program Supplement Agreement with Caltrans, and authorizing the City Manager to execute the agreement.

- 4.25 CREATE CIP PS 25-12 RIVER ISLANDS PARKWAY AND OBERLIN AVENUE TRAFFIC SIGNAL AND APPROVE PROFESSIONAL SERVICES AGREEMENT WITH HEXAGON TRANSPORTATION CONSULTANTS, INC., AND APPROVE BUDGET AMENDMENT

Adopted **Resolution 24-5662** creating CIP PS 25-12, River Islands Parkway and Oberlin Avenue Traffic Signal, and approving a Professional Services Agreement with Hexagon Transportation Consultants, Inc., and approving related budget amendment. Amendment

- 4.26 CREATE CIP PW 25-10 EAST LATHROP WATER DISTRIBUTION SYSTEM IMPROVEMENTS AND APPROVE PROFESSIONAL SERVICES AGREEMENT WITH BLACK WATER CONSULTING ENGINEERS

Adopted **Resolution 24-5663** creating CIP PW 25-10, East Lathrop Water Distribution System Improvements, approving related budget amendment, and approving a Professional Services Agreement with Black Water Consulting Engineers.

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

*Councilmember Lazard and Vice Mayor Diallo recused themselves at 8:07 p.m., following the vote of the consent calendar, prior to the vote of Items 4.27 through 4.29, due to declared conflict of interest as noted on Item 1.8.*

On a motion by Mayor Dhaliwal, seconded by Councilmember Torres-O'Callaghan, the City Council approved the River Islands Development Consent Items 4.27 through 4.29, by the following roll call vote, unless otherwise indicated:

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

4.27 APPROVE FINAL MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 31 LOTS IN TRACT 4180 VILLAGE 1 UNIT 2 WITHIN WEST VILLAGE DISTRICT OF RIVER ISLANDS

Adopted **Resolution 24-5664** approving Final Map for Tract 4180 Village 1 Unit 2 within the West Village District, totaling 31 single family lots, and a Subdivision Improvement Agreement with River Islands Development Area 2, LLC.

4.28 APPROVE FINAL MAP, CFD ANNEXATION, AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 33 LOTS IN TRACT 4231 VILLAGE 26 UNIT 1 WITHIN WEST VILLAGE DISTRICT OF RIVER ISLANDS

Adopted **Resolution 24-5665** approving Final Map for Tract 4231 Village 26 Unit 1 within the West Village District, totaling 33 single family lots, annexation into CFD 2023-1, and a Subdivision Improvement Agreement with River Islands Development Area 1, LLC.

4.29 APPROVE FINAL MAP, CFD ANNEXATION, AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 77 LOTS IN TRACT 4237 VILLAGE 25 WITHIN WEST VILLAGE DISTRICT OF RIVER ISLANDS

Adopted **Resolution 24-5666** approving Final Map for Tract 4237 Village 25 within the West Village District, totaling 77 single family lots, annexation into CFD 2023-1, and a Subdivision Improvement Agreement with River Islands Development Area 1, LLC.

**5. SCHEDULED ITEMS**

*Councilmember Lazard and Vice Mayor Diallo returned to the dais at 8:09 p.m.*

*The City Council consensus directed staff to present Item 5.8 before Item 5.1. The remaining items were presented in the correct order.*

5.1 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER THE 2025 SJMSCP DEVELOPMENT FEE ANNUAL ADJUSTMENT

Community Development Director Rick Caguiat provided the presentation. A question and answer period followed. Mayor Dhaliwal opened the public hearing. There were no speakers. Mayor Dhaliwal closed the public hearing.

On a motion by Councilmember Torres-O'Callaghan, and seconded by Mayor Dhaliwal, the City Council considered the following:

1. Held a public hearing; and
2. Adopted **Resolution 24-5667** approving an annual adjustment to the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP) Development Fee for 2025.

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

5.2 PUBLIC HEARING (PUBLISHED NOTICE) APPROVING AN AMENDMENT TO THE ASHLEY FURNITURE PROJECT CONDITIONAL USE PERMIT NO. CUP-23-08

Community Development Director Rick Caguiat provided the presentation. A question and answer period followed. City Engineer Brad Taylor provided additional information. Mayor Dhaliwal opened the public hearing. Adriana Lopez (in person speaker) expressed concern with industrial buildings near the High School. Mansoor Fazel (in person speaker) expressed concern with limiting projects and the difficulty of finding tenants for large buildings, expressed support for a retail space tenant option. There were no other speakers. Mayor Dhaliwal closed the public hearing.

On a motion by Councilmember Torres-O'Callaghan, and seconded by Vice Mayor Diallo, the City Council considered the following:

1. Held a public hearing; and
2. **Rejected** the adoption of a resolution approving an amendment to the Ashley Furniture Project Conditional Use Permit No. CUP-23-08 regarding allowable land uses, modification to the conditions of approval, and extension of the project expiration date.

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

5.3 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER ADOPTION OF THE CITY OF LATHROP 2024 CAPITAL FACILITY FEE STUDY UPDATE AND THE FEES RECOMMENDED THEREIN

City Engineer Brad Taylor provided the presentation. A question and answer period followed. Mayor Dhaliwal opened the public hearing. There were no speakers. Mayor Dhaliwal closed the public hearing.

On a motion by Councilmember Lazard, and seconded by Mayor Dhaliwal, the City Council considered the following:

1. Held a public hearing; and
2. Adopted **Resolution 24-5668** approving the City of Lathrop 2024 Capital Facility Fee Study update and the fees recommended therein.

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

5.4 PUBLIC HEARING (PUBLISHED NOTICE) ORDINANCE TO ADOPT AMENDMENTS TO THE LATHROP MUNICIPAL CODE (LMC) TO UPDATE CHAPTER 13.04 WATER SERVICE SYSTEM, CHAPTER 13.16 SEWER SERVICE SYSTEM AND CHAPTER 13.20 UTILITY RATES AND CHARGES IN TITLE 13, PUBLIC SERVICES

Deputy City Manager Thomas Hedegard provided the presentation. A question and answer period ensued throughout the presentation. Mayor Dhaliwal opened the public hearing. There were no speakers. Mayor Dhaliwal closed the public hearing.

On a motion by Vice Mayor Diallo, and seconded by Councilmember Torres-O'Callaghan, the City Council considered the following:

1. Held a public hearing; and
2. Held first reading and introduced an ordinance to adopt amendments to the Lathrop Municipal Code (LMC) to update Chapter 13.04 Water Service System, Chapter 13.16 Sewer Service System and Chapter 13.20 Utility Rates and Charges in Title 13, Public Services, including:
  - Chapter 13.04 (Water Service System): add (D) to 13.04.155 to read *"A Water Service Customer Who Presents A Current Military Identification Card Or Veterans Identification Card Shall Receive A 10% Reduction In Their Monthly Service Charge By Meter Size. The Commodity Rate Shall Not Be Reduced."*

- Chapter 13.16 (Sewer Service System): add (D) to 13.16.255 to read *"A Sewer Service Customer Who Presents A Current Military Identification Card Or Veterans Identification Card Shall Receive A 10% Reduction In Their Flat Monthly Service Charge."*
- Chapter 13.20 (Utility Rates and Charges): revise 13.20.020 (E) to read *"A Fee [of] Thirty-Five and No/100ths (\$35.00) Dollars Shall Be Charged For Restoring Water Service To The Same User When It Is Discontinued For Failure To Pay A Delinquent Account."*
- Chapter 13.20 (Utility Rates and Charges): add (F) to 13.20.020 to read *"In The Event It Is Necessary To Lock A Water Meter Because Of A Delinquency And The Lock Is Subsequently Found Damaged Or Cut, A Fee Of Fifty And no/100ths (\$50.00) Dollars Shall Be Charged In Addition To The Fee Set Forth In Subsection (E) Of This Section."*

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

**5.5 REVIEW AND PROVIDE DIRECTION ON CONCEPTUAL PLAN FOR CIP PK 24-04 MOSSDALE LANDING COMMUNITY PARK IMPROVEMENTS**

City Engineer Brad Taylor and Parks & Recreation Director Todd Sebastian provided the presentation. A question and answer period ensued throughout the presentation. The City Council discussed the information presented and provided consensus on direction to staff on the conceptual plan for the Mossdale Landing Community Park Improvement Project, CIP PK 24-04, including additional shaded bench areas near the baseball fields, and improvements to the existing splash pad area.

**5.6 REVIEW AND PROVIDE DIRECTION ON DESIGN CONCEPT OPTIONS FOR STONEBRIDGE COMMUNITY SIDEWALK AND LANDSCAPE PROJECT, CREATE CIP PS 25-14 AND APPROVE BUDGET AMENDMENT**

*Prior to the presentation for Item 5.6, City Attorney Salvador Navarrete provided clarification on Councilmember Akinjo's conflict of interest due to living within the area proposed for improvement. Councilmember Akinjo recused himself and left the dais at 9:26 p.m.*

City Engineer Brad Taylor and Parks & Recreation Director Todd Sebastian provided the presentation. A question and answer period ensued throughout the presentation. Finance Director Cari James provided information related to potential funding sources.

On a motion by Mayor Dhaliwal, and seconded by Councilmember Lazard, the City Council heard the presentation, considered options, and adopted **Resolution 24-5669** creating CIP PS 25-14, for the Stonebridge Community Sidewalk and Landscape Project, and approving the related budget amendment.

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

*Councilmember Akinjo returned to the dais at 9:40 p.m.*

5.7 REVIEW SURVEY RESULTS AND PROVIDE DIRECTION ON TRANSPORTATION FOR LATHROP HIGH SCHOOL

Deputy City Manager Thomas Hedegard provided the presentation. A question and answer period ensued throughout the presentation.

The City Council discussed the information presented, reviewed survey results and provided consensus on direction for transportation options for the Lathrop High School students.

5.8 CITY COUNCIL DISCUSSION REGARDING BOAT PARKING ON RESIDENTIAL DRIVEWAYS ON A CASE-BY-CASE BASIS

Police Chief Stephen Sealy provided the presentation. A question and answer period ensued throughout the presentation. City Attorney Salvador Navarrete provided additional information. The City Council discussed and provided direction regarding boat parking, including the parking of RV trailers, on residential driveways on a case-by-case basis. Councilmember Torres-O'Callaghan expressed interest in an enforcement approach that would not allow the obstruction of traffic or pedestrian walkways; suggested allowing smaller boat sizes that could be obscured or covered. Councilmember Akinjo expressed concern with pedestrian and traffic safety of oversized boats and trailers; did not support changes to the existing ordinance. Vice Mayor Diallo expressed concern with potential enforcement bias; did not support changes to the existing ordinance. Councilmember Lazard spoke in support of changing the existing ordinance to allow parking for larger lots with sufficient parking. Mayor Dhaliwal expressed support in bringing back the item back for further discussion. Mayor Dhaliwal, Councilmembers Torres-O'Callaghan and Lazard expressed interest in bringing back the item for further discussion on potential changes to the existing ordinance.

**6. COUNCIL COMMUNICATIONS**

- 6.1 MAYOR DHALI WAL REFERRAL – Appoint One (1) Member to the San Joaquin County Mosquito & Vector Control District (SJC MVCD), Board of Trustees with Term Ending December 31, 2024, Plus Full Term of Four (4) Years, Ending December 31, 2028, due to Unexpired Term Vacancy
- One (1) Application Received
- Mayor Dhaliwal made the following appointment:

<u>SJC MVCD Board of Trustees</u>	<u>Term Expires</u>
Susan Zaca	12/31/2028

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

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

- 6.2 COUNCILMEMBER TORRES-O’CALLAGHAN REFERRAL – Use of Measure D Funds for Family Entertainment in East Lathrop

Councilmember Torres-O’Callaghan provided a summary of the referral. A question and answer period followed. City Manager Stephen Salvatore provided additional information regarding the use of Measure D funds. Council consensus accepted the referral. The item was requested to come back for formal discussion during a future City Council meeting.

During the conclusion of the referral, Vice Mayor Diallo commented on the police department traffic unit and potential item requesting additional staffing. Police Chief Stephen Sealy provided additional information regarding the upcoming request for new sworn positions. Vice Mayor Diallo requested a Special Meeting to consider one additional sworn officer and two additional over-hire sworn officers. The City Council consensus agreed to scheduling a Special Meeting on October 21, 2024, at 5:00 p.m.

- 6.3 MAYOR & COUNCILMEMBER COMMITTEE REPORT(S) – None

Councilmember Akinjo reported his attendance at a recent iHub and Valley Link Meeting in which Hydrogen Technology was discussed.

6.4 MAYOR & COUNCILMEMBER COMMENT(S)

Councilmember Akinjo expressed appreciation to staff and their efforts. Councilmember Lazard thanked those in attendance. Councilmember Torres-O'Callaghan complemented K-9 Officer Duke. Vice Mayor Diallo thanked staff for their attendance at a recent LAFCo meeting considering the approval of the Singh Petroleum project within the City of Lathrop. Mayor Dhaliwal thanked those in attendance.

7. **ADJOURNMENT** - there being no further business, Mayor Dhaliwal adjourned the meeting at 10:10 p.m.



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Teresa Vargas, MMC  
Government Services Director  
City Clerk





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## Quarterly Treasurer Report September 2024

This report presents a detailed discussion of the City’s fund balances and investment portfolio as of September 30, 2024. 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 September 30, 2024, the investment portfolio was in compliance with all state laws and the City’s Investment Policy.

### Current Portfolio Summary

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

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

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

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

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

The following table (Table: 1) provides a summary of the City’s cash and investments, by holding party, based on recorded value as of September 30, 2024 compared with the prior quarter:

<b>Table: 1</b>				
<b>Holding Party</b>	<b>June 30, 2024</b>		<b>September 30, 2024</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	\$206,934,462	61%	\$206,730,344	61%
Investments held by Trustees	132,105,358	39%	134,675,216	39%
<b>TOTAL</b>	<b>\$339,039,820</b>	<b>100%</b>	<b>\$341,405,560</b>	<b>100%</b>

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

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

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

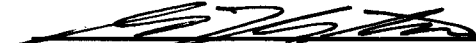
Significant payables paid out during the quarter include:

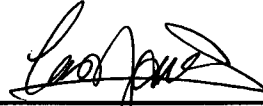
- I. Nonrecurring Expenditure Debt Service Payments, Capital Improvement Projects – General Government, Parks, Streets, Water, and Wastewater
- II. Recurring Expenditures
  - a. Contractual – Park & Street Landscaping, and Wastewater Treatment Services
  - b. Intergovernmental payments – South San Joaquin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

**Quarterly Economic Update**

According to the latest projections from PFM Asset Management; Economic performance in the third quarter of 2024 continued to support a soft-landing outlook for the U.S. economy, underpinned by historically low unemployment, resilient consumer spending, record household wealth and a supportive Federal Reserve (Fed). Inflation continued to make progress towards the Fed’s 2% target, while the labor market cooled from its formerly overheated state. This prompted the Fed to acknowledge that the risks on both sides of its dual mandate – stable prices and full employment – were now “roughly in balance.” The Fed cut the overnight policy rate by 50 bps (0.50%) to a new target range of 4.75% to 5.00% at its September 18 meeting, marking the first rate cut in over four years. Furthermore, the Fed’s updated “dot plot” implied an additional 50 bps of rate cuts through the balance of 2024 and 100 bps of cuts in 2025. The Fed expects to reach the longer run “neutral” policy rate of 2.875% by the end of 2026. The U.S. labor market added an average of 186,000 jobs per month in Q3, which was a rebound from Q2’s relatively weak reading of 147,000 per month. Additionally, the unemployment rate ended the quarter at 4.1%, flat for the quarter but up from 3.7% at the beginning of the year. While the pace of expected hirings has gradually slowed, layoff rates have remained near multi-year lows and weekly jobless claims are firmly below their long-term averages indicating the labor market remains healthy.

I certify that all of the investments reported herein are in accordance with the "City of Lathrop Investment Policy" adopted on October 14, 2024, with the Government Code, and other contractual agreements. I further certify the investments reported herein provide for the ability of the City to meet cash flow needs for the next six months.

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

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

**TABLE: 2**  
**CITY OF LATHROP**  
**Summary of All Investments**  
**As of September 30, 2024**

City Held Investments	Recorded Value	Current Yield	Percent of Portfolio	Market Value
Local Agency Investment Fund	\$ 74,871,002	4.575%	26.64%	\$ 74,871,002
Wells Fargo Money Market Mutual Funds	\$ 3,172,943	4.990%	1.13%	\$ 3,172,943
California Asset Management Program	\$ 68,302,021	5.290%	24.30%	\$ 68,302,021
<b>Total Investments Held by the City (1)</b>	<b>\$ 146,345,966</b>	<b>4.918%</b>	<b>52.08%</b>	<b>\$ 146,345,966</b>

Trustee Held Investments	Recorded Value	Current Yield	Percent of Portfolio	Market Value
US Bank	\$ 3,257,928	4.430%	1.16%	\$ 3,257,928
UMB Bank	\$ 1,454,523	4.430%	0.52%	\$ 1,454,523
Union Bank	\$ -	0.000%	0.00%	\$ -
SJ County Pooled Funds	\$ 183,054	0.260%	0.07%	\$ 183,054
PFM Asset Management + Year End FMV	\$ 129,271,145	4.820%	46.00%	\$ 129,271,145
PNC Bank	\$ 508,566	4.700%	0.18%	\$ 508,566
<b>Total Investments Held by Trustees (2)</b>	<b>\$ 134,675,216</b>	<b>4.800%</b>	<b>47.92%</b>	<b>\$ 134,675,216</b>

Total City & Trustee Held Investments & Cash	Recorded Value	Current Yield	Percent of Portfolio	Market Value
Investments Held by the City and Trustees	\$ 281,021,182	4.861%	100.00%	\$ 281,021,182
Cash in Checking Accounts - Recorded Value	\$ 60,384,378			
<b>Total Cash and Investments</b>	<b>\$ 341,405,561</b>			

One month benchmark for U.S. Treasuries: 5.06%

Three month benchmark for U.S. Treasuries: 4.92%

**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 September 30, 2024**

Investments Held by the City	Prior Month Recorded Value	Purchased (Buy)	Redeemed (Sell)	Current Month Recorded Value
Local Agency Investment Fund (1)	\$ 74,871,002	-	-	\$ 74,871,002
Wells Fargo Money Market Mutual Funds (2)	\$ 3,159,206	13,737	-	\$ 3,172,943
California Asset Management Program	\$ 68,007,234	294,788	-	\$ 68,302,021
<b>Total Investments Held by the City</b>	<b>\$ 146,037,441</b>	<b>308,525</b>	<b>-</b>	<b>\$ 146,345,966</b>
Investments Held by Trustees	Prior Month Recorded Value	Purchased (Buy)	Redeemed (Sell)	Current Month Recorded Value
PNC Bank	\$ 506,549	2,017	-	\$ 508,566
SJ County Pooled Funds	\$ 183,054	-	-	\$ 183,054
UMB Bank	\$ 2,933,876	5,270	(1,484,623)	\$ 1,454,523
US Bank (3)	\$ 5,371,412	1,636,207	(3,749,691)	\$ 3,257,928
PFM Asset Management +Year End FMV	\$ 126,950,424	10,617,640	(8,296,919)	\$ 129,271,145
<b>Total Investments Held by Trustees</b>	<b>\$ 135,945,315</b>	<b>\$ 12,261,133</b>	<b>\$ (13,531,232)</b>	<b>\$ 134,675,216</b>
<b>Total Cash in Checking Accounts Held by the City (2)</b>	<b>\$ 63,353,460</b>	<b>9,085,918</b>	<b>(12,055,000)</b>	<b>\$ 60,384,378</b>
<b>Total Cash and Investments Held by the City and Trustees</b>	<b>\$ 345,336,216</b>	<b>\$ 21,655,576</b>	<b>\$ (25,586,232)</b>	<b>\$ 341,405,560</b>

**Notes:**

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

**TABLE: 4**  
**CITY OF LATHROP**  
**Investments Held by City - Detail**  
**As of September 30, 2024**

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	4.575%	Varies	On Demand	74,871,002	74,871,002
						<b>\$ 74,871,002</b>	<b>\$ 74,871,002</b>
<b>Wells Fargo Mutual Funds</b>							
	Money Market Mutual Fund City Acct No. 12641627	N/A	4.990%	Varies	On Demand	3,172,943	3,172,943
						<b>\$ 3,172,943</b>	<b>\$ 3,172,943</b>
<b>California Asset Management Program</b>							
	Liquidity Account No. 6084-001	N/A	5.290%	Varies	On Demand	68,302,021	68,302,021
						<b>\$ 68,302,021</b>	<b>\$ 68,302,021</b>
<b>TOTAL INVESTMENTS HELD BY CITY</b>						<b>\$ 146,345,966</b>	<b>\$ 146,345,966</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of September 30, 2024**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>Investments Held by US Bank</b>							
<i>03-1 Series 2015 - Mossdale Village Assessment District</i>							
Mossdale Village Assessment Dist. No. 03-1 Series 2015 - Redemption Fund	6712138601		4.430%	10/18/05	On Demand	\$ 186	\$ 186
Mossdale Village Assessment Dist. No. 03-1 Series 2005/2015 - Reserve Fund	6712138602		4.430%	10/18/05	On Demand	\$ 246,544	\$ 246,544
Mossdale Village Assessment Dist. No. 03-1 Series 2015 - Prepayment Fund	6712138604		4.430%	10/18/05	On Demand	\$ 684	\$ 684
<i>LTHR FIN AUTH REVENUE BONDS 2023 SERIES A</i>							
Money Market - Revenue Account	278276000		4.430%	7/1/23	On Demand	\$ 12,499	\$ 12,499
Money Market - Special Tax Fund	278276003		4.430%	7/2/23	On Demand	\$ 2,329	\$ 2,329
Money Market - CFD Reserve Account	278276004		4.430%	7/1/23	On Demand	\$ 211,989	\$ 211,989
Money Market - ReAD Reserve Account	278276006		4.430%	7/1/23	On Demand	\$ 607,986	\$ 607,986
Money Market - Acquired Obligations Fund	278276008		4.430%	7/2/23	On Demand	\$ 35	\$ 35
<i>2003-2A Lathrop CFD</i>							
Money Market-Interest Account	6711720001		4.430%	12/12/03	On Demand	\$ 223	\$ 223
Money Market-Reserve Account	6711712200		4.430%	12/12/03	On Demand	\$ -	\$ -
LAI - Interest Account	6711720002		4.575%	03/19/03	On Demand	\$ 718,714	\$ 718,714
<i>CDPH/CDWR - SRF Loan</i>							
Agreement Account	6711908800		4.430%	12/22/10	On Demand	\$ 1,145	\$ 1,145
Agreement Account - Reserve Fund	6711908801		4.430%	12/22/10	On Demand	\$ 637,695	\$ 637,695
<b>2015 Crossroads Series B</b>							
2015 Crossroads Series B - LOIB RDP	6712138801		4.430%	09/01/15	On Demand	\$ 227	\$ 227
2015 Crossroads Series B - LOIB Reserve	6712138803		4.430%	09/01/15	On Demand	\$ 817,237	\$ 817,237
2015 Crossroads Series B - Cost of Issuance	6712138804		4.430%	09/01/15	On Demand	\$ -	\$ -
2015 Crossroads Series B - Improvements	6712138805		4.430%	09/01/15	On Demand	\$ 437	\$ 437
2015 Crossroads Series B - COI Custodian Agreement	6712198801		4.430%	09/01/15	On Demand	\$ -	\$ -
<b>Total Investments Held by Trustee - US Bank</b>						<b>\$ 3,257,928</b>	<b>\$ 3,257,928</b>
<b>Investments Held by PNC Bank by Account</b>							
<i>2012 Water Loan (Refunding of 2000 Water COPs)</i>							
Certificate of Deposit - Reserve Fund			0.090%	5/22/19		\$ 508,566	\$ 508,566
<b>Total Investments Held by Trustee -PNC Bank</b>						<b>\$ 508,566</b>	<b>\$ 508,566</b>



**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of September 30, 2024**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>2018-1 Central Lothrop CFD</b>							
Improvement Area 1 - Admin Expense Reserve Fund	149232.1		4.430%	02/01/19	On Demand	\$ 43,834	\$ 43,834
Other Improvement Areas - Admin Expense Reserve Fund	149232.2		4.430%	02/01/19	On Demand	\$ 178,067	\$ 178,067
Improvement Area 1 - Principal Account	149232.3		4.430%	02/01/19	On Demand	\$ 150	\$ 150
Improvement Area 1 - Redemption Account	149232.4		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 1 - Interest Account	149232.5		4.430%	02/01/19	On Demand	\$ 87	\$ 87
Improvement Area 1 - Admin Expense Account	149232.6		4.430%	02/01/19	On Demand	\$ 12,441	\$ 12,441
Improvement Area 1 - Reserve Fund	149232.7		4.430%	02/01/19	On Demand	\$ 295,113	\$ 295,113
Improvement Area 1 - Surplus Fund	149232.8		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 2 - Principal Account	149265.1		4.430%	02/01/19	On Demand	\$ 97	\$ 97
Improvement Area 2 - Redemption Account	149265.2		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 2 - Interest Account	149265.3		4.430%	02/01/19	On Demand	\$ 55	\$ 55
Improvement Area 2 - Admin Expense Account	149265.4		4.430%	02/01/19	On Demand	\$ 14,268	\$ 14,268
Improvement Area 2 - Reserve Fund	149265.5		4.430%	02/01/19	On Demand	\$ 216,379	\$ 216,379
Improvement Area 2 - Surplus Fund	149265.6		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 3 - Principal Account	149267.1		4.430%	02/01/19	On Demand	\$ 182	\$ 182
Improvement Area 3 - Redemption Account	149267.2		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 3 - Interest Account	149267.3		4.430%	02/01/19	On Demand	\$ 108	\$ 108
Improvement Area 3 - Admin Expense Account	149267.5		4.430%	02/01/19	On Demand	\$ 48,557	\$ 48,557
Improvement Area 3 - Reserve Fund	149267.6		4.430%	02/01/19	On Demand	\$ 389,865	\$ 389,865
Improvement Area 3 - Surplus Fund	149267.7		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Principal Account	149268.1		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Redemption Account	149268.2		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Interest Account	149268.3		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 4 - Admin Expense Account	149268.4		4.430%	02/01/19	On Demand	\$ 14,233	\$ 14,233
Improvement Area 4 - Reserve Fund	149268.5		4.430%	02/01/19	On Demand	\$ 116,111	\$ 116,111
Improvement Area 4 - Surplus Fund	149268.6		4.430%	02/01/19	On Demand	\$ -	\$ -
Improvement Area 5 - Principal Account	149269.1		4.430%	02/01/19	On Demand	\$ 24	\$ 24
Improvement Area 5 - Redemption Account	149269.2		4.430%	02/01/19	On Demand	\$ 19	\$ 19
Improvement Area 5 - Interest Account	149269.3		4.430%	02/01/19	On Demand	\$ 28	\$ 28
Improvement Area 5 - Admin Expense Account	149269.4		4.430%	02/01/19	On Demand	\$ 11,658	\$ 11,658

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of September 30, 2024**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value	
Improvement Area 5 - Reserve Fund	149269.5		4.430%	02/01/19	On Demand	\$ 113,246	\$ 113,246	
Improvement Area 5 - Surplus Fund	149269.6		4.430%	02/01/19	On Demand	\$ -	\$ -	
<b>2018-2 Central Lathrop CFD</b>								
Special Tax Fund	149261.1		4.430%	02/01/19	On Demand	\$ -	\$ -	
Surplus Fund	149261.2		4.430%	02/01/19	On Demand	\$ -	\$ -	
<b>Total Investments Held by Trustee - UMB Bank</b>							<b>\$ 1,454,523</b>	<b>\$ 1,454,523</b>
<b>Investments Held by San Joaquin County by Account</b>								
<i>Sanitary Sewer Assessment District #1</i>								
Pooled Funds - Redemption Account	SI CO FUND # 57961		0.260%	10/1/87	On Demand	\$ 183,054	\$ 183,054	
<b>Total Investments Held by Trustee - San Joaquin County</b>							<b>\$ 183,054</b>	<b>\$ 183,054</b>
<b>Investments Held by PFM Asset Management by Account</b>								
<i>PFM Asset Management</i>								
Money Market Fund	20260109	PFM Funds - Govt Select		AAAm		\$ 172,771	\$ 172,771	
<b>US Treasury Bond / Note</b>								
US Treasury Notes		91282CJ88	5.000%	09/30/23	09/30/25	\$ 3,635,550	\$ 3,635,550	
US Treasury Notes		91282CFP1	4.250%	10/15/22	10/15/25	\$ 727,153	\$ 727,153	
US Treasury Notes		91282CFP1	4.250%	10/15/22	10/15/25	\$ 1,053,117	\$ 1,053,117	
US Treasury Notes		91282CFW6	4.500%	11/15/22	11/15/25	\$ 754,775	\$ 754,775	
US Treasury Notes		91282CFW6	4.500%	11/15/22	11/15/25	\$ 1,408,914	\$ 1,408,914	
US Treasury Notes		91282CGA3	4.000%	12/15/22	12/15/25	\$ 1,001,641	\$ 1,001,641	
US Treasury Notes		91282CGA3	4.000%	12/15/22	12/15/25	\$ 2,504,103	\$ 2,504,103	
US Treasury Notes		91282CJ51	4.250%	12/31/23	12/31/25	\$ 11,553,004	\$ 11,553,004	
US Treasury Notes		91282CGE5	3.875%	01/15/23	01/15/26	\$ 700,328	\$ 700,328	
US Treasury Notes		91282CGE5	3.875%	01/15/23	01/15/26	\$ 775,363	\$ 775,363	
US Treasury Notes		91282CGE5	3.875%	01/15/23	01/15/26	\$ 800,375	\$ 800,375	
US Treasury Notes		91282CGL9	4.000%	02/15/23	02/15/26	\$ 952,560	\$ 952,560	
US Treasury Notes		91282CGL9	4.000%	02/15/23	02/15/26	\$ 1,002,695	\$ 1,002,695	
US Treasury Notes		91282CGL9	4.000%	02/15/23	02/15/26	\$ 1,453,908	\$ 1,453,908	
US Treasury Notes		9128286F2	2.500%	02/28/19	02/28/26	\$ 2,210,186	\$ 2,210,186	
US Treasury Notes		91282CGR6	4.625%	03/15/23	03/15/26	\$ 5,312,549	\$ 5,312,549	
US Treasury Notes		91282CKH3	4.500%	03/31/24	03/31/26	\$ 1,263,330	\$ 1,263,330	
US Treasury Notes		91282CGV7	3.750%	04/15/23	04/15/26	\$ 74,997	\$ 74,997	
US Treasury Notes		91282CKK6	4.875%	04/30/24	04/30/26	\$ 1,271,435	\$ 1,271,435	
US Treasury Notes		91282CH80	3.625%	05/15/23	05/15/26	\$ 1,347,732	\$ 1,347,732	
US Treasury Notes		91282CK59	4.875%	05/31/24	05/31/26	\$ 2,647,531	\$ 2,647,531	
US Treasury Notes		91282CHH7	4.125%	06/15/23	06/15/26	\$ 578,841	\$ 578,841	
US Treasury Notes		91282CHH7	4.125%	06/15/23	06/15/26	\$ 6,845,424	\$ 6,845,424	
US Treasury Notes		91282CKY6	4.625%	07/01/24	06/30/26	\$ 1,421,382	\$ 1,421,382	
US Treasury Notes		91282CHM6	4.500%	07/15/23	07/15/26	\$ 1,875,365	\$ 1,875,365	

TABLE: 5  
 CITY OF LATHROP  
 Investments Held by Trustee - Detail  
 As of September 30, 2024

Investment Description	Acct Number	CUSIP	Current Yield	Purchase	Maturity Date	Value	Recorded Value
US Treasury Notes		91282CLB5	4.375%	07/31/24	07/31/26	\$ 4,047,812	\$ 4,047,812
US Treasury Notes		91282CHU8	4.375%	08/15/23	08/15/26	\$ 632,739	\$ 632,739
US Treasury Notes		91282CHU8	4.375%	08/15/23	08/15/26	\$ 2,986,530	\$ 2,986,530
US Treasury Notes		91282CLH2	3.750%	09/03/24	08/31/26	\$ 1,001,367	\$ 1,001,367
US Treasury Notes		91282CHY0	4.625%	09/15/23	09/15/26	\$ 2,340,970	\$ 2,340,970
US Treasury Notes		91282CIC6	4.625%	10/15/23	10/15/26	\$ 2,546,778	\$ 2,546,778
US Treasury Notes		91282CIK8	4.625%	11/15/23	11/15/26	\$ 815,813	\$ 815,813
US Treasury Notes		91282CIK8	4.625%	11/15/23	11/15/26	\$ 2,039,532	\$ 2,039,532
US Treasury Notes		91282CJP7	4.375%	12/15/23	12/15/26	\$ 8,099,609	\$ 8,099,609
US Treasury Notes		91282CJT9	4.000%	01/15/24	01/15/27	\$ 4,183,071	\$ 4,183,071
US Treasury Notes		91282CKA8	4.125%	02/15/24	02/15/27	\$ 6,725,072	\$ 6,725,072
US Treasury Notes		91282CKE0	4.250%	03/15/24	03/15/27	\$ 4,365,339	\$ 4,365,339
US Treasury Notes		91282CKI9	4.500%	04/15/24	04/15/27	\$ 1,276,855	\$ 1,276,855
US Treasury Notes		91282CKR1	4.500%	05/15/24	05/15/27	\$ 408,922	\$ 408,922
US Treasury Notes		91282CKR1	4.500%	05/15/24	05/15/27	\$ 1,380,112	\$ 1,380,112
US Treasury Notes		91282CKR1	4.500%	05/15/24	05/15/27	\$ 5,827,139	\$ 5,827,139
US Treasury Notes		91282CKV2	4.625%	06/17/24	06/15/27	\$ 3,696,048	\$ 3,696,048
US Treasury Notes		91282CKZ3	4.375%	07/15/24	07/15/27	\$ 306,188	\$ 306,188
US Treasury Notes		91282CKZ3	4.375%	07/15/24	07/15/27	\$ 2,653,625	\$ 2,653,625
US Treasury Notes		91282CLG4	3.750%	08/15/24	08/15/27	\$ 7,684,065	\$ 7,684,065
<b>US Treasury Subtotal:</b>						<b>\$ 116,189,843</b>	<b>\$ 116,189,843</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee - Detail**  
**As of September 30, 2024**

Investment Description	Acct Number	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>Supra-national Agency Bond / Note</b>							
Intl BK Recon & Develop Notes		459058LE1	4.750%	04/10/24	04/10/26	\$ 1,773,613	\$ 1,773,613
Intl Finance Corp Notes		45950KDF4	4.375%	12/06/23	01/15/27	\$ 562,855	\$ 562,855
Inter-American Devel BK Corporate Notes		4581X0EM6	4.375%	12/12/23	02/01/27	\$ 1,420,622	\$ 1,420,622
						\$ 3,757,090	\$ 3,757,090
<b>Supra-National Agency Subtotal</b>							
<b>Federal Agency Bond/Note</b>							
Fannie Mac Notes (Callable)		3134GXM35	3.600%	08/05/22	08/01/25	\$ 720,306	\$ 720,306
Federal Home Loan Banks Notes (Callable)		3130AN3T5	1.000%	03/23/21	03/23/26	\$ 722,504	\$ 722,504
Federal Home Loan Banks Notes (Callable)		3130ALGJ7	1.000%	03/23/21	03/23/26	\$ 1,495,165	\$ 1,495,165
Federal Home Loan Banks Notes (Callable)		3130ANCD0	1.110%	07/30/21	07/27/26	\$ 1,500,451	\$ 1,500,451
FFCB Bonds		3133EPSW6	4.500%	08/14/23	08/14/26	\$ 1,472,066	\$ 1,472,066
Fannie Mae Notes (Callable)		3135G06L2	0.875%	12/18/20	12/18/26	\$ 775,597	\$ 775,597
Fannie Mae Notes (Callable)		3135GAS28	5.420%	04/30/24	04/23/27	\$ 1,255,964	\$ 1,255,964
						\$ 7,942,052	\$ 7,942,052
<b>Federal Agency Subtotal:</b>							
<b>Interest</b>							
Total Accrued Interest + Year End FMV						\$ 1,209,389	\$ 1,209,389
<b>Total Investments Held by Trustee -PFM Asset Management</b>						<b>\$ 129,271,145</b>	<b>\$ 129,271,145</b>
<b>Total Investments Held by Trustees</b>						<b>\$ 134,675,216</b>	<b>\$ 134,675,216</b>

**ITEM: COMMUNITY FACILITIES DISTRICTS ANNUAL BOND  
ACCOUNTABILITY REPORT FOR FY 2023/24**

**RECOMMENDATION: Receive Report for Bonded and Non Bonded  
Community Facilities Districts**

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**SUMMARY:**

As mandated by California Government Code sections 53411 and 50075.3, City Staff is submitting the Annual Bond Accountability Report for the City's Community Facilities Districts ("CFDs") for FY ended June 30, 2024.

**BACKGROUND:**

Senate Bill 165 enacted the Local Agency Special Tax Bond Accountability ("Act"). This Act requires the annual preparation of a report containing specific information concerning the use of the proceeds or annual special taxes for CFDs. The Act only applies to bonds issued on or after January 1, 2001 in accordance with Section 53410 of the California Government Code. There are seven CFDs included in the FY 2022/23 annual report, three bonded CFDs and four non-bonded services CFDs shown on separate pages (see Attachment "A" for a detailed listing).

Section's 53411 and 50075.3 of the California Government Code require the Chief Fiscal Officer of the issuing local agency to file the annual report with its governing body no later than January 1 every year.

**REASON FOR RECOMMENDATION:**

The report will ensure compliance with Sections 53410, 53411 and 50075.3 of the California Government Code.

**FISCAL IMPACT:**

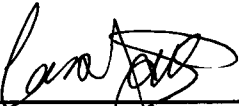
Staff time to prepare report.

**ATTACHMENTS:**

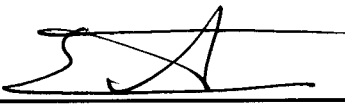
- A. Annual CFD Report for FY Ending June 30, 2024.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
COMMUNITY FACILITIES DISTRICTS ANNUAL BOND ACCOUNTABILITY  
REPORT FOR FY 2023/24**

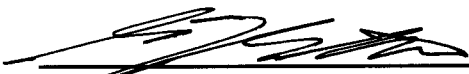
**APPROVALS:**

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

11/1/2024  
\_\_\_\_\_  
Date

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

11-4-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Stephen Salvatore  
City Manager

11.14.24  
\_\_\_\_\_  
Date

## **SB 165: LOCAL AGENCY SPECIAL TAX & BOND ACCOUNTABILITY ACT**

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Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act (the "Act"). This Act requires that any local special tax or local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, require that the proceeds of the special tax be applied to those purposes, require the creation of an account into which the proceeds shall be deposited, and require an annual report containing specified information concerning the use of the proceeds. The Act only applies to any local special tax measure or local bond measure adopted on or after January 1, 2001 in accordance with Section 50075.1 or Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation of the Special Tax District and others are handled through annual reports. This Section of this report intends to comply with Sections 50075.3 and 53411 of the California Government Code that states:

"The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

1. The amount of funds collected and expended.
2. The status of any project required or authorized to be funded as identified in subdivision (a) of Sections 50075.1 [and] 53410."

The requirements of the Act apply to the funds for the following districts:

**\$7,285,000 City of Lathrop  
Community Facilities District No. 2003-1  
(Mossdale Village) Special Tax Refunding Bonds, 2013 Series A  
Date: April 2003**

### **PURPOSE OF SPECIAL TAX**

Bonds were issued to pay for the Mossdale Landing Urban Design Concept Project's and the Lathrop Station Urban Design Concept Parcel's share of the water delivery system established under the South County Surface Water Project, including water transmission and delivery facilities, as well as potable water facilities from City Well No. 22. The improvements are complete.

**\$7,535,000 City of Lathrop  
Community Facilities District No. 2003-2  
(Joint Wastewater Project) Special Tax Bonds, Series 2003  
Date: October 2003**

### **PURPOSE OF SPECIAL TAX**

Bonds were issued to pay for acquisition of capacity in the wastewater treatment facilities and sanitary sewer facilities. The improvements are complete.

**ATTACHMENT " A "**

**City of Lathrop**  
**Community Facilities District No. 04-01 (Mosssdale Services)**  
**Date: 6/22/2004**

**PURPOSE OF SPECIAL TAX**

The Special Tax pays for certain services including parks, parkways, open spaces, flood and storm protection, as well as police protection.

**City of Lathrop**  
**Community Facilities District No. 2005-1 (Historic Lathrop Services)**  
**Date: 11/15/2005**

**PURPOSE OF SPECIAL TAX**

The Special Tax pays for fire protection and suppression services, maintenance of parks, parkways and open space, flood and storm protection services, and police protection services.

**City of Lathrop**  
**Community Facilities District No. 2013-1 (River Islands Public Services and Facilities)**  
**Date: 11/4/2013**

**PURPOSE OF SPECIAL TAX**

The Special Tax pays for public services and maintenance of public infrastructure within the River Islands area as well as local facilities including roadways, bridges, water and sewer infrastructure, public landscaping, and related improvements.

**City of Lathrop**  
**Community Facilities District No. 2018-1**  
**(Central Lathrop Specific Plan Facilities), 2019 Special Tax Bonds**  
**Improvement Area No. 1 Bonds: \$12,630,000**  
**Improvement Area No. 2 Bonds: \$7,945,000**  
**Improvement Area No. 3 Bonds: \$15,625,000**  
**Improvement Area No. 4 Bonds: \$5,565,000**  
**Improvement Area No. 5 Bonds: \$3,970,000**  
**Date: 11/19/18**

**PURPOSE OF SPECIAL TAX**

Bonds were issued to refinance the costs of public infrastructure, and to facilitate the prepayment, waiver and termination of all of the Special Tax on parcels within the City's Community Facilities District No. 2006-1.



**City of Lathrop**  
**Community Facilities District No. 2018-2 (Central Lathrop Specific Plan Facilities)**  
**Date: 11/19/2018**

**PURPOSE OF SPECIAL TAX**

Bonds were issued to refinance costs of public infrastructure, to facilitate the prepayment, waiver, and termination of all of the special tax on parcels within the previously formed Community Facilities District No. 2006-1.

**City of Lathrop**  
**Community Facilities District No. 2019-1 (South Lathrop City Services)**  
**Date: 4/8/2019**

**PURPOSE OF SPECIAL TAX**

The Special Tax pays for services including the ongoing maintenance and operation of public roads, medians, streetlights, traffic signals, traffic signs, frontage improvements, landscaping, drainage facilities, and standby charges related to the ongoing maintenance and operation of the local public improvements.

**City of Lathrop**  
**Community Facilities District No. 2019-2 (Central Lathrop City Services)**  
**Date: 4/8/2019**

**PURPOSE OF SPECIAL TAX**

The Special Tax pays for services including parks, parkways, and open space; flood and storm protection; police protection; and fire protection.

**City of Lathrop**  
**CFD No. 2021-1 (Gateway Business Park City Services)**  
**Date: 6/14/2021**

**PURPOSE OF SPECIAL TAX**

The Special Tax pays for services including maintenance for roads, landscaping, irrigation, and lighting of streets, signals, curbs, gutters, parks, parkways, and open space, flood and storm water drainage, detention, retention and protection services, maintenance (including capital replacement and reserves for capital replacement) and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City or by another local agency.

**City of Lathrop**  
**CFD No. 2023-1 (River Islands Public Services and Facilities #2)**  
**Date: June 12, 2023**

**PURPOSE OF SPECIAL TAX**

The Special Tax pays for all direct and incidental costs related to providing public services and maintenance of public infrastructure within the River Islands area. More specifically, the services include, but not be limited to: (i) police protection services, (ii) maintenance of open space, including trails and habitat areas, with services to included, but not be limited to, irrigation and vegetation control; (iii) maintenance of roads and roadways, with services to include, but not be limited to, regularly scheduled street sweeping, repair of public streets, striping of streets and repair and repainting of sound walls and other appurtenances; (iv) storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, (v) landscaping in public areas and in the public right of way along with public streets, including, but not limited to, irrigation, tree trimming and vegetation maintenance and control; and (vi) any other public services authorized to be funded under Section 53313 of the California Government Code.

**CITY OF LATHROP  
 BONDED COMMUNITY FACILITIES DISTRICTS REPORT  
 FOR FY ENDED 6/30/2024**

District	Initial Amount Deposited to Improvement Fund or Project Costs	6/30/2024 Balance <sup>(1)</sup>	Expended Amount	Project Status
CFD 2003-1 (Mossdale Village - Water)	\$6,716,563.00	\$1,330,580.86	\$6,716,563.00	Complete
CFD 2003-2 (Joint Wastewater)	\$6,096,532.33	\$0.00	\$6,096,532.33	Complete
CFD 2018-1 (Central Lathrop Specific Plan Facilities)	\$0.00	\$0.00	\$0.00	Complete
CFD 2018-2 (Central Lathrop Specific Plan Facilities)	\$0.00	\$0.00	\$0.00	Complete

(1) Balance for CFD 2003-1 includes amounts collected via special tax levy for project purposes and developer contributions.

District	Initial Amount Deposited to Cost of Issuance	6/30/2024 Balance	Expended Amount	Status
CFD 2003-1 (Mossdale Village - Water)	\$185,217.79	\$0.00	\$185,217.79	Closed
CFD 2003-2 (Joint Wastewater)	\$200,000.00	\$0.00	\$200,000.00	Closed
CFD 2018-1 (Central Lathrop Specific Plan Facilities)	\$0.00	\$0.00	\$0.00	Closed
CFD 2018-2 (Central Lathrop Specific Plan Facilities)	\$0.00	\$0.00	\$0.00	Closed

District	Initial Amount Deposited to Reserve Fund	6/30/2024 Balance	Expended Amount	Status
CFD 2003-1 (Mossdale Village - Water)	\$198,875.00	\$209,258.24	\$0.00	Open
CFD 2003-2 (Joint Wastewater)	\$753,500.00	\$703,254.25	\$50,245.75	Open
CFD 2018-1 (Central Lathrop Specific Plan Facilities)	\$0.00	\$0.00	\$0.00	Not Funded
CFD 2018-2 (Central Lathrop Specific Plan Facilities)	\$0.00	\$0.00	\$0.00	Not Funded

**CITY OF LATHROP  
NON-BONDED COMMUNITY FACILITIES DISTRICTS REPORT  
FOR FY ENDED 6/30/2024**

District	7/1/2023 Balance (1)	Special Taxes collected during FY 2023/24 (2)	Expended Amount and Encumbrances (3)	6/30/2024 Balance (4)	Project Status (5)
CFD 04-1 (Mossdale Services)	\$1,163,845.53	\$2,918,486.97	\$2,363,705.14	\$1,718,627.36	Ongoing
CFD 2005-1 (Historic Lathrop Services)	\$24,612.03	\$69,362.81	\$63,637.04	\$30,337.80	Ongoing
CFD No. 2013-1 (River Islands)	\$119,323.82	\$1,623,715.05	\$1,590,569.46	\$152,469.41	Ongoing
CFD No. 2019-1 (South Lathrop)	\$918,072.45	\$626,366.60	\$307,447.74	\$1,236,991.31	Ongoing
CFD No. 2019-2 (Central Lathrop Specific)	\$289,944.24	\$1,769,292.99	\$1,105,567.01	\$953,670.22	Ongoing
CFD No. 2021-1 (Gateway Business Park City Services)	\$147,327.46	\$151,662.36	\$52,928.57	\$246,061.25	Ongoing
CFD No. 2023-1 (River Islands Public Services and Facilities #2)	\$0.00	\$0.00	\$0.00	\$0.00	Ongoing

**Note (1)**

Beginning balances include previous year encumbrances carried forward for payment in the subsequent fiscal year.

**Note (2)**

For CFD 04-1 this amount represents the annual special taxes remitted by the San Joaquin County Auditor-Controller, building permit collections, interest earnings, and a transfer for capital equipment replacement.

For all other districts this amount represents the annual special tax amounts remitted by the San Joaquin County Auditor-Controller and interest earnings.

**Note (3)**

All CFDs listed above are intended to provide funding for ongoing, perpetual operations and maintenance services.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM 4.5**

**ITEM: RATIFY COUNCIL PARTICIPATION AT THE NAACP  
2024 ANNUAL FREEDOM FUND BANQUET**

**RECOMMENDATION: Adopt Resolution Ratifying Council Participation at  
the National Association for the Advancement of  
Colored People (NAACP) 2024 Annual Freedom  
Fund Banquet, November 16, 2024, at the  
Mercedes-Benz of Stockton, in Stockton, California**

---

**BACKGROUND:**

On November 7, 2024, the City Council received an invitation to attend the National Association for the Advancement of Colored People (NAACP), Annual Freedom Fund Banquet to celebrate the organization's history and commitment to serving the needs of local communities. The Annual Freedom Fund Banquet brings together community members and leaders to reflect on accomplishments. This year, the Annual Banquet was scheduled to be held at the Mercedes-Benz of Stockton, in Stockton, California, November 16, 2024.

Mayor Dhaliwal and Councilmember Lazard were registered to attend this year's Annual Banquet. The remaining Councilmembers were not available to attend due to a pre-scheduled conference. Therefore, tonight's action is requesting Council ratification of the attendance by Mayor Dhaliwal and Councilmember Lazard to the NAACP 2024 Freedom Fund Banquet in Stockton, California representing the City of Lathrop for the cost of \$145.46, per person.

Information regarding the 2024 Annual Freedom Fund Banquet event can be found on the NAACP, Stockton branch website at: <https://www.stocktonnaacp.org/>

**FISCAL IMPACT:**

Funds are available in the City Council Training & Travel expense account for Fiscal Year 2024-25.

**ATTACHMENTS:**

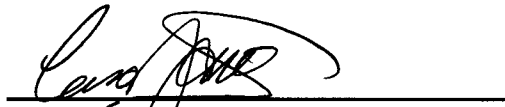
- A. Resolution Ratifying City Participation at the NAACP 2024 Annual Freedom Fund Banquet, November 16, 2024, at the Mercedes-Benz of Stockton, In Stockton, California
- B. 2024 Annual NAACP Stockton Freedom Fund Banquet Information

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
RATIFY NAACP 2024 ANNUAL FREEDOM FUND BANQUET**

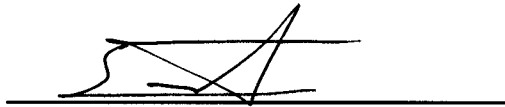
**APPROVALS:**

  
\_\_\_\_\_  
Teresa Vargas  
Government Services Director/  
City Clerk

11/14/24  
\_\_\_\_\_  
Date

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

11/14/2024  
\_\_\_\_\_  
Date

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

11-14-2024  
\_\_\_\_\_  
Date

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

11-14-24  
\_\_\_\_\_  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP RATIFYING COUNCIL PARTICIPATION AT THE NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE (NAACP) 2024 ANNUAL FREEDOM FUND BANQUET, NOVEMBER 16, 2024, AT THE MERCEDES-BENZ OF STOCKTON, IN STOCKTON, CALIFORNIA**

**WHEREAS**, on November 7, 2024, the City Council received an invitation to attend the National Association for the Advancement of Colored People (NAACP), Annual Freedom Fund Banquet was scheduled to be held at the Mercedes-Benz of Stockton, in Stockton, California, November 16, 2024; and

**WHEREAS**, The Annual Freedom Fund Banquet brings together community members and leaders to reflect on accomplishments; and

**WHEREAS**, Mayor Dhaliwal and Councilmember Lazard were registered to attend this year's Annual Freedom Fund Banquet. The remaining Councilmembers were not available to attend due to a pre-scheduled conference; and

**WHEREAS**, funds are available in the City Council Training & Travel expense account (1010-11-10) for Fiscal Year 2024-25.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby ratifies Council participation at the NAACP 2024 Annual Freedom Fund Banquet, November 16, 2024, at the Mercedes-Benz of Stockton, in Stockton, California; and

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

**ATTEST:**

**APPROVED AS TO FORM:**

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

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



🔔 Ticket sales end soon

♥️ ⬆️

Saturday, November 16

# 2024 ANNUAL NAACP STOCKTON FREEDOM FUND BANQUET

Join us for an inspiring evening of empowerment and unity as we gather to commemorate the journey towards equality, justice, and freedom.



By NAACP STOCKTON BRANCH 81 followers

5 years on Eventbrite

81 followers

Follow

Follow

## Date and time

🕒 Starts on Saturday, November 16 · 5:30pm PST

## Location

📍 Mercedes-Benz of Stockton  
10777 Trinity Parkway Stockton, CA 95219


Select tickets



## Refund Policy

Refunds up to **7 days** before event  
Eventbrite's fee is nonrefundable.

## About this event

 **Event lasts 3 hours 30 minutes**

For nearly a century, the NAACP Stockton Branch has been a steadfast advocate for civil rights, social justice, and equality. This milestone celebration not only commemorates the organization's rich history but also reaffirms its commitment to serving the needs of the community. The Annual Freedom Fund Banquet is a momentous occasion that brings together community members, leaders, and allies to reflect on the progress made and the challenges that persist. With a legacy of activism and empowerment, the NAACP Stockton Branch continues to be a driving force for positive change, fostering unity, awareness, and collective action. As the banquet gathers individuals from all walks of life, it serves as a reminder that the pursuit of equality is an ongoing journey that requires the sustained dedication of an entire community.

## Tickets

General Admission

0 

\$135.23 incl. \$10.23 Fee

[Read more](#)

Table Sponsor (Table of 8)

0 

\$1,500.00

[Read more](#)

Bronze Sponsor

0 

\$3,000.00

[Read more](#)

Silver Sponsor

0 

\$5,000.00

[Read more](#)

Platinum Sponsor

0 

\$10,000.00

[Read more](#)

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[Stockton Galas](#)

[Stockton Charity & Causes Galas](#)

## NAACP STOCKTON BRANCH

81 followers

5 years on Eventbrite

The National Association for the Advancement of Colored People (NAACP) is the nation's oldest and largest civil rights organization. It's half-million adult and youth members throughout the United States and the world are front line advocates for civil rights, social justice and equal opportunity under law.


For more detailed information about the Monthly General Membership meeting, contact the NAACP Office at (209) 466-7005 or visit our website at [www.StocktonNAACP.org](http://www.StocktonNAACP.org).

[View more](#)

Contact

Follow



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## ITEM 4.6

### CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING

**ITEM:**                                   **RATIFY SERVICE CONTRACT WITH MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS HARDWARE AND SOFTWARE**

**RECOMMENDATION:**   **Adopt a Resolution to Ratify a Service Contract with MCC Controls LLC dba Primex to Provide Technical Services and Support for Control Systems Hardware and Software**

---

#### **SUMMARY:**

The City of Lathrop's Supervisory Control and Data Acquisition (SCADA) System monitors and controls the City's common infrastructure in the following utility groups: Water system, Storm Water system, Wastewater system, and Recycled Water system equipment. MCC Controls LLC DBA Primex (Primex) has provided SCADA equipment, configuration, integration, and programming services to the City of Lathrop for the past 20 years. Additionally, Primex designed, configured and installed the proprietary equipment and is familiar with the City's infrastructure, operations, and security systems that are currently in place.

Due to the critical necessity to maintain the water utility stations and wells throughout the City, the City Manager signed the Service Contract on July 31<sup>st</sup>, 2024. Staff requests City Council ratify the service contract with Primex to provide technical services and support for control systems hardware and software in the amount of \$328,256 for a two (2) year term. Sufficient funds have been included in the approved budget for fiscal year (FY) 24/25 annual expense.

#### **BACKGROUND:**

The SCADA system is composed of both hardware and software components that monitor and control the wells, booster stations, lift stations and pump stations for the City's storm drainage, water, wastewater and recycled water systems. The SCADA system allow staff to remotely monitor processes and production of the City's infrastructure by providing real-time data visualization and alarms of City Infrastructure, to help improve production efficiency.

Primex designed, configured, installed the proprietary equipment, and is familiar with the City's SCADA system components and has provided configuration, integration, equipment and programming technical services and support for the past 18 years. Additionally, Primex is required to archive the programming source codes as part of the City of Lathrop network security practices.

**CITY MANAGER'S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**RATIFY SERVICE CONTRACT WITH MCC CONTROLS LLC DBA PRIMEX TO**  
**PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS**  
**HARDWARE AND SOFTWARE**

Obtaining additional quotes for SCADA technical services and support would require the City to publish information that could compromise the security of the City's network.

At the request of staff, Primex submitted a proposal for continued technical and support services for a two-year term which includes preventative and break fix services (\$163,128 for FY 24/25 and \$165,128 for FY 25/26) for a total cost not to exceed \$328,256.

The proposed agreement includes both preventative maintenance (scheduled) and a line item fee for (unforeseen) emergencies/break-fix. This portion of the contract will only be billed when needed, on a time and material basis, against the rate sheet included on page 5 of the proposal (not to exceed \$72,000 for FY 24/25 and not to exceed \$74,000 for FY 25/26) for a total cost not to exceed \$146,000.

Due to the critical necessity to maintain the water utility stations and wells throughout the City, the City Manager signed the Service Contract on July 31<sup>st</sup>, 2024. Staff recommends City Council ratify a Professional Technical Service and Support Agreement with Primex for the Supervisory Control and Data Acquisition (SCADA) System for a total cost not to exceed \$328,256.

**REASON FOR RECOMMENDATION:**

The SCADA Water system, Storm Water system, Wastewater system, and Recycled Water system computer equipment requires a level of technical skill that the City does not have. The SCADA Technical Services and Support Agreement with Primex is necessary to avoid interruption and to ensure efficient and effective operation of the City's SCADA system.

**CEQA STATUS:**

Not a Project as defined in Section 15378 of the State CEQA Guidelines.

**CITY MANAGER'S REPORT** **PAGE 3**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**RATIFY SERVICE CONTRACT WITH MCC CONTROLS LLC DBA PRIMEX TO**  
**PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS**  
**HARDWARE AND SOFTWARE**

**FISCAL IMPACT:**

The annual costs to provide SCADA technical and support services has been budgeted in the Council approved operating budget for the various districts. The Primex contract is allocated to each of these districts based on their usage of the SCADA technical and support services.

**ATTACHMENTS:**

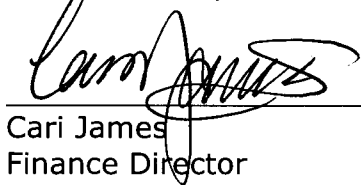
- A. Resolution Approving a Service Contract with MCC Controls LLC dba Primex to Provide Technical Services and Support for Control Systems Hardware and Software
- B. Service Contract with MCC Controls LLC dba Primex to Provide Technical Services and Support for Control Systems Hardware and Software

**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**RATIFY SERVICE CONTRACT WITH MCC CONTROLS LLC DBA PRIMEX TO**  
**PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS**  
**HARDWARE AND SOFTWARE**

**APPROVALS:**

  
\_\_\_\_\_  
Tony Fernandes  
Information Systems Director

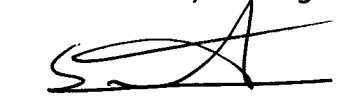
11-8-2024  
Date

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

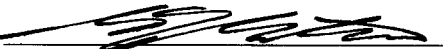
11/12/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

11.13.2024  
Date

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

11-8-2024  
Date

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

11.14.24  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO RATIFY THE SERVICE CONTRACT WITH MCC CONTROLS LLC, DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS HARDWARE AND SOFTWARE**

**WHEREAS**, the SCADA system is composed of both hardware and software components that monitor and control the wells, booster stations, lift stations and pump stations for the City's storm drainage, water, wastewater and recycled water systems; and

**WHEREAS**, the SCADA system allow staff to remotely monitor processes and production of the City's infrastructure by providing real-time data visualization and alarms of City infrastructure; and

**WHEREAS**, Primex designed, configured, installed the proprietary equipment, and is familiar with the City's SCADA system components and has provided configuration, integration, equipment and programming technical services and support for the past 18 years; and

**WHEREAS**, Primex offers a professional services, characterized by skilled knowledge of the City's SCADA system and customized products that offer exclusive solutions tailored to the City's SCADA Systems and security-compliant needs; and

**WHEREAS**, the service contract includes both preventative maintenance and unforeseen emergency repairs services to ensure proper functionality of the City's water utility stations and wells; and

**WHEREAS**, the City Manager signed the service contract on July 31<sup>st</sup>, 2024 to allow for the continuation of vital maintenance of the SCADA equipment.

**NOW, THEREFORE, BE IT RESOLVED**, the City Council of the City of Lathrop does hereby Ratify the City Managers Approval of the Services Contract with MCC Controls LLC, dba Primex to provide technical services and support for Control Systems hardware and software for a two-year term, in the amount of \$328,256.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**



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





Office of the City Manager

## Attachment A

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

# NOTICE TO PROCEED

July 31, 2024

MCC Controls LLC dba Primex  
Michael Anderson  
859 Cotting Ct. Ste. G  
Vacaville, CA 95688

Dear Mr. Anderson:

Enclosed please find your original executed contract to provide technical services and support for control systems hardware and software. This is your Notice to Proceed to the attached contract.

Should you have any questions regarding the project, please contact Tony Fernandes at (209) 941-7349, the staff member directly involved with this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen J. Salvatore".

Stephen J. Salvatore  
City Manager

Copy: Teresa Vargas, City Clerk  
Project File

**SERVICE CONTRACT BETWEEN THE CITY OF LATHROP AND  
MCC CONTROLS LLC DBA PRIMEX  
TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL  
SYSTEMS HARDWARE AND SOFTWARE**

**THIS SERVICE CONTRACT** (hereinafter "Contract") dated for convenience this 1st day of July 2024 is by and between the **City of Lathrop**, a municipal corporation of the State of California (hereinafter "City") and **MCC Controls LLC dba Primex** (hereinafter "Contractor"), whose Taxpayer Identification Number is 81-1611115.

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

**SCOPE OF WORK**

Contractor agrees to provide Technical Services and Support for Control Systems Hardware and Software with the City's standard in accordance with the scope of work and fee proposal provided by the Contractor, attached hereto as Exhibit "A" and incorporated herein by reference. Contractor agrees to diligently perform these services in accordance with the upmost standards of its profession and to City's satisfaction.

The CONTRACTOR shall respond to emergency requests for service ("Service Call") relating to system failures during the after-hour timeframe of 6:00p.m. to 8:00a.m Monday through Thursday, 5:00p.m. to 8:00a.m. on Friday, Saturday and Sunday ("After-Hour Emergency") within four hours ("After-Hour Response Time") from the time CONTRACTOR is was notified of the emergency by the CITY, unless decided otherwise by the Information Systems Director and/or Chief Information Officer at the time the Service Call was placed to the CONTRACTOR. Service Calls are to be conducted by the CONTRACTOR at no cost to the CITY. Failure of the CONTRACTOR to respond to an After-Hour Emergency within the After-Hour Response Time shall result in a \$250 penalty per incident to be paid by the CONTRACTOR to the CITY.

The CONTRACTOR shall respond to emergency request for service ("Service Call") relating to system failures during the business-hour timeframe of 8:00a.m. to 6:00p.m. Monday through Thursday and 8:00a.m. to 5:00p.m. on Friday ("Business-Hour Emergency") within two hours ("Business-Hour Response Time") from the time CONTRACTOR is notified of the emergency by the CITY. Service Calls are to be conducted by the CONTRACTOR at no cost to the CITY. Failure of the CONTRACTOR to respond to a Business-Hour Emergency during the Business-Hour Response Time shall result in a \$500 penalty per incident to be paid by the CONTRACTOR to the CITY.

**CONTRACT PRICE**

CITY hereby agrees to pay CONSULTANT a sum not to exceed \$328,256, for a two-year contract, at a rate of \$163,128 for FY 24/25 and \$165,128 for FY 25/26, for maintenance and support services as identified and set forth in Exhibit "A".

**SERVICE CONTRACT**

**MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS HARDWARE AND SOFTWARE**

CONSULTANT shall be paid within thirty (30) days of receipt of billings containing all information pursuant to Paragraph 5 below. 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.

**TIME FOR PERFORMANCE**

The Contractor shall commence work within five (5) working days of the Notice to Proceed, and diligently prosecute the work to completion until **June 30, 2026**.

**PERMITS; COMPLIANCE WITH LAW**

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

**INSPECTION BY CITY**

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

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

**NOTICE**

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

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

**SERVICE CONTRACT  
MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR  
CONTROL SYSTEMS HARDWARE AND SOFTWARE**

States mail, enclosed in a sealed envelope, addressed to such surety or other person, as the case may be, at the address of such surety or person last communicated by it to the party giving the notice, postage prepaid and certified.

**ACCIDENT PREVENTION**

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

**CONTRACTOR'S WARRANTY**

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

**APPRENTICES**

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

**HOURS OF WORK**

Eight (8) hours of work in any calendar day shall constitute a legal day's work. The Contractor and each subcontractor shall forfeit, as penalty to the City, twenty-five dollars (\$25) for each worker employed in the execution of work on the Project by the Contractor

**SERVICE CONTRACT**

**MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS HARDWARE AND SOFTWARE**

or any subcontractor under him for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any calendar week in violation of the provisions of the Labor Code, and in particular, Section 1810 to Section 1815, thereof, inclusive, except that work performed by employees of the Contractor and his subcontractors in excess of eight hours per day at not less than one and one half times the basic rate of pay, as provided in Labor Code section 1815.

**PAYROLL RECORDS**

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

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

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

The Contractor shall file a certified copy of the payroll records with the entity that requested such records within ten (10) calendar days after receipt of a written request. Any copy of records made available for inspection as copies and furnished upon request to the public or the City, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement, shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and

**SERVICE CONTRACT**

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address of the Contractor or any subcontractor performing work on the Project shall not be marked or obliterated.

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

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

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

**PREVAILING WAGES**

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

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

- (b) The Contractor and each subcontractor shall forfeit as a penalty to the City not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the stipulated prevailing rate for any work

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done by him, or by any subcontract under him, in violation of the provisions of the California Labor Code. The difference between such stipulated prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Contractor.

**INSURANCE**

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

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

- (a) Workers' Compensation. CONTRACTOR shall, at CONTRACTOR'S sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by CONTRACTOR. Said Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than one million dollars (\$1,000,000). In the alternative, CONTRACTOR may rely on a self-insurance program to meet these requirements provided that the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the CONTRACTOR, if a program of self-insurance is provided, shall waive all rights of subrogation against the CITY for loss arising from work performed under this Agreement.
  
- (b) Commercial General and Automobile Liability Insurance. CONTRACTOR, at CONTRACTOR'S own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than one million dollars per occurrence (\$1,000,000), combined single limit coverage for risks associated with the work contemplated by this Agreement. If Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection

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against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

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

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

- (i) CITY, its officers, employees, and volunteers are to be covered as insured with respect to each of the following: liability arising out of activities performed by or on behalf of CONTRACTOR, products and completed operations of CONTRACTOR; premises owned, occupied or used by CONTRACTOR. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents, or volunteers.
  - (ii) The insurance shall cover on an occurrence or an accident basis, and not on a claim made basis.
  - (iii) An endorsement must state that coverage is primary insurance and that no other insurance affected by the CITY will be called upon to contribute to a loss under the coverage.
  - (iv) Any failure of CONTRACTOR to comply with reporting provisions of the policy shall not affect coverage provided to CITY and its officers, employees, agents, and volunteers.
  - (v) Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A: VII.
  - (vi) Notice of cancellation or non-renewal must be received by CITY at least thirty days prior to such change.
- (c) Deductibles and Self-Insured Retentions. CONTRACTOR shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. During the period covered by this Agreement, upon express written authorization of CITY Manager, CONTRACTOR may increase such deductibles or self-insured retentions with respect to CITY, its officers, employees, agents, and volunteers. The CITY Manager



**SERVICE CONTRACT**

**MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS HARDWARE AND SOFTWARE**

may condition approval of an increase in deductible or self-insured retention levels upon a requirement that CONTRACTOR procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

- (d) **Notice of Reduction in Coverage.** In the event that any coverage required under subsections (a), (b), or (c) of this section of the Agreement is reduced, limited, or materially affected in any other manner, CONTRACTOR shall provide written notice to CITY at CONTRACTOR'S earliest possible opportunity and in no case later than five days after CONTRACTOR is notified of the change in coverage.
  
- (e) In addition to any other remedies CITY may have if CONTRACTOR fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:
  - (i) Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
  
  - (ii) Order CONTRACTOR to stop work under this Agreement or withhold any payment which becomes due to CONTRACTOR hereunder, or both stop work and withhold any payment, until CONTRACTOR demonstrates compliance with the requirements hereof;
  
  - (iii) Terminate this Agreement.

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

**INDEMNIFICATION**

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

**SERVICE CONTRACT  
MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR  
CONTROL SYSTEMS HARDWARE AND SOFTWARE**  
as may arise from the sole willful or negligent act or omission of City or any of its City Council members, officers, employees.

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

**SEVERABILITY**

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

**COMPLETE AGREEMENT**

This Contract supersedes any and all agreements, either oral or in writing, between the Parties with respect to the subject matter herein. Each party to this Contract acknowledges that no representation by any party which is not embodied herein or any other agreement, statement, or promise not contained in this Contract shall be valid and binding.

**INTERPRETATION**

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

**APPLICABLE LAW**

- (a) The parties hereto understand and agree that the terms of this Contract, and its Exhibits, have been negotiated and executed within the State of California and shall be governed by and construed under the laws of the State of California.

**SERVICE CONTRACT**

**MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR CONTROL SYSTEMS HARDWARE AND SOFTWARE**

- (b) In the event of a dispute concerning the terms of this Contract, the parties hereto expressly agree that the venue for any legal action shall be with the appropriate court in the County of San Joaquin, State of California.

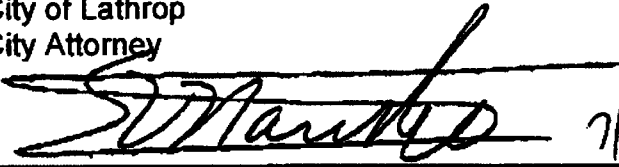
**SIGNATURES**

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

**SERVICE CONTRACT  
MCC CONTROLS LLC DBA PRIMEX TO PROVIDE TECHNICAL SERVICES AND SUPPORT FOR  
CONTROL SYSTEMS HARDWARE AND SOFTWARE**

Approved as to Form:

City of Lathrop  
City Attorney

 7/11/2024

Salvador Navarrete

Date

Recommended for Approval:

City of Lathrop

DocuSigned by:  
 6/28/2024  
1C20E53401E478

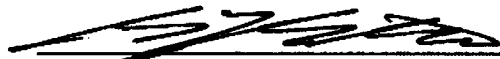
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Tony Fernandes Date  
Director of Information Services

Approved by:

City of Lathrop

Resolution # \_\_\_\_\_

 7-31-24

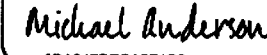
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Stephen J. Salvatore Date  
City Manager

Contractor:

MCC Controls LLC dba Primex  
859 Cotting Ct. Ste. G  
Vacaville, CA 95688

Fed ID # 81-1611115  
Business License # 40633

DocuSigned by:  
 6/28/2024  
0DA047DE0A8F408...

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Signature Date  
Michael Anderson Software Eng  
Print Name and Title

---

**Technical Services and Support  
Agreement for Control Systems  
Hardware/Software FY 2024 - 2026**

**City of Lathrop**



**Prepared by: Michael Anderson  
Phone: 707-449-0341  
Email: michael.anderson@sjeinc.com**

**859 Cotting Court, Suite G, Vacaville, CA 95688  
Phone: (707) 449-0341  
www.primexcontrols.com**

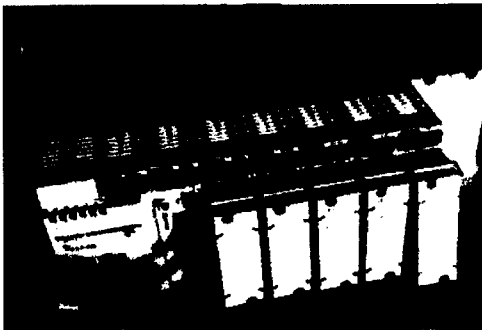


# Annual Preventative Maintenance Program

## On-Site Services

### Dust Removal

Dust at a site can be a nuisance. Dust can impede troubleshooting efforts by covering equipment labels and wire numbers making it difficult to quickly trace problems and understand how a system works. These types of delays can be extremely costly when a critical site is down.

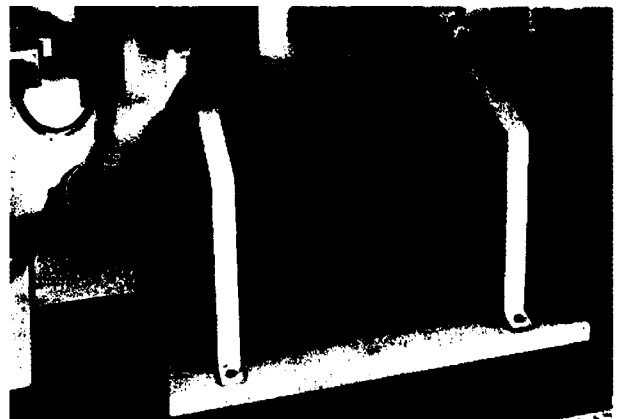


Excessive dust can cause long-term damage to equipment. Excessive dust can act as an insulator around electronic equipment causing heat build-up which shortens the lifespan of equipment. In industrial environments dust can absorb things like moisture or oil from the air. These types of contaminants can turn that dust into a conductor causing internal electrical shorts. In some cases, the absorbed contaminants can become corrosive and destroy equipment and internal components.

As part of our annual preventative maintenance, we thoroughly clean out control panels and make sure filters are in place and clean. A clean panel is the foundation of a well-maintained system.



*Harlan Rd Wastewater Pump Station with 1 year of dust accumulation*

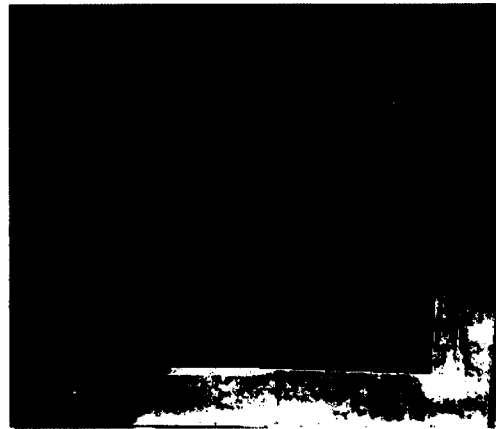


*Harlan Rd after annual panel cleaning*



## Inspection & Infrared Imaging

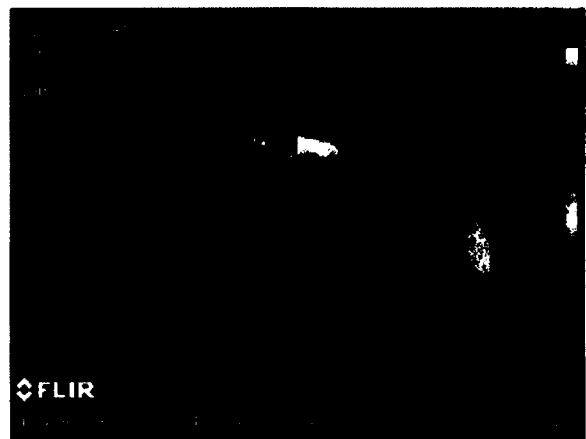
The central valley experiences rather extreme conditions that vary wildly depending on the time of year. Scorching summer heat, driving rain during the rainy season, and high winds carrying sand and debris all contribute to tough conditions and excessive wear on unprotected equipment. During our site inspections we document the state of all control equipment and work with City of Lathrop operators to prioritize repairs and replacements before equipment fails.



*Sun bleached OIT identified for replacement before failure.*

## Infrared Imaging

We use infrared FLIR imaging technology to take our inspections to the next level. While many signs of equipment damage and failure can be identified by the naked eye, FLIR Infrared equipment inspection allows us to find conditions that might otherwise go undetected until catastrophic failure occurs. Improperly terminated electrical connections can generate excess heat leading to early equipment failures or potential fire hazards. Failing components or components that are being stressed beyond their designed limits can generate excess heat as well. Infrared imaging allows us to identify these potential issues and create a historical record of equipment conditions. Early, proactive identification can help us keep Lathrop's infrastructure operating as expected.



*Poorly terminated cable causing excessive heat buildup.*

## Quarterly SCADA Updates

SCADA systems have had increased visibility throughout the world in recent years with several high-profile attacks on water and wastewater treatment systems. "Obscurity" is not a viable security plan for infrastructure systems. The servers and applications used to run Lathrop's SCADA system are updated with the latest Microsoft patches and the latest software versions to make sure vulnerabilities are addressed.

Primex also works with Lathrop IT and their vendors to make sure remote access is only permitted by authorized, trusted personnel. We also monitor the Department of Homeland Security Industrial Control System (DHS-ICS) notifications of vulnerabilities and work with city personnel to mitigate any risks related to Lathrop's systems.



## Off-Site Support

Primex's support of Lathrop's system extends well beyond the on-site activities and services listed above.

### Remote Access Verification

As a trusted partner of the City of Lathrop we have been granted remote access into the city's network. During our annual site visits we verify remote access to each and every facility so that we can effectively support the city when needed.

As the city continues to grow and infrastructure is installed throughout a larger geographic area remote access is quickly becoming one of the most effective ways to support the city quickly and cost-effectively.

### Offsite Program Backups

Throughout our long history of working with city personnel we have diligently backed up programs and equipment configurations to our servers giving Lathrop offsite backups for all sites throughout the city. Whether that means reloading programs or migrating a system off deprecated hardware our up-to-date backups provide an important additional layer of security for Lathrop's systems.

### Key Equipment Availability

The recent supply chain issues have affected industries and companies throughout the world and there seems to be little relief on the horizon. To further support Lathrop's needs we are committing to keeping some key equipment in stock at our Vacaville location exclusively to support Lathrop's systems. This list includes:

- Operator Interface: HMIGTO6310
- PLC Rack: BMX XBP 0800
- PLC Power Supply: BMX CPS 4002
- PLC CPU: BMX P34 2020
- DI Module: BMX DDI 1602
- DO Module: BMX DDO 1602





## 2024 Technical Service Rates

The following rates are effective for services and service agreements commencing on or after November 1<sup>st</sup>, 2023 and do not include any applicable sales tax. We reserve the right to increase rates on November 1<sup>st</sup> of each year.

### Standard Services

Service Type	Standard Hourly Rates <sup>1</sup>	Preferred Hourly Rates <sup>2</sup>	Travel Rates <sup>3</sup>
PLC & SCADA System Programmer	\$270	\$ 235	
Field Service Technician	\$185	\$ 165	
Design & Engineering	\$255	\$ 230	
Project Management	\$225	\$195	
Manufacturing Services	\$130	\$118	
Drafting	\$150	\$130	
Mileage			\$1.00/mile
Per Diem			\$35 meal per diem
Travel Expenses (Hotel, Airfare etc.)			Cost + 10%

<sup>1</sup> Standard rates apply to all customers without a service agreement in place with PRIMEX, for services performed during normal business hours. See below for after-hours, overtime, and holiday service rate multipliers. There is a minimum charge of two (2) hours on site plus travel expenses.

<sup>2</sup> Preferred rates apply to customers with an annual service agreement in place with PRIMEX. Preferred customers enjoy priority scheduling ahead of non-preferred customers. There is no minimum trip charge for preferred customers. See below for after-hours, overtime, and holiday service rate multipliers. Contact your PRIMEX representative for service agreement details.

<sup>3</sup> In addition to the rates above, customers will pay incurred travel costs, including mileage, airfare, hotels, and meals.

### Service Rate Multipliers

Description	Multiply Rate By:
Overtime – More than eight (8) hours worked in a day (excluding travel time)	1.5
Weekends – Work performed on Saturday or Sunday	1.5
After-Hours – Work performed between 6:00pm and 6:00am	1.5
Holiday – Work performed on a PRIMEX-observed holiday, or a holiday falling on a weekend	2.0



MCC Controls LLC DBA PRIMEX  
 859 Cotting Ct. Ste G  
 Vacaville, CA 95688  
 Contractor's License: 1016640  
 DIR Registration No.: 1000043535

Phone 707.449.0341

Date: 6/25/2024  
 To: City of Lathrop  
 Attention: Tony Fernandes  
 From: Michael Anderson

PRIMEX Quote # 240625MA01  
 Project: City of Lathrop Technical Services and Support Agreement for SCADA System Software 2024-2026  
 Task: SCADA System Support  
 Terms: LUMP SUM

This proposal details all materials and services we intend to provide for the above referenced project.  
 Be sure to reference General Notes following the scope listing.  
 This proposal expires 45 days after the date noted above.

Regular maintenance for all sites is included under the appropriate  
 quarter/group provided their 1 year hardware warranty period has ended.

**Scope of Work for Fiscal Year 2024 - 2025**

Item #	Qty.	Description	Scope of Work	Line Item Price
1	Lot	<b>Standard Technical Support Services</b> Software Custody Assigned and Dedicated Customer Manager Support ends June 30th, 2025.  <b>Quarterly SCADA System Updates</b> Install Ignition software updates Test & verify operation of system after updates SCADA updates will be scheduled for July 2024, October 2024, January 2025 and April 2025.  <b>Tasks to be completed:</b> SCADA Updates, Inspections, and Backups (performed quarterly): <ul style="list-style-type: none"> <li>• Inspect SCADA dashboard at master, backup, and CTF sites. Note any warnings or errors</li> <li>• Backup SCADA configuration/programming from primary server &amp; CTF server.</li> <li>• Verify database size, growth rates, and backup performance. Note any storage concerns and notify city. This must be done primary historical database and CTF local database</li> </ul> On-Site Equipment Verification & Backup: <ul style="list-style-type: none"> <li>• Go online with PLC, verify offline program</li> <li>• if match, go offline, SAVE AS with same version number but with today's date, then read from controller and SAVE.</li> <li>• If no match, go offline, SAVE AS with new version number (increment by 01) and today's date, then read from controller and</li> <li>• While online, check battery status coil to see if battery requires replacement. If yes, replace battery (if on hand) or note</li> <li>• If Maple Alpha-numeric OIT:               <ul style="list-style-type: none"> <li>• Upload OIT program and SAVE.</li> <li>• Zip and SAVE with same version but new date.</li> </ul> </li> <li>• If Magelis has SD flash card, copy PLC program file to SD card.               <ul style="list-style-type: none"> <li>• Note if Magelis does not have flash card for future upgrade.</li> </ul> </li> <li>• Copy revised PLC and OIT programs to "current" folders on Corporation Yard SCADA machine and MCC server. Move</li> <li>• Note any other maintenance needs.</li> <li>• Prepare written report for each site and submitted to City IT Department including any recommendations.</li> </ul>	\$	15,460.00
2	Lot	<b>Group 1 Common Infrastructure</b> Corporation Yard Polling PLC SCADA Annual service performed by June 30, 2025 (or as requested by City Staff)		\$ 13,163.00
3	Lot	<b>Group 2 Water System</b> Booster Pump Station 1 Booster Pump Station 2		\$ 13,950.00



MCC Controls LLC DBA PRIMEX  
 859 Cotling Ct. Ste G  
 Vacaville, CA 95688  
 Contractor's License: 1018640  
 DIR Registration No.: 1000043535

Phone 707.449.0341

Date: 6/25/2024  
 To: City of Lathrop  
 Attention: Tony Fernandes  
 From: Michael Anderson

**PRIMEX Quote #** 240625MA01  
**Project:** City of Lathrop Technical Services and Support Agreement for SCADA System Software 2024-2026  
 Booster Pump Station 3  
 Booster Pump Station 4  
 Booster Pump Station 5 - River Islands  
 Booster Pump Station 6  
 LAWTF  
 Well 6  
 Well 7  
 Well 8  
 Well 9  
 Well 10  
 Well 21  
 SSJID L1 Turnout Pump Station  
 SSJID L2 Turnout Pump Station  
 Annual service performed by March 31, 2025 (or as requested by City Staff)

4	Lot	<p><b>Group 3 Storm Water System</b></p> M1 SDPS M2 SDPS M3 SDPS M5 SDPS M6 SDPS Camish Pond Crossroads SDPS Dos Reis SDPS Easy Court SDLS Horizon Park SDLS J Street SDLS Libby Park SDPS Louise Ave SDLS Marketplace Valve Milestone SDPS N Street SDLS New Harlan Road SDLS Old Harlan Road SDLS San Joaquin River SDPS South Lathrop SDPS Stanford Crossing SDPS 1, 2 & 4 Stonebridge SDPS Thomsen Park SDLS Valley Crossing SDLS Woodfield SDLS Annual service performed by December 31, 2024 (or as requested by City Staff)	\$	18,865.00
5	Lot	<p><b>Group 4 Waste Water System</b></p> Easy Court WWLS Harlan Road WWPS Industrial Park J Street WWPS Louise Ave WWPS McKinley Ave WWPS Mossdale WWPS O Street WWPS Phelan Gateway WWPS River Islands 2A WWPS River Islands Main WWPS	\$	14,430.00



MCC Controls LLC DBA PRIMEX  
 859 Cotting Ct. Ste G  
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Phone 707.449.0341

Date: 6/25/2024  
 To: City of Lathrop  
 Attention: Tony Fernandes  
 From: Michael Anderson

**PRIMEX Quote #** 240625MA01  
**Project:** City of Lathrop Technical Services and Support Agreement for SCADA System Software 2024-2026  
 Sharpe Depot 2nd Avenue WWPS  
 Sharpe Depot 4th Avenue WWPS  
 South Lathrop WWPS  
 SSI  
 Stanford Crossing WWPS  
 Stonebridge WWPS  
 Valley Crossing WWLS  
 Woodfield WWLS  
 WQCF  
 Annual service performed by September 30, 2024 (or as requested by City Staff)

<b>6</b>	<b>Lot</b>	<b>Group 5 Recycled Water System</b>	<b>\$</b>	<b>5,250.00</b>
		S2 S5 S6 S18 - River Islands S28 River Islands Flushing Station 2A Annual service performed by March 31, 2025 (or as requested by City Staff)		

<b>7</b>	<b>Lot</b>	<b>Group 6 CTF</b>	<b>\$</b>	<b>10,010.00</b>
		CP-1 CP-1A CP-C CP-2 CP-3 Dechlorination Crossroads Sewer Lift Station ETPS Headworks 1 Headworks 2 Headworks 3 Headworks 4 MBR Pond Irrigation Pump Station Annual service performed by June 30, 2025 (or as requested by City Staff)		

\* Any sites marked with an asterisk will be maintained under the original startup warranty during this service contract period. Because these sites are covered under warranty they do not add to the cost of the service contract.

<b>Subtotal</b>	<b>\$</b>	<b>91,128.00</b>
<b>Tax</b>	<b>\$</b>	<b>-</b>

**The total price for the scope of work above is:** **\$ 91,128.00**

**General Notes:**

1. Prices quoted above include sales tax and travel to the jobsite.
2. Terms and Conditions of sale: Upon PRIMEX approval of customer credit, PRIMEX will extend 30-day payment terms on invoices for deliverables provided per this scope of work. Deliverables are FOB - PRIMEX Vacaville, CA, with freight allowed (unless specifically noted otherwise in this proposal). Customer may accept this proposal by signature here-on, or by separate purchase order made out to MCC Controls LLC DBA PRIMEX.

Please call or email with any questions.

Sincerely,



---

MCC Controls LLC DBA PRIMEX  
859 Cotting Ct. Ste G  
Vacaville, CA 95688  
Contractor's License: 1016640  
DIR Registration No.: 1000043535

Phone 707.449.0341

Date: 6/25/2024  
To: City of Lathrop  
Attention: Tony Fernandes  
From: Michael Anderson

**PRIMEX Quote #** 240625MA01  
**Project:** City of Lathrop Technical Services and Support Agreement for SCADA System Software 2024-2026  
Michael Anderson



MCC Controls LLC DBA PRIMEX  
 859 Cotting Ct. Ste G  
 Vacaville, CA 95688  
 Contractor's License: 1016640  
 DIR Registration No.: 1000043535

Phone 707.449.0341

Date: 6/25/2024  
 To: City of Lathrop  
 Attention: Tony Fernandes  
 From: Michael Anderson

PRIMEX Quote # 240625MA02  
 Project: City of Lathrop Technical Services and Support Agreement for SCADA System Software 2024-2026  
 Task: SCADA System Support  
 Terms: LUMP SUM

This proposal details all materials and services we intend to provide for the above referenced project.  
 Be sure to reference General Notes following the scope listing.  
 This proposal expires 45 days after the date noted above.

Regular maintenance for all sites is included under the appropriate  
 quarter/group provided their 1 year hardware warranty period has ended.

Scope of Work for Fiscal Year 2025 - 2026

Item #	Qty.	Description	Scope of Work	Line Item Price
1	Lot	<p><b>Standard Technical Support Services</b></p> <p>Software Custody                      Assigned and Dedicated Customer Manager                      Support ends June 30th, 2026.</p> <p><b>Quarterly SCADA System Updates</b>                      Install Ignition software updates                      Test &amp; verify operation of system after updates                      SCADA updates will be scheduled for July 2025, October 2025, January 2026                      and April 2026.</p> <p><b>Tasks to be completed:</b>                      SCADA Updates, Inspections, and Backups (performed quarterly):                      • Inspect SCADA dashboard at master, backup, and CTF sites. Note any warnings or errors                      • Backup SCADA configuration/programming from primary server &amp; CTF server.                      • Verify database size, growth rates, and backup performance. Note any storage                      concerns and notify city. This must be done primary historical database and                      CTF local database</p> <p><b>On-Site Equipment Verification &amp; Backup:</b>                      • Go online with PLC, verify offline program                      • if match, go offline, SAVE AS with same version number but with today's date, then read from controller and SAVE.                      • If no match, go offline, SAVE AS with new version number (increment by 01) and today's date, then read from controller and                      • While online, check battery status coil to see if battery requires replacement. If yes, replace battery (if on hand) or note battery                      • If Maple Alpha-numeric OIT:                      • Upload OIT program and SAVE.                      • Zip and SAVE with same version but new date.                      • If Magelis has SD flash card, copy PLC program file to SD card.                      • Note if Magelis does not have flash card for future upgrade.                      • Copy revised PLC and OIT programs to "current" folders on Corporation Yard SCADA machine and MCC server. Move previous                      • Note any other maintenance needs.                      • Prepare written report for each site and submitted to City IT Department including any recommendations.</p>		\$ 15,460.00
2	Lot	<p><b>Group 1 Common Infrastructure</b></p> <p>Corporation Yard                      Polling PLC                      SCADA                      Annual service performed by June 30, 2026 (or as requested by City Staff)</p>		\$ 13,163.00
3	Lot	<p><b>Group 2 Water System</b></p> <p>Booster Pump Station 1                      Booster Pump Station 2                      Booster Pump Station 3                      Booster Pump Station 4</p>		\$ 13,950.00



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Phone 707.449.0341

Date: 6/25/2024  
 To: City of Lathrop  
 Attention: Tony Fernandes  
 From: Michael Anderson

**PRIMEX Quote #** 240625MA02  
**Project:** City of Lathrop Technical Services and Support Agreement for SCADA System Software 2024-2026  
 Booster Pump Station 5 - River Islands  
 Booster Pump Station 6  
 LAWTF  
 Well 6  
 Well 7  
 Well 8  
 Well 9  
 Well 10  
 Well 21  
 SSJID L1 Turnout Pump Station  
 SSJID L2 Turnout Pump Station  
 Annual service performed by March 31, 2026 (or as requested by City Staff)

4	Lot	<b>Group 3 Storm Water System</b> M1 SDPS M2 SDPS M3 SDPS M5 SDPS M6 SDPS Camish Pond Crossroads SDPS Dos Reis SDPS Easy Court SDLS Horizon Park SDLS J Street SDLS Libby Park SDPS Louise Ave SDLS Marketplace Valve Milestone SDPS N Street SDLS New Harlan Road SDLS Old Harlan Road SDLS San Joaquin River SDPS South Lathrop SDPS Stanford Crossing SDPS 1, 2 & 4 Stonebridge SDPS Thomsen Park SDLS Valley Crossing SDLS Woodfield SDLS Annual service performed by December 31, 2025 (or as requested by City Staff)	\$	18,865.00
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5	Lot	<b>Group 4 Waste Water System</b> Easy Court WWLS Harlan Road WWPS Industrial Park J Street WWPS Louise Ave WWPS McKinley Ave WWPS Mossdale WWPS O Street WWPS Phelan Gateway WWPS River Islands 2A WWPS River Islands Main WWPS Sharpe Depot 2nd Avenue WWPS Sharpe Depot 4th Avenue WWPS South Lathrop WWPS SSI Stanford Crossing WWPS	\$	14,430.00
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 859 Cotting Ct. Ste G  
 Vacaville, CA 95688  
 Contractor's License: 1016640  
 DIR Registration No.: 1000043535

Phone 707.449.0341

Date: 6/25/2024  
 To: City of Lathrop  
 Attention: Tony Fernandes  
 From: Michael Anderson

PRIMEX Quote # 240625MA02  
 Project: City of Lathrop Technical Services and Support Agreement for SCADA System Software 2024-2026  
 Stonebridge WWPS  
 Valley Crossing WWLS  
 Woodfield WWLS  
 WQCF  
 Annual service performed by September 30, 2025 (or as requested by City Staff)

6	Lot	<b>Group 5 Recycled Water System</b> S2 S5 S6 S16 - River Islands S28 River Islands Flushing Station 2A Annual service performed by March 31, 2026 (or as requested by City Staff)	\$	5,250.00
7	Lot	<b>Group 6 CTF</b> CP-1 CP-1A CP-C CP-2 CP-3 Dechlorination Crossroads Sewer Lift Station ETPS Headworks 1 Headworks 2 Headworks 3 Headworks 4 MBR Pond Irrigation Pump Station Annual service performed by June 30, 2026 (or as requested by City Staff)	\$	10,010.00

\* Any sites marked with an asterisk will be maintained under the original startup warranty during this service contract period. Because these sites are covered under warranty they do not add to the cost of the service contract.

Subtotal	\$	91,128.00
Tax	\$	-

The total price for the scope of work above is: \$ 91,128.00

\*\* Per the City of Lathrop, Primex is including a separate annual line item for small projects or City requested services. This will expedite the resolution of any hardware/software issues that may occur at any time. The budgeted amounts are based on fiscal years 22-23 and 23-24 invoiced work with Primex. The Annual Site Services are 'Not to Exceed' amounts and are separate from the FY invoiced work. If necessary, these amounts could be increased with approval from the City of Lathrop.

** FY 2024 - 2025	\$72,000.00
** FY 2025 - 2026	\$74,000.00

The total price for the two year fiscal period 2024 - 2026 is: \$328,256.00

Term  
 This agreement will take effect on July 1, 2024, once we've received a fully





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859 Cotting Ct. Ste G  
Vacaville, CA 95688  
Contractor's License: 1016640  
DIR Registration No.: 1000043535

Phone 707.449.0341

Date: 6/25/2024  
To: City of Lathrop  
Attention: Tony Fernandes  
From: Michael Anderson

**PRIMEX Quote #** 240625MA02  
**Project:** City of Lathrop Technical Services and Support Agreement for SCADA System Software 2024-2026  
executed Purchase Order for this quote, and continue in effect until June 30, 2026.

Price quoted at Preferred rates. Contingent on acceptance of this support agreement.  
We reserve the right to increase service rates no more than 10% on November 1st  
of each year.

**General Notes:**

1. Prices quoted above include sales tax and travel to the jobsite.
2. Terms and Conditions of sale: Upon PRIMEX approval of customer credit, PRIMEX will extend 30-day payment terms on invoices for deliverables provided per this scope of work. Deliverables are FOB – PRIMEX Vacaville, CA, with freight allowed (unless specifically noted otherwise in this proposal). Customer may accept this proposal by signature hereon, or by separate purchase order made out to MCC Controls LLC DBA PRIMEX.

Please call or email with any questions.

Sincerely,

Michael Anderson

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**ITEM:                                    RATIFY THE SOFTWARE AS A SERVICE AGREEMENT  
WITH TYLER TECHNOLOGIES INC. FOR THE RENEWAL  
OF SOFTWARE SUBSCRIPTION LICENSING AND  
APPROVE BUDGET AMENDMENT**

**RECOMMENDATION:    Adopt a Resolution to Ratify the Software as a Service  
Agreement with Tyler Technologies, Inc. for the  
Renewal of Software Subscription Licensing and  
Approve Budget Amendment**

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**SUMMARY:**

Since 2012, the City has relied on Tyler Technologies for its Enterprise Resource Planning (ERP) software, supporting various City services including financial management, utility management, human resources and community development. This software has been enhanced to incorporate payroll management and permit management. The current Software is being moved to a Service agreement for a Software as a Service (SaaS), which requires a new contract to host, support and maintain these critical services.

The agreement includes three systems at an annual expense of \$198,085 following a one-time upgrade cost of \$6,500, totaling \$204,585 for fiscal year 24-25. This new agreement will also transition the hosting of the systems to the cloud, which will reduce the City's server footprint by approximately thirty (30) servers. This shift is expected to decrease internal weekly maintenance costs, reduce expenses on operating system and database software licenses, lower costs related to security, enhance support response times for the applications, and reduce costs associated other systems related support. A budget amendment is requested as the current fiscal budget is insufficient to cover these costs.

The City Manager signed the new agreement on September 16<sup>th</sup>, 2024, to ensure vital City operations were not disrupted and to ensure that the City may continue to do business as usual as the previous agreement was set to expire as of September 30<sup>th</sup>, 2024.

Staff is requesting ratification of City Manager's signature of the software as a service agreement with Tyler Technologies to allow for continuation of vital City operations.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
RATIFY THE SOFTWARE AS A SERVICE AGREEMENT WITH TYLER  
TECHNOLOGIES FOR THE RENEWAL OF SOFTWARE SUBSCRIPTION  
LICENSING AND APPROVE BUDGET AMENDMENT  
BACKGROUND:**

**PAGE 2**

The City adopted the ERP system from Tyler Technologies in 2012, and has since expanded its capabilities by integrating payroll management in 2018 and building permitting and community development in 2019. The open architecture of the software has enabled seamless integration with these applications, accommodating the City's evolving needs. The system streamlines financial management across all departments, enhances payroll operations, and manages community development and building/planning processes.

Tyler Technologies and the City were in negotiations of the new contract for an extended time and finally agreed on the new agreement on September 12<sup>th</sup>, 2024. The previous agreement was set to terminate on September 30<sup>th</sup>, and did not leave sufficient time to request City Council approval of the new proposed agreement before termination of the then existing agreement. The City Manager signed the new agreement on September 16<sup>th</sup>, 2024 to ensure vital City operations were not disrupted and to ensure that the City may continue to do business as usual.

The new agreement includes a one-time fiscal expense of \$204,585 for 24-25 and an annual expense of \$198,085 for fiscal year 25-26 and subsequent years. The Information Systems Department's current budget does not accommodate this expense, and a budget amendment of \$85,000 is requested for fiscal year 24-25 to cover these necessary costs. The increase to the annual expense for the software will be offset by reducing expenses related to supporting the technological infrastructure to host the software on premise in the long run. By moving to a cloud-based infrastructure, the City may reduce the resources allocated to this system and therefore reducing the expense.

Staff is requesting ratification of City Manager's signature of the software as a service agreement with Tyler Technologies to allow for continuation of vital City operations and reduce expenses related to hosting the related technological infrastructure.

**REASON FOR RECOMMENDATION:**

To reduce the expenses related to supporting the technological infrastructure of the City's financial management, permitting and community development functions that are essential to the business functions of the City.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
RATIFY THE SOFTWARE AS A SERVICE AGREEMENT WITH TYLER  
TECHNOLOGIES FOR THE RENEWAL OF SOFTWARE SUBSCRIPTION  
LICENSING AND APPROVE BUDGET AMENDMENT**

**FISCAL IMPACT:**

The current budget for the Information Systems Department is not sufficient to support this expense and a budget amendment of \$85,000 is requested from the equipment replacement reserves to cover this expense.

Decrease Equipment Replacement Reserves:

1010-243-0000	\$85,000
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Increase Expenditures:

1010-17-20-435-10-00	\$85,000
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**ATTACHMENTS:**

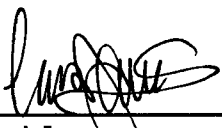
- A. Resolution to Ratify the Software as a Service Agreement with Tyler Technologies, Inc. for the Renewal Software Subscription Licensing and Budget Amendment
- B. Software as a Service Agreement with Tyler Technologies for Software Subscription Licensing

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
RATIFY THE SOFTWARE AS A SERVICE AGREEMENT WITH TYLER  
TECHNOLOGIES FOR THE RENEWAL OF SOFTWARE SUBSCRIPTION  
LICENSING AND APPROVE BUDGET AMENDMENT**

**APPROVALS:**

  
\_\_\_\_\_  
Tony Fernandes  
Information Systems Director


11-14-2024  
Date

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

11/14/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

11.14.2024  
Date

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

11-13-2024  
Date

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

11.14.24  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO RATIFY THE SOFTWARE AS A SERVICE AGREEMENT WITH TYLER TECHNOLOGIES INC. FOR THE RENEWAL OF SOFTWARE SUBSCRIPTION LICENSING AND APPROVE BUDGET AMENDMENT**

**WHEREAS,** the City adopted the Enterprise Resource and Planning system in 2012, and has since expanded its capabilities by integrating payroll management in 2018 and building permitting and community development in 2019; and

**WHEREAS,** the system streamlines financial management across all departments, enhances payroll operations, and manages community development and building/planning processes; and

**WHEREAS,** negotiations ended on September 12<sup>th</sup> but the existing agreement was set to terminate on September 30<sup>th</sup> which did not provide sufficient time for staff to request council approval of the new proposed agreement prior to termination of the then existing agreement; and

**WHEREAS,** City Manager signed the Service Agreement with Tyler Technologies on September 16<sup>th</sup>, 2024 to allow for the continuation of vital City operations; and

**WHEREAS,** the new agreement will automatically renew under the same terms and condition unless a written request to cancel is received 75 days prior to the termination of the current agreement term; and

**WHEREAS,** the new agreement includes a one-time fiscal expense of \$204,585 for 24-25 and an annual expense of \$198,085 for fiscal year 25-26 and subsequent years with an increase not to exceed 3%; and

**WHEREAS,** the Information Systems Department's current budget does not accommodate this expense, and a budget amendment of \$85,000 is requested for fiscal year 24-25 to cover these necessary costs.

**NOW, THEREFORE, BE IT RESOLVED,** the City Council of the City of Lathrop does hereby Ratify the Software as a Service Agreement with Tyler Technologies for the renewal of software subscription licensing and approve the following budget amendments.

Decrease Equipment Replacement Reserves:

1010-243-0000	\$85,000
---------------	----------

Increase Expenditures:

1010-17-20-435-10-00	\$85,000
----------------------	----------

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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



# Attachment A



## SOFTWARE AS A SERVICE AGREEMENT

This Software as a Service Agreement is made between Tyler Technologies, Inc. and Client.

WHEREAS, Client selected Tyler to provide certain products and services set forth in the Investment Summary, including providing Client with access to Tyler's proprietary software products, and Tyler desires to provide such products and services under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement, Tyler and Client agree as follows:

### SECTION A – DEFINITIONS

- **"Agreement"** means this Software as a Service Agreement.
- **"Business Travel Policy"** means our business travel policy. A copy of our current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **"Client"** means the City of Lathrop, California.
- **"Data"** means your data necessary to utilize the Tyler Software.
- **"Data Storage Capacity"** means the contracted amount of storage capacity for your Data identified in the Investment Summary.
- **"Defect"** means a failure of the Tyler Software to substantially conform to the functional descriptions set forth in our written proposal to you, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- **"Defined Users"** means the number of users that are authorized to use the SaaS Services. The Defined Users for the Agreement are as identified in the Investment Summary. If Exhibit A contains Enterprise Permitting & Licensing labeled software, defined users mean the maximum number of named users that are authorized to use the Enterprise Permitting & Licensing labeled modules as indicated in the Investment Summary.
- **"Developer"** means a third party who owns the intellectual property rights to Third Party Software.
- **"Documentation"** means any online or written documentation related to the use or functionality of the Tyler Software that we provide or otherwise make available to you, including instructions, user guides, manuals and other training or self-help documentation.
- **"Effective Date"** means the date by which both your and our authorized representatives have signed the Agreement.
- **"Force Majeure"** means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.
- **"Investment Summary"** means the agreed upon cost proposal for the products and services attached as Exhibit A.



- **“Invoicing and Payment Policy”** means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as Exhibit B.
- **“Order Form”** means an ordering document that includes a quote or investment summary and specifying the items to be provided by Tyler to Client, including any addenda and supplements thereto.
- **“SaaS Fees”** means the fees for the SaaS Services identified in the Investment Summary.
- **“SaaS Services”** means software as a service consisting of system administration, system management, and system monitoring activities that Tyler performs for the Tyler Software, and includes the right to access and use the Tyler Software, receive maintenance and support on the Tyler Software, including Downtime resolution under the terms of the SLA, and Data storage and archiving. SaaS Services do not include support of an operating system or hardware, support outside of our normal business hours, or training, consulting or other professional services.
- **“SLA”** means the service level agreement. A copy of our current SLA is attached hereto as Exhibit C.
- **“Support Call Process”** means the support call process applicable to all of our customers who have licensed the Tyler Software. A copy of our current Support Call Process is attached as Schedule 1 to Exhibit C.
- **“Third Party Hardware”** means the third party hardware, if any, identified in the Investment Summary.
- **“Third Party Products”** means the Third Party Software and Third Party Hardware.
- **“Third Party SaaS Services”** means software as a service provided by a third party, if any, identified in the Investment Summary.
- **“Third Party Services”** means the third party services, if any, identified in the Investment Summary.
- **“Third Party Software”** means the third party software, if any, identified in the Investment Summary.
- **“Third Party Terms”** means, if any, the end user license agreement(s) or similar terms for the Third Party Products or other parties’ products or services, as applicable.
- **“Tyler”** means Tyler Technologies, Inc., a Delaware corporation.
- **“Tyler Software”** means our proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by us to you through this Agreement.
- **“we”, “us”, “our”** and similar terms mean Tyler.
- **“you”** and similar terms mean Client.

## **SECTION B – SAAS SERVICES**

1. **Rights Granted.** We grant to you the non-exclusive, non-assignable limited right to use the SaaS Services solely for your internal business purposes for the number of Defined Users only. The Tyler Software will be made available to you according to the terms of the SLA. You acknowledge that we have no delivery obligations and we will not ship copies of the Tyler Software as part of the SaaS Services. You may use the SaaS Services to access updates and enhancements to the Tyler Software, as further described in Section C(9). The foregoing notwithstanding, to the extent we have sold you perpetual licenses for Tyler Software, if and listed in the Investment Summary, for which you are receiving SaaS Services, your rights to use such Tyler Software are perpetual, subject to the terms and conditions of this Agreement including, without limitation, Section B(4). We will make any such software available to you for download.



2. **SaaS Fees.** You agree to pay us the SaaS Fees. Those amounts are payable in accordance with our Invoicing and Payment Policy. The SaaS Fees are based on the number of Defined Users and amount of Data Storage Capacity. You may add additional users or additional data storage capacity on the terms set forth in Section H(1). In the event you regularly and/or meaningfully exceed the Defined Users or Data Storage Capacity, we reserve the right to charge you additional fees commensurate with the overage(s). We will not charge you additional fees without giving you thirty (30) days' notice and an opportunity to reduce the overages.
3. **Ownership.**
  - 3.1 We retain all ownership and intellectual property rights to the SaaS Services, the Tyler Software, and anything developed by us under this Agreement. You do not acquire under this Agreement any license to use the Tyler Software in excess of the scope and/or duration of the SaaS Services.
  - 3.2 The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.
  - 3.3 You retain all ownership and intellectual property rights to the Data. You expressly recognize that except to the extent necessary to carry out our obligations contained in this Agreement, we do not create or endorse any Data used in connection with the SaaS Services.
4. **Restrictions.** You may not: (a) make the Tyler Software or Documentation resulting from the SaaS Services available in any manner to any third party for use in the third party's business operations; (b) modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the SaaS Services; (c) access or use the SaaS Services in order to build or support, and/or assist a third party in building or supporting, products or services competitive to us; or (d) license, sell, rent, lease, transfer, assign, distribute, display, host, outsource, disclose, permit timesharing or service bureau use, or otherwise commercially exploit or make the SaaS Services, Tyler Software, or Documentation available to any third party other than as expressly permitted by this Agreement.
5. **Software Warranty.** We warrant that the Tyler Software will perform without Defects during the term of this Agreement. If the Tyler Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect in accordance with the maintenance and support process set forth in Section C(9), below, the SLA and our then current Support Call Process.
6. **SaaS Services.**
  - 6.1 Our SaaS Services are audited at least yearly in accordance with the AICPA's Statement on Standards for Attestation Engagements ("SSAE") No. 21. We have attained, and will maintain, SOC 1 and SOC 2 compliance, or its equivalent, for so long as you are timely paying for SaaS Services. The scope of audit coverage varies for some Tyler Software solutions. Upon execution of a mutually agreeable Non-Disclosure Agreement ("NDA"), we will provide you with a summary of our compliance report(s) or its equivalent. Every year thereafter, for so long as the NDA is in effect and in which you make a written request, we will provide that same information. If our SaaS Services are provided using a 3rd party data center, we will provide available compliance reports for that data center.

- 6.2 You will be hosted on shared hardware in a Tyler data center or in a third-party data center. In either event, databases containing your Data will be dedicated to you and inaccessible to our other customers. In the event Tyler changes its cloud-services partner after the Effective Date, Tyler will notify its clients of the change in advance through standard client communication channels. All data will always be hosted within the United States. The data is encrypted in transit and at rest.**
- 6.3 Our Tyler data centers have fully-redundant telecommunications access, electrical power, and the required hardware to provide access to the Tyler Software in the event of a disaster or component failure. In the event of a data center failure, we reserve the right to employ our disaster recovery plan for resumption of the SaaS Services. In that event, we commit to a Recovery Point Objective ("RPO") of 24 hours and a Recovery Time Objective ("RTO") of 24 hours. RPO represents the maximum duration of time between the most recent recoverable copy of your hosted Data and subsequent data center failure. RTO represents the maximum duration of time following data center failure within which your access to the Tyler Software must be restored.**
- 6.4 We conduct annual penetration testing of either the production network and/or web application to be performed. We will maintain industry standard intrusion detection and prevention systems to monitor malicious activity in the network and to log and block any such activity. We will provide you with a written or electronic record of the actions taken by us in the event that any unauthorized access to your database(s) is detected as a result of our security protocols. We will undertake an additional security audit, on terms and timing to be mutually agreed to by the parties, at your written request. You may not attempt to bypass or subvert security restrictions in the SaaS Services or environments related to the Tyler Software. Unauthorized attempts to access files, passwords or other confidential information, and unauthorized vulnerability and penetration test scanning of our network and systems (hosted or otherwise) is prohibited without the prior written approval of our IT Security Officer.**
- 6.5 We test our disaster recovery plan on an annual basis. Our standard test is not client-specific. Should you request a client-specific disaster recovery test, we will work with you to schedule and execute such a test on a mutually agreeable schedule. At your written request, we will provide test results to you within a commercially reasonable timeframe after receipt of the request.**
- 6.6 We will be responsible for importing back-up and verifying that you can log-in. You will be responsible for running reports and testing critical processes to verify the returned Data.**
- 6.7 We provide secure Data transmission paths between each of your workstations and our servers.**
- 6.8 Tyler data centers are accessible only by authorized personnel with a unique key entry. All other visitors to Tyler data centers must be signed in and accompanied by authorized personnel. Entry attempts to the data center are regularly audited by internal staff and external auditors to ensure no unauthorized access.**
- 6.9 Where applicable with respect to our applications that take or process card payment data, we are responsible for the security of cardholder data that we possess, including functions relating to storing, processing, and transmitting of the cardholder data and affirm that, as of the Effective Date, we comply with applicable requirements to be considered PCI DSS compliant and**



have performed the necessary steps to validate compliance with the PCI DSS. We agree to supply the current status of our PCI DSS compliance program in the form of an official Attestation of Compliance, which can be found at <https://www.tylertech.com/about-us/compliance>, and in the event of any change in our status, will comply with applicable notice requirements.

## **SECTION C – PROFESSIONAL SERVICES**

1. **Professional Services.** We will provide you the various implementation-related services itemized in the Investment Summary.
2. **Professional Services Fees.** You agree to pay us the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy. You acknowledge that the fees stated in the Investment Summary are good-faith estimates of the amount of time and materials required for your implementation. We will bill you the actual fees incurred based on the in-scope services provided to you. Any discrepancies in the total values set forth in the Investment Summary will be resolved by multiplying the applicable hourly rate by the quoted hours.
3. **Additional Services.** The Investment Summary contains the scope of services and related costs (including programming and/or interface estimates) required for the project based on our understanding of the specifications you supplied. If additional work is required, or if you use or request additional services, we will provide you with an addendum or change order, as applicable, outlining the costs for the additional work. The price quotes in the addendum or change order will be valid for thirty (30) days from the date of the quote.
4. **Cancellation.** If you cancel services less than three (3) weeks in advance (other than for Force Majeure or breach by us), you will be liable for all (a) daily fees associated with cancelled professional services if we are unable to reassign our personnel and (b) any non-refundable travel expenses already incurred by us on your behalf. We will make all reasonable efforts to reassign personnel in the event you cancel within three (3) weeks of scheduled commitments.
5. **Services Warranty.** We will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.
6. **Site Access and Requirements.** At no cost to us, you agree to provide us with full and free access to your personnel, facilities, and equipment as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us as of the Effective Date, and thereafter as mutually agreed to by you and us.
7. **Background Checks.** For at least the past twelve (12) years, all of our employees have undergone criminal background checks prior to hire. All employees sign our confidentiality agreement and security policies.
8. **Client Assistance.** You acknowledge that the implementation of the Tyler Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to cooperate with and assist us as may be reasonably required to meet the agreed upon project



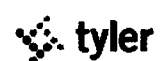
deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).

9. **Maintenance and Support.** For so long as you timely pay your SaaS Fees according to the Invoicing and Payment Policy, then in addition to the terms set forth in the SLA and the Support Call Process, we will:

- 9.1 perform our maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects in the Tyler Software (subject to any applicable release life cycle policy);
- 9.2 provide support during our established support hours;
- 9.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software, if any, in order to provide maintenance and support services;
- 9.4 make available to you all releases to the Tyler Software (including updates and enhancements) that we make generally available without additional charge to customers who have a maintenance and support agreement in effect; and
- 9.5 provide non-Defect resolution support of prior releases of the Tyler Software in accordance with any applicable release life cycle policy.

We will use all reasonable efforts to perform support services remotely. Currently, we use a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. Therefore, you agree to maintain a high-speed internet connection capable of connecting us to your PCs and server(s). You agree to provide us with a login account and local administrative privileges as we may reasonably require to perform remote services. We will, at our option, use the secure connection to assist with proper diagnosis and resolution, subject to any reasonably applicable security protocols. If we cannot resolve a support issue remotely, we may be required to provide onsite services. In such event, we will be responsible for our travel expenses, unless it is determined that the reason onsite support was required was a reason outside our control. Either way, you agree to provide us with full and free access to the Tyler Software, working space, adequate facilities within a reasonable distance from the equipment, and use of machines, attachments, features, or other equipment reasonably necessary for us to provide the maintenance and support services, all at no charge to us. We strongly recommend that you also maintain your VPN for backup connectivity purposes.

For the avoidance of doubt, SaaS Fees do not include the following services: (a) onsite support (unless Tyler cannot remotely correct a Defect in the Tyler Software, as set forth above); (b) application design; (c) other consulting services; or (d) support outside our normal business hours as listed in our then-current Support Call Process. Requested services such as those outlined in this section will be billed to you on a time and materials basis at our then current rates. You must request those services with at least one (1) week's advance notice.



## SECTION D – THIRD PARTY PRODUCTS

1. **Third Party Hardware.** We will sell, deliver, and install onsite the Third Party Hardware, if you have purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
2. **Third Party Software.** As part of the SaaS Services, you will receive access to the Third Party Software and related documentation for internal business purposes only. Your rights to the Third Party Software will be governed by the Third Party Terms.
3. **Third Party Products Warranties.**

3.1 We are authorized by each Developer to grant access to the Third Party Software.

3.2 The Third Party Hardware will be new and unused, and upon payment in full, you will receive free and clear title to the Third Party Hardware.

3.3 You acknowledge that we are not the manufacturer of the Third Party Products. We do not warrant or guarantee the performance of the Third Party Products. However, we grant and pass through to you any warranty that we may receive from the Developer or supplier of the Third Party Products.

4. **Third Party Services.** If you have purchased Third Party Services, those services will be provided independent of Tyler by such third-party at the rates set forth in the Investment Summary and in accordance with our Invoicing and Payment Policy.

## SECTION E - INVOICING AND PAYMENT; INVOICE DISPUTES

1. **Invoicing and Payment.** We will invoice you the SaaS Fees and fees for other professional services in the Investment Summary per our Invoicing and Payment Policy, subject to Section E(2).
2. **Invoice Disputes.** If you believe any delivered software or service does not conform to the warranties in this Agreement, you will provide us with written notice within thirty (30) days of your receipt of the applicable invoice. The written notice must contain reasonable detail of the issues you contend are in dispute so that we can confirm the issue and respond to your notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work with you as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may withhold payment of the amount(s) actually in dispute, and only those amounts, until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you, then you will remit full payment of the invoice. We reserve the right to suspend delivery of all SaaS Services, including maintenance and support services, if you fail to pay an invoice not disputed as described above within fifteen (15) days of notice of our intent to do so.

## SECTION F – TERM AND TERMINATION

1. **Term.** The initial term of this Agreement is equal to the number of years indicated for SaaS Services in Exhibit A, commencing on the first day of the first month following the Effective Date, unless earlier terminated as set forth below. If no duration is indicated in Exhibit A, the initial term is one (1) year. Upon expiration of the initial term, this Agreement may be renewed for successive one (1) year renewal terms by mutual agreement at our then-current SaaS Fees; provided, however, that for the first three (3) successive annual renewal terms after the initial term, your annual SaaS Fees for the Tyler Software listed on the Investment Summary as of the Effective Date will not increase by more than three percent (3%) year over year. Your payment of the annual invoice for your annual SaaS Fees will serve to indicate your agreement to renew. Your right to access or use the Tyler Software and the SaaS Services will terminate at the end of this Agreement.
2. **Termination.** This Agreement may be terminated as set forth below. In the event of termination, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Disputed fees and expenses in all terminations other than your termination for cause must have been submitted as invoice disputes in accordance with Section E(2).
  - 2.1 **Failure to Pay SaaS Fees.** You acknowledge that continued access to the SaaS Services is contingent upon your timely payment of SaaS Fees. If you fail to timely pay the SaaS Fees, we may discontinue the SaaS Services and deny your access to the Tyler Software. We may also terminate this Agreement if you don't cure such failure to pay within forty-five (45) days of receiving written notice of our intent to terminate.
  - 2.2 **For Cause.** If you believe we have materially breached this Agreement, you will invoke the Dispute Resolution clause set forth in Section H(3). You may terminate this Agreement for cause in the event we do not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within the thirty (30) day window set forth in Section H(3).
  - 2.3 **Force Majeure.** Either party has the right to terminate this Agreement if a Force Majeure event suspends performance of the SaaS Services for a period of seventy-five (75) days or more.
  - 2.4 **Lack of Appropriations.** If you should not appropriate or otherwise make available funds sufficient to utilize the SaaS Services, you may unilaterally terminate this Agreement upon thirty (30) days written notice to us. You will not be entitled to a refund or offset of previously paid, but unused SaaS Fees. You agree not to use termination for lack of appropriations as a substitute for termination for convenience.
  - 2.5 **Quarantine Period Exceeding Twelve (12) Months.** If Client's Data must be quarantined under Section H(18) for a period longer than twelve (12) months, Client may terminate this Agreement on thirty (30) days' written notice to Tyler.



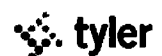
## **SECTION G – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE**

### **1. Intellectual Property Infringement Indemnification.**

- 1.1 We will defend you against any third party claim(s) that the Tyler Software or Documentation infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.**
- 1.2 Our obligations under this Section G(1) will not apply to the extent the claim or adverse final judgment is based on your use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties, or your willful infringement.**
- 1.3 If we receive information concerning an infringement or misappropriation claim related to the Tyler Software, we may, at our expense and without obligation to do so, either: (a) procure for you the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case you will stop running the allegedly infringing Tyler Software immediately. Alternatively, we may decide to litigate the claim to judgment, in which case you may continue to use the Tyler Software consistent with the terms of this Agreement.**
- 1.4 If an infringement or misappropriation claim is fully litigated and your use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which we consent), we will, at our option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent. This section provides your exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.**

### **2. General Indemnification.**

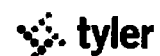
- 2.1 We will indemnify and hold harmless you and your agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by our negligence or willful misconduct; or (b) our violation of PCI-DSS requirements or a law applicable to our performance under this Agreement. You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.**
- 2.2 To the extent permitted by applicable law, you will indemnify and hold harmless us and our agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by your negligence or willful misconduct; or (b) your violation of a law applicable to your performance under this Agreement. We will notify you promptly in writing of the claim and will give you sole control over its defense or settlement. We agree to provide you with reasonable assistance, cooperation, and information in defending the claim at your expense.**



3. **DISCLAIMER.** EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CLIENT UNDERSTANDS AND AGREES THAT TYLER DISCLAIMS ANY LIABILITY FOR ERRORS THAT RELATE TO USER ERROR.
4. **LIMITATION OF LIABILITY.** EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED (A) DURING THE INITIAL TERM, AS SET FORTH IN SECTION F(1), TOTAL FEES PAID AS OF THE TIME OF THE CLAIM; OR (B) DURING ANY RENEWAL TERM, THE THEN-CURRENT ANNUAL SAAS FEES PAYABLE IN THAT RENEWAL TERM. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY AND TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW, THE EXCLUSION OF CERTAIN DAMAGES, AND EACH SHALL APPLY REGARDLESS OF THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY REMEDY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS G(1) AND G(2).
5. **EXCLUSION OF CERTAIN DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
6. **Insurance.** During the course of performing services under this Agreement, we agree to maintain the following levels of insurance: (a) Commercial General Liability of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate; (b) Automobile Liability of at least \$1,000,000; (c) Professional Liability of at least \$2,000,000; (d) Workers Compensation complying with applicable statutory requirements; and (e) Excess/Umbrella Liability of at least \$5,000,000. We will add you as an additional insured to our Commercial General Liability and Automobile Liability policies, which will automatically add you as an additional insured to our Excess/Umbrella Liability policy as well. We will provide you with copies of certificates of insurance upon your written request.

## **SECTION H – GENERAL TERMS AND CONDITIONS**

1. **Additional Products and Services.** You may purchase additional products and services at the rates set forth in the Investment Summary for twelve (12) months from the Effective Date by executing a mutually agreed addendum. If no rate is provided in the Investment Summary, or those twelve (12) months have expired, you may purchase additional products and services at our then-current list price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.
2. **Optional Items.** Pricing for any listed optional products and services in the Investment Summary will be valid for twelve (12) months from the Effective Date.
3. **Dispute Resolution.** You agree to provide us with written notice within thirty (30) days of becoming aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes,



including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If we fail to resolve the dispute, then the parties shall participate in non-binding mediation in an effort to resolve the dispute. If the dispute remains unresolved after mediation, then either of us may assert our respective rights and remedies in a court of competent jurisdiction. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution procedures.

4. **Taxes.** The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate. Otherwise, we will pay all applicable taxes to the proper authorities and you will reimburse us for such taxes. If you have a valid direct-pay permit, you agree to provide us with a copy. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance of this Agreement.
5. **Nondiscrimination.** We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.
6. **E-Verify.** We have complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of our employees assigned to your project.
7. **Subcontractors.** We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld.
8. **Binding Effect; No Assignment.** This Agreement shall be binding on, and shall be for the benefit of, either your or our successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, your consent is not required for an assignment by us as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of our assets.
9. **Force Majeure.** Except for your payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.

10. **No Intended Third Party Beneficiaries.** This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third Party Terms.
11. **Entire Agreement; Amendment.** This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Purchase orders submitted by you, if any, are for your internal administrative purposes only, and the terms and conditions contained in those purchase orders will have no force or effect. This Agreement may only be modified by a written amendment signed by an authorized representative of each party.
12. **Severability.** If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.
13. **No Waiver.** In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.
14. **Independent Contractor.** We are an independent contractor for all purposes under this Agreement.
15. **Notices.** All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.
16. **Client Lists.** You agree that we may identify you by name in client lists, marketing presentations, and promotional materials.
17. **Confidentiality.** Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (e.g., social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality

covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:

- (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
- (b) a party can establish by reasonable proof was in that party's possession at the time of initial disclosure;
- (c) a party receives from a third party who has a right to disclose it to the receiving party; or
- (d) is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.

18. **Quarantining of Client Data.** Some services provided by Tyler require us to be in possession of your Data. In the event we detect malware or other conditions associated with your Data that are reasonably suspected of putting Tyler resources or other Tyler clients' data at risk, we reserve the absolute right to move your Data from its location within a multi-tenancy Tyler hosted environment to an isolated "quarantined" environment without advance notice. Your Data will remain in such quarantine for a period of at least six (6) months during which time we will review the Data, and all traffic associated with the Data, for signs of malware or other similar issues. If no issues are detected through such reviews during the six (6) month period of quarantine, we will coordinate with you the restoration of your Data to a non-quarantined environment. In the event your Data must remain in quarantine beyond this six (6) month period through no fault of Tyler's, we reserve the right to require payment of additional fees for the extended duration of quarantine. We will not impose fees without notice to you, and we will provide an estimate of what those costs will be. If the quarantine period exceeds twelve (12) months, Client may terminate the Agreement as set forth in section F(2.5).
19. **Business License.** In the event a local business license is required for us to perform services hereunder, you will promptly notify us and provide us with the necessary paperwork and/or contact information so that we may timely obtain such license.
20. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of your state of domicile, without regard to its rules on conflicts of law.
21. **Multiple Originals and Authorized Signatures.** This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature. Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.
22. **Cooperative Procurement.** To the maximum extent permitted by applicable law, we agree that this Agreement may be used as a cooperative procurement vehicle by eligible jurisdictions. We reserve the right to negotiate and customize the terms and conditions set forth herein, including but not limited to pricing, to the scope and circumstances of that cooperative procurement.


23. Contract Documents. This Agreement includes the following exhibits:


- Exhibit A Investment Summary
- Exhibit B Invoicing and Payment Policy
- Schedule 1: Business Travel Policy
- Exhibit C Service Level Agreement
- Schedule 1: Support Call Process

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Tyler Technologies, Inc.

City of Lathrop, California

By:    
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By: 

Name: Tina Mize

Name: Stephen J. Salvatore

Title: Group General Counsel

Title: City Manager

Date: 9/6/2024

Date: 9.16.24

Address for Notices:  
Tyler Technologies, Inc.  
One Tyler Drive  
Yarmouth, ME 04096  
Attention: Chief Legal Officer

Address for Notices:  
City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330  
Attention: Tony Fernandes





**Exhibit A**  
**Investment Summary**

The following Investment Summary details the software and services to be delivered by us to you under the Agreement. This Investment Summary is effective as of the Effective Date, despite any expiration date in the Investment Summary that may have lapsed as of the Effective Date.

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Quoted By:  
Quote Expiration:  
Quote Name:

Summer Zwarun  
11/5/24  
Lathrop CA \_ NWERP flip to  
Hosting/SaaS

Sales Quotation For:  
City of Lathrop  
390 Towne Centre Dr  
Lathrop CA 95330-9358

**Tyler Annual Software - SaaS**



**New World ERP**

**Financials**

Purchase Orders	\$ 5,344
Contract Management	\$ 1,162
GASB Reporting	\$ 5,344
PC Cash Register Interface	\$ 2,915
Accounting/General Ledger	\$ 17,003
Fixed Assets	\$ 2,915
Bank Reconciliation	\$ 1,943
Project Accounting	\$ 2,915
Misc Billing & Receivables	\$ 2,915
Integrated Credit Card Processing	\$ 2,741
Work Orders	\$ 2,985
Decision Support Base Datamart	\$ 0

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FM Analytics	\$ 6,316
eSuite Base	\$ 5,344
ePayments	\$ 2,915
User License to Unlimited Site License	\$ 2,783
Payroll/HR	
Payroll/HR	\$ 14,574
Position Budgeting	\$ 2,915
Time & Attendance Interface	\$ 2,915
HR Analytics	\$ 3,401
eEmployee	\$ 1,013
Utilities	
Automatic Meter Read(AMR)	\$ 2,429
Utility Billing (Water/Sewer Base)	\$ 12,145
Meter and Device Inventory	\$ 3,887
Service Order Processing	\$ 5,830
UM Analytics	\$ 3,401
eUtilities	\$ 2,915
Community Development	
Parcel Management	\$ 2,915
Enterprise Permitting & Licensing	
Business Management Suite - Per User	\$ 16,720
Community Development Suite - Per User	\$ 23,896
Civic Access - Business Management	\$ 3,029
Civic Service - Community Development	\$ 3,029
eReviews	\$ 5,680
GIS- Site License	\$ 6,626
Enterprise Permitting & Licensing Mobile	\$ 2,710
Report Toolkit	\$ 757
View Only License - Per User	\$ 1,017
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<b>Time &amp; Attendance</b>			
<b>Time &amp; Attendance</b>			<b>\$ 5,440</b>
<b>Tyler One</b>			
<b>Tyler Products</b>			
<b>Cashiering</b>			<b>\$ 2,272</b>
<b>Enterprise Service Requests</b>			
<b>Enterprise Service Requests</b>			<b>\$ 3,029</b>
	<b>TOTAL</b>		<b>\$ 198,085</b>

**Fixed Fee Services**

<b>New World ERP</b>			
<b>ERP Insights</b>			
<b>SaaS Flip Install Fee</b>		<b>1</b>	<b>\$ 4,000</b>
<b>Other Services</b>			
<b>Project Planning Services for SaaS Flips</b>		<b>1</b>	<b>\$ 2,500</b>
	<b>TOTAL</b>		<b>\$ 6,500</b>

<b>Summary</b>	<b>One Time Fees</b>	<b>Recurring Fees</b>
<b>Total Tyler Software</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total SaaS</b>	<b>\$ 0</b>	<b>\$ 198,085</b>

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Total Tyler Services	\$ 6,500	\$ 0
Total Third-Party Hardware, Software, Services	\$ 0	\$ 0
Summary Total	\$ 6,500	\$ 198,085
Contract Total	\$ 204,585	

**Comment**

- **Recurring SaaS fee is based on an annual commitment for up to one hundred and fifty (150) concurrent users.**
- **Additional concurrent users will be billed at our then current rate, which is currently \$1,750 per user annually.**
- **Recurring SaaS fee is for three (3) environments (Live, Test, and Train), with a Hosting minimum difference of \$26,000 per additional environment.**
- **Time and Attendance (ExecuTime) and New World ERP SaaS includes up to 2 TB Data Storage Capacity. Should additional storage be needed, it may be purchased as needed at then-current rates, which as of the Effective Date is an annual fee of \$2,000 per 200GB.**
- **Enterprise Permitting & Licensing SaaS includes up to 1 TB Data Storage Capacity. Should additional storage be needed, it may be purchased as needed at then-current rates, which as of the Effective Date is an annual fee of \$6,000 per 1 TB.**
- **Data Storage Capacity limits are calculated using only databases and document data, which does not include the operating system, Tyler software, or backups.**

Any SaaS or hosted solutions added to an agreement containing Client-hosted Tyler solutions are subject to Tyler's SaaS Services terms found here: <https://www.tylertech.com/terms/tyler-saas-services>.

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held For six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval:  Date: 9.16.24

Print Name: Stephen J. Salvatore P.O.#: \_\_\_\_\_  
City Manager



## Exhibit B Invoicing and Payment Policy

We will provide you with the software and services set forth in the Investment Summary of the Agreement. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

**Invoicing:** We will invoice you for the applicable software and services in the Investment Summary as set forth below. Your rights to dispute any invoice are set forth in the Agreement.

1. **SaaS Fees.** SaaS Fees are invoiced on an annual basis, beginning on the commencement of the initial term as set forth in Section F (1) of this Agreement. Your annual SaaS fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual SaaS fees will be at our then-current rates; provided, however, that for the first three (3) successive annual renewal terms after the initial term, your annual SaaS Fees for the Tyler Software listed on the Investment Summary as of the Effective Date will not increase by more than three percent (3%) year over year.
2. **Other Tyler Software and Services.**
  - 2.1 ***Implementation and Other Professional Services (including training):*** Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary.
  - 2.2 ***Consulting Services:*** If you have purchased any Business Process Consulting services, if they have been quoted as fixed-fee services, they will be invoiced 50% upon your acceptance of the Best Practice Recommendations, by module, and 50% upon your acceptance of custom desktop procedures, by module. If you have purchased any Business Process Consulting services and they are quoted as an estimate, then we will bill you the actual services delivered on a time and materials basis.
  - 2.3 ***Conversions:*** Fixed-fee conversions are invoiced 50% upon initial delivery of the converted Data, by conversion option, and 50% upon Client acceptance to load the converted Data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, we will bill you the actual services delivered on a time and materials basis.
  - 2.4 ***Requested Modifications to the Tyler Software:*** Requested modifications to the Tyler Software are invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. You must report any failure of the modification to conform to the specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed. You may still report Defects to us as set forth in this Agreement.
  - 2.5 ***Other Fixed Price Services:*** Other fixed price services are invoiced as delivered, at the rates set forth in the Investment Summary. For the avoidance of doubt, where "Project Planning Services" are provided, payment will be due upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be billed monthly in arrears,

- beginning on the first day of the month immediately following initiation of project planning.
- 2.6 **Other Fixed Price Services:** Other fixed price services are invoiced as delivered, at the rates set forth in the Investment Summary. For the avoidance of doubt, where “Project Planning Services” are provided, payment will be due upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be billed monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
- 2.7 **Web Services:** Annual fees for web services are payable in advance, commencing upon the availability of the service. Your annual fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual fees will be at our then-current rates.
- 2.8 **Annual Services:** Unless otherwise indicated in this Exhibit B, fees for annual services are due annually, in advance, commencing on the availability of the service. Your annual fees for the initial term are set forth in the Investment Summary. Upon expiration of the initial term, your annual fees will be at our then-current rates.
3. **Third Party Products and Hardware.**
- 3.1 **Third Party Software License Fees:** License fees for Third Party Software, if any, are invoiced when we make it available to you for downloading.
- 3.2 **Third Party Software Maintenance:** The first year maintenance fee for the Third Party Software is invoiced when we make it available to you for downloading. Subsequent annual maintenance fees for Third Party Software are invoiced annually, in advance, at then-current rates, upon each anniversary thereof.
- 3.3 **Hardware:** Third Party Hardware costs, if any, are invoiced upon delivery.
- 3.4 **Hardware Maintenance:** The first year maintenance fee for Hardware is invoiced upon delivery of the hardware. Subsequent annual maintenance fees for hardware are invoiced annually, in advance, at then-current rates, upon each anniversary thereof.
- 3.5 **Third Party Services:** Fees for Third Party Services, if any, are invoiced as delivered, along with applicable expenses, at the rates set forth in the Investment Summary. For the avoidance of doubt, Finite Matters will invoice Client directly for any services fees for Pattern Stream.
- 3.6 **Third Party SaaS:** Third Party SaaS Services fees, if any, are invoiced annually, in advance, commencing with availability of the respective Third Party SaaS Services. Pricing for the first year of Third Party SaaS Services is indicated in the Investment Summary. Pricing for subsequent years will be at the respective third party’s then-current rates.
4. **Transaction Fees.** Unless paid directly by an end user at the time of transaction, per transaction (call, message, etc.) fees are invoiced on a quarterly basis. Fees are indicated in the Investment Summary and may be increased by Tyler upon notice of no less than thirty (30) days.
5. **Expenses.** The service rates in the Investment Summary do not include travel expenses. Expenses for Tyler delivered services will be billed as incurred and only in accordance with our then-current Business Travel Policy, plus a 10% travel agency processing fee. Our current Business Travel Policy is attached to this Exhibit B as Schedule 1. Copies of receipts will be provided upon request; we reserve the right to charge you an administrative fee depending on the extent of your requests. Receipts for miscellaneous items less than twenty-five dollars and mileage logs are not available.

6. **Credit for Prepaid Maintenance and Support Fees for Tyler Software.** Client will receive a credit for the maintenance and support fees prepaid for the Tyler Software for the time period commencing on the first day of the SaaS Term.

**Payment.** Payment for undisputed invoices is due within forty-five (45) days of the invoice date. We prefer to receive payments electronically. Our electronic payment information is available by contacting [AR@tylertech.com](mailto:AR@tylertech.com).



**Exhibit B  
Schedule 1  
Business Travel Policy**

**1. Air Travel**

**A. Reservations & Tickets**

The Travel Management Company (TMC) used by Tyler will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within \$100 (each way) of the lowest logical fare. If a net savings of \$200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight should be accepted.

Employees are encouraged to make advanced reservations to take full advantage of discount opportunities. Employees should use all reasonable efforts to make travel arrangements at least two (2) weeks in advance of commitments. A seven (7) day advance booking requirement is mandatory. When booking less than seven (7) days in advance, management approval will be required.

Except in the case of international travel where a segment of continuous air travel is six (6) or more consecutive hours in length, only economy or coach class seating is reimbursable. Employees shall not be reimbursed for "Basic Economy Fares" because these fares are non-refundable and have many restrictions that outweigh the cost-savings.

**B. Baggage Fees**

Reimbursement of personal baggage charges are based on trip duration as follows:

- Up to five (5) days = one (1) checked bag
- Six (6) or more days = two (2) checked bags

Baggage fees for sports equipment are not reimbursable.



## 2. Ground Transportation

### A. Private Automobile

**Mileage Allowance – Business use of an employee’s private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.**

### B. Rental Car

**Employees are authorized to rent cars only in conjunction with air travel when cost, convenience, and the specific situation reasonably require their use. When renting a car for Tyler business, employees should select a “mid-size” or “intermediate” car. “Full” size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle coverage for business car rentals; except for employees traveling to Alaska and internationally (excluding Canada), additional insurance on the rental agreement should be declined.**

### C. Public Transportation

**Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.**

### D. Parking & Tolls

**When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.**

## 3. Lodging

**Tyler’s TMC will select hotel chains that are well established, reasonable in price, and conveniently located in relation to the traveler’s work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn, and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.**

**“No shows” or cancellation fees are not reimbursable if the employee does not comply with the hotel’s cancellation policy.**

**Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.**

Employees are not authorized to reserve non-traditional short-term lodging, such as Airbnb, VRBO, and HomeAway. Employees who elect to make such reservations shall not be reimbursed.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status within the continental U.S. are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates are available at [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem).

Per diem for Alaska, Hawaii, U.S. protectorates and international destinations are provided separately by the Department of State and will be determined as required.

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00 p.m.*	Breakfast, lunch and dinner

\*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

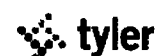
The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as follows:

Breakfast	15%
Lunch	25%
Dinner	60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00 p.m.\*

\*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.



**5. Internet Access – Hotels and Airports**

Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to \$10.00 per day. Charges for internet access at airports are not reimbursable.

**6. International Travel**

All international flights with the exception of flights between the U.S. and Canada should be reserved through TMC using the "lowest practical coach fare" with the exception of flights that are six (6) or more consecutive hours in length. In such event, the next available seating class above coach shall be reimbursed.

When required to travel internationally for business, employees shall be reimbursed for photo fees, application fees, and execution fees when obtaining a new passport book, but fees related to passport renewals are not reimbursable. Visa application and legal fees, entry taxes and departure taxes are reimbursable.

The cost of vaccinations that are either required for travel to specific countries or suggested by the U.S. Department of Health & Human Services for travel to specific countries, is reimbursable.

Section 4, Meals & Incidental Expenses, and Section 2.b., Rental Car, shall apply to this section.



## Exhibit C

# SERVICE LEVEL AGREEMENT

### I. Agreement Overview

This SLA operates in conjunction with, and does not supersede or replace any part of, the Agreement. It outlines the information technology service levels that we will provide to you to ensure the availability of the application services that you have requested us to provide. All other support services are documented in the Support Call Process. This SLA does not apply to any Third Party SaaS Services. All other support services are documented in the Support Call Process.

II. **Definitions.** Except as defined below, all defined terms have the meaning set forth in the Agreement.

**Actual Attainment:** The percentage of time the Tyler Software is available during a calendar month, calculated as follows:  $(\text{Service Availability} - \text{Downtime}) \div \text{Service Availability}$ .

**Client Error Incident:** Any service unavailability resulting from your applications, content or equipment, or the acts or omissions of any of your service users or third-party providers over whom we exercise no control.

**Downtime:** Those minutes during Service Availability, as defined below, when all users cannot launch, login, search or save primary data in the Tyler Software. Downtime does not include those instances in which only a Defect is present.

**Emergency Maintenance Window:** (1) maintenance that is required to patch a critical security vulnerability; (2) maintenance that is required to prevent an imminent outage of Service Availability; or (3) maintenance that is mutually agreed upon in writing by Tyler and the Client.

**Planned Downtime:** Downtime that occurs during a Standard or Emergency Maintenance window.

**Service Availability:** The total number of minutes in a calendar month that the Tyler Software is capable of receiving, processing, and responding to requests, excluding Planned Downtime, Client Error Incidents, denial of service attacks and Force Majeure. Service Availability only applies to Tyler Software being used in the live production environment.

**Standard Maintenance:** Routine maintenance to the Tyler Software and infrastructure. Standard Maintenance is limited to five (5) hours per week. Tyler makes efforts to perform Standard Maintenance in the nighttime and outside of business hours (most often between 12 a.m. and 4 a.m.),

### III. **Service Availability**

#### a. Your Responsibilities

Whenever you experience Downtime, you must make a support call according to the procedures outlined in the Support Call Process. You will receive a support case number.



**b. Our Responsibilities**

When our support team receives a call from you that Downtime has occurred or is occurring, we will work with you to identify the cause of the Downtime (including whether it may be the result of Planned Downtime, a Client Error Incident, denial of service attack or Force Majeure). We will also work with you to resume normal operations.

**c. Client Relief**

Our targeted Attainment Goal is 100%. You may be entitled to credits as indicated in the Client Relief Schedule found below. Your relief credit is calculated as a percentage of the SaaS Fees paid for the calendar month.

In order to receive relief credits, you must submit a request through one of the channels listed in our Support Call Process within fifteen days (15) of the end of the applicable month. We will respond to your relief request within thirty (30) day(s) of receipt.

The total credits confirmed by us will be applied to the SaaS Fee for the next billing cycle. Issuing of such credit does not relieve us of our obligations under the Agreement to correct the problem which created the service interruption.

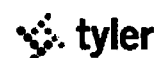
Credits are only payable when Actual Attainment results in eligibility for credits in consecutive months and only for such consecutive months.

99.99% - 98.00%	Remedial action will be taken
97.99% - 95.00%	4%
Below 95.00%	5%

**IV. Maintenance Notifications**

We perform Standard Maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, we will provide advance notice of those windows and will coordinate to the greatest extent possible with you.

Not all maintenance activities will cause application unavailability. However, if Tyler anticipates that activities during a Standard or Emergency Maintenance window may make the Tyler Software unavailable, we will provide advance notice, as reasonably practicable, that the Tyler Software will be unavailable during the maintenance window.





**Exhibit C  
Schedule 1  
Support Call Process**

**Support Channels**

Tyler Technologies, Inc. provides the following channels of software support for authorized users\*:

- (1) On-line submission (portal) – for less urgent and functionality-based questions, users may create support incidents through the Tyler Customer Portal available at the Tyler Technologies website. A built-in Answer Panel provides users with resolutions to most “how-to” and configuration-based questions through a simplified search interface with machine learning, potentially eliminating the need to submit the support case.
- (2) Email – for less urgent situations, users may submit emails directly to the software support group.
- (3) Telephone – for urgent or complex questions, users receive toll-free, telephone software support.

*Support Resources*

A number of additional resources are available to provide a comprehensive and complete support experience:

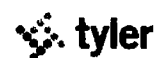
- (1) Tyler Website – [www.tylertech.com](http://www.tylertech.com) – for accessing client tools, documentation, and other information including support contact information.
- (2) Tyler Search -a knowledge based search engine that lets you search multiple sources simultaneously to find the answers you need, 24x7.
- (3) Tyler Community –provides a venue for all Tyler clients with current maintenance agreements to collaborate with one another, share best practices and resources, and access documentation.
- (4) Tyler University – online training courses on Tyler products.

**Support Availability**

Tyler Technologies support is available during the local business hours of 8 AM to 5 PM (Monday – Friday) across four US time zones (Pacific, Mountain, Central and Eastern). Tyler’s holiday schedule is outlined below. There will be no support coverage on these days.

New Year’s Day	Labor Day
Martin Luther King, Jr. Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day

For support teams that provide after-hours service, we will provide you with procedures for contacting support staff after normal business hours for reporting Priority Level 1 Defects only. Upon receipt of



such a Defect notification, we will use commercially reasonable efforts to meet the resolution targets set forth below.

We will also make commercially reasonable efforts to be available for one pre-scheduled Saturday of each month to assist your IT staff with applying patches and release upgrades, as well as consulting with them on server maintenance and configuration of the Tyler Software environment.

**Incident Handling**

*Incident Tracking*

Every support incident is logged into Tyler’s Customer Relationship Management System and given a unique case number. This system tracks the history of each incident. The case number is used to track and reference open issues when clients contact support. Clients may track incidents, using the case number, through Tyler’s Customer Portal or by calling software support directly.

*Incident Priority*

Each incident is assigned a priority level, which corresponds to the Client’s needs. Tyler and the Client will reasonably set the priority of the incident per the chart below. This chart is not intended to address every type of support incident, and certain “characteristics” may or may not apply depending on whether the Tyler software has been deployed on customer infrastructure or the Tyler cloud. The goal is to help guide the Client towards clearly understanding and communicating the importance of the issue and to describe generally expected response and resolution targets in the production environment only.

References to a “confirmed support incident” mean that Tyler and the Client have successfully validated the reported Defect/support incident.

Priority Level	Characteristics of Support Incident	Resolution Targets*
1 Critical	Support incident that causes (a) complete application failure or application unavailability; (b) application failure or unavailability in one or more of the client’s remote location; or (c) systemic loss of multiple essential system functions.	Tyler shall provide an initial response to Priority Level 1 incidents within one (1) business hour of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within one (1) business day. For non-hosted customers, Tyler’s responsibility for lost or corrupted data is limited to assisting the Client in restoring its last available database.



Priority Level	Characteristics of Support Incident	Resolution Targets*
2 High	Support incident that causes (a) repeated, consistent failure of essential functionality affecting more than one user or (b) loss or corruption of data.	Tyler shall provide an initial response to Priority Level 2 incidents within four (4) business hours of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within ten (10) business days. For non-hosted customers, Tyler's responsibility for loss or corrupted data is limited to assisting the Client in restoring its last available database.
3 Medium	Priority Level 1 incident with an existing circumvention procedure, or a Priority Level 2 incident that affects only one user or for which there is an existing circumvention procedure.	Tyler shall provide an initial response to Priority Level 3 incidents within one (1) business day of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents without the need for a circumvention procedure with the next published maintenance update or service pack, which shall occur at least quarterly. For non-hosted customers, Tyler's responsibility for lost or corrupted data is limited to assisting the Client in restoring its last available database.
4 Non-critical	Support incident that causes failure of non-essential functionality or a cosmetic or other issue that does not qualify as any other Priority Level.	Tyler shall provide an initial response to Priority Level 4 incidents within two (2) business days of receipt of the incident. Once the incident has been confirmed, Tyler shall use commercially reasonable efforts to resolve such support incidents, as well as cosmetic issues, with a future version release.

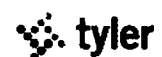
*\*Response and Resolution Targets may differ by product or business need*

**Incident Escalation**

If Tyler is unable to resolve any priority level 1 or 2 defect as listed above or the priority of an issue has elevated since initiation, you may escalate the incident to the appropriate resource, as outlined by each product support team. The corresponding resource will meet with you and any Tyler staff to establish a mutually agreeable plan for addressing the defect.

**Remote Support Tool**

Some support calls may require further analysis of the Client's database, processes or setup to diagnose a problem or to assist with a question. Tyler will, at its discretion, use an industry-standard remote support tool. Tyler's support team must have the ability to quickly connect to the Client's system and view the site's setup, diagnose problems, or assist with screen navigation. More information about the remote support tool Tyler uses is available upon request.





## ITEM 4.8

### CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING

**ITEM:** **APPROVE CONTRACT CHANGE ORDER NO. 8 WITH D.L. FALK CONSTRUCTION, INC. FOR POLICE PROPERTY & EVIDENCE BUILDING, GG CIP 21-13, AND APPROVE BUDGET AMENDMENT**

**RECOMMENDATION:** **Adopt Resolution to Approve Contract Change Order No. 8 with D.L. Falk Construction, Inc. for Police Property & Evidence Building, CIP GG 21-13, and Approve Budget Amendment**

---

#### **BACKGROUND:**

On June 12, 2023, City Council awarded a construction contract to D.L. Falk Construction, Inc. (D.L. Falk Construction) for the Police Property & Evidence Building, CIP GG 21-13 (Project) in the amount of \$5,494,000 with a 10% construction contingency of \$549,400 for staff to use as necessary to achieve the goals of the Project.

The Lathrop Police Department has been utilizing the City of Ripon's Property and Evidence Facility (Ripon's Facility) since the start of the Lathrop Police Department in 2022. The City of Ripon's Facility is at maximum capacity and therefore, it was crucial for the City to construct and operate its own Property and Evidence facility.

During construction, additional scope was added to the Project to enhance safety and security features of the building, which provides a more functional and secure building. This additional work caused the project schedule to go beyond its original completion date which resulted in extended overhead costs for the Contractor. Extended overhead costs include mobile office rental, utilities and Project administrative salaries. Contract Change Order No. 8 (CCO 8), in the amount of \$222,263, is to compensate D.L. Falk Construction for the overhead costs incurred due to additional time spent on the Project to complete the added enhancements and added fire alarm switch.

The current remaining contingency is \$32,030, therefore staff requests City Council approve CCO 8 and a project budget amendment of \$190,234.

#### **REASON FOR RECOMMENDATION:**

The work completed by the CCOs is essential for the completion of the project, and the much needed security for proper function and handling of evidence within the Property & Evidence Building.

**CITY MANAGER'S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**APPROVE CONTRACT CHANGE ORDER NO. 8 WITH D.L. FALK**  
**CONSTRUCTION, INC. FOR POLICE PROPERTY & EVIDENCE BUILDING, CIP**  
**21-13, AND APPROVE BUDGET AMENDMENT**

**FISCAL IMPACT:**

Staff requests City Council approve a budget amendment to transfer \$190,234 from the Municipal City Services Fund (2270) to the Project CIP fund (3010) as follows:


Increase Transfer Out 2270-9900-990-9010		\$190,234
Increase Transfer In 3010-9900-393-0000	GG 21-13	\$190,234
Increase Expenditures 3010-8000-420-12-00	GG 21-13	\$190,234

**ATTACHMENTS:**

- A. Resolution to Approve Contract Change Order No. 8 with D.L. Falk Construction, Inc. for Police Property & Evidence Building, CIP 21-13, and Approve Budget Amendment
- B. CCO 8 with D.L. Falk Construction for Police Property & Evidence Building, CIP 21-13

**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**APPROVE CONTRACT CHANGE ORDER NO. 8 WITH D.L. FALK**  
**CONSTRUCTION, INC. FOR POLICE PROPERTY & EVIDENCE BUILDING, CIP**  
**21-13, AND APPROVE BUDGET AMENDMENT**

**APPROVALS:**

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

11/14/2024  
Date

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

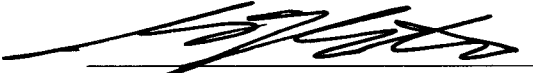
11/14/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

11.14.2024  
Date

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

11-14-2024  
Date

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

11.14.24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE CONTRACT CHANGE ORDER NO. 8 WITH D.L. FALK CONSTRUCTION, INC. FOR POLICE PROPERTY & EVIDENCE BUILDING, CIP GG 21-13, AND APPROVE BUDGET AMENDMENT**

**WHEREAS**, on June 12, 2023, City Council awarded a construction contract to D.L. Falk Construction, Inc. (D.L. Falk Construction) for Police Property & Evidence Building, CIP GG 21-13 (Project) in the amount of \$5,494,000 with a 10% construction contingency of \$549,400 for staff to use as necessary to achieve the goals of the Project; and

**WHEREAS**, during construction, additional scope was added to the Project to enhance safety and security features of the building, which provides a more functional and secure building; and

**WHEREAS**, this additional work caused the project schedule to go beyond its original completion date which resulted in extended overhead costs for the Contractor. Extended overhead costs include mobile office rental, utilities and Project administrative salaries; and

**WHEREAS**, Contract Change Order No. 8 (CCO 8), in the amount of \$222,263, is to compensate D.L. Falk Construction for the overhead costs incurred due to additional time spent on the Project to complete the added enhancements; and

**WHEREAS**, the current remaining contingency is \$32,030, therefore staff requests City Council approve CCO 8 and a project budget amendment of \$190,234 from the Municipal City Services Fund (2270) to the Project CIP fund (3010) as follows:

Increase Transfer Out 2270-9900-990-9010		\$190,234
Increase Transfer In 3310-9900-393-0000	GG 21-13	\$190,234
Increase Expenditures 3010-8000-420-12-00	GG 21-13	\$190,234

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby adopt a resolution to approve CCO 8 with D.L. Falk Construction for Police Property & Evidence Building, CIP GG 21-13; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop hereby approves a budget amendment transferring \$190,234 from the Municipal City Services Fund (2270) to the Project CIP fund (3010) as detailed above.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November, 2024 by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

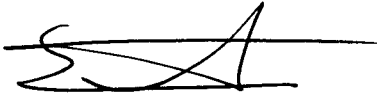
ABSTAIN:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

**City of Lathrop - Public Works Department - Construction Management  
 CONTRACT CHANGE ORDER NO. 8  
 POLICE PROPERTY & EVIDENCE BUILDING**

**Contractor Name:** D.L. Falk Construction, Inc. **Date:** Nov. 18, 2024  
**Contractors Address:** 3526 Investment Blvd. **Project Name:** Police Property & Evidence Building  
 Hayward, CA 94545 **CIP No.:** GG 21-13

The Police Property & Evidence Building contract dated June 12, 2023 is modified as herein specifically set forth, but that in all other respects, the contract remains unaltered.

NOTE: This change order is not effective until approved by the city.

Requested By: Ken Reed, Senior Construction Manager

**Description of Work:**

- |               |  |              |
|---------------|--|--------------|
| A) PCO # 59.1 | Time Extension (Overhead)                  | \$217,400.48 |
| B) PCO 60     | Connect Tamper Switch to Fire Alarm System | \$4,862.05   |
| C)            |  |              |
| D)            |  |              |
| E)            |  |              |


**TOTAL COST OF CHANGE ORDER :** **INCREASE: \$ 222,262.53**

By reason of this change order, the time of completion will be adjusted as follows: 109 Additional Calendar Days

Recommended By:

Reviewed By:

\_\_\_\_\_  
Project Manager Date

 11/14/2024  
\_\_\_\_\_  
City Engineer Date


Reviewed

Approved As to Form By:

\_\_\_\_\_  
Department Budget Analyst Date

 11-14-2024  
\_\_\_\_\_  
City Attorney Date

Approved By:

 11.14.24  
\_\_\_\_\_  
City Manager Date

We, the undersigned contractor, have given careful consideration to the changes proposed and hereby agree, if this proposal is approved, we will provide all equipment, furnish all labor and materials, and perform all services necessary for the work above specified, and will accept as full payment the prices shown above.

Contractor: D.L. Falk Construction, Inc.

Accepted By: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name & Title: \_\_\_\_\_

**Attachments:**

- 1) PCO 59.1 and PCO 60

**CONTRACT CHANGE ORDER WORK SHEET:**  
 (To be filled out prior to execution of each change order)  
**CONTRACT CHANGE ORDER NO. 8**  
**POLICE PROPERTY & EVIDENCE BUILDING**

**PROJECT STATUS:**

1	Budget Amount:	\$	6,043,400.00
2	Original Contract Amount:	\$	5,494,000.00
3	Original Contingency Amount:	\$	549,400.00
4	Supplemental Contingency Amount:	\$	147,772.00
5	<u>Total Approved Change Orders to Date:</u>	<u>\$</u>	<u>517,370.56</u>
6	Current Contract Amount (2+5):	\$	6,011,370.56
7	Remaining Contingency (3+4-5):	\$	32,029.44
8	Proposed Change Order #8 Amount:	\$	222,262.53
9	Total Change Orders including proposed	\$	739,633.09
<b>10</b>	<b>Remaining Contingency Balance:</b>	<b>\$</b>	<b>(190,233.09)</b>
11	Total Available Contingency To Date :		<b>-34.6%</b>



**PCO #059.1**

D.L. Falk Construction, Inc.  
 3526 Investment Boulevard  
 Hayward, California 94545  
 Phone: (510) 887-6500

**Project:** 202302 - Lathrop Property & Evidence Building  
 2112 E. Louise Ave.  
 Lathrop, California 95330

**Prime Contract Potential Change Order #059.1: CE #079 - Time Extension (Overhead)**

<b>TO:</b>	City of Lathrop 390 Towne Center Drive Lathrop, California 95330	<b>FROM:</b>	D.L. Falk Construction Inc. 3526 Investment Boulevard Hayward, California 94545
<b>PCO NUMBER/REVISION:</b>	059.1 / 1	<b>CONTRACT:</b>	1 - Prime Contract
<b>REQUEST RECEIVED FROM:</b>	David Falk (D.L. Falk Construction Inc.)	<b>CREATED BY:</b>	Rafael Mercado (D.L. Falk Construction Inc.)
<b>STATUS:</b>	Pending - In Review	<b>CREATED DATE:</b>	9/27/2024
<b>REFERENCE:</b>		<b>PRIME CONTRACT CHANGE ORDER:</b>	None
<b>FIELD CHANGE:</b>	No	<b>ACCOUNTING METHOD:</b>	Amount Based
<b>LOCATION:</b>		<b>PAID IN FULL:</b>	No
<b>SCHEDULE IMPACT:</b>	109 days	<b>SIGNED CHANGE ORDER RECEIVED DATE:</b>	
<b>EXECUTED:</b>	No	<b>TOTAL AMOUNT:</b>	\$217,400.48

**POTENTIAL CHANGE ORDER TITLE:** CE #079 - Time Extension (Overhead)

**CHANGE REASON:** Allowance

**POTENTIAL CHANGE ORDER DESCRIPTION:** *(The Contract Is Changed As Follows)*

**CE #079 - Time Extension (Overhead)**

Additional indirect costs due to unforeseen conditions or client directed changes to field work. Please see attachments for valuation quantities and back up.

87 days x \$2,704.00 = \$235,248.00

Credit Cost = -\$20,000

New Total = \$215,248.00

**ATTACHMENTS:**

Baseline\_Original 7.28.23.pdf , Construction Contract & NTP - Fully Executed.pdf , General Conditions Cost Spreadsheet\_Lathrop.pdf

#	Budget Code	Description	Amount
1	17-170400.L Superintendent	Time Extension Cost	\$235,248.00
2	17-170400.L Superintendent	Cedit Cost	\$(20,000.00)
<b>Subtotal:</b>			<b>\$215,248.00</b>
Labor Markup (15.00% Applies to Equipment.):			\$0.00
Material Markup (10.00% Applies to Materials.):			\$0.00
Equipment Markup (10.00% Applies to Equipment.):			\$0.00
Subcontractor Markup (5.00% Applies to Commitment, Owner Cost, and Other.):			\$0.00
Bond Cost (1.00% Applies to Labor, Equipment, Materials, Commitment, Owner Cost, and Other.):			\$2,152.48
<b>Grand Total:</b>			<b>\$217,400.48</b>

D.L. Falk Construction, Inc requests an extension to our contract by (109) working days to perform the above referenced work. This time extension is an estimation only to perform the installation of the work noted above and does not include any related time impacts resulting from the approval process, material procurement, or redesigning of work. When an accurate and complete time impact can be realized, DL Falk reserves its rights for costs related to extended general conditions for that duration in its entirety.





**PCO #059.1**

**Eric Wohle (LDA Partners, Inc.)**  
222 Central Ct.  
Stockton, California 95204

**City of Lathrop**  
390 Towne Center Drive  
Lathrop, California 95330

**D.L. Falk Construction Inc.**  
3526 Investment Boulevard  
Hayward, California 94545

\_\_\_\_\_  
**SIGNATURE** **DATE**

\_\_\_\_\_  
**SIGNATURE** **DATE**

\_\_\_\_\_  
**SIGNATURE** **DATE**



**PCO #060**

D.L. Falk Construction, Inc.  
 3526 Investment Boulevard  
 Hayward, California 94545  
 Phone: (510) 887-6500

**Project:** 202302 - Lathrop Property & Evidence Building  
 2112 E. Louise Ave.  
 Lathrop, California 95330

**Prime Contract Potential Change Order #060: CE #080 - Connect Tamper Switch to FA system**

<b>TO:</b>	City of Lathrop 390 Towne Center Drive Lathrop, California 95330	<b>FROM:</b>	D.L. Falk Construction Inc. 3526 Investment Boulevard Hayward, California 94545
<b>PCO NUMBER/REVISION:</b>	060 / 0	<b>CONTRACT:</b>	1 - Prime Contract
<b>REQUEST RECEIVED FROM:</b>	Maria Cook (Collins Electrical Co., Inc.)	<b>CREATED BY:</b>	Rafael Mercado (D.L. Falk Construction Inc.)
<b>STATUS:</b>	Pending - In Review	<b>CREATED DATE:</b>	10/9/2024
<b>REFERENCE:</b>		<b>PRIME CONTRACT CHANGE ORDER:</b>	None
<b>FIELD CHANGE:</b>	No	<b>ACCOUNTING METHOD:</b>	Amount Based
<b>LOCATION:</b>		<b>PAID IN FULL:</b>	No
<b>SCHEDULE IMPACT:</b>	2 days	<b>SIGNED CHANGE ORDER RECEIVED DATE:</b>	
<b>EXECUTED:</b>	No	<b>TOTAL AMOUNT:</b>	\$4,862.05

**POTENTIAL CHANGE ORDER TITLE:** CE #080 - Connect Tamper Switch to FA system

**CHANGE REASON:** Design Development

**POTENTIAL CHANGE ORDER DESCRIPTION:** *(The Contract Is Changed As Follows)*

CE #080 - Connect Tamper Switch to FA system  
 Cost to connect Tamper Switch to Fire Alarm System

**ATTACHMENTS:**

Collins COR #019 Connect Tamper Switch to FA system.pdf

#	Budget Code	Description	Amount
1	26-260000.S Electrical		\$4,584.68
<b>Subtotal:</b>			<b>\$4,584.68</b>
Labor Markup (15.00% Applies to Labor.):			\$0.00
Material Markup (10.00% Applies to Materials.):			\$0.00
Equipment Markup (10.00% Applies to Equipment.):			\$0.00
Subcontractor Markup (5.00% Applies to Commitment, Owner Cost, and Other.):			\$229.23
Bond Cost (1.00% Applies to Labor, Equipment, Materials, Commitment, and Owner Cost.):			\$48.14
<b>Grand Total:</b>			<b>\$4,862.05</b>

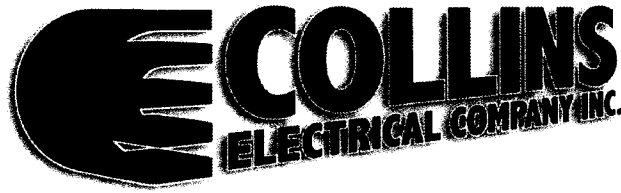
*D.L. Falk Construction, Inc requests an extension to our contract by (2) working days to perform the above referenced work. This time extension is an estimation only to perform the installation of the work noted above and does not include any related time impacts resulting from the approval process, material procurement, or redesigning of work. When an accurate and complete time impact can be realized, DL Falk reserves its rights for costs related to extended general conditions for that duration in its entirety.*

**Eric Wohle (LDA Partners, Inc.)**  
 222 Central Ct.  
 Stockton, California 95204

**City of Lathrop**  
 390 Towne Center Drive  
 Lathrop, California 95330

**D.L. Falk Construction Inc.**  
 3526 Investment Boulevard  
 Hayward, California 94545

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_ SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_ SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_



**CHANGE PROPOSAL**

**P723078**

October 8, 2024

**PCO#0019**

Attention: David Falk of D.L. Falk Construction  
Project: Lathrop Property & Evidence Building  
Reference: Connect Tamper switches to Fire Alarm System

Dear David:

Collins Electrical Company, Inc. requests a modification of our contract in an additive amount due to the additional work required Per David Falk.

**PCO PRICE**

**\$ 4,584.68**

*Please note the following inclusions, exclusions and clarifications as qualifications to this change proposal.*

Inclusions:

- Install monitor module in Fire riser closet
- Install seal tight from existing conduit to two tamper switches.
- Pull wire from tamper switches to monitoring module in Fire closet
- Connect tamper switch monitoring module to system.

Exclusions:

- Permits and fees (utility, inspection, etc.).
- Overtime, shift work, or premium time labor costs.
- Standard exclusions per Collins Electric’s original bid proposal.

Clarifications:

- Proposal is based on a normal (40) hour work week and our Standard Terms and Conditions.
- This proposal is valid for 15 days.
- The impact to the schedule for this COR is n/a working days.
- The impact of this change order only includes those direct costs which can be identified at this time. However, should it be determined at a later date that Collins Electrical Co., Inc. is experiencing impact cost or time delays beyond our control because of multiple changes, delays, or other consequences, Collins Electrical reserves the right to address and submit those additional cost and time extensions at a later date.
- Per your request, we are providing line item pricing/labor for this change order. Please note that the unit prices shown on this quotation are for reference only. Due to the volatility of materials and constantly changing job-site conditions, the line item pricing/labor shown may not reflect the exact unit costs for future work.
- We reserve the right to correct this quote for errors and omissions.

Should you have any questions or if I may be of further assistance, please do not hesitate to contact me at (209) 466-3691 or by e-mail ([czaro@collinselectric.com](mailto:czaro@collinselectric.com)).

Sincerely,

Chris Zaro  
Special Projects Manager  
Collins Electrical Co., Inc.

# CHANGE NOTICE

**CCN #** 19  
**Date:** 10/8/2024  
**Project Name:** P723078 LATHROP PD E&P BLDG  
**Project Number:** P723078 LATHROP PD E&P BLDG  
**Page Number:** 1

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## Itemized Breakdown

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Description	Qty	Net Price U	Total Mat.	Labor U	Total Hrs.
1" T CONDULET W/C&G	1	14.49 E	14.49	1.85 E	1.85
1 x 1/2 RED BUSHING	2	252.01 C	5.04	30.00 C	0.60
1" STEEL FLEX	6	83.98 C	5.04	11.20 C	0.67
1" INS STL FLEX CONN	2	804.99 C	16.10	25.00 C	0.50
1/2" LT FLEX	12	93.56 C	11.23	6.00 C	0.72
1/2" LT STRAIGHT CONN	4	424.67 C	16.99	22.00 C	0.88
#12 THHN/THWN	500	146.71 M	73.36	9.00 M	4.50
12-10 NYL INSUL FORK RC10-8I	11	105.35 C	11.59	18.00 C	1.98
4x2-1/8" SQ BOX COMB KO	1	119.49 C	1.19	40.00 C	0.40
#8x 1/2" S-TAP SCREW F/H	2	4.69 C	0.09	7.50 C	0.15
TAMPER SWITCH CONNECT	2	0.00 E	0.00	1.88 E	3.76
MONITOR ZAM	1	0.00 E	0.00	0.94 E	0.94
<b>Totals</b>	<b>544</b>		<b>155.11</b>		<b>16.95</b>

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## Summary

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General Materials	155.12
FIRE ALARM	1,182.00
Material Tax (@ 8.250 %)	110.31
<b>Total Material</b>	<b>1,447.43</b>
JOURNEYMAN (16.95 Hrs @ \$91.63)	1,553.13
FOREMAN (4.24 Hrs @ \$103.18)	437.48
PROJECT MANAGER (2.12 Hrs @ \$103.18)	218.74
SAFETY @ 3.5% (0.59 Hrs @ \$91.63)	54.06
CLEAN UP @ 4.0% (0.76 Hrs @ \$91.63)	69.64
GUARANTEE @ 3.0% (0.51 Hrs @ \$91.63)	46.73
PICKUP TRUCK (per Hour) (4.24 @ 0.00 @ \$37.61 + 0.000 % + 0.000 % + 0.000 %)	159.47
<b>Subtotal</b>	<b>3,986.68</b>
Markup (@ 15.000 %)	598.00
<b>Subtotal</b>	<b>4,584.68</b>
<b>Final Amount</b>	<b>\$4,584.68</b>

ORIGINAL

# SIEMENS

**PROPOSAL**

44OP-361846 PCO2

Addition of Monitoring Module for OS&Y Valves

**PREPARED BY**

Siemens Industry, Inc. ("Siemens")

**PREPARED FOR**

COLLINS ELECTRICAL COMPANY INC

**DELIVERED ON**

October 03, 2024

SMART BUILDINGS

# Transforming the Everyday



**Table of Contents**

SIEMENS PROPOSAL ..... 3  
    Contact Information ..... 3  
    Conditions of Request..... 4  
    Scope of Work ..... 5  
    Clarifications ..... 5  
  
Terms and Conditions..... 6  
    Terms & Conditions Link(s) ..... 6  
  
Signature Page ..... 7  
    Signature Page ..... 7

## Contact Information

Proposal #: 9228182  
Date: October 03, 2024

Sales Executive: James Mullen  
Email Address: james.mullen@siemens.com

Customer Contact: Chris Zaro  
Customer: COLLINS ELECTRICAL COMPANY INC  
Address: 3412 METRO DR  
STOCKTON CA 95215-9440

Services shall be provided at: LATHROP POLICE DEPARTMENT  
2112 E LOUISE AVE LATHROP CA 95330-9607

## Conditions of Request

We transmit herewith the above referenced price request for Change Order █ to the contract between Siemens Industry, Inc. ("Siemens") and COLLINS ELECTRICAL COMPANY INC. This price request is based on information received from your company and is subject to the following conditions:

1.  No change in contract price.
2.  Change of \$ \$1,182.00 in contract price.
3.  days of extension of contract. Retention shall be extended only on value of price request.
4.  We are not proceeding until we received a change order.
5.  Work is proceeding as authorized.
6.  Please forward a cost event & change order to this office since the work has been completed.

This proposal covers the present ascertainable direct costs at this time. It does not include any extra costs associated with the impact of this Change Order on the project schedule, labor productivity or their factors affecting the cost of performance. Siemens reserves the right to amend this proposal if and when such impact costs become reasonably determinable. The Description of Changes is attached hereto and made apart hereof. The Agreement is incorporated by reference, modified only to the extent modified herein.



## Scope of Work

[REDACTED]

## Exclusions and Clarifications

[REDACTED]

## Clarifications

**Review ALL content and edit as appropriate for your customer.**

1. Collins to provide and pull all cable required.
2. Siemens to assist with terminations and adjustments of OS&Y switches as necessary.

## Terms & Conditions Link(s)

[REDACTED]

[Terms & Conditions \(Restricted\)](#)

([www.siemens.com/standard-terms-project-restricted](http://www.siemens.com/standard-terms-project-restricted))

**Price Escalation.** If, during the term of this Contract, the price of various materials or labor or logistics are increased as reflected by CRU/IHS Markit/CMAI/COMEX market index, then Siemens may increase the Contract Sum or apply a surcharge to Customer accordingly.

As a result of the global Covid-19 Virus outbreak, temporary delays in delivery, labor or services from Siemens and its sub-suppliers or subcontractors may occur. Among other factors, Siemens' delivery is subject to the correct and punctual supply from sub-suppliers or subcontractors, and Siemens reserves the right to make partial deliveries or modify its labor or services. While Siemens shall make every commercially reasonable effort to meet the delivery or service or completion date mentioned above, such date is subject to change.

**To the extent applicable, the following Addendum(s) are incorporated and made part of the Siemens Standard Terms and Conditions:**

[REDACTED]

[Fire Life Safety](#)

([www.siemens.com/fls-addendum](http://www.siemens.com/fls-addendum))

[Mass Notification](#)

([www.siemens.com/mass-notification-addendum](http://www.siemens.com/mass-notification-addendum))

[Monitoring](#)

([www.siemens.com/monitoring-addendum](http://www.siemens.com/monitoring-addendum))

[Software License Warranty](#)

([www.siemens.com/software-license-addendum](http://www.siemens.com/software-license-addendum))

[Consulting](#)

([www.siemens.com/rider-consulting](http://www.siemens.com/rider-consulting))

## Signature Page

### Proposed by:

Siemens Industry, Inc.

---

Company

James Mullen

---

Name

9228182

---

Proposal #

\$1,182.00

---

Proposal Amount

October 03, 2024

---

Date

### Accepted by:

COLLINS ELECTRICAL COMPANY INC

---

Company

---

Name (Printed)

---

Signature

---

Title

---

Date

---

Purchase Order #  PO for billing/pmnt only  PO not required

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**ITEM 4.9**

**CITY MANAGER’S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM:** **APPROVE TEMPORARY STREET CLOSURES FOR THE LATHROP CHRISTMAS PARADE AND TREE LIGHTING ON DECEMBER 7, 2024 FOR THOMSEN ROAD, J STREET, AND 5TH STREET**

**RECOMMENDATION:** **Adopt Resolution to Approve Temporary Street Closures for the Lathrop Christmas Parade and Tree Lighting on December 7, 2024 for Thomsen Road, J Street, and 5th Street**

---

**SUMMARY:**

On December 7, 2024, the City of Lathrop will host the annual Christmas Parade and Tree Lighting. The parade will begin at 5:00 p.m. on Thomsen Road heading east; turn north onto 5<sup>th</sup> Street; turn west onto J Street where it will conclude in the Grace Community Church parking lot at 850 J Street. The Parks and Recreation Department will coordinate the route and the temporary street closures with Public Works, Lathrop Police Department, and the Lathrop Manteca Fire District to ensure safety at this event. Since the parade will utilize the entire street at these locations, staff requests Council approval of temporary street closures.

**BACKGROUND:**

On December 7, 2024, the Parks and Recreation Department will be hosting the annual Christmas Parade and Tree Lighting. This year’s theme is “Light up the Night”.

The parade will begin at 5:00 p.m. at the entrance of the Manteca Unified School District Annex parking lot located at 735 Thomsen Road, follow Thomsen Road; turn north onto 5<sup>th</sup> Street; turn west onto J Street; and conclude in the Grace Community Church parking lot located at 850 J Street. The Judges Review Stand will be located along 5th Street in front of the Community Center. The staging of the parade entries will be in the parking lot Manteca Unified School District Annex located at 735 Thomsen Road. The Christmas Tree Lighting will begin at 6:30 p.m. in the Parking Lathrop Community Center Parking lot and on 5<sup>th</sup> Street.

The Parks and Recreation Department will coordinate the temporary street closures with Public Works, Lathrop Police Department, and the Lathrop Manteca Fire District. To accommodate the event, temporary street closures will be in effect from 4:00 p.m. to 9:00 p.m. There will be enough access for Lathrop Police Department and the Lathrop Manteca Fire District to enter in case of an emergency. Residents receive a door hanger to notify them about the temporary street closures by City staff. Seventy-two hours prior to the parade, signs will be placed on the barricades along the parade route set on the side of the road to alert the community about “No

**CITY MANAGER’S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**CHRISTMAS PARADE AND TREE LIGHTING TEMPORARY STREET CLOSURE**

Parking” and “Street Closure”. On the day of the parade, additional barricades will be set with advanced warning signs: “Road Closed Ahead” and “Detour Ahead”. Approximately one hour prior to the beginning of the parade, the actual “Road Closure” signs will be set in place. The Parks and Recreation Department and the Lathrop Police Department will be present at all intersections to assist with traffic flow. At the conclusion of the parade, barricades will be collected.

To ensure the safety of the parade spectators and participants, staff is requesting temporary closures of the following streets:

- **Thomsen Road** - From 5th Street to Cambridge Drive
- **J Street** - From Milestone Drive and 5th Street
- **5th Street** - From J Street to Thomsen Road

This temporary closure will take place on Saturday, December 7, 2024, from approximately 4:00 p.m. to 9:00 p.m. for the purpose of presenting the annual Christmas Parade and Tree Lighting.

**REASON FOR RECOMMENDATION:**

The adoption of this resolution will approve the temporary street closures to allow staff to facilitate the 2024 Christmas Parade and Tree Lighting.

**FISCAL IMPACT:**

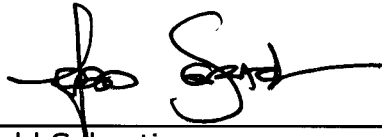
Expenses have been accounted for in the 24-25 fiscal year budget.

**ATTACHMENTS:**

- A. Adopt Resolution to Approve Temporary Street Closures for the Lathrop Christmas Parade on December 7, 2024, for Thomsen Road, J Street, and 5th Street
- B. Parade Route Map

**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**CHRISTMAS PARADE AND TREE LIGHTING TEMPORARY STREET CLOSURE**

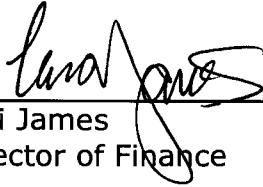
**APPROVALS:**



\_\_\_\_\_  
Todd Sebastian  
Director of Parks and Recreation

10.15.24

\_\_\_\_\_  
Date



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

10/21/2024

\_\_\_\_\_  
Date



\_\_\_\_\_  
Brad Taylor  
City Engineer

10/21/2024

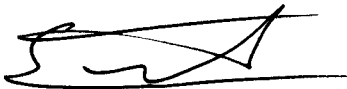
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Stephen Sealy  
Chief of Police

10/22/24

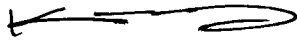
\_\_\_\_\_  
Date



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

10-14-2024

\_\_\_\_\_  
Date



\_\_\_\_\_  
Michael King  
Assistant City Manager

10.21.2024

\_\_\_\_\_  
Date



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

11.4.24

\_\_\_\_\_  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE TEMPORARY STREET CLOSURES FOR THE LATHROP CHRISTMAS PARADE ON DECEMBER 7, 2024 FOR THOMSEN ROAD, J STREET, AND 5TH STREET**

**WHEREAS**, on November 18, 2024 City Staff requested City Council approval for temporary street closures for the Christmas Parade on December 7, 2024; and

**WHEREAS**, the streets recommended for temporary closures for the Christmas parade route are:

- **Thomsen Road** - From 5th Street to Cambridge Drive
- **J Street** – From Milestone Drive and 5th Street
- **5th Street** - From J Street to Thomsen Road

**WHEREAS**, these street closures will be in affect from approximately 4:00 p.m. to 9:00 p.m. on Saturday, December 7, 2024 for purpose of presenting the annual Christmas Parade and Tree Lighting; and

**WHEREAS**, the City of Lathrop Parks and Recreation Department shall set barricades on the side of the road to alert the community about areas of closure seventy-two hours in advance of the parade; and

**WHEREAS**, advanced temporary signage will be placed on the streets identifying the temporary closures from approximately 4:00 p.m. to 9:00 p.m. on December 7, 2024; and

**WHEREAS**, the Lathrop Police Department shall help at intersections for traffic flow during the temporary street closures and the Lathrop Manteca Fire District will be informed of the parade route; and

**NOW, THEREFORE, BE IT RESOLVED** that pursuant to California Vehicle Code Section 21101, subdivision (e), the City Council of the City of Lathrop does hereby approve temporary closure of:

- **Thomsen Road** - From 5th Street to Cambridge Drive
- **J Street** – From Milestone Drive and 5th Street
- **5th Street** - From J Street to Thomsen Road

This temporary closures will take place on Saturday, December 7, 2024 from approximately 4:00 p.m. to 9:00 p.m. for the purpose of presenting the annual Christmas Parade and Tree Lighting.



**PASSED AND ADOPTED** this 18<sup>th</sup> day of November 2024, by the following vote:

AYES:

NOES:

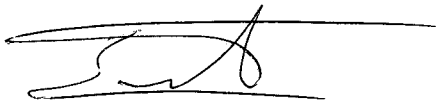
ABSENT:

ABSTAIN:

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

APPROVED AS TO FORM:

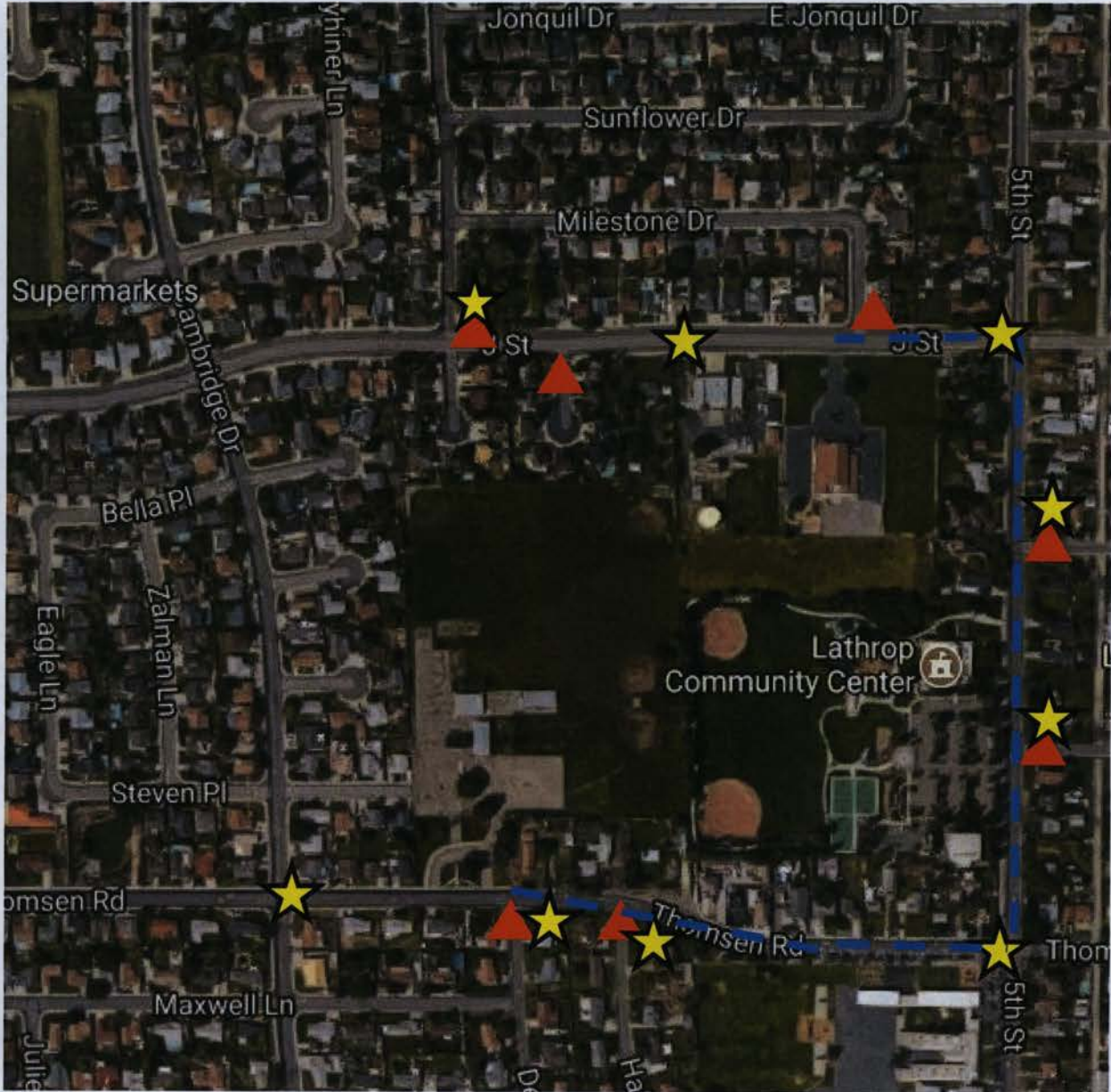
ATTEST:



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

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

# 2024 Christmas Parade Route and Street Closures



**LEGEND**

- Parade Route
- Street Closure
- LPD Assistance

City of   
**Lathrop**  
PARKS & RECREATION  
WE C.A.R.E.  
Creating Active Recreation Experiences

**ITEM:** **APPROVE OUT-OF-STATE TRAVEL  
AUTHORIZING THE PARKS AND RECREATION  
DIRECTOR AND MANAGER TO ATTEND THE REC  
C.A.M.P. (COMMUNITY ARCHITECTURE  
MANAGEMENT AND PLANNING) CONFERENCE  
IN DALLAS, TEXAS**

**RECOMMENDATION:** **Adopt Resolution to Authorize Out-of-State  
Travel for the Parks and Recreation Director  
and Manager to Attend the REC C.A.M.P.  
(Community Architecture Management and  
Planning) Conference, April 7-10, 2025, in  
Dallas, Texas**

---

**SUMMARY:**

The Parks and Recreation Director and Manager are budgeted to attend the REC C.A.M.P. (Community, Architecture, Management and Planning) Conference, April 7-10, 2025, in Dallas, Texas (Conference). The Conference includes tours of six different recreation centers of various sizes and operations, workshops, and will provide staff with the current best practices and intricacies of planning, designing, building and operating Community Recreation Centers. Staff is requesting Council approval of the attached resolution authorizing out-of-state travel.

**BACKGROUND:**

The REC C.A.M.P. Conference is an interactive and insightful conference that provides recreation center tours, workshops, and events designed around Community, Architecture, Management, and Planning. These services are of value to our Parks and Recreation Director and Manager, who are responsible for the oversight and vision of a Community Center in Lathrop. Attendance at the 2025 conference will not only provide staff with current best practices and the latest in Community Center facility trends, but it will also provide staff the opportunity to foster partnerships with fellow nationwide Parks and Recreation professionals and vendors. This conference will assist the Department with a greater understanding of a Community Center design.

**RECOMMENDATION**

Adopt a Resolution to Authorize Out-of-State Travel for the Parks and Recreation Director and Manager to Attend the REC C.A.M.P. (Community Architecture Management and Planning) Conference April 7-10, 2025, in Dallas, Texas.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
APPROVE OUT-OF-STATE TRAVEL**

**FISCAL IMPACT:**

The total cost for both City employees to attend the REC C.A.M.P. conference is estimated to be approximately \$4,900. All expenses relating to this conference are within the Parks and Recreation Department's FY 2024-2025 budget as approved by City Council.

**ATTACHMENTS:**

- A. Resolution to Authorize Out-of-State Travel to send the Parks and Recreation Director and Manager to the REC C.A.M.P. (Community Architecture Management and Planning) conference in Dallas, Texas
- B. Registration Form for REC C.A.M.P. (Community Architecture Management and Planning) Conference April 7-10, 2025, in Dallas, Texas

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
APPROVE OUT-OF-STATE TRAVEL**

**APPROVALS:**



\_\_\_\_\_  
Todd Sebastian  
Director of Parks and Recreation

10.28.24

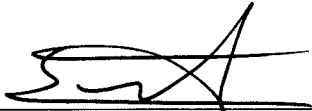
\_\_\_\_\_  
Date



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

10/28/2024

\_\_\_\_\_  
Date



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

10.28.2024

\_\_\_\_\_  
Date



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

11.4.24

\_\_\_\_\_  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO AUTHORIZE OUT-OF-STATE TRAVEL FOR THE PARKS AND RECREATION DIRECTOR AND MANAGER TO ATTEND THE REC C.A.M.P. (COMMUNITY ARCHITECTURE MANAGEMENT AND PLANNING) CONFERENCE APRIL 7-10, 2025, IN DALLAS, TEXAS**

**WHEREAS**, the REC C.A.M.P Conference is an interactive and insightful conference that provides recreation center tours, workshops and events designed around Community, Architecture, Management and Planning; and

**WHEREAS**, these services are of value to our Parks and Recreation Director and Manager, who are responsible for the oversight and vision of a potential Community Center in Lathrop; and

**WHEREAS**, attendance at the 2025 conference will not only provide staff with current best practices and the latest in Community Center facility trends, it will also foster partnerships with fellow nationwide Parks and Recreation professionals and vendors; and

**WHEREAS**, this conference will assist the Department with a greater understanding of a Community Center design; and

**WHEREAS**, the Conference includes tours of six different recreation centers of various sizes and operations, workshops and the intricacies of planning, designing, building and operating Community Recreation Centers; and

**WHEREAS**, funding identified for the conference has been considered and approved within the FY 2024-2025 budget.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby Authorize of Out-of-State Travel for the Parks and Recreation Director and Manager to Attend the REC C.A.M.P (Community Architecture Management and Planning) Conference April 7-10, 2025, in Dallas, Texas.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:


ABSTAIN:

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

ATTEST:

APPROVED AS TO FORM:

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

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

# Rec CAMP 2025: April 8-10 in Dallas, TX

COMMUNITY | ARCHITECTURE | MANAGEMENT | PLANNING

If you have any issues registering, questions about Rec CAMP, or need to cancel or modify your registration, please email us at [registration@rec-camp.com](mailto:registration@rec-camp.com).

Registration is \$675/camper, and with a \$100 early bird registration discount in effect until January 31, 2025. Registration includes two lunches, one dinner, and a water bottle. (Hotel room not included)

Rec CAMP space is limited, so register today! You will be placed on a waiting list if we exceed our limit. We recommend no more than 3 people per agency per year.

More info: [www.rec-camp.com](http://www.rec-camp.com)

Select your registration to begin.

Registration Type \*

Early Bird (\$675.00)

Available until January 31, 2025

Registrant First Name \*

Registrant Last Name \*

Job Title \*

Organization \*

Website

Work Email \*

Email Address

Office Number \*





Mobile Number \*

Address \*

United States of America

Street Address

City

State

ZIP Code

Personal LinkedIn Address

Date of Birth

Month

Day

Year

Pronouns: \*

(Choose One)

How did you hear about Rec CAMP? \*

Past camper/attendee

Social Media

Email Campaign

Website

Conference

Special considerations (diet or physical needs):

All of these topics will be featured.

What is of most interest to you?

(Select all that apply) \*

Programming

Aquatics

Fitness

Gymnasiums

Field Houses

Operations

Management

Planning & Design

Other (please specify below)

**Terms and Conditions: \***

I understand and agree that Barker, Rinker Seacat Architecture, Inc., ("BRS") is a sponsor and organizer of "Rec CAMP" for which this Application is intended, but hereby acknowledge that BRS does not own, maintain or control the facilities, transportation and/or accommodations which I, "the applicant," will use or attend during Rec CAMP. Applicant further acknowledges and agrees that Applicant's participation in Rec CAMP will be as the result of a voluntary request made by the Applicant, and that BRS is not responsible or liable for Applicant's safety and well-being while participating in Rec CAMP. Therefore, as a condition of BRS' consideration of this Application, and of Applicant's participation in Rec CAMP, the Applicant hereby agrees to release, acquit, and discharge BRS, and its officers, employees, representatives and agents, of and from any and all liability, claims, demands, actions, judgments, arising from or relating to damages, sickness or injury to Applicant, third persons (including death), or Applicant's property (including loss of use or theft thereof) which may occur during or in connection with Rec CAMP.

**Total**

**\$675.00**

Code

**ADD ANOTHER REGISTRANT**

# Billing Information

Name on Card \*

First

Last

Payment Method

Credit Card

PO

Credit Card \*

Card Number

Month

Year

CVV

Address \*

United States of America

Street Address

City

State

ZIP Code

Billing Email \*

Email Address

## CANCELLATIONS AND REFUNDS

- Cancellations occurring on or before January 31, 2025 will be refunded, less an \$85 administrative fee.
- Cancellations occurring between January 31, 2025, and March 18, 2025 will be refunded 50%. *(If the vacant position can be filled from the waitlist, then there will be a full refund, less the \$85 administrative fee.)*

- Cancellations occurring on or after March 18, 2025 will not be refunded. *(If the vacant position can be filled from the waitlist, then there will be a full refund, less the \$85 administrative fee.)*
- All cancellation requests must be emailed to [registration@rec-camp.com](mailto:registration@rec-camp.com).
- Questions about the cancellation policy may also be emailed to [registration@rec-camp.com](mailto:registration@rec-camp.com).

This page is secured with 256 bit encryption

## PHOTO/VIDEO DISCLAIMER

Rec CAMP reserves the right to take and use photographs/video at any event sponsored by Rec CAMP or BRS or any activities at Rec CAMP without expressed written permission of those included within the photographs/video. Rec CAMP may use the photography/video in publications or other media material produced for educational, promotional, marketing, or other purposes, including but not limited to: brochures, invitations, emails, social media, YouTube, websites, etc. A person attending Rec CAMP who does not wish to have their image or audio recorded for distribution should make their wishes known to the photographer, and/or the event organizers, and/or contact Rec CAMP at [registration@rec-camp.com](mailto:registration@rec-camp.com), in writing of his/her wishes and include a photograph for reference within a reasonable amount of time prior to the event. Rec CAMP will use the photograph for identification purposes only and will hold it in confidence.

By participating in Rec CAMP or by failing to notify organizers in writing your desire to not have your image used by Rec CAMP, you are agreeing to release, defend, hold harmless, and indemnify Rec CAMP or it's affiliates from any and all claims involving the use of your photograph or likeness.



Event Registration Software by RegFox



## 2025 Rec CAMP Schedule



## Day 1: Tuesday, April 8

8:00 am - Conference check-in opens

9:00 am - Education Session 1: Operations

11:00 am - Tour The REC of Grapevine

12:00 pm - Lunch & Education Session 2: Public/Private Fitness



[Registration](#) [Schedule](#) [Location](#) [FAQs](#) [Contact](#)

2:30 pm - Tour The Beacon

4:00 pm - Tour The Epic

5:30pm - Tour Epic Waters

6:30 pm - Networking Dinner at Chicken N Pickle



## **Day 2: Wednesday, April 9**

8:30 am - TBD

12:00 pm - Tour Lewisville Thrive



[Registration](#) [Schedule](#) [Location](#) [FAQs](#) [Contact](#)

[12:00 pm - Lunch & Education Session 3: Staff Retention](#)

2:30 pm - Tour Stephen G. Terrell Recreation Center

5:00 pm - Return to hotel



## **Day 3: Thursday, April 10**

8:00 am - Education Session 4: Community Planning Workshop

11:30 am - Closing ceremony

12:00 pm - Conference ends

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**ITEM: APPROVE OUT-OF-STATE TRAVEL FOR THE PARKS AND RECREATION DIRECTOR TO ATTEND THE GOVERNMENT FLEET EXPO AND CONFERENCE IN CHARLOTTE, NORTH CAROLINA**

**RECOMMENDATION: Adopt Resolution to Authorize Out-of-State Travel for the Parks and Recreation Director to Attend the 2025 Government Fleet Expo and Conference, June 23-27, 2025, in Charlotte, North Carolina**

---

**SUMMARY:**

The Parks and Recreation Director is requesting to attend the Government Fleet Expo and Conference June 23-27, 2025, in Charlotte, North Carolina. This conference is the largest annual conference for public fleets in the nation and provides a robust conference program featuring thought-provoking sessions, including tracks dedicated to police fleets, best in practice trends, a large and immersive exhibit hall, and serves as a true hub for public fleet professionals from across the Country. Staff is requesting Council approval of the attached resolution to authorize out-of-state travel for the Parks and Recreation Director to attend the 2025 Government Fleet Expo and Conference, June 23-27, 2025, in Charlotte, North Carolina.

**BACKGROUND:**

This conference provides training and services to our Parks and Recreation Director, who is responsible for fleet acquisition, maintenance, and operation throughout the City. Attendance at the 2025 conference will not only provide staff with current best practices, but it will also foster partnerships with fellow nationwide fleet professionals and vendors. This conference will assist the Department in the continued development and implementation of best practices to better manage the City's fleet.

**RECOMMENDATION**

Adopt a resolution to authorize out-of-state travel for the Parks and Recreation Director to attend the Government Fleet Expo and Conference June 23-27, 2025, in Charlotte, North Carolina.

**FISCAL IMPACT:**

The total cost to attend the Government Fleet Expo Conference is estimated to be approximately \$3,400. All expenses relating to this conference are within the Parks and Recreation Department's FY 2024-2025 budget as approved by City Council.

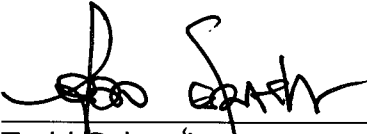
**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
OUT-OF-STATE TRAVEL FOR THE GOVERNMENT FLEET EXPO AND  
CONFERENCE IN CHARLOTTE, NORTH CAROLINA**

**ATTACHMENTS:**

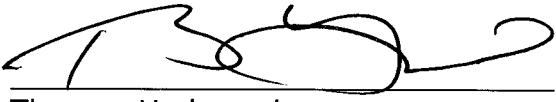
- A. Resolution to Authorize Out-of-State Travel to send the Parks and Recreation Director to the Government Fleet Expo and Conference in Charlotte, North Carolina.
- B. 2024 Government Fleet Expo and Conference Schedule and Registration Form

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
OUT-OF-STATE TRAVEL FOR THE GOVERNMENT FLEET EXPO AND  
CONFERENCE IN CHARLOTTE, NORTH CAROLINA**


**APPROVALS:**

  
\_\_\_\_\_  
Todd Sebastian  
Director of Parks, Recreation and  
Fleet Services

10.28.24  
Date

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

10/28/2024  
Date

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

10-24-2024  
Date

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

11.4.24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO AUTHORIZE OUT-OF-STATE TRAVEL FOR THE PARKS AND RECREATION DIRECTOR TO ATTEND THE GOVERNMENT FLEET EXPO AND CONFERENCE JUNE 23-27, 2025, IN CHARLOTTE, NORTH CAROLINA**

**WHEREAS**, the Government Fleet Expo and Conference (Conference) is the largest annual conference for public fleets in the nation and provides best in practice trends in municipal fleet services; and

**WHEREAS**, these services are of value to our Parks and Recreation Director, who is responsible for the oversight and operation of the City's fleet division; and

**WHEREAS**, attendance at the 2025 Conference will not only provide staff with current best practices and the latest in fleet operations trends, it will also foster partnerships with fellow nationwide fleet professionals and vendors; and

**WHEREAS**, the Conference will assist the Department with a greater understanding of fleet acquisitions, maintenance, and operational trends; and

**WHEREAS**, the Conference includes a robust conference program featuring thought-provoking sessions, including tracks dedicated to police fleets, and a large and immersive vendor exhibit hall; and

**WHEREAS**, funding identified for the Conference has been considered and approved within the FY 2024-2025 budget.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby Authorize of Out-of-State Travel for the Parks and Recreation Director to Attend the Government Fleet Expo and Conference June 23-27, 2025, in Charlotte, North Carolina.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

ATTEST:

APPROVED AS TO FORM:

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

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



Registration includes access to all Government Fleet Expo, Police Fleet Conference, and Public Transit Conference sessions, the exhibit hall, scheduled meals and networking events.

Please note, to qualify for a Full Conference Fleet Pass, you must be directly employed by a public agency. Suppliers including, but not limited to, fleet management companies, vehicle manufacturers, equipment & parts suppliers, GPS & telematics companies, software & technology providers, and fueling systems manufacturers must purchase a Supplier Pass. Registrations will be audited for compliance. All registrations are pending approval and will be audited or cancelled for compliance.

## 2024 Rates & Pass Types

	Regular Rate
<b>Full Conference Fleet Pass</b> This pass is for Public, Police, and Transit Fleet Employees only. Includes all sessions, scheduled meals, receptions, networking, event... <a href="#">more info</a>	\$895 <b>Register Now</b>
<b>Fleets Exhibit Only Pass</b> For public fleets only. <i>Registrations will be audited for compliance and non-fleet registrations will be cancelled.</i> Includes access to the... <a href="#">more info</a>	\$75 <b>Register Now</b>
<b>Full Conference Supplier Pass</b> Includes all sessions, scheduled meals, receptions, networking events, Block Party and exhibit hall access. Does not include Friday add... <a href="#">more info</a>	\$1,995 <b>Register Now</b>
<b>Spouse Pass</b> Is for open for Spouses and Domestic Partners. Includes Opening Party (Tues), Block Party/Ride & Drive (Tues), Night on the Town at... <a href="#">more info</a>	\$250 <b>Register Now</b>

## 2024 GFX Schedule

### Thank you for attending the 2024 Government Fleet Expo & Conference (GFX).

The following presentations are now available to download! Please note that some panel sessions did not submit PowerPoint presentations.

Furthermore, in compliance with speaker permissions, we've shared the presentations for which we have authorization. We appreciate your understanding.

[Check out the 2024 GFX PowerPoint Presentations](#)

Here's the 2024 comprehensive event schedule including registration, meals, networking, and conference sessions.

### Event Schedule

Tuesday, May 7, 2024

#### May 07 Registration Open

8:00 AM - 6:30 PM (ET)



[more info](#)

North Upper Concourse

sponsored  
by



#### May 07 First Timer's Orientation

9:00 AM - 9:30 AM (ET)



This session will give you an opportunity to learn more about the event itself and how to make the most of your experience. Plus have one-on-one time with other first-time attendees and get answers to your GFX-related questions. [more info](#)

Ballroom C, D, E



Jeff Carter

Bobit



Got any questions? I'm happy to help.

#### May 07 GFX 2024 Block Party & Experience

10:00 AM - 12:30 PM (ET)



This event within an event will be an entertaining mix of ride and drives, hands-on training, experiential learning, and a technology showcase. [more info](#)

---

sponsored by **motive**

**May 07 OEM Showcase**

**1:00 PM - 3:15 PM (ET)**



Hear from various auto manufacturers on current news and **Ballroom C, D, E** changes. Plus, hear from OEM reps on what the future looks like regarding vehicles. [more info](#)



**Phil Bockhorn**  
Stellantis



**Nate Oscarson**  
Ford Pro



**Jessi Gross**  
GM Envolv



**Jim Connelly**  
Bollinger  
Motors



**Ross  
Friedmann**  
Nissan North  
America



**Marianne  
McInerney**  
Mullen  
Automotive

**May 07 Networking Coffee Break**

**3:15 PM - 3:45 PM (ET)**



[more info](#)

**Market Street Pre-function**

---

sponsored by **GovDeals**

**May 07 Industry Keynote Address: Servant Leadership Works!**

**4:00 PM - 4:30 PM (ET)**



Explore the traits, style, and strategies of servant leadership.  
**Ballroom C, D, E** [more info](#)





**Kelly Reagan**  
City of  
Columbus, OH

sponsored  
by



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**May 07 The Honors Celebration**

**4:30 PM - 5:30 PM (ET)**



Government Fleet Magazine will recognize the 50 Leading Fleets, **Ballroom C, D, E** announcing rankings for the top 20, and the top fleets in three size categories; and new this year the Police Fleet Innovators Award!  
[more info](#)



**Nichole Osinski**  
Bobit



**Christy Grimes**  
Bobit

---

**May 07 Honors Celebration Photo Shoot**

**5:30 PM - 5:45 PM (ET)**



[more info](#)

**Ballroom C, D, E**

---

**May 07 Opening Reception**

**5:30 PM - 7:00 PM (ET)**



[more info](#)

**Market Street Pre-function**

---

sponsored  
by



**samsara**

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**May 07 Explore Louisville**

**7:00 PM - 8:30 PM (ET)**



This evening is set aside for you to explore Louisville on your own. Exhibitors and sponsors may use this time to invite existing and potential customers for dinner meetings. [more info](#)

---

Wednesday, May 8, 2024

**May 08 Registration Open**

7:30 AM - 5:15 PM (ET) ▼

[more info](#)

North Upper Concourse

---

sponsored by **FASTER**  
ASSET SOLUTIONS

**May 08 Breakfast**

7:30 AM - 8:30 AM (ET) ▼

A hot breakfast will be served before the Keynote. [more info](#)

Market Street Pre-function

---

**May 08 Opening Keynote Address: Take Command & Win**

8:30 AM - 9:30 AM (ET) ▼

In this presentation, Harris shares with audiences how- through hard work fired by courage and persistence- she became the highest ranking African-American female in the U.S. Navy.

**Ballroom C, D, E**

[more info](#)

---



**Captain Gail  
Harris**  
US Navy  
(Retired)

sponsored by **verizon  
connect**

**May 08 ZEV Infrastructure for a Centralized Fleet - Case Study for**

9:45 AM - 10:45 AM (ET) Fairfield, CA ▼

L016

Hear from a city fleet manager who has been entrenched in electrifying their light, medium, and heavy-duty fleets since 2008. [more info](#)

---



**Dave Renschler,**  
CPFP  
City of

Fairfield, CA

**May 08 Top 10 Performance Measures for 21st Century Fleet Managers**

9:45 AM - 10:45 AM (ET)



This session will look at developing Charge Back Rates, Conducting Preventative Maintenance For ICE, EVs and Hybrids as well as Tracking Fleet Availability and Downtime, Measuring Technician Time, Determining Cost Per Mile/Meter, Setting Repair Hours and Cost, Monitoring Scheduled Repair Rates, Tracking Annual Parts Inventory Turns, Assessing the Parts Demand Fill Rate, Achieving Customer Satisfaction, and What's Next. [more info](#)

**Ballroom C, D, E**



**Sam Lamerato,**  
CPFP  
City of Troy, MI



**Kevin Schlangen,**  
CAF, CPFP,  
CEM

Dakota County, MN



**Danny Brashear,** CEM  
AssetWorks



**Jeffrey Tews,**  
CPFP  
City of Milwaukee, WI

**May 08 Rolling Safely: All About Police Tires**

9:45 AM - 10:45 AM (ET)



A conversation on what makes pursuit-rated tires different from traditional tires, why they're important, how to educate officers on maintaining them, and more. [more info](#)



**Joe Scalfaro**  
The Goodyear  
Tire & Rubber  
Company



**Sgt. Tom  
Gorman**  
Connecticut  
State Police



**Billy Sterner,  
CAFM, CEM**  
Town of Flower  
Mound, TX



**Farrell Scott**  
BFGoodrich



**John Murphy**  
Bridgestone  
Americas

sponsored by POLICE FLEET CONFERENCE

by

**May 08 Learning from Transit Leaders: Executives Committed to  
9:45 AM - 10:45 AM (ET) Modernizing Value in the Industry**



**L011-L012** Join us as top leaders from the industry discuss how they are building today's transit with an eye on tomorrow, all the latest trends, and much more. [more info](#)



**Kirt Conrad**  
SARTA



**Rob Stephens**  
TARC



**Luke Allison**  
TransPro  
Consulting

sponsored by FTC PUBLIC TRANSIT

**May 08 Exhibit Hall Ribbon Cutting Ceremony  
10:50 AM - 11:00 AM (ET)**



[more info](#)

Hall E

**May 08 Exhibit Hall Open  
11:00 AM - 3:00 PM (ET)**



[more info](#)

Hall E

---

**May 08 Meet the Editors**

**11:15 AM - 11:45 AM (ET)**



**Hall E Booth #300** Want to know more about the people behind the publications? This is your time to talk with the editors of our brands Government Fleet, METRO, and the editor of the Police Fleet e-newsletter in a casual setting. [more info](#)



**Nichole Osinski**  
Bobit



**Christy Grimes**  
Bobit



**Alex Roman**  
Bobit

**May 08 Shop Talk: Fleet Rightsizing: Leveraging Asset Availability and**

**11:15 AM - 11:45 AM (ET) Utilization Data**



**Hall E** Leveraging your telematics, fuel, and maintenance data, to provide a recommended fleet size based on your field usage, utilization (downtime/availability), and financials. [more info](#)



**Chris Shaffer**  
Utilimarc

**May 08 Lunch in the Exhibit Hall**

**11:45 AM - 12:45 PM (ET)**



Enjoy a buffet lunch in the exhibit hall. [more info](#)  
**Hall E**

---

**May 08 Shop Talk: Gladiator Training Traits to Build a Legendary Team**

12:45 PM - 1:15 PM (ET)



In this session, attendees will explore strategies and techniques to **Hall E** foster inclusive leadership, with a focus on cultivating and empowering team participation Gladiator style. [more info](#)



**Cedric Roberts, CAFM**  
City of  
Birmingham



**Timothy Fitzgerald**  
District of  
Columbia  
Water and Sewer Authority



**Bill Pugh**  
Smart  
Connections  
Consulting LLC

**May 08 From the Show Floor (Hosted Presentations)**

1:15 PM - 2:45 PM (ET)



Join us for From the Show Floor sessions - topics will be **EXPO Hall E** presented by AMCS Group, Sourcewell, and AnSR (Advanced Subrogation Resources)! [more info](#)

**May 08 Justifying Cooperative Purchasing Selections**

3:05 PM - 4:05 PM (ET)



Learn how to create a justification process that eliminates all the **Ballroom C, D, E** questions from internal approvers. [more info](#)



**Craig Croner**  
City of  
Glendale, AZ

**May 08 ZEV Infrastructure for a Decentralized Fleet - Case Study for Santa Clara County, CA**



Hear from a county fleet manager who has been entrenched in **L016** electrifying their light, medium, and heavy-duty fleets since 2008.

[more info](#)

---



**David  
Worthington**  
County of  
Santa Clara,

CA

---

**May 08 Maximize Your Technician Training Budget**

**3:05 PM - 4:05 PM (ET)**



**L017-L018** Come to this seminar and learn how to make certain your technicians are properly prepared for any upcoming training they will be receiving while at the same time ensuring that they are attending the correct training. [more info](#)

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**Mike Cleary**  
Automotive  
Technical  
Support

Services

---

**May 08 The Most Important Thing in Fleet Management. It's not Safety!**

**3:05 PM - 4:05 PM (ET)**



Transportation will be broken into fundamental building blocks and **L015** how mental health plays in each role. [more info](#)

---



**Oscar Tovar**  
Health and  
Human  
Services Older

Adult Service Program

---

**May 08 The Police Pursuit Vehicle - Is it Still Necessary?**

**3:05 PM - 4:05 PM (ET)**



To buy pursuit-rated or not to buy pursuit-rated? A look at what **L013** makes a vehicle pursuit-rated, and discuss common concerns your stakeholders and fellow officers may have. [more info](#)



**Sgt. Jason Brake, MBA**  
City and County of

Denver



**Lt. Michael McCarthy, Ret.**  
Michigan State Police,

Precision Driving Unit



**Lindsey Bertino**  
Ford Pro



**Ryan Austin**  
Stellantis



**Jennifer Brown, MSL**  
City of Flagstaff, AZ



**Cindy Towe**  
GM Envolve

sponsored by POLICE FLEET CONFERENCE

by

**May 08 Made in America: Next Generation Shuttles and the Future of**  
**3:05 PM - 4:05 PM (ET) Shared Use Autonomy**



**L011-L012** No longer at the pilot phase, autonomous shuttles are becoming a viable solution for public transit systems around the nation. So, how did we get here? [more info](#)



**Scott Belcher**  
ACES Mobility Coalition



**Allante Whitmore**  
ReMo



**Doug Jamison**  
Central Florida Regional Transportation

Authority



**Marc Klein**  
Beep

sponsored by **FTC PUBLIC TRANSIT**

**May 08 Networking Coffee Break**  
**4:05 PM - 4:20 PM (ET)**





[more info](#)

**Market Street Pre-function**

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sponsored **GEOTAB**  
by

**May 08 In Defense of Diesel: How Clean Diesels Can Bridge the Gap to  
4:25 PM - 5:15 PM (ET) Electrification**



**L016** This presentation is a comparisons of Tier 0/1 and Tier 4 Final diesel engine emissions and the environmental impact of both.

[more info](#)

---



**Brian White**

City of  
Milwaukee-  
DPW Fleet

Services



**Thomas**

**Zemruski**  
Waukesha  
County

**May 08 Recruitment and Retention, Building a Winning Culture  
4:25 PM - 5:15 PM (ET)**



Discovering, hiring, and keeping a great Fleet team takes more

**L017-L018** than just dollars. [more info](#)

---



**Lauren  
Doucette**

San  
Bernardino

County - Fleet Management



**Dean  
Tedtaotao**

Los Angeles  
County Public

Works



**Kelly Reagan**

City of  
Columbus, OH

**May 08 Emergency Response Innovation: How The Latest in Fleet  
4:25 PM - 5:15 PM (ET) Connectivity Tech Ensures Increased Safety, Efficiency, and**

**Affordability**

**L013**



Efficient management of emergency fleet operations can not only help agencies save money and time, but it can also help save lives. [more info](#)



**Chris Watkins**  
Whelen  
Engineering



**Tim Coxwell**  
Leon County  
Sheriff's Office

sponsored by POLICE FLEET CONFERENCE

by

**May 08 How to Make Sure That You Are Protected Against and Prepared  
4:25 PM - 5:15 PM (ET) to Respond to Cybersecurity Attack**



**L011-L012** This session will focus on best practices for ensuring that your agency is both protected and can respond to potential cyber attacks. [more info](#)



**Scott Belcher**  
ACES Mobility  
Coalition



**Todd Chollet**  
Sunstar  
Insurance  
Group



**Jeff Nelson**  
MetroLINK



**Alex Roman**  
Bobit

sponsored by **FTC** PUBLIC TRANSIT

**May 08 Fleet Manager Goals: A New Vision Towards Personal Growth  
4:25 PM - 5:15 PM (ET)**



It is important for leaders to make the personal development shift **L015** from a short-term goal orientation to a long-term growth orientation [more info](#)



**Cedric Roberts, CAFM**  
City of Birmingham



**Dr. Erica Wattle**  
Cybersecurity Consulting  
Operations Hush Cyber Security



**Jen Pearson, CAFM**  
HopDrive



**Bill Pugh**  
Smart Connections Consulting LLC

sponsored by



**May 08 Dinner On Own**

5:15 PM - 8:00 PM (ET)



[more info](#)

**May 08 Networking Night on the Town - Louisville Slugger Museum**

8:00 PM - 9:30 PM (ET)



Join us after dinner at the Louisville Slugger Museum - Where Wood Meets Wonder - for tasty desserts and a night cap beverage! [more info](#)

sponsored by



**samsara**

**Thursday, May 9, 2024**

**May 09 Registration Open**

7:30 AM - 4:00 PM (ET)



[more info](#)

**North Upper Concourse**

sponsored by



**May 09 Breakfast**

7:30 AM - 8:30 AM (ET)



A breakfast buffet will be served. [more info](#)

**Market Street Pre-Function  
Foyer**

---

**May 09 Big Solutions Roundtable**

8:30 AM - 10:00 AM (ET)



In this hands-on session, attendees will brainstorm on various topics and work together to find solutions to industry challenges. [more info](#)

**Ballroom C, D, E**

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**Nichole Osinski**  
Bobit



**Jeffrey Tews,**  
**CPFP**  
City of  
Milwaukee, WI



**Sam Lamerato,**  
**CPFP**  
City of Troy, MI

**May 09 Alternative Fuels**

8:30 AM - 9:30 AM (ET)



This session will feature end users discussing their experiences **L011-L012** with hydrogen, propane, and more. [more info](#)



**Alex Roman**  
Bobit



**Kirt Conrad**  
SARTA



**Kevin Coggin**  
Coast Transit  
Authority

**May 09 Networking Coffee Break**

10:00 AM - 10:20 AM (ET)



[more info](#)

Lower Concourse

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sponsored by



**May 09 10 Essential Management Skillsets Required for Success in the  
10:30 AM - 11:25 AM (ET) Digital Age**



**Ballroom C, D, E** Fleet management is undergoing a radical sea change in the  
proficiencies needed to succeed. [more info](#)

---



**Bob Stanton**  
Stanton Fleet  
Consultants

**May 09 Procurement - Adapting Your Entity to the Post-Covid Fleet  
10:30 AM - 11:25 AM (ET) Supply Chain**



**L016** [more info](#)

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**Ross Jackson,**  
**CAFM**  
City of  
Fayetteville  
Arkansas - Fleet Operations

**May 09 How to Manage Aging Government Fleets with Limited Budgets  
10:30 AM - 11:25 AM (ET)**



**L017-L018** In this session, attendees will learn best practices to build a data-  
driven proactive maintenance plan and how real-time sensor data  
can provide actionable insights to extend the life of assets.

[more info](#)



**Logan Kiernan**  
Samsara



**Tom Rowings**  
City of  
Cambridge,  
MA.



**Dan Simpson**  
Fleetio

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**May 09 Sound Solutions: Highlighting Siren Tech**

10:30 AM - 11:25 AM (ET)



A deep dive into the dynamic world of siren technology. [more info](#)  
**L013**



**Preston Tischer**  
Whelen  
Engineering



**Doug Baker**  
SoundOff  
Signal



**Jennifer Brown, MSL**  
City of  
Flagstaff, AZ



**Paul Gergets**  
Federal Signal

sponsored by

by

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**May 09 Best Practices for Recruiting and Retaining Transit Employees**

10:30 AM - 11:25 AM (ET)



This session will focus on how to recruit employees that fit your culture, as well as how to hold on to the people who are already part of your organization. [more info](#)  
**L011-L012**



**Mark Szyperski**  
On Your Mark  
Transportation



**Daniel Resch**  
UZURV  
Holdings LLC

sponsored by

**May 09 Exhibit Hall Open**

11:30 AM - 3:00 PM (ET)



[more info](#)

Hall E

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**May 09 Meet the Editors**

11:45 AM - 12:15 PM (ET)



Want to know more about the people behind the publications? This **Hall E Booth #300** is your time to talk with the editors of our brands Government Fleet, METRO, and the editor of the Police Fleet e-newsletter in a casual setting. [more info](#)

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**Nichole Osinski**

Bobit



**Christy Grimes**

Bobit



**Alex Roman**

Bobit

**May 09 Shop Talk: Incentivizing Employee Performance**

11:45 AM - 12:15 PM (ET)



This session will cover more about employee incentives and **Hall E** explore types of incentives to consider offering at your company. [more info](#)

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**Timothy Fitzgerald**

District of Columbia

Water and Sewer Authority



**Cedric Roberts, CAFM**

City of Birmingham



**Aaron Kendrick**

Cobb County

Fleet Management



**Jen Pearson,**  
CAFM  
HopDrive

**May 09 Lunch in the Exhibit Hall**

12:15 PM - 1:15 PM (ET)



Enjoy a buffet lunch in the exhibit hall. [more info](#)

**Hall E**

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**May 09 PFC Shop Talk: Protecting Your Officers with Ballistic**

1:15 PM - 1:45 PM (ET) **Technology**



**Hall E** In today's environment, law enforcement officers need more protection than ever before. [more info](#)

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**Robert**  
**Martinez**  
New York  
Police

sponsored



by

Department

**May 09 From the Show Floor (Hosted Presentations)**

1:45 PM - 3:00 PM (ET)



While in the exhibit hall, drop in on one of our micro-training

**Hall E** sessions - including a From the Show Floor sessions - topics will be presented by Kempower, Sourcewell and PERC! [more info](#)

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**May 09 Exhibit Hall Passport Drawings**

3:00 PM - 3:15 PM (ET)



[more info](#)

**Hall E**

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**May 09 Upgrading and Expanding Your Fleet Garage for the Future**

**3:15 PM - 4:15 PM (ET)**



Learn design standards and approaches for upgrading and  
**L016** expanding your Fleet and adapt to future industry trends.

[more info](#)



**Norman  
Barrientos**  
Barrientos  
Design &

Consulting, Inc.

**May 09 Equipment Replacement Optimization from Extensive Idling and**

**3:15 PM - 4:15 PM (ET) Downstream Cost**



**L017-L018** During this presentation Fleet Managers and Analyst will learn the  
true downstream cost of Idling, due to 1900 century beliefs.

[more info](#)



**Rick Longobart**  
Longobart-  
Ross  
Consulting, Inc.

/ City of Raleigh, NC

**May 09 Upfitting Police Vehicles When You Don't Hold All The Cards**

**3:15 PM - 4:15 PM (ET)**



Decision makers will highlight how they use data, paired with  
**L013** collaboration between both internal and external partners, to make  
improvements within their own fleet, keeping officer safety at the  
forefront. [more info](#)



**Jessica  
Rhoades**  
Fairfax County



**Akbar Rahyab**  
Fairfax County  
Police  
Department

**May 09 How Leadership Can Change Lives**

3:15 PM - 4:15 PM (ET)



Join us to take a look at how to become an effective leader and how that leadership can change the lives of your team members.

**L011-L012**

[more info](#)



**Donna Zampella**  
Oxford University

Transit



**Tonya Rhea Murphree**  
Oxford Transit Mgmt



**Alex Roman**  
Bobit



**Mark Szyperski**  
On Your Mark Transportation

sponsored by



**May 09 Fleet Advocacy Update - Priorities and Responses**

3:15 PM - 4:15 PM (ET)



An advocacy presentation focused on critical Federal and state policy issues facing fleet managers. [more info](#)

**L015**



**Michael Taylor**  
HillStaffer

sponsored by



**May 09 The Next Five Years. What Fleet Managers Foresee in Changes,**

**3:15 PM - 4:15 PM (ET) Challenges, and Opportunities in the Industry**



**Ballroom C, D, E** Experienced Fleet Managers will share their best crystal ball projections for the next five years in the industry and how they will affect your operations. [more info](#)



**Dave Renschler,**  
CPFP  
City of

Fairfield, CA



**David Worthington**  
County of  
Santa Clara,

CA



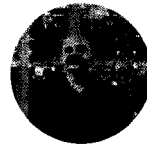
**Larry Campbell,**  
CPFP  
City of Fort

Wayne, IN



**Kevin Schlangen,**  
CAFM, CPFP,  
CEM

Dakota County, MN



**Scott McIver,**  
CPFP  
City of  
Greenville

**May 09 Farewell Happy Hour**

4:15 PM - 5:15 PM (ET)



[more info](#)

**Market Street Pre-Function**

sponsored by  **samsara**

Friday, May 10, 2024

**May 10 RTA: Training Session**

8:00 AM - 1:00 PM (ET)



RTA Fleet will host this exciting half-day Training Session -- hear **L013** from RTA experts on what it takes to build a leading fleet; as well as learning about RTA's next generation of FMIS! Plus, enjoying both Breakfast & Lunch in their meeting room. [more info](#)

sponsored by



**May 10 AssetWorks FleetFocus FA User Training**

**8:30 AM - 4:00 PM (ET)**



Join the AssetWorks FA team for the day, enjoy complimentary coffee and lunch as well as access to our subject matter expert who will provide training on several topics. [more info](#)

---

sponsored **AssetWORKS**

by

**May 10 AssetWorks FleetFocus M5 User Training**

**8:30 AM - 4:00 PM (ET)**



Join the AssetWorks M5 team for the day, enjoy complimentary coffee and lunch as well as access to our subject matter expert who will provide training on several topics. [more info](#)

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sponsored **AssetWORKS**

by

**May 10 FASTER User Training**

**9:00 AM - 1:00 PM (ET)**



An overview of the new releases of FASTER WEB, including set-up and how to use the new features in FASTER WEB. [more info](#)

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sponsored **FASTER**  
by **ASSET SOLUTIONS**

## ITEM 4.12

### CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING

**ITEM:** **APPROVE 2025 FACILITY FEE WAIVER REQUESTS FROM LATHROP LITTLE LEAGUE, LATHROP LIONS CLUB, LATHROP SUNRISE ROTARY, AND ALCOHOLICS ANONYMOUS**

**RECOMMENDATION:**

- 1. Adopt a Resolution to Approve a Facility Fee Waiver request from Lathrop Little League; and**
- 2. Adopt a Resolution to Approve a Facility Fee Waiver request from Lathrop Lions Club; and**
- 3. Adopt a Resolution to Approve a Facility Fee Waiver request from Lathrop Sunrise Rotary; and**
- 4. Adopt a Resolution to Approve a Facility Fee Waiver request from Alcoholics Anonymous**

---

#### **SUMMARY:**

Review and approve adoption of four resolutions approving facility fee waiver requests from Lathrop Little League, Lathrop Lions Club, Lathrop Sunrise Rotary, and Alcoholics Anonymous in accordance with the City of Lathrop Fee Waiver Policy.

#### **BACKGROUND:**

Staff receives requests for facility fee waivers on an annual basis from one of the following: Intergovernmental Cooperation, Lathrop Non-Profit including 501(c)3 and/or 501(c)4 with valid status and a Lathrop address, or a Lathrop organization with financial hardship directly benefitting the Lathrop community, such as a community group without non-profit status. The facility fee waiver requests from each organization are listed below. All fees include both facility and staff costs.

- **Lathrop Little League** **\$74,196**  
Lathrop Little League is a local non-profit providing enriching youth programming that promotes sportsmanship, teamwork, and leadership skills through the game of baseball. Lathrop Little League submitted a facility fee waiver for the use of six Baseball Diamonds for practices, Monday through Friday from 3:00 p.m. to 8:00 p.m. from February 15, 2025, through June 6, 2025. Additionally, Lathrop Little League is requesting the use of three Baseball Diamonds from 8:00 a.m. to 7:00 p.m. from February 15, 2025, through June 6, 2025, to host games.

- **Lathrop Lions Club** **\$9,414.24**  
The Lathrop Lions Club is a local non-profit organization that gives valuable time and effort to improving their communities and the world. Lathrop Lions Club submitted a facility fee waiver request for the use of the Senior Center to host monthly Bunco on Sundays. Additionally, they requested use of the Scott Brooks Gymnasium on March 16 and September 20, 2025, to host Bingo and November 21 and November 22, 2025, to host an annual craft fair.
  
- **Lathrop Sunrise Rotary** **\$762.37**  
Lathrop Sunrise Rotary is a local non-profit organization that unites to take action to create lasting change across the globe and in their communities. Lathrop Sunrise Rotary submitted a facility fee waiver request for the use of the Senior Center on November 27, 2025, from 7:00 a.m. to 4:00 p.m. to host a Community Thanksgiving Dinner.
  
- **Alcoholics Anonymous** **\$5,227.22**  
Alcoholics Anonymous is a local non-profit with a mission to help its members find sobriety. Alcoholics Anonymous submitted a facility fee waiver request for the use of the Lathrop Community Center Multi-Purpose Room on Thursday evenings from 6:00 p.m. to 8:00 p.m. to host their weekly meetings.

**RECOMMENDATION:**

Staff recommends Council find the requested facility fee waivers would provide a public benefit to the community and that the amount of the request is de minimis in nature and not subsidized from other facility fees and approve the facility fee waiver requested by Lathrop Little League, Lathrop Lions Club, Lathrop Sunrise Rotary, and Alcoholics Anonymous.

**FISCAL IMPACT:**

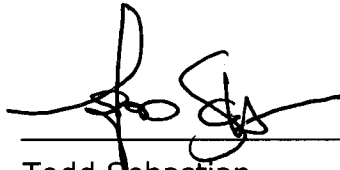
The fees associated with the facility fee waiver request total \$89,599.83.

**ATTACHMENTS:**

- A. Resolution to Approve a Facility Fee Waiver request from Lathrop Little League
- B. Little League Fee Waiver Calculations
- C. Resolution to Approve a Facility Fee Waiver request from Lathrop Lions Club
- D. Lathrop Lions Club Fee Waiver Calculations
- E. Resolution to Approve a Facility Fee Waiver request from Lathrop Sunrise Rotary
- F. Lathrop Sunrise Rotary Fee Waiver Calculations
- G. Resolution to Approve a Facility Fee Waiver request from Alcoholics Anonymous
- H. Alcoholics Anonymous Fee Waiver Calculations

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
FEE WAIVERS**

**APPROVALS:**



\_\_\_\_\_  
Todd Sebastian  
Director of Parks, Recreation and Fleet

11.13.2024

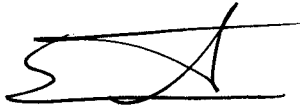
Date



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

11/13/2024

Date



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

11-13-2024

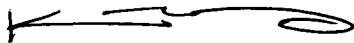
Date



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

11/13/2024

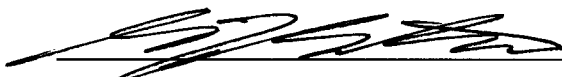
Date



\_\_\_\_\_  
Michael King  
Assistant City Manager

11.14.2024

Date



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

11.14.24

Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE A FACILITY FEE WAIVER REQUEST FROM LATHROP LITTLE LEAGUE FOR USE OF CITY FACILITIES TO HOST PRACTICES BASEBALL PRACTICES AND GAMES TOTALING \$74,196**

**WHEREAS**, the City received a Facility Fee Waiver request Lathrop Little League in accordance with the City of Lathrop Fee Waiver Policy; and

**WHEREAS**, Lathrop Little League submitted a facility fee waiver request for the use of City of Lathrop Baseball Fields from February 15, 2025, through June 6, 2025 to host baseball practices and games; and

**WHEREAS**, staff reviewed the request, and recommends Council approval because the requested waiver meets the requirements of the Fee Waiver Policy and is of public benefit, de minimis in nature and not subsidized from other facility fees.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop hereby finds the request to be of public benefit, de minimis in nature and not subsidized from other facility fees and does hereby approve the Facility Fee Waiver for Lathrop Little League for the use of City Baseball Fields in the amount of \$74,196.



**PASSED AND ADOPTED** this 18<sup>th</sup> day of November 2024, by the following vote:

AYES:

NOES:

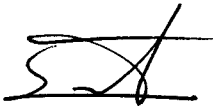
ABSENT:

ABSTAIN:

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

APPROVED AS TO FORM:

ATTEST:



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

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

<b>Lathrop Little League</b>					
<b>Fee Calculations for 2025 Request for Use of Facilities</b>					
<b>Facility</b>	<b>Month Rqstd</b>	<b>Dates</b>	<b>Purpose</b>	<b>Rate/Day</b>	<b>Total Price</b>
6 Baseball Diamonds	February 15 - June 6	Weekdays	Practice	5hrs/80 days	\$ 60,000.00
3 Baseball Diamonds	February 15 - June 6	Saturdays	Games	11hours/17 days	\$ 22,440.00
				10% discount	\$ (8,244.00)
<b>TOTAL</b>					<b>\$74,196.00</b>

<b>City of Lathrop Staffing</b>			
<b>Fee Calculations for 2025 Request Staff Time Associated with Fee Waiver Request</b>			
<b>Event</b>	<b>Title</b>	<b>Hourly Rate</b>	<b>Hrs Rqstd</b>
	Administrative Fee	\$ 34.22	1
<b>TOTAL</b>			<b>\$34.22</b>

**\$74,230.22**

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE A FACILITY FEE WAIVER REQUEST FROM LATHROP LIONS CLUB FOR USE OF CITY FACILITIES TOTALING \$9,414.24**

**WHEREAS**, the City received a Facility Fee Waiver request Lathrop Lions Club in accordance with the City of Lathrop Fee Waiver Policy; and

**WHEREAS**, Lathrop Lions Club submitted a facility fee waiver request for the use of the Lathrop Senior Center and the Scott Brooks Gymnasium to host monthly Bingo, Bunco games, and their annual Craft Fair; and

**WHEREAS**, staff reviewed the request, and recommends Council approval because the requested waiver meets the requirements of the Fee Waiver Policy and is of public benefit, de minimis in nature and not subsidized from other facility fees.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop hereby finds the request to be of public benefit, de minimis in nature and not subsidized from other facility fees and does hereby approve the Facility Fee Waiver for Lathrop Lions Club for the use of the Lathrop Senior Center and Scott Brooks Gymnasium in the amount of \$9,414.24.

**PASSED AND ADOPTED** this 18<sup>th</sup> day of November 2024, by the following vote:

AYES:

NOES:

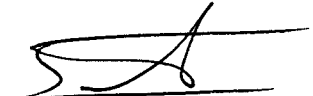
ABSENT:

ABSTAIN:

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

APPROVED AS TO FORM:

ATTEST:

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

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

D

<b>Lathrop Lions Club</b>			
<b>Fee Calculations for 2025 Request for Use of Facilities</b>			
<b>Facility</b>	<b>Dates</b>	<b>Purpose</b>	<b>Rate/Day</b>
Senior Center	1/19, 2/16, 4/27, 5/18, 6/22, 7/20, 8/17, 10/19,	Bunco	\$ 480.00
Scott Brooks Gymnasium	3/16, 9/20	Bingo	\$ 640.00
Scott Brooks Gymnasium	11/21-11/22	Craft Fair	\$ 640.00
<b>TOTAL</b>			<b>\$6,880.00</b>

<b>City of Lathrop Staffing</b>			
<b>Fee Calculations for 2025 Request Staff Time Associated with Fee Waiver Request</b>			
<b>Event</b>	<b>Title</b>	<b>Hrs Rqstd</b>	<b>Rate</b>
	Administrative	1	\$ 34.22
	Recreation Leader	114	\$ 21.93
<b>TOTAL</b>			<b>\$2,534.24</b>

**\$9,414.24**

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE A FACILITY FEE WAIVER REQUEST FROM LATHROP SUNRISE ROTARY FOR USE OF CITY FACILITIES TOTALING \$762.37**

**WHEREAS**, the City received a Facility Fee Waiver request Lathrop Sunrise Rotary in accordance with the City of Lathrop Fee Waiver Policy; and

**WHEREAS**, Lathrop Sunrise Rotary submitted a facility fee waiver request for the use of the Lathrop Senior Center on November 27, 2025 to host their free community Thanksgiving dinner; and

**WHEREAS**, staff reviewed the request, and recommends Council approval because the requested waiver meets the requirements of the Fee Waiver Policy and is of public benefit, de minimis in nature and not subsidized from other facility fees.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop hereby finds the request to be of public benefit, de minimis in nature and not subsidized from other facility fees and does hereby approve the Facility Fee Waiver for Lathrop Sunrise Rotary for the use of the Lathrop Senior Center in the amount of \$762.37.

**PASSED AND ADOPTED** this 18<sup>th</sup> day of November 2024, by the following vote:

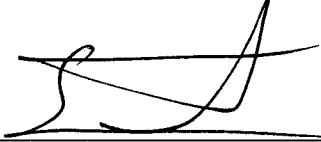
AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED AS TO FORM:



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

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

ATTEST:

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

F.

<b>Lathrop Sunrise Rotary</b>			
<b>Fee Calculations for 2025 Request for Use of Facilities</b>			
<b>Facility</b>	<b>Dates</b>	<b>Purpose</b>	<b>Rate/Day</b>
Senior Center	27-Nov	Thanksgiving Dinner	\$ 540.00
<b>TOTAL</b>			<b>\$540.00</b>

<b>City of Lathrop Staffing</b>			
<b>Fee Calculations for 2025 Request Staff Time Associated with Fee Waiver Request</b>			
<b>Event</b>	<b>Title</b>	<b>Hrs Rqstd</b>	<b>Rate</b>
	Administrative	1	\$ 25.00
	Recreation Leader	9	\$ 21.93
<b>TOTAL</b>			<b>\$222.37</b>

**\$762.37**



**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE A FACILITY FEE WAIVER REQUEST FROM ALCOHOLICS ANONYMOUS FOR USE OF CITY FACILITIES TOTALING \$5,227.22**

**WHEREAS**, the City received a Facility Fee Waiver request from Alcoholics Anonymous in accordance with the City of Lathrop Fee Waiver Policy; and

**WHEREAS**, Alcoholics Anonymous submitted a facility fee waiver request for the use of the Lathrop Community Center Multi-Purpose Room to host weekly meetings; and

**WHEREAS**, staff reviewed the request, and recommends Council approval because the requested waiver meets the requirements of the Fee Waiver Policy and is of public benefit, de minimis in nature and not subsidized from other facility fees.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop hereby finds the request to be of public benefit, de minimis in nature and not subsidized from other facility fees and does hereby approve the Facility Fee Waiver for Alcoholics Anonymous for the use of the Lathrop Community Center Multi-Purpose Room in the amount of \$5,227.22.

**PASSED AND ADOPTED** this 18<sup>th</sup> day of November 2024, by the following vote:

AYES:

NOES:

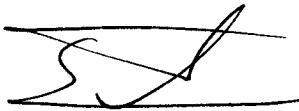
ABSENT:

ABSTAIN:

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

APPROVED AS TO FORM:

ATTEST:



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

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

-H-

<b>Alcoholics Anonymous</b>					
<b>Fee Calculations for 2025 Request for Use of Facilities</b>					
<b>Facility</b>	<b>Dates</b>	<b>Days</b>	<b>Purpose</b>	<b>Rate/Day</b>	<b>Total Price</b>
Multipurpose Room	Jan-Dec	Thursdays	AA Meetings	60day/50days	\$ 3,000.00
<b>TOTAL</b>					<b>\$3,000.00</b>

<b>City of Lathrop Staffing</b>			
<b>Fee Calculations for 2025 Request Staff Time Associated with Fee Waiver Request</b>			
<b>Event</b>	<b>Title</b>	<b>Hrs Rqstd</b>	<b>Rate</b>
	Administrative	1	\$ 34.22
	Recreation Leader	100	\$ 21.93
<b>TOTAL</b>			<b>\$2,227.22</b>

**\$5,227.22**

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**ITEM: APPROVE A MASTER AGREEMENT WITH NBS GOVERNMENT FINANCE GROUP DBA NBS TO PROVIDE SPECIAL DISTRICT ADMINISTRATION SERVICES**

**RECOMMENDATION: Adopt Resolution to Approve a Master Agreement with NBS Government Finance Group to Provide Special District Administration Services**

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**SUMMARY:**

Since 2004, the City of Lathrop has been receiving special district administration support from NBS Government Finance Group (NBS). NBS provides comprehensive district administration services to assist the City with maintaining assessment district data, preparing tax roll levies, managing delinquencies, analyzing arbitrage rebates, providing on-going continuing disclosure reporting, and preparing annual reports as required by county, state and federal agencies. NBS is well-known among many municipalities and is regarded as one of the highest rated special tax administrators with knowledgeable and responsive staff.

The City has continually relied upon NBS to help administer a total of twenty-seven districts, which includes eight maintenance districts, fifteen special tax districts, and four reassessment districts. Each category of district is managed differently and requires an extensive annual process to meet strict deadlines, ensuring the City can maintain high quality services for its community. The original Master Agreement, executed 20 years ago, is still active. Since then, new districts have been created and there have been changes to disclosure filing requirements. The City has requested NBS to provide a new scope of services that includes both existing districts and additional services needed to meet continuing disclosure reporting requirements. Therefore, a new Master Agreement is necessary to incorporate these services and to include new districts established since the Master Agreement was executed in 2004.

**BACKGROUND:**

On January 5, 2004, the City entered into a Master Agreement with NBS to provide special district administration services to fifteen assessment districts that were formed at that time. The Master Agreement remains active today.

Currently the City, with the knowledgeable resources of NBS, administers twenty-seven assessment districts which includes eight maintenance districts, fifteen special tax districts, and four re-assessment districts all listed on the following page. Since the original Master Agreement was executed 20 years ago, a total of twelve new districts have been created.

**CITY MANAGER'S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**APPROVE A MASTER AGREEMENT WITH NBS TO PROVIDE SPECIAL DISTRICT**  
**ADMINISTRATION SERVICES**

Maintenance Districts:

- Industrial Lighting Maintenance
- Mossdale Lighting & Landscaping Maintenance
- Residential Lighting Maintenance
- Stonebridge Drainage & Lighting Maintenance
- Stonebridge Landscape Maintenance
- Woodfield Park Lighting & Landscape Maintenance
- City Zone 1 Storm Drainage
- City Zone 1A Storm Drainage

Special Tax Districts (CFD):

- CFD No. 2003-1 (Mossdale Village)
- CFD No. 2003-2 (Joint WW Project)
- CFD 2004-1 (Mossdale Services)
- CFD 2005-1 (Historic Lathrop Services)
- CFD 2013-1 (River Island Services)
- CFD 2018-1 Area 1 (CLSP Facilities)
- CFD 2018-1 Area 2 (CLSP Facilities)
- CFD 2018-1 Area 3 (CLSP Facilities)
- CFD 2018-1 Area 4 (CLSP Facilities)
- CFD 2018-1 Area 5 (CLSP Facilities)
- CFD 2019-1 (South Lathrop Services)
- CFD 2019-2 (Central Lathrop Services)
- CFD 2021-1 (Gateway Business Park)
- CFD 2023-1 (River Island Services & Facilities)
- CFD 2024-1 (Eagles Landing Services)

Reassessment Districts (1915 Act AD):

- Sanitary Sewer Assessment District No. 1
- Crossroad Assessment District Series 2015
- Reassessment District No. 2015-1 Mossdale Village
- Reassessment District No. 2023-1 Mossdale Village

Maintenance districts are created to fund the costs of ongoing maintenance and operations of improvements which includes landscaping, parks, street lighting, and storm drainage that provide special benefits to properties in certain areas of the City. Special tax districts, also known as Community Facilities Districts (CFD), are formed in developing areas to fund needed infrastructure to service current and future residents within the proposed developing areas. Reassessment districts are created to fund major capital improvements related to water and sewer infrastructures.

Each type of district is managed differently and requires an extensive annual process to meet strict deadlines, ensuring that the City can maintain high quality services for its community. Over the years, there have been changes to the disclosure filing requirements needing additional services from NBS to prepare the necessary reports. These requirements may include submissions to the California Debt and Investment Advisory Commission, the State Controller's Office, the Municipal Securities

**CITY MANAGER'S REPORT** **PAGE 3**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**APPROVE A MASTER AGREEMENT WITH NBS TO PROVIDE SPECIAL DISTRICT**  
**ADMINISTRATION SERVICES**

Rulemaking Board, and the Securities and Exchange Commission.

In light of these changes, the City has requested NBS to provide a new scope of services that includes both existing districts and additional services required for ongoing disclosure reporting requirements. Therefore, a new Master Agreement with NBS is necessary to include these services and to include new districts established since the original Master Agreement was executed in 2004.

NBS has been providing comprehensive district administration services to help the City manage assessment district data, prepare tax roll levies, manage delinquencies, analyze arbitrage rebates, provide on-going continuing disclosure reporting, and prepare annual reports as mandated by county, state and federal agencies. NBS is well-known among many municipalities and is regarded as one of the highest rated special tax administrators with knowledgeable and responsive staff. For these reasons, a formal request for proposals process was not used to procure NBS for these specialized services, pursuant to Lathrop Municipal Code 2.36.110 (A) which exempts professional services from bidding procedures.

City staff anticipates that residential and commercial development will continue to expand, especially in Central Lathrop and River Islands development areas. This growth will create a need for new district formations and ongoing district administration services.

**REASON FOR RECOMMENDATION:**

Given the high level of expertise and quality of service provided by NBS, Staff is recommending that Council adopt a resolution approving a Master Agreement with NBS to continue providing special district administration services for the City.

**FISCAL IMPACTS:**


The district administration services provided by NBS are funded through the special tax and assessments revenues collected from the districts following the levy of assessments. The expenditures for these services are appropriated in each of the district's operating budget.

**ATTACHMENTS:**

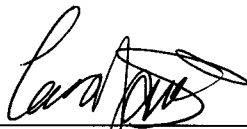
- A. Resolution to Approve Master Agreement with NBS to Provide Special District Administration Services
- B. City of Lathrop Master Agreement between the City of Lathrop and NBS

**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**APPROVE A MASTER AGREEMENT WITH NBS TO PROVIDE SPECIAL DISTRICT**  
**ADMINISTRATION SERVICES**

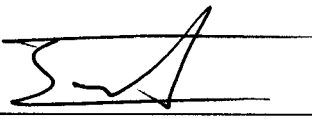
**APPROVALS:**

  
\_\_\_\_\_  
Chia Lor  
Senior Accountant

10.28.2024  
\_\_\_\_\_  
Date

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

10/31/2024  
\_\_\_\_\_  
Date

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

10-31-2024  
\_\_\_\_\_  
Date

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

11 / 4 / 2024  
\_\_\_\_\_  
Date

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

11.14.24  
\_\_\_\_\_  
Date



**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING A MASTER AGREEMENT WITH NBS GOVERNMENT FINANCE GROUP DBA NBS TO PROVIDE SPECIAL DISTRICT ADMINISTRATION SERVICES**

**WHEREAS**, on January 5, 2004, the City entered into a Master Agreement with NBS to provide special district administration services to fifteen assessment districts that were formed at that time; and

**WHEREAS**, NBS provides comprehensive district administration services to assist the City with maintaining assessment district data, preparing tax roll, managing delinquencies, analyzing arbitrage rebates, providing on-going continuing disclosure reporting, and preparing annual reports as required by county, state and federal agencies; and

**WHEREAS**, the City has continually relied upon NBS to help administer a total of twenty-seven districts, which include eight maintenance districts, fifteen special tax districts, and four reassessment districts; and

**WHEREAS**, each type of district is managed differently and requires an extensive annual process to meet strict deadlines ensuring that the City can maintain high quality services for its community; and

**WHEREAS**, since the original Master Agreement was executed 20 years ago new districts have been created and there have been changes to disclosure filing requirements; and

**WHEREAS**, the City has requested NBS to provide a new scope of services that includes both existing districts and additional services required for ongoing disclosure reporting requirements; and

**WHEREAS**, NBS is well-known among many municipalities and is regarded as one of the highest rated special tax administrators with knowledgeable and responsive staff; and

**WHEREAS**, a formal request for proposals process was not used to procure NBS for these specialized services, pursuant to Lathrop Municipal Code 2.36.110 (A) which exempts professional services from bidding procedures;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop does hereby approve a Master Agreement with NBS Government Finance Group dba NBS to provide Special Districts Administration Services.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

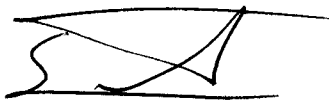
ABSENT:

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

ATTEST:

APPROVED AS TO FORM:

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

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

**CITY OF LATHROP  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION  
SERVICES BETWEEN THE CITY OF LATHROP AND NBS  
GOVERNMENT FINANCE GROUP, DBA NBS**

**THIS AGREEMENT**, dated for convenience this 18th day of November 2024, is by and between **NBS** ("CONSULTANT") and the **CITY OF LATHROP**, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, CITY desires district administration services in connection with special assessment districts, and

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to perform special services which will be required by this agreement;

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

**WHEREAS**, CONSULTANT is willing to render such professional services, as hereinafter defined, on the following terms and conditions; and

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

**AGREEMENT**

**(1) Scope of Service**

CONSULTANT agrees to perform special district administration services described in conformance with the CONSULTANT's scope of services attached hereto as Exhibit "A" and with each approved Task Order submitted by the CONSULTANT incorporated herein by this reference. CONSULTANT agrees to diligently perform these services in accordance with the upmost standards of its profession and CITY'S satisfaction.

**(2) Compensation**

CITY hereby agrees to pay CONSULTANT the amounts provided in Exhibit "B" and with each approved Task Order for Special District Administration Services as requested by the City. City agrees to pay CONSULTANT within thirty (30) days of receipt of billings containing all information required per Paragraph 5 below. In no event shall CONSULTANT be entitled to compensation for work not included in Exhibit "A" or in an approved Task Order Scope of Work 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.

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

**(3) Effective Date and Term**

The effective date of this Agreement is November 18, 2024, and it shall terminate no later than June 30, 2025 provided, that the City may extend this agreement under the same terms and conditions for additional twelve (12) month periods, commencing on July 1 of each year and terminating on June 30 of each subsequent year. Each such extension shall be automatic unless CONSULTANT is given thirty (30) days written notice of CITY's intention not to extend this agreement.

**(4) Independent Contractor Status**

It is expressly understood and agreed by both parties that CONSULTANT, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and not an employee of the CITY. CONSULTANT expressly warrants not to represent, at any time or in any manner, that CONSULTANT is an employee of the CITY.

**(5) Billings**

CONSULTANT shall bill CITY periodically for services render by CONSULTANT. CONSULTANT's bills shall include the following information: a brief description of services performed, the period during which the services were performed, the rates thereof, and the CONSULTANT's signature. Except as specifically authorized by CITY, CONSULTANT shall not bill CITY for duplicate services performed by more than one person. In no event shall CONSULTANT submit any billing for an amount in excess of the maximum amount of compensation provided in section (2) for either task or for the entire Agreement, unless modified by a properly executed change order.

**(6) Advice and Status Reporting**

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

**(7) Assignment of Personnel**

CONSULTANT shall assign only competent personnel to perform services pursuant to this Agreement. If CITY asks CONSULTANT to remove a person assigned to the work called for under this Agreement, CONSULTANT agrees to do so immediately, regardless of the reason, or the lack of a reason, according to the CITY'S request. The services shall be performed by, or under the direct supervision, of CONSULTANT's Authorized Representative: **Kristin Harvey**, CONSULTANT shall not replace its Authorized Representative without the prior written approval by the CITY.

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

**(8) Confidentiality**

- (a) General. CONSULTANT agrees not to disclose any data submitted to CONSULTANT by CITY or obtained without the prior approval of the CITY, provided, however, that CONSULTANT shall not be required to keep confidential any information that is (i) publicly available from other sources, or (ii) required to be disclosed to governmental authorities.
- (b) Public Statements. CONSULTANT shall not issue nor cause the issuance of any public statement in a way regarding the Services without CITY'S prior approval.
- (c) Public Release of Information. CONSULTANT shall not release any information concerning the Services or CITY without CITY'S prior approval. CONSULTANT shall provide for CITY'S approval of both the material sought to be released and the identity of the publisher of such material.
- (d) Survival. The provisions of this Agreement governing the confidentiality of material delivered to or generated by CONSULTANT during the Term of this Agreement shall survive the termination or cancellation of this Agreement.

**(9) Assignment and Subcontracting**

It is recognized by the parties hereto that a substantial inducement to CITY for entering into this Agreement was, and is, the professional reputation and competence of CONSULTANT. Neither this Agreement nor any interest therein may be assigned by CONSULTANT without the prior written approval of CITY'S City Manager. CONSULTANT shall not subcontract any portion of the performance contemplated and provided for herein, other than the subcontractors noted in the proposal, without prior written approval of the CITY'S authorized representative.

**(10) Insurance**

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

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

- (a) Workers' Compensation. CONSULTANT shall, at CONSULTANT'S sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by CONSULTANT. Said Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than one million dollars. In the alternative, CONSULTANT may rely on a self-insurance program to meet these requirements provided that the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the CONSULTANT, if a program of self-insurance is provided, shall waive all rights of subrogation against the CITY for loss arising from work performed under this Agreement.
- (b) Commercial General and Automobile Liability Insurance. CONSULTANT, at CONSULTANT'S own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than one million dollars per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

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

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

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

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

officers, employees, agents, or volunteers.

- (ii) The insurance shall cover on an occurrence or an accident basis, and not on a claim made basis.
  - (iii) An endorsement must state that coverage is primary insurance and that no other insurance affected by the CITY will be called upon to contribute to a loss under the coverage.
  - (iv) Any failure of CONSULTANT to comply with reporting provisions of the policy shall not affect coverage provided to CITY and its officers, employees, agents, and volunteers.
  - (v) Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A: VII.
  - (vi) Notice of cancellation or non-renewal must be received by CITY at least thirty days prior to such change.
- (c) Professional Liability. CONSULTANT, at CONSULTANT'S own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than One Million Dollars (\$1,000,000) per claim made and per policy aggregate covering the licensed professionals' errors and omissions, as follows:
- (i) Any deductible or self-insured retention shall not exceed \$150,000 per claim.
  - (ii) Notice of cancellation, material change, or non-renewal must be received by the CITY at least thirty days prior to such change shall be included in the coverage or added as an endorsement to the policy.
  - (iii) The following provisions shall apply if the professional liability coverages are written on a claims made form:
    1. The retroactive date of the policy must be shown and must be before the date of the Agreement.
    2. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
    3. If coverage is canceled or not renewed and it is not

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

replaced with another claims made policy form with a retroactive date that precedes the date of this Agreement, CONSULTANT must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The CITY shall have the right to exercise at the CONSULTANT'S cost, any extended reporting provisions of the policy should the CONSULTANT cancel or not renew the coverage.

4. A copy of the claim reporting requirements must be submitted to the CITY prior to the commencement of any work under this Agreement.
- (d) Deductibles and Self-Insured Retentions. CONSULTANT shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. During the period covered by this Agreement, upon express written authorization of the CITY's City Manager, CONSULTANT may increase such deductibles or self-insured retentions with respect to CITY, its officers, employees, agents, and volunteers. The CITY's City Manager may condition approval of an increase in deductible or self-insured retention levels upon a requirement that CONSULTANT procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
  - (e) Notice of Reduction in Coverage. In the event that any coverage required under subsections (a), (b), or (c) of this section of the Agreement is reduced, limited, or materially affected in any other manner, CONSULTANT shall provide written notice to CITY at CONSULTANT'S earliest possible opportunity and in no case later than five days after CONSULTANT is notified of the change in coverage.
  - (f) In addition to any other remedies CITY may have if CONSULTANT fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:
    - (i) Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
    - (ii) Order CONSULTANT to stop work under this Agreement or withhold any payment which becomes due to CONSULTANT hereunder, or both stop work and withhold any payment, until



**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

CONSULTANT demonstrates compliance with the requirements hereof;

- (iii) Terminate this Agreement.

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

**(11) Indemnification - CONSULTANT'S Responsibility**

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

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

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

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

**(12) Licenses**

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

**(13) Business Licenses**

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

**(14) Termination**

Either CITY or CONSULTANT may cancel this Agreement upon 30 days written notification to the other party. In the event of termination, the CONSULTANT shall be entitled to compensation for services performed to the effective date of termination; provided, however, that the CITY may condition payment of such compensation upon CONSULTANT'S delivery to the CITY of any or all documents, photographs, computer software, video and audio tapes, and other materials provided to CONSULTANT or prepared by or for CONSULTANT or the CITY in connection with this Agreement.

**(15) Funding**

CONSULTANT agrees and understands that renewal of this agreement in subsequent years is contingent upon action by the City Council consistent with the appropriations limits of Article XIII (B) of the California Constitution and that the Council may determine not to fund this agreement in subsequent years.

**(16) Notices**

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

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

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

Copy to: City of Lathrop  
Finance Department  
390 Towne Centre Drive  
Lathrop, CA 95330

Main: (209) 941-7320  
Fax: (209) 941-7339

To Consultant: NBS Government Finance Group  
32605 Temecula Parkway  
Suite 100  
Temecula, CA 92592

**(17) Miscellaneous**

- (a) Consent. Whenever in this Agreement the approval or consent of a party is required, such approval or consent shall be in writing and shall be executed by a person having the express authority to grant such approval or consent.
- (b) Controlling Law. The parties agree that this Agreement shall be governed and construed by and in accordance with the Laws of the State of California.
- (c) Definitions. The definitions and terms are as defined in these specifications.
- (d) Force Majeure. Neither party shall be deemed to be in default on account of any delay or failure to perform its obligations under this Agreement, which directly results from an Act of God or an act of a superior governmental authority.
- (e) Headings. The paragraph headings are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.
- (f) Incorporation of Documents. All documents constituting the Agreement documents described in Section 1 hereof and all

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

documents which may, from time to time, be referred to in any duly executed amendment hereto are by such reference incorporated in the Agreement and shall be deemed to be part of this Agreement.

- (g) Integration. This Agreement and any amendments hereto between the parties constitute the entire Agreement between the parties concerning the Project and Work, there are no other prior oral or written agreements between the parties that are not incorporated in this Agreement.
- (h) Modification of Agreement. This Agreement shall not be modified or be binding upon the parties unless such modification is agreed to in writing and signed by the parties.
- (i) Provision. Any agreement, covenant, condition, clause, qualification, restriction, reservation, term or other stipulation in the Agreement shall define or otherwise control, establish or limit the performance required or permitted or to be required of or permitted by either party. All provisions, whether covenants or conditions, shall be deemed to be both covenants and conditions.
- (j) Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the provisions of this Agreement not so affected shall remain in full force and effect.
- (k) Status of CONSULTANT. In the exercise of rights and obligations under this Agreement, CONSULTANT acts as an independent contractor and not as an agent or employee of CITY. CONSULTANT shall not be entitled to any rights and benefits accorded or accruing to the City Council members, officers or employees of CITY, and CONSULTANT expressly waives any and all claims to such right and benefits.
- (l) Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and shall apply to and bind, the successors and assigns of the parties.
- (m) Time of the Essence. Time is of the essence of this Agreement and each of its provisions. In the calculation of time hereunder, the time in which an act is to be performed shall be computed by excluding the first Day and including the last. If the time in which an act is to be performed falls on a Saturday, Sunday or any Day observed as a legal holiday by CITY, the time for performance shall be extended to the following Business Day.

**CITY OF LATHROP – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

- (n) Venue. In the event that suit is brought by either party hereunder, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of San Joaquin or in the United States District Court for the Eastern District of California.
- (o) Recovery of Costs. The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs, including reasonable attorney's fees, incurred or expended in connection with such action against the non-prevailing party.

**(18) 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 insurances have been received. City shall not be obligated to pay CONSULTANT for any services prior to issuance of the Notice to Proceed.


**(19) 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 – NBS  
MASTER AGREEMENT FOR SPECIAL DISTRICT ADMINISTRATION SERVICES**

Approved as to Form:

City of Lathrop  
City Attorney

  
\_\_\_\_\_  
Salvador Navarrete 10-24-2024  
Date

Recommended for Approval:

City of Lathrop  
Director of Finance

\_\_\_\_\_  
Cari James Date

Approved By:

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

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

CONSULTANT:

NBS Government Finance Group  
32605 Temecula Parkway  
Suite 100  
Temecula, CA 92592

Fed ID # \_\_\_\_\_  
Business License # \_\_\_\_\_

\_\_\_\_\_  
Michael Rentner Date  
President and Chief Executive Officer

# EXHIBIT A

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## CONSULTANT SCOPE OF SERVICES

### 1915 Act Assessment District Administration

#### KICK-OFF MEETING, PROJECT SCHEDULE

NBS will meet with City staff, legal counsel and other interested parties to:

- Establish lines of communication.
- Clarify the specific project goals and criteria that will meet the City's preference.
- Identify and resolve any special circumstances that may be involved in the administration of the districts.
- Develop project schedules to meet legal requirements and provide for effective interaction of all involved parties.
- Establish meeting dates consistent with schedule to achieve project milestones.

#### DATA COLLECTION

NBS will gather and review data relevant to the administration of the Assessment District. Data will be obtained from various sources, including City records, Assessor's parcel maps, and County Assessor information. NBS will maintain and periodically update a database of all parcels within the district along with relevant parcel information.

#### POLICY REVIEW

NBS will review policies and procedures that have been established by the City for compliance with the governing documents and law. These policies will be incorporated into our service to the City.

#### COST RECOVERY

NBS will assist the City in identifying all costs associated with the administration of the Assessment District and recover those costs through the levy process as outlined in §8682 and §8682.1 of the California Streets and Highways Code. These costs may include, but not be limited to Registrar/Transfer/Paying Agent fees, Arbitrage Rebate calculation fees, bank fees, and expenses of the City and its consultants related to the administration of the district.

#### FUND ANALYSIS

NBS will determine the balance requirements and acquire the current cash balances for the district. We will make recommendations to ensure that the flow of funds and fund balances are in compliance with bond documents. Cash flow analysis will also be performed to determine any levy shortfall or surplus.

#### LEVY SUBMITTAL

NBS will submit the levy to the County Auditor-Controller in the required format. Assessments rejected by the County Auditor-Controller will be researched and resubmitted for collection on the County Tax

Roll. Any parcels that are not accepted by the County for collection will be invoiced with payment to be directed to the City.

#### **MAINTAIN DISTRICT DATA**

NBS will annually track all parcel changes to ensure that all changes are documented. Historical parcel change and assessment apportionment data will be maintained by NBS.

#### **ANNUAL REPORT**

NBS will provide a comprehensive Annual Report that will show a detailed listing of the amounts submitted to the County or directly billed for collection, details of delinquent assessments, fund analysis, paid off parcels, all bond call activity, and assessed valuation information.

#### **DELINQUENCY MONITORING**

NBS will provide a comprehensive list of delinquencies after each installment becomes due. The delinquency report will provide the district's overall delinquency percentage as well as a detailed list of each delinquent parcel, with the name and address of the delinquent parcel owner, the delinquent amount, and penalties.

#### **PREPAYMENT CALCULATION/AMORTIZATION SCHEDULE**

NBS will provide assessment prepayment calculations and amortization schedules to interested parties. The requester will pay the cost of this service; however, there will be no charge to the City or property owners.

#### **BOND CALLS**

NBS will prepare the spread of principal to be called within maturities for all bond calls and coordinate the call with the Paying Agent/Trustee.

#### **RELEASE OF LIENS**

NBS will prepare all documents required to release the liens of parcels that have prepaid the assessment.

#### **NOTICE OF SPECIAL ASSESSMENT**

NBS will provide a "Notice of Special Assessment" disclosure notice to requesting parties as required by §53754 of the Government Code of the State of California. The fee of any Notice of Special Assessment shall be paid by the party requesting the disclosure notice.

#### **SENATE BILL 1029 CDIAC REPORTING**

NBS will perform necessary reporting to the California Debt and Investment Advisory Commission as required by California Government Code Section 8855(k), including filing the report online by the January 31st annual deadline. This report is subject to additional fees per bond issue based on the requirements.



## **CONSULTING SUPPORT**

NBS will provide a toll-free phone number for use by the City, other interested parties and all property owners. Our staff will be available to answer questions regarding the formation and ongoing collection of assessments for the district. Bilingual staff is available for Spanish-speaking property owners.

## **COUNTY ASSESSOR REPORTING**

NBS will work with the County Assessor to aid in complying with the requirements of Revenue & Taxation Code 163. This includes providing data such as parcel number, original assessment and current principal balance to the County Assessor.

## **Community Facilities District Administration (Bonded)**

### **KICK-OFF MEETING, PROJECT SCHEDULE**

NBS will meet with City staff, legal counsel and other interested parties to:

- Establish lines of communication.
- Clarify the specific project goals and criteria that will meet the City's preference.
- Identify and resolve any special circumstances that may be involved in the administration of the districts.
- Develop project schedules to meet legal requirements and provide for effective interaction of all involved parties.
- Establish meeting dates consistent with schedule to achieve project milestones.

### **DATA COLLECTION**

NBS will gather and review data pertinent to the administration of the Community Facilities District. Data will be obtained from various sources such as Assessor's parcel maps, building permits and County Assessor information as determined to be necessary based on the requirements of the Rate and Method of Apportionment. NBS will maintain and periodically update a database of all parcels within the district, along with relevant parcel information.

### **ADMINISTRATIVE COST RECOVERY**

NBS will identify all costs associated with the administration of the Community Facilities District and recover those costs through the levy process as outlined in §53317(e) and §53340 of the Government Code of the State of California. Such costs may include, but are not to be limited to: Bank fees, legal fees, county tax collection fees, and all costs and expenses of the City Council and its consultants related to district administration.

### **CASH FLOW ANALYSIS**

NBS will determine the cash flow requirement, acquire current fund balances and make recommendations to keep the flow of funds and fund balances in compliance with the bond documents. Fund transfers might include the transfer of available surplus funds to be used as levy credits or the transfer of reserve funds to the redemption fund upon the prepayment of special taxes. Cash flow analysis will also be performed to determine any levy shortfall or surplus collections.

### **SPECIAL TAX REQUIREMENT**

NBS will calculate the annual Special Tax Requirement that will include all necessary components as outlined in the Rate and Method of Apportionment, such as principal and interest due, administrative expenses, collection for direct financing of services or facilities, and a fund credit or replenishment as determined from analysis of the district funds.

### **LEVY CALCULATION**

NBS will calculate the annual special tax levy for each parcel within the Community Facilities District following the guidelines established in the Rate and Method of Apportionment.

### **MEETING ATTENDANCE**

NBS will attend up to two (2) City Council meetings related to district administration, as requested by the City. NBS will attend additional meetings as requested by the City subject to additional expenses for time and travel.

### **LEVY SUBMITTAL**

NBS will submit the levy to the County Auditor-Controller in the required format. Special Taxes rejected by the County Auditor-Controller will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not submitted by the County for collection will be invoiced with payment to be directed to the City.

### **MAINTAIN DISTRICT DATA**

NBS will annually track all parcel changes to ensure that all changes are documented. Historical parcel change data will be maintained by NBS.

### **SPECIAL TAX LEVY REPORT**

NBS will provide an annual Special Tax Levy Report. This report will include a parcel listing with levy amounts and other parcel information, the details of the annual Special Tax Requirement, current delinquency information, fund analysis, administrative expenses to be recovered, and status of the project and current issues affecting the district.

### **DELINQUENCY MONITORING**

NBS will provide a comprehensive list of delinquencies after each installment becomes due. The delinquency report will provide the district's overall delinquency percentage as well as a detailed list of each delinquent parcel, with the name and address of the delinquent parcel owner, the delinquent amount, and penalties.

### **PREPAYMENT CALCULATIONS**

NBS will provide special tax prepayment calculations to interested parties. The party requesting the calculation shall pay the fee of any prepayment calculation.

## **BOND CALLS**

NBS will prepare the spread of principal to be called within maturities for all bond calls and coordinate the call with the Paying Agent/Trustee.

## **RELEASE OF LIENS**

NBS will prepare all documents required to release the liens of parcels that have prepaid the special tax.

## **CDIAC REPORTING**

NBS will perform the necessary reporting to the California Debt and Investment Advisory Commission as required by the Government Code of the State of California.

For each of the following reporting requirements, NBS will review all pertinent documents and obtain the information needed to:

- Prepare and file the report online as required by GC §53359.5(b) and §53359.5(c) by the October 30th annual deadline.  
Prepare and file the report online as required by GC §8855(k) by the January 31st annual deadline.  
This report is subject to additional fees per bond issue based on the requirements.

## **ADDITIONAL REPORTING**

NBS will be a resource to the City by staying current and identifying any new legislation and reporting requirements as they relate to the CFD.

For each of the following reporting requirements, NBS will review all pertinent documents and obtain the information needed to:

- Prepare the required reporting to the California State Controller's Office California Government Code, Section 12463.2, enacted as part of AB 2109. Provide to City staff for inclusion in the annual financial transaction report.
- Assist in the filing of the SB 165 report to the City Council each year to comply with legislation that enforces additional reporting requirements. California Government Code, Sections 50075.3 or 53411.
- Prepare other reports as required by any State and/or Federal disclosure reporting requirements pertaining to each CFD, as applicable, amended, or newly enacted and required. This may be subject to additional fee.

## **NOTICE OF SPECIAL TAX DISCLOSURE**

NBS will provide Notice of Special Tax Disclosure notices to requesting parties as required by §53340.2 and §53341.5 of the Government Code of the State of California. The fee of any Notice of Special Tax shall be billed to the requesting party.

## **CONSULTING SUPPORT**

NBS will provide a toll-free phone number for use by the City, other interested parties and property owners. Our staff will be available to answer questions regarding the CFD and ongoing collection of the special tax. Bilingual staff is available for Spanish-speaking property owners.

## **Community Facilities District Administration (Non-Bonded)**

### **DATA COLLECTION**

NBS will gather and review data pertinent to the administration of the Community Facilities District (CFD). Data will be obtained from various sources such as assessor's parcel maps, building permits and county assessor information as determined to be necessary based on the requirements of the Rate and Method of Apportionment. NBS will maintain and periodically update a database of all parcels within the CFD and relevant parcel information.

### **ADMINISTRATIVE COST RECOVERY**

NBS will assist the City in identifying all costs associated with the administration of the CFD and recover those costs through the levy process as outlined in §53317(e) and §53340 of the Government Code of the State of California. Such costs may include, but are not to be limited to: bank fees, legal fees, county tax collection fees, and costs and expenses of the City and its consultants related to administration of the CFD.

### **SPECIAL TAX REQUIREMENT**

NBS will calculate the annual Special Tax Requirement that will include all necessary components as outlined in the Rate and Method of Apportionment, such as funds necessary for authorized services and maintenance, administrative expenses, collection costs for direct financing of services or facilities, and credits as determined from the analysis of the CFD funds.

### **LEVY CALCULATION**

NBS will calculate the annual special tax levy for each parcel within the CFD following the guidelines established in the Rate and Method of Apportionment.

### **MEETING ATTENDANCE**

NBS will attend CFD-related City Council meetings as requested by the City.

### **LEVY SUBMITTAL**

NBS will submit the levy to the County Auditor-Controller in the required format by the County's deadline. Special Taxes rejected by the County Auditor-Controller will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not accepted by the County for collection will be invoiced directly to the parcel owner, with payment to be directed to the City.

### **SPECIAL TAX LEVY REPORT**

NBS will provide an annual Special Tax Levy Report. This report will include a parcel listing with levy amounts and other parcel information, the details of the annual Special Tax Requirement, fund

analysis, administrative expenses to be recovered, and status of the project and current issues affecting the CFD.

### **ADDITIONAL REPORTING**

NBS will be a resource to the City by staying current and identifying any new legislation and reporting requirements as they relate to the CFD.

For each of the following reporting requirements, NBS will review all pertinent documents and obtain the information needed to:

- Prepare the required reporting to the California State Controller's Office California Government Code, Section 12463.2, enacted as part of AB 2109. Provide to City staff for inclusion in the annual financial transaction report.
- Assist in the filing of the SB 165 report to the City Council each year to comply with legislation that enforces additional reporting requirements. California Government Code, Sections 50075.3 or 53411.
- Prepare other reports as required by any State and/or Federal disclosure reporting requirements pertaining to each CFD, as applicable, amended, or newly enacted and required. This may be subject to additional fee.

### **NOTICE OF SPECIAL TAX DISCLOSURE**

NBS will provide Notice of Special Tax Disclosure notices to requesting parties as required by §53340.2 and §53341.5 of the Government Code of the State of California. The fee of any Notice of Special Tax shall be billed to the party requesting the disclosure form.

### **CONSULTING SUPPORT**

NBS will provide a toll-free phone number for use by the City, other interested parties and property owners. Our staff will be available to answer questions regarding the CFD and ongoing collection of the special tax. Bilingual staff is available for Spanish-speaking property owners.

## **1972 Act Landscape Maintenance District (LMD) Administration**

### **KICK-OFF MEETING, PROJECT SCHEDULE**

NBS will meet with City staff, legal counsel and other interested parties to:

- Establish lines of communication.
- Clarify the specific project goals, components and criteria that will meet the City's preference.
- Identify and resolve any special circumstances that may be involved in the administration of the District.
- Develop project schedules to meet legal requirements and provide for effective interfacing of all involved parties.
- Establish meeting points consistent with schedule to achieve project milestones.
- Establish and coordinate with City staff a schedule to assure completion of necessary actions and compliance with statutes.

## **DATABASE DEVELOPMENT**

NBS will update the database with current County Assessor's information including property owner names and addresses, and any other available data that will augment the existing database.

## **BUDGET PREPARATION**

NBS will meet with City staff to review the District budget for the coming fiscal year. This budget will be based on historical costs and actual and/or projected changes in costs and/or improvements to be maintained. Cost categories may include, but are not limited to capital improvements and maintenance costs, incidental costs (engineering, legal, City administration) and reserve funds.

## **ASSESSMENT COMPUTATION AND RATE ANALYSIS**

NBS will compute the assessment for each parcel within the District according to the Method of Assessment. NBS will provide an assessment summary which will include the maximum assessments and current year assessments, separated by zone and method of assessment categories, if applicable.

## **ENGINEER'S REPORT PREPARATION**

NBS will prepare the annual Engineer's Report and provide to City staff. The annual Engineer's Report does not require a Registered Professional Engineer (PE) signature and stamp unless an assessment increase, as defined by Proposition 218, occurs. The Report will consist of:

- District background information.
- A detailed and technically supported Method of Assessment.
- A description of the improvements and services that are being funded by the District.
- A cost estimate for the improvements and services being funded.
- Copy or reference to the original District Diagram.
- A table showing assessment levies by zone and method of assessment categories.
- An Assessment Roll listing assessments by parcel or reference a complete roll on file with the City.

## **REPORT REVIEW AND APPROVAL**

NBS will meet via conference call with City staff to review the Engineer's Report for modifications and approval.

## **NOTICING AND RESOLUTION COORDINATION**

NBS will coordinate activities to ensure that required tasks are completed within the scheduled time frame. NBS will assist the City (or the City's legal counsel) with preparation of any notice of public hearing or other meetings requiring publication. NBS will assist the City (or the City's legal counsel) with preparation of the staff report, all legal notices and the associated resolutions described below:

- Resolution describing improvements, initiating proceedings, and ordering the engineer to prepare and file a report for the City.
- Resolution preliminarily approving the Engineer's Report.
- Resolution of Intention declaring the intention of the City Council to levy and collect assessments and setting a date for the public hearing.

- Resolution authorizing the placement of assessments on the secured property tax bills.

### **PUBLIC HEARING ATTENDANCE**

NBS will attend the public hearing as requested by the City.

### **LEVY SUBMITTAL**

NBS will submit the levy to the County Auditor-Controller in the required format. Assessments rejected by the County Auditor-Controller will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not accepted by the County for collection will be invoiced with payment to be directed to the City.

### **MAINTAIN DISTRICT DATA**

NBS will annually track all parcel changes to ensure that all changes are documented. Historical parcel change data will be maintained by NBS.

### **ANNUAL LEVY REPORT**

NBS will provide an annual Levy Summary Report. The report will include a parcel listing with key rate identifiers and final levy amounts. Parcel and levy data can be provided via an emailed electronic file and printed, if desired.

### **CONSULTING SUPPORT**

NBS shall provide a toll-free phone number for use by the City, other interested parties and all property owners. NBS will be available to answer questions regarding the District and the ongoing collection of assessments. Bilingual staff is available to assist Spanish-speaking property owners.

### **PROPOSITION 218 COMPLIANCE**

NBS has worked with many public agencies to comply with the requirements of Proposition 218. Each agency has different requirements and resources to complete the necessary tasks of assessment balloting procedures. Therefore, NBS recommends an individually tailored approach to Proposition 218 compliance. Fees for such services will be negotiated at the appropriate time.

### **ASSESSMENT DIAGRAM**

NBS will obtain the existing assessment diagram and will make reference to any annexations or parcel changes, as necessary, for an additional fee.

### **ENGINEER SIGNATURE AND STAMP OF ANNUAL ENGINEER'S REPORT (OPTIONAL)**

NBS will have our Registered Professional Engineer (PE) review the Engineer's Report for signature and stamp as requested by the City.

### **CONTINUING DISCLOSURE**

In accordance with the Continuing Disclosure Certificate of the Bonds, NBS will support with the annual disclosure filing requirements of the SEC Continuing Disclosure Rule 15c2-12. Specifically, NBS will perform the following:

## **DOCUMENT REVIEW**

NBS will review pertinent documents of the Bonds, including the Official Statement and Continuing Disclosure Certificate. We will identify material such as the Comprehensive Annual Financial Report and/or other operating data that the City has agreed to provide in the Continuing Disclosure Certificate.

## **DATA COLLECTION**

NBS will collect the bond issue-specific financial information and operating data that the City has agreed to provide in the Continuing Disclosure Certificate.

## **REPORT PREPARATION**

NBS will prepare the Annual Disclosure Report as required in the Disclosure Certificate.

## **ANNUAL DISSEMINATION**

NBS will disseminate the Annual Disclosure Report including City Financials to the Electronic Municipal Market Access system, or EMMA, to other required parties.

## **SIGNIFICANT EVENTS**

NBS will prepare and disseminate a "Notice of Significant Events", as listed on the Continuing Disclosure Certificate, to EMMA, as required in the certificate. Action will commence upon notification by the City of the occurrence of any of the events.

## **CITY'S RESPONSIBILITIES FOR DISCLOSURE SERVICES:**

The City shall:

- Furnish NBS with any pertinent information that is available to the City and applicable to the services.
- Designate a person to act with authority on its behalf in respect to the services.
- Notify NBS of the occurrence of any events listed in the Continuing Disclosure Certificate.
- Promptly respond to NBS' requests for reviews and approvals of its work, and to its requests for decisions related to the services.
- Understand and agree that NBS is entitled to rely on all information, data and documents (collectively, "Information") supplied to NBS by the City or any of its agents, contractors or proxies or obtained by NBS from other usual and customary sources including other government sources or proxies as being accurate and correct and NBS will have no obligation to confirm that such Information is correct and that NBS will have no liability to City or any third party if such Information is not correct.

## **Apportionments**

Parts 10 and 10.5 of the *Streets and Highways Code* detail the methodology and procedure that the City must follow in apportioning the assessment lien on parcels that are reconfigured and/or subdivided. With our experience in district formation and the development of methods of assessment, we are able to ensure that apportionments are properly performed.



Assuming proceeding under the preferred procedure of **Part 10.5**, NBS will perform the following:

#### **APPLICATION FORMS**

NBS will provide apportionment application forms and instructions to the City's Engineering representative for inclusion as a condition of approval for subdivision within an assessment district.

#### **SEGREGATION**

NBS will apportion the special assessment according to the method of spread as described in the Engineer's Report.

#### **NOTICE OF APPORTIONMENT**

NBS will prepare a Notice of Apportionment and send it via certified mail to the issuing underwriter, as required.

#### **ASSESSMENT DIAGRAM**

NBS will prepare an Amended Assessment Diagram and notice. The Diagram and Notice will be filed and recorded with the County Recorder.

#### **AMORTIZATION SCHEDULE**

NBS will prepare an amortization schedule for each newly created assessment.

#### **APPORTIONMENT REPORT**

NBS will prepare and submit to the City an Apportionment Report showing the finalized apportionment and the Amended Assessment Diagram.

In the event proceedings are undertaken under **Part 10**, the following **additional** items are required:

#### **RESOLUTIONS**

NBS will prepare the required resolutions to order the amended assessment, the Amended Assessment Diagram, notices to the property owner, and fix the amount of costs to perform the apportionment.

#### **PUBLIC MEETINGS**

NBS will be available to attend any public meetings required to complete the apportionment.

#### **Delinquency Management**

NBS will develop a comprehensive delinquency management program which includes a discussion and interpretation of the issuer's foreclosure covenant together with a review of the existing policies and procedures of the City. This service can be provided as part of overall annual administration or as a stand-alone service. When deemed as the appropriate course of action, NBS will perform the following.

## **DELINQUENCY REPORTS**

NBS will provide the City with an updated list of delinquencies prior to sending any of the below letters. This report will also detail each district's percentage of delinquencies, as well as a detailed list of each delinquent parcel.

## **REMINDER LETTER**

At the City's direction, send a reminder letter to the property owner of each delinquent parcel for the December 10th installment. The purpose of the letter is to inform and educate the property owner of their obligation to pay the delinquent special tax and/or assessment.

## **DEMAND LETTER**

At the City's direction, send a demand letter to the property owner of each delinquent parcel for the April 10th installment. This letter will be mailed to any property owner who remains delinquent for both installments or who is delinquent for April 10th only. The purpose of this letter is to further educate the property owner and advise them of a potential foreclosure.

## **LIENHOLDER LETTER**

At the City's direction, send a demand letter to the lienholders of loan-defaulted parcels where a Notice of Default has been filed, notifying them of the special tax and/or assessment delinquency and the loss of their lien position when judicial foreclosure occurs. The purpose of this letter is to educate the lienholders and to spur quick payment of delinquencies in order to protect their interest in the property.

## **LIENHOLDER RESEARCH**

At the City's direction, perform detailed search of public records to identify lienholders on non-loan-defaulted parcels. The purpose of this is to allow further communication from the City to educate the lienholders and to spur quick payment of delinquencies in order to protect their interest in the property.

## **FORECLOSURE LETTER**

This type of letter is typically sent after the installments for a parcel have been removed from the tax roll. The letter delineates what amount must be paid directly to the City to forestall the turnover of collection to foreclosure counsel.

## **TAX ROLL REMOVAL AND NOTICE**

NBS will provide the information required to remove delinquencies from the tax roll and coordinate with the County Auditor Controller to verify the removal. This step is in preparation of turning the delinquencies over to foreclosure counsel. Once removed from the tax roll, each property owner will receive one final foreclosure letter indicating the amount due and payment instructions. NBS will file the Notice of Intent to Remove Delinquent Installments and remove such Notice upon payment of the delinquency.

## **PAYMENT PLANS**

At the City's discretion, NBS will offer payment plans to property owners in lieu of turning delinquencies over to the City's foreclosure counsel.

## **SUBSEQUENT FORECLOSURE SERVICES**

NBS will prepare and deliver all information to the City's foreclosure counsel. We will also continue to supply the City's counsel with additional information throughout the foreclosure process. We will continue to respond to property owner and City staff phone calls regarding the status of all cases, and will coordinate and audit status reports on a bi-monthly basis from the City's foreclosure counsel.

## **CONSULTING SUPPORT**

NBS will provide a toll-free phone number for use by the City, other interested parties and all property owners. Our staff will be available to answer questions regarding the formation and ongoing collection of assessments and/or special taxes for the districts. Bilingual staff is available for Spanish-speaking property owners.

## **Arbitrage Rebate**

To assist in compliance with the IRS Code and U.S. Treasury Regulations, NBS will provide the following services, at the fees quoted, through the firm of Bond Logistix, LLC ("BLX"), the premier firm for the provision of these services. The following outlines the specific services provided relating to arbitrage rebate calculation and consulting services.

## **DOCUMENT REVIEW**

Pertinent documents of the issue will be reviewed including the Official Statement, Trust Indenture, Tax Certificate, and IRS form 8038-G to determine whether the issue is subject to the rebate requirement and identify what general and/or elective exceptions are available to the issue.

## **DATA COLLECTION**

Collect third-party data and other statistical, financial, and cash flow information required for the reports.

## **BOND YIELD**

Sources and uses of all proceeds will be identified to determine how the rebate requirement applies to each fund. Produce a debt service schedule for the issue and calculate and/or verify the bond yield.

## **EXCESS EARNINGS CALCULATION**

Trust statements and/or City accounting records will be utilized to create a cash flow report for each fund. These reports will be used to identify all investment activity and interest earnings attributable to the funds. Calculate the arbitrage earnings on investment of funds subject to rebate and determine the issuer's net rebate and/or penalty liability.

## **INVESTMENT YIELD CALCULATION**

The investment yield will be calculated for each fund as a “reality check” to reaffirm the accuracy of the cash flow report. This measure not only ensures the accuracy of the report but also is a useful tool when analyzing investment opportunities.

## **SUMMARY REPORT**

A report will be prepared that summarizes the rebate liability of the issue, identifies the methodology employed, computational assumptions, conclusions, and any recommended changes in record keeping and investment policies. Analyze all transactions and explore every legally permissible avenue to minimize the rebate liability. Identify outstanding proceeds subject to the rebate requirement, and identify the instruments and yields of the investment vehicles utilized by each fund.

## **FILING REQUIREMENT**

NBS will coordinate the preparation and filing of the IRS form 8038-T with the payment as required.

## **REVIEW**

NBS will review the rebate report with City staff and discuss the policies and procedures as they relate to the rebate requirement to ensure compliance with treasury regulations. The review will also be used to determine the necessity of any future calculations.

## **LEGAL COUNSEL**

Engage, upon request and at additional cost, the services of a tax counsel; whereupon, an independent legal opinion shall be rendered. *All BLX reports include a legal opinion from Orrick at no additional charge.*

## **ARBITRAGE COMPLIANCE**

Keep abreast of enforcement actions and changes to the code/regulations that affect arbitrage compliance requirements. Assist, upon request and at additional cost, the City in the event of a rebate calculation audit. Consult, upon request and at additional cost, with respect to the structuring of new bond issues and other matters that will affect any eventual arbitrage liability.



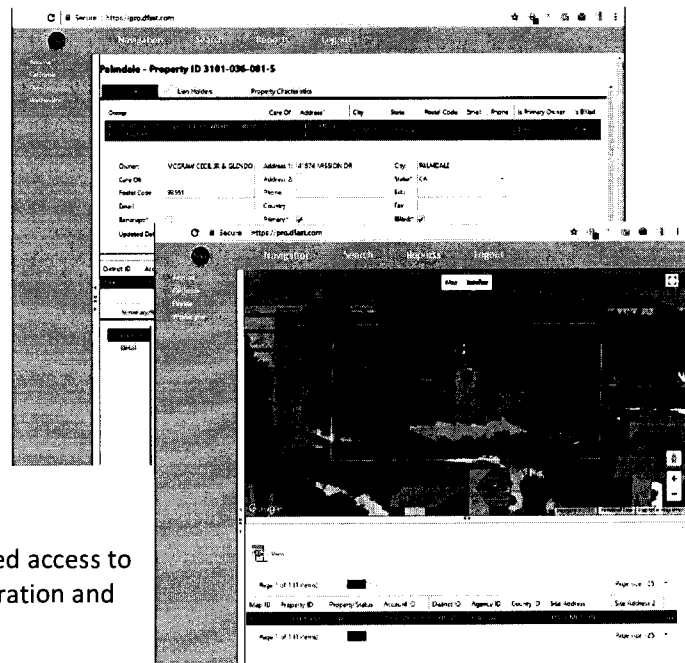
### **D-FAST Online Software**

D-FAST® is an optional service enhancement for the City’s experience that allows direct access to the relevant data. This option is not part of the base Annual Administration services and fees.

NBS developed D-FAST®, an acronym for District Fees, Assessments, and Special Taxes, which has become the industry-leading software. We use this powerful administrative tool in-house to administer a wide range of special taxes, special assessments, and other parcel charges for our clients. It is also licensed to public agencies across the United States for their internal use. D-FAST® is an optional service enhancement for the District’s experience to access the data; however, this selection is completely optional and is not conditional to perform the Annual Administration services.

Our D-FAST® web portal, called **D-FAST® Online Pro**, is available to our clients (small annual subscription fee) and uniquely combines real-time D-FAST data with County parcel boundaries and Google Maps. It provides “real-time” access to districts and underlying parcel data, allowing the City to:

- Gain enhanced insight with integrated Google Map’s satellite imagery, street maps, and 360° street view.
- View ownership, property information, and boundaries for each parcel.
- See detailed billing & payment history for each account.
- Understand a particular parcel’s background and status.
- Confirm if there are overlapping districts on a single parcel.



With **D-FAST® Online Pro**, City staff have enhanced access to the data while NBS still provides the full administration and toll-free phone support.

### Closeout Analysis

The goal of the closeout analysis (“Project”) is to identify any unused funds related to the District and then determine the appropriate disposition of such funds.

### FUND DISPOSITION ANALYSIS

NBS will perform an analysis of all remaining funds to determine their appropriate disposition in accordance with applicable laws, District documents, and City preferences.

### DELINQUENCIES

NBS will verify the payment status for all District parcels against the County’s records. NBS will prepare a detailed delinquency report for the District.

### PARCEL LIST

If it is determined that property owner refunds will be provided, NBS will compile a detailed list of parcels within the District. The list will include property owner names and mailing addresses as shown on the most recent secured roll. The list will also include the lien amount for each parcel. If any parcels within the District do not have a lien amount assigned to them because they have been reconfigured or subdivided, additional work will be required to apportion the lien amounts to the new parcels. This apportionment work is described in the Apportionment of Liens section below, and is subject to additional fees. Any refunds will be processed by the City.

### NOTICE OF COMPLETION

NBS will prepare or obtain a Notice of Completion of Public Work for the improvements related to the District.

## **CLOSEOUT REPORT**

NBS will prepare a detailed Closeout Analysis and Findings Report. The Report will provide a brief history of the District, the fund balances, the results of the Fund Disposition Analysis, a list of delinquencies, the requirements for fund disposition per the formation documents and applicable statutes, instructions for proper fund disposition, and the list of parcels and their refund amount if applicable.

## **RESOLUTIONS**

NBS will prepare any resolutions necessary for the closeout of the District.

## **Apportionment of Liens for Closeout Services**

If any parcels have been reconfigured or subdivided within the District, it may be necessary to apportion certain liens in order to determine each parcel's proportionate share of any refund to be provided. After determining which, if any, parcels require an apportionment, NBS will perform the following:

### **RESEARCH**

NBS will research historical and current Assessor's data including maps in order to determine the current parcel configuration in the District.

### **APPORTIONMENT**

NBS will apportion a lien amount to each of the current parcels in accordance with the method of assessment for the District. The lien amount will be used to determine each parcel's proportionate share of any refund to be provided.

### **REPORT INCLUSION**

NBS will use the apportioned lien amounts in the Refund Analysis and include them in the Closeout Analysis and Findings Report.

## **Arbitrage Rebate for Closeout Services**

To assist in compliance with the IRS Code and U.S. Treasury Regulations, NBS will provide the following services (if necessary) through the firm of BLX Group, LLC ("BLX"), the premiere firm for the provision of these services.

### **DOCUMENT REVIEW**

Pertinent documents of the issue will be reviewed including the Official Statement, Trust Indenture, Tax Certificate, and IRS form 8038-G to determine whether each District is subject to the rebate requirement and to identify what general and/or elective exceptions are available to each District.

### **BOND YIELD**

Sources and uses of all proceeds will be identified to determine how the rebate requirement applies to each fund. A debt service schedule will be produced and the bond yield will be calculated and/or verified for each District.

## **EXCESS EARNINGS**

Trust statements and/or City accounting records will be utilized to create a cash flow report for each fund. These reports will be used to identify all investment activity and interest earnings attributable to the funds. In addition, the arbitrage earnings on investment of funds subject to rebate will be calculated and the City's net rebate and/or penalty liability will be determined.

## **INVESTMENT YIELD**

The investment yield will be calculated for each fund as a "reality check" to reaffirm the accuracy of the cash flow report. This measure not only ensures the accuracy of the report but also is a useful tool when analyzing investment opportunities.

## **REPORTS**

Reports will be prepared that summarize the rebate liability of each District, identify the methodology employed, computational assumptions, conclusions, and any recommended changes in record keeping and investment policies. All transactions will be analyzed and every legally permissible avenue to minimize the rebate liability will be explored. Outstanding proceeds subject to the rebate requirement as well as the instruments and yields of the investment vehicles utilized by each fund will be identified.

## **FORM 8038-T**

NBS will coordinate the preparation and filing of the IRS Form 8038-T with any required payments.

## **Single Fund Closeout Analysis**

### **FUND DISPOSITION ANALYSIS**

NBS will perform an analysis of the remaining Improvement Fund to determine the appropriate disposition in accordance with applicable laws, District documents, and City preferences.

### **PARCEL LIST**

If it is determined that property owner refunds will be provided, NBS will compile a detailed list of parcels within the District. The list will include property owner names and mailing addresses as shown on the most recent secured roll. The list will also include the assessment lien amount for each parcel. If any parcels within the District do not have a lien amount assigned to them because they have been reconfigured or subdivided, additional work will be required to apportion the lien amounts to the new parcels. This apportionment work is described in the Apportionment of Liens section below and is subject to additional fees. Any refunds will be processed by the City.

### **NOTICE OF COMPLETION**

NBS will prepare or obtain a Notice of Completion of Public Work for the improvements related to the District.

### **CLOSEOUT REPORT**

NBS will prepare a detailed Closeout Analysis and Findings Report. The Report will provide a brief history of the District, the Improvement Fund balance, the results of the Fund Disposition Analysis, the requirements for fund disposition per the formation documents and applicable statutes, instructions

for proper fund disposition, new auditor's records to reflect the adjusted principal amount of the remaining assessment, and a list of parcels and their refund amount, if applicable.

## **RESOLUTIONS**

NBS will prepare any resolutions necessary for the closeout of the District's Improvement Fund.

### **City Responsibilities for Closeout Services**

The City shall furnish NBS with any pertinent information that is available to the City and applicable to the project. The City shall designate a person to act with authority on its behalf with respect to the project. The City shall promptly respond to requests for review and approval of work prepared by NBS, and to requests for decisions related to the project.

The City understands and agrees that NBS is entitled to rely upon all information and documents supplied to NBS by the City or any of its agents or contractors and other government sources or proxies thereof as being accurate and correct, that NBS will have no obligation to confirm that such information and documentation is correct, and that NBS will have no liability to the City or any third party if such information is not correct.

It is strongly recommended the City seek approval from the City's legal counsel prior to proceeding with any disposition of funds recommended in the Closeout Analysis and Findings Report.



# EXHIBIT B

## COMPENSATION FOR SERVICES

### Administration Services

District Name	Fiscal Year 2024/25
<b>1915 Act Assessment Districts</b>	
Sanitary Sewer Assessment District No. 1	\$7,175.74
Crossroads Assessment District Series 2015	\$4,484.83
Reassessment District No. 2015-1 (Mossdale Village)	\$8,192.90
Reassessment District No. 2023-1 (Mossdale Village)	\$8,145.91
<b>Total</b>	<b>\$27,999.38</b>

<b>Bonded Community Facilities Districts</b>	
CFD No. 2003-1 (Mossdale Village)	\$7,409.16
CFD No. 2003-2 (Joint Wastewater Project) Special Tax Bonds, Series 2003	\$3,704.61
CFD No. 2018-1 (CLSP Facilities) Improvement Area 1	\$4,250.00
CFD No. 2018-1 (CLSP Facilities) Improvement Area 2	\$4,250.00
CFD No. 2018-1 (CLSP Facilities) Improvement Area 3	\$4,250.00
CFD No. 2018-1 (CLSP Facilities) Improvement Area 4	\$4,250.00
CFD No. 2018-1 (CLSP Facilities) Improvement Area 5	\$4,250.00
<b>Total</b>	<b>\$32,363.77</b>

<b>Non-Bonded Community Facilities Districts</b>	
CFD No. 2004-01 (Mossdale Services)	\$6,791.75
CFD No. 2005-1 (Historic Lathrop Services) <sup>(1)</sup>	\$4,650.00
CFD No. 2013-1 (River Islands Public Svc & Facilities)	\$6,174.32
CFD No. 2019-1 (South Lathrop City Services)	\$5,936.84
CFD No. 2019-2 (Central Lathrop City Services) <sup>(1)</sup>	\$5,936.84
CFD No. 2021-1 (Gateway Business Park City Services)	\$5,086.01
CFD No. 2023-1 (River Islands Public Services & Facilities #2)	\$5,185.00
CFD No. 2024-1 (Eagles Landing Services)	\$5,185.00
<b>Total</b>	<b>\$44,945.76</b>

<sup>(1)</sup> 2024/25 Fee is based on two Tax Zones. Each Tax Zone added to the CFD will be added at the Per Zone Fee of \$650 inflated to the applicable initial year.

Maintenance Districts	
Industrial Lighting Maintenance District	\$1,939.02
Mossdale Landscape & Lighting Maintenance District	\$7,347.70
Residential Lighting Maintenance District	\$4,526.65
Stonebridge Drainage & Lighting Area of Benefit	\$2,650.30
Stonebridge Landscaping Maintenance District	\$2,574.86
L&LMD No. 93-1 (Woodfield Park Maintenance Zone)	\$2,125.07
City Zone 1 Storm Drainage	\$4,032.28
City Zone 1A Storm Drainage	\$2,430.56
<b>Total</b>	<b>\$27,626.44</b>

**Administration Expenses**

Estimated Expenses <sup>(1)</sup> ..... \$750

<sup>(1)</sup> See description of expenses below

**Continuing Disclosure**

Continuing Disclosure	
\$11.455 Loan Agreement (Refi Revenue Bonds 2003)	\$1,362.34
CFD 2003-2 (Joint Wastewater Project) STB Series 2003	\$2,389.05
Refunding Revenue Bonds (Mossdale Village Refundings) 2023 Series A	\$5,480.64
Reassessment District Series No. 2015-1 Mossdale Village	\$1,976.51
Crossroads Assessment District LOB Improvement Series 2015	\$1,976.51
<b>Total</b>	<b>\$13,185.05</b>

**CONTINUING DISCLOSURE ANNUAL REPORT FEES**

New Report Fee per Additional Bond Issue ..... \$1,500-\$2,500

Significant Event Notification (As Needed) ..... Hourly or \$250 per event

**DISSEMINATION SERVICES**

Report Dissemination (Per Bond Issue) ..... \$25

Significant Event Dissemination (Per Recipient) ..... \$25

**Annual GC §8855(k) Report to CDIAC**

Consulting Fee (Per Bond Issue) ..... \$619.80

**1915 Act Apportionments**

**Part 10.5**

Apportionment Fee ..... \$1,800 plus \$50 per parcel

Recording Fee ..... At Cost

**Part 10 | In addition to fees shown as Part 10.5 above**

Resolutions.....	\$500
Meeting Attendance .....	Hourly, plus travel costs*
* Reasonable and customary travel costs, as needed	

**Delinquency Management**

Reminder Letters <sup>(1)</sup> .....	\$15
Demand Letters <sup>(1)</sup> .....	\$30
Lienholder Letters <sup>(1, 2)</sup> .....	\$40
Lienholder Research (Notice of Default Not Filed) .....	Hourly
Foreclosure Letters .....	\$50
Payment Plan Administration .....	\$300
Tax Roll Removal <sup>(3, 4)</sup> .....	\$75
Removal of the Notice of Intent to Remove Delinquent Installments <sup>(4)</sup> .....	\$25
Subsequent Foreclosure Fees <sup>(4)</sup> .....	\$100

*All fees are based on a per-parcel/per-district basis, except as noted below.*

1. This fee will be recovered as part of the next levy.
2. Letter is sent to lienholders where public Notice of Default has been filed. Fee reduced to \$20 when sent jointly with Foreclosure Letter to same parcel.
3. This fee includes filing of the “Notice of Intent to Remove Delinquent Installments” but does not include County fees for removal from the tax roll.
4. This fee is per parcel/per district/per year from the initiation of the foreclosure.

**Rebate Reporting**

The following fees are for typical bond issues and analysis required. If there are unusual issues or commingled funds, there could be additional fees. We will recommend strategies to minimize the effort and fees for this work.

**BASE FEES**

Commitment Fee: .....	\$Waived
Report Fee (Per Report): .....	\$2,250

**ADDITIONAL SERVICE FEES**

Computation Periods in Excess of 18 Months (per year): .....	\$500
Commingled Funds Analysis (As Appropriate).....	\$500
Transferred Proceeds Analysis (As Appropriate) .....	\$500
Variable Rate Issues .....	\$500

**D-FAST Online Pro Web Portal**

Annual Fee ..... \$7,338.23

*D-FAST® is an optional service enhancement for the City's experience that allows direct access to the relevant data. This option is not part of the base Annual Administration services and fees.*

**District Closeout Analysis**

District Closeout Analysis and Report.....TBD if and when services are needed

**Single Fund Closeout Analysis**

Fund Closeout Analysis and Report .....TBD if and when services are needed

**ANNUAL FEE INCREASES**

Cost of living increases may be applied to the Administration services listed above on October 1 each year, beginning with the invoices issued on October 1, 2025. The COLA would be the actual cost of living increase based on the 12-month change from April/May to April/May in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all urban consumers for the applicable region for the City's location.

**EXPENSES**

Customary out-of-pocket expenses will be billed to the City at actual cost to NBS. These expenses may include, but not be limited to, mailing fulfillment, postage, reproduction, telephone, travel, meals and various third-party charges for data, maps, and recording fees.

**ADDITIONAL SERVICES**

The following table shows our current hourly rates. Additional services authorized by the City but not included in the scope of services will be billed at this rate or the then applicable hourly rate.

Title	Hourly Rate
Director	\$250
Associate Director / Engineer	\$225
Senior Consultant / Manager	\$200
Consultant	\$175
Financial Analyst	\$150
Clerical / Support	\$110

## **TERMS**

Administration Services and Continuing Disclosure will be invoiced at the beginning of each quarter. Expenses will be itemized and included in the next regular invoice. Fees for all other services will be invoiced upon completion of the task. If the project is prematurely terminated by either party, NBS shall receive payment for work completed. Payment shall be made within 30 days of submittal of an invoice. If payment is not received within 90 days simple interest will begin to accrue at the rate of 1.5% per month. Either party may cancel this contract with 30 days' written notice.

### **City's Responsibilities For Administration Services**

The City shall furnish NBS with any pertinent information that is available to City and applicable to the Services. The City shall designate a person to act with authority on its behalf in respect to the Services. The City shall promptly respond to NBS' requests for reviews and approvals of its work, and to its requests for decisions related to the Services. City understands and agrees that NBS is entitled to rely on all information, data and documents (collectively, "Information") supplied to NBS by City or any of its agents, contractors or proxies or obtained by NBS from other usual and customary sources including other government sources or proxies as being accurate and correct and NBS will have no obligation to confirm that such Information is correct and that NBS will have no liability to City or any third party if such Information is not correct.

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## ITEM 4.14

### CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING

**ITEM:** APPROVE PROFESSIONAL SERVICE AGREEMENT WITH PAVEMENT ENGINEERING, INC. FOR PAVEMENT ASSESSMENT AND MANAGEMENT SYSTEM AND APPROVE BUDGET AMENDMENT

**RECOMMENDATION:** Adopt a Resolution to Approve a Professional Service Agreement with Pavement Engineering, Inc. for Pavement Assessment and Management System and Approve Budget Amendment

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#### **SUMMARY:**

The City receives funding for pavement maintenance and rehabilitation projects through the California State Transportation Improvement Program (STIP). One of the requirements of STIP funding, is that Cities are required to maintain an updated certified Pavement Management System (PMS). City staff is requesting approval to execute an Agreement with Pavement Engineering Inc., (PEI) to perform an assessment of the City's existing streets current conditions and update our PMS accordingly.

The PMS is a tool used to keep a running list of the current pavement condition of the City's streets and help plan for a cost-effective repair based on the condition. It is important to maintain an updated PMS and Pavement Condition Indexing (PCI) of our existing streets as the PCI of a street will determine the type of repair and funding for maintenance based on the need for each individual situation.

#### **BACKGROUND:**

The City of Lathrop has a license for Street Saver, the PMS needed to store the data that will be collected by Pavement Engineering, Inc. The last time this information was collected was in 2017 and at that time the City of Lathrop only maintained approximately 80 miles of streets. Currently, the City maintains over 90 miles of streets. With the increase in miles of road and new roads being accepted frequently, it is important this program is maintained accurately, and information is collected.

Pavement Engineering, Inc. (PEI) are pavement engineers and rehabilitation experts, specializing in evaluating, designing, implementing and maintaining asphalt and concrete surfaces for public and private entities throughout the west coast. Their services are needed to provide a survey and update of the condition of the City's road system and to assist with the data migration to our existing software. PEI will meet with the City and provide a report with recommended treatments and costs for the City's street maintenance program.

**CITY MANAGER’S REPORT**  
**NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING**  
**APPROVE PROFESSIONAL SERVICE AGREEMENT WITH PAVEMENT**  
**ENGINEERING, INC. FOR PAVEMENT ASSESSMENT AND MANAGEMENT**  
**SYSTEM AND APPROVE BUDGET AMENDMENT**

**REASON FOR RECOMMENDATION:**

Our PMS is in need of an update to effectively manage the City’s street maintenance program and to continue to qualify for STIP funding as well as to assist in qualifying for additional street improvement grant funding opportunities. Services from Pavement Engineering Inc. (PEI) are needed to ensure the system is upgraded efficiently and correctly.

Staff requests City Council approve a contract with Pavement Engineering Inc. (PEI), and a budget amendment to proceed with the work as intended with the Professional Services Agreement (Attachment B).

**FISCAL IMPACT:**

The cost proposal from PEI is \$105,000 and staff is requesting a 10% contingency to cover unanticipated costs. The cost of this work is available in Streets Reserves and is proposed to be transferred as shown below into the Streets Operating Budget.

Staff request City Council approve a budget amendment transferring \$115,500 from General Fund Street Reserve Fund 1010 to the Local Streets Fund 2080 as follows:

<u>Decrease Street Reserves</u>	
1010-251-03-00	\$115,500
<u>Increase Transfer Out</u>	
1010-9900-990-9010	\$115,500
<u>Increase Transfer In</u>	
2080-9900-393-0000	\$115,500
<u>Increase Expenditure</u>	
2080-50-10-420-0100	\$115,500

Staff requests that City Council approve a Professional Services Agreement with Pavement Engineering Inc., for pavement assessment and management system consulting services.



**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING**  
**APPROVE PROFESSIONAL SERVICE AGREEMENT WITH PAVEMENT**  
**ENGINEERING, INC. FOR PAVEMENT ASSESSMENT AND MANAGEMENT**  
**SYSTEM AND APPROVE BUDGET AMENDMENT**

**PAGE 3**

**ATTACHMENTS:**

- A. Resolution to Approve a Professional Service Agreement with Pavement Engineering, Inc. for Pavement Assessment and Management System and Approve Budget Amendment
- B. Professional Services Agreement with Pavement Engineering Inc., for Pavement Management and Management System

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING  
APPROVE PROFESSIONAL SERVICE AGREEMENT WITH PAVEMENT  
ENGINEERING, INC. FOR PAVEMENT ASSESSMENT AND MANAGEMENT  
SYSTEM AND APPROVE BUDGET AMENDMENT**

**APPROVALS**



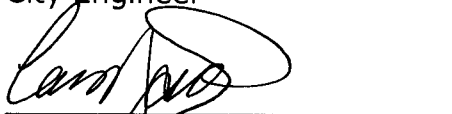
Leisser P. Mazariegos  
Project Manager

11/13/2024  
Date



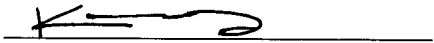
Brad Taylor  
City Engineer

11/13/2024  
Date



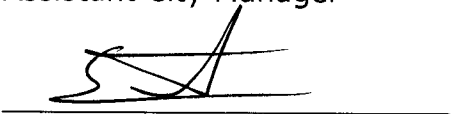
Cari James  
Finance Director

11/14/2024  
Date



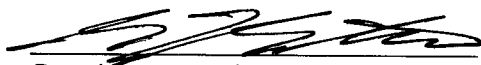
Michael King  
Assistant City Manager

11.14.2024  
Date



Salvador Navarrete  
City Attorney

11-14-2024  
Date



Stephen J. Salvatore  
City Manager

11.14.24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE A PROFESSIONAL SERVICE AGREEMENT WITH PAVEMENT ENGINEERING, INC. FOR PAVEMENT ASSESSMENT AND MANAGEMENT SYSTEM AND APPROVE BUDGET AMENDMENT**

**WHEREAS**, the City receives funding for pavement maintenance and rehabilitation projects through the California State Transportation Improvement Program (STIP). One of the requirements of STIP funding, is that Cities are required to maintain an updated certified Pavement Management System (PMS); and

**WHEREAS**, City staff is requesting approval of a Professional Services Agreement with Pavement Engineering Inc., (PEI) to perform an assessment of the City's existing streets current conditions and update our management system accordingly; and

**WHEREAS**, the PMS is a tool used to keep a running list of our City's streets current pavement conditions and help plan for a cost-effective repair based on their conditions; and

**WHEREAS**, it is important to maintain an updated the PMS that can provide the Pavement Condition Indexing (PCI) of our existing streets. The PCI of a street will determine necessary funding for maintenance based on what type of repair is needed for each individual situation; and

**WHEREAS**, PEI are pavement engineers and rehabilitation experts, specializing in evaluating, designing, implementing and maintaining asphalt and concrete surfaces for public and private entities throughout the west coast; and

**WHEREAS**, their services are needed to provide a survey and update of the condition of the City's road system and to assist with the data migration to our existing software; and

**WHEREAS**, the cost proposal from PEI is \$105,000 and staff is asking for a 10% contingency to cover unanticipated costs. The funds for this work is available in Streets Reserves and will be transferred as shown below into the Streets Operating Budget; and

**WHEREAS**, staff request City Council approve a budget amendment transferring \$115,500 from General Fund Street Reserve Fund 1010 to the Local Streets Fund 2080 as follows:

Decrease Street Reserves

1010-251-03-00 \$115,500

Increase Transfer Out

1010-9900-990-9010 \$115,500

<u>Increase Transfer In</u> 2080-9900-393-0000	\$115,500
<u>Increase Expenditure</u> 2080-50-10-420-0100	\$115,500

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby approves the proposed Professional Services Agreement with Pavement Engineering, Inc., to perform an assessment of the City's existing street conditions and update our pavement management system; and

**NOW, THEREFORE, BE IT FUERTHER RESOLVED**, that the City Council of the City of Lathrop hereby approves the budget amendment as detailed above.

The foregoing resolution was passed and adopted this 18th day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

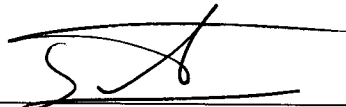
ABSENT:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

**CITY OF LATHROP**

**AGREEMENT FOR PROFESSIONAL SERVICES WITH  
PAVEMENT ENGINEERING INC.**

**TO PROVIDE PAVEMENT ASSESSMENT AND MANAGEMENT SYSTEM**

**THIS AGREEMENT**, dated for convenience this **18<sup>th</sup> day of November**, is by and between Pavement Engineering Inc. ("CONSULTANT") and the **City of Lathrop**, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to perform Pavement Assessment and Management System, which are required by this agreement; and

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

**WHEREAS**, CONSULTANT is willing to render such Pavement Assessment and Management System, as hereinafter defined, on the following terms and conditions;

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

**AGREEMENT**

**(1) Scope of Service**

CONSULTANT agrees to perform Pavement Assessment and Management Systems Services in accordance with the scope of work and fee proposal provided by CONSULTANT, attached hereto as Exhibit "A" and incorporated herein by reference. CONSULTANT represents it is prepared to and can diligently perform these services in accordance with the upmost standards of its profession and to CITY'S satisfaction. The fee proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved of in advance and in writing, by the CITY.

**(2) Compensation**

CITY hereby agrees to pay CONSULTANT a sum not to exceed **\$115,500** for the Professional Services set forth in Exhibit "A". CONSULTANT shall be paid any uncontested sum due and payable within thirty (30) days of receipt of billings containing all information 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. Payment is made based on a time and materials basis.

**(3) Effective Date and Term**

The effective date of this Agreement is **November 18, 2024**, and it shall terminate no later than **November 30, 2025**.

**(4) Independent Contractor Status**

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

**(5) Billings**

CONSULTANT shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONSULTANT'S bills shall include a list of all tasks, a total amount due, the amounts previously billed, and the net amount due on the invoice. Except as specifically authorized by CITY, CONSULTANT shall not bill CITY for duplicate services performed by more than one person. In no event shall CONSULTANT submit any billing for an amount in excess of the rates or the maximum amount of compensation provided in section (2) for either task or for the entire Agreement, unless modified by a properly executed change order.

**(6) Advice and Status Reporting**

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

CONSULTANT shall submit to CITY such reports, diagrams, drawings and other work products developed pursuant to the Scope of Services.

**(7) Assignment of Personnel**

CONSULTANT acknowledges that the CITY has relied on CONSULTANT's capabilities and on the qualifications of CONSULTANT's principals and staff as identified in its proposal to CITY. The services shall be performed by, or under the direct supervision, of CONSULTANT's Authorized Representative: Joseph L Ririe. CITY shall be notified by CONSULTANT of any change of its Authorized Representative, and CITY is granted the right of approval of all original, additional, and replacement personnel at CITY's sole

discretion, and shall be notified by CONSULTANT of any changes of CONSULTANT's project staff prior to any change.

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

**(8) Assignment and Subcontracting**

It is recognized by the parties hereto that a substantial inducement to CITY for entering into this Agreement was, and is, the professional reputation and competence of CONSULTANT. Neither this Agreement nor any interest therein may be assigned by CONSULTANT without the prior written approval of CITY'S authorized representative. CONSULTANT shall not subcontract any portion of the performance contemplated and provided for herein, other than the subcontractors noted in the proposal, without prior written approval of the CITY'S authorized representative.

**(9) Insurance**

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

- (a) Workers' Compensation. CONSULTANT shall, at CONSULTANT'S sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by CONSULTANT. Said Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than one million dollars (\$1,000,000). In the alternative, CONSULTANT may rely on a self-insurance program to meet these requirements provided that the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the CONSULTANT, if a program of self-insurance is provided, shall waive all rights of subrogation against the CITY for loss arising from work performed under this Agreement.
- (b) Commercial General and Automobile Liability Insurance. CONSULTANT, at CONSULTANT'S own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than one million dollars (\$1,000,000) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general



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aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

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

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

- (i) CITY, its officers, employees, agents, and volunteers are to be covered as insured with respect to each of the following: liability arising out of activities performed by or on behalf of CONSULTANT, including the insider's general supervision of CONSULTANT; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents, or volunteers.
  - (ii) The insurance shall cover on an occurrence or an accident basis, and not on a claim made basis.
  - (iii) An endorsement must state that coverage is primary insurance and that no other insurance affected by the CITY will be called upon to contribute to a loss under the coverage.
  - (iv) Any failure of CONSULTANT to comply with reporting provisions of the policy shall not affect coverage provided to CITY and its officers, employees, agents, and volunteers.
  - (v) Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A: VII.
  - (vi) Notice of cancellation or non-renewal must be received by CITY at least thirty days prior to such change.
- (c) Professional Liability. CONSULTANT, at CONSULTANT'S own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than Two Million Dollars (\$2,000,000) per claim made and per policy aggregate covering the licensed professionals' errors and omissions, as follows:
- (i) Any deductible or self-insured retention shall not exceed \$150,000 per claim.
  - (ii) Notice of cancellation, material change, or non-renewal must be received by the CITY at least thirty days prior to such change shall

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be included in the coverage or added as an endorsement to the policy.

- (iii) The policy must contain a cross liability or severability of interest clause.
- (iv) The following provisions shall apply if the professional liability coverages are written on a claims made form:
  - 1. The retroactive date of the policy must be shown and must be before the date of the Agreement.
  - 2. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
  - 3. If coverage is canceled or not renewed and it is not replaced with another claims made policy form with a retroactive date that precedes the date of this Agreement, CONSULTANT must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The CITY shall have the right to exercise at the CONSULTANT'S cost, any extended reporting provisions of the policy should the CONSULTANT cancel or not renew the coverage.
  - 4. A copy of the claim reporting requirements must be submitted to the CITY prior to the commencement of any work under this Agreement.
- (d) Deductibles and Self-Insured Retentions. CONSULTANT shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. During the period covered by this Agreement, upon express written authorization of the CITY's authorized representative, CONSULTANT may increase such deductibles or self-insured retentions with respect to CITY, its officers, employees, agents, and volunteers. The CITY's authorized representative may condition approval of an increase in deductible or self-insured retention levels upon a requirement that CONSULTANT procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- (e) Notice of Reduction in Coverage. In the event that any coverage required under subsections (a), (b), or (c) of this section of the Agreement is reduced, limited, or materially affected in any other manner, CONSULTANT shall provide written notice to CITY at CONSULTANT'S earliest possible opportunity and in no case later than five days after CONSULTANT is notified of the change in coverage.
- (f) In addition to any other remedies CITY may have if CONSULTANT fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:

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- (i) Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- (ii) Order CONSULTANT to stop work under this Agreement or withhold any payment which becomes due to CONSULTANT hereunder, or both stop work and withhold any payment, until CONSULTANT demonstrates compliance with the requirements hereof;
- (iii) Terminate this Agreement.

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

**(10) Indemnification - CONSULTANT'S Responsibility**

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

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

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

**(11) Licenses**

If a license of any kind, which term is intended to include evidence of registration, is required of CONSULTANT, its employees, agents, or subcontractors by federal or state

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law, CONSULTANT warrants that such license has been obtained, is valid and in good standing, and CONSULTANT shall keep it in effect at all times during the term of this Agreement, and that any applicable bond has been posted in accordance with all applicable laws and regulations.

**(12) Business Licenses**

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

**(13) Termination**

Either CITY or CONSULTANT may cancel this Agreement upon 30 days written notification to the other party. Upon termination, or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONSULTANT to CITY within ten (10) calendar days.

**(14) Funding**

CONSULTANT agrees and understands that renewal of this agreement in subsequent years is contingent upon action by the City Council consistent with the appropriations limits of Article XIII (B) of the California Constitution and that the Council may determine not to fund this agreement in subsequent years.

**(15) Notices**

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

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

Copy to: City of Lathrop  
Department of Public Works  
390 Towne Centre  
Lathrop, CA 95330  
MAIN: (209) 941-7430  
FAX: (209) 941-7449

To Consultant: Pavement Engineering, Inc.  
3485 Sacramento Dr. Ste A  
San Luis Obispo, CA 93401-7156  
FED ID # 68-0461866  
Bus License #

**(16) Miscellaneous**

- (a) Consent. Whenever in this Agreement the approval or consent of a party is required, such approval or consent shall be in writing and shall be executed by a person having the express authority to grant such approval or consent.
- (b) Contract Terms Prevail. All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and attached exhibits, the terms of this Agreement shall prevail.
- (c) Controlling Law. The parties agree that this Agreement shall be governed and construed by and in accordance with the Laws of the State of California.
- (d) Definitions. The definitions and terms are as defined in these specifications.
- (e) Force Majeure. Neither party shall be deemed to be in default on account of any delay or failure to perform its obligations under this Agreement, which directly results from an Act of God or an act of a superior governmental authority.
- (f) Headings. The paragraph headings are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.
- (g) Incorporation of Documents. All documents constituting the Agreement documents described in Section 1 hereof and all documents which may, from time to time, be referred to in any duly executed amendment hereto are by such

CITY OF LATHROP – PAVEMENT ENGINEERING INC.  
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reference incorporated in the Agreement and shall be deemed to be part of this Agreement.

- (h) Integration. This Agreement and any amendments hereto between the parties constitute the entire Agreement between the parties concerning the Project and Work, and there are no other prior oral or written agreements between the parties that are not incorporated in this Agreement.
- (i) Modification of Agreement. This Agreement shall not be modified or be binding upon the parties unless such modification is agreed to in writing and signed by the parties.
- (j) Ownership of Documents. All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of the CITY. Upon CITY's request, CONSULTANT shall allow CITY to inspect all such documents during the CONSULTANT's regular business hours.
- (k) Provision. Any agreement, covenant, condition, clause, qualification, restriction, reservation, term or other stipulation in the Agreement shall define or otherwise control, establish or limit the performance required or permitted or to be required of or permitted by either party. All provisions, whether covenants or conditions, shall be deemed to be both covenants and conditions.
- (l) Severability. The invalidity in whole or part of any provision of this Agreement shall not void or affect the validity of any other provision of this agreement. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the provisions of this Agreement not so affected shall remain in full force and effect.
- (m) Status of CONSULTANT. In the exercise of rights and obligations under this Agreement, CONSULTANT acts as an independent contractor and not as an agent or employee of CITY. CONSULTANT shall not be entitled to any rights and benefits accorded or accruing to the City Council members, officers or employees of CITY, and CONSULTANT expressly waives any and all claims to such right and benefits.
- (n) Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and shall apply to and bind, the successors and assigns of the parties.
- (o) Time of the Essence. Time is of the essence of this Agreement and each of its provisions. In the calculation of time hereunder, the time in which an act is to be performed shall be computed by excluding the first Day and including the last. If the time in which an act is to be performed falls on a Saturday, Sunday or any Day observed as a legal holiday by CITY, the time for performance shall be extended to the following Business Day.
- (p) 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

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District of California.

- (q) **Recovery of Costs.** The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs, including reasonable attorney's fees, incurred or expended in connection with such action against the non-prevailing party.

**(17) Notice to Proceed**

Prior to commencing work under this agreement, CONSULTANT 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 CONSULTANT for any services prior to issuance of the Notice to Proceed.

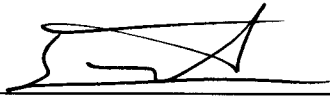
**(18) Signatures**

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 – PAVEMENT ENGINEERING INC.  
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Approved as to Form:

City of Lathrop  
City Attorney

  
\_\_\_\_\_  
Salvador Navarrete 11-14-2024  
Date

Recommended for Approval:

City of Lathrop  
Assistant City Manager

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

Approved by:

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

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

Consultant:

Pavement Engineering, Inc.  
3485 Sacramento Dr. Ste A  
San Luis Obispo, CA 93401-7156  
FED ID # 68-0461866  
Bus License #

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

\_\_\_\_\_  
Print Name and Title





August 23, 2024

MP24-486

Leisser Mazariegos  
City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

Subject: Pavement Assessment and Management System

Dear Leisser:

We've enjoyed working with the City on past pavement maintenance projects and appreciate the City's efforts to maintain it's assets in a serviceable, safe condition.

Per our meeting on August 13, we are submitting this proposal to update the City's Pavement Management System. Within the scope of the proposal you will also find additional options for PEI to provide StreetSaver® training, a "Brown Bag" lunch / Pavement 101, and help develop a multi-year pavement maintenance plan for the City.

The scope of work and our cost for these services are outlined below.

**BACKGROUND**

The City of Lathrop maintains 92 centerline miles of road. In 2017, the City contracted with PEI to update their Pavement Management System using MTC's StreetSaver® program. The City has not updated their Pavement Management System since that time and does not have a regular maintenance plan in place. The City reached out to Pavement Engineering, Inc. (PEI) to request assistance to bring the plan up to date and provide a maintenance program. In addition, City Staff requested training to help staff maintain the updated program. PEI is proposing to assist the City of Lathrop in completing this update.

**SCOPE OF WORK**

**Task 1: Initial Planning and Kick-off Meeting**

PEI will schedule a kick-off meeting with City staff to discuss project goals and expectations. Some items of discussion may include:

- The scope of work, schedule and budget;
- Existing pavement data, GIS files and drawings;
- Addition of new streets, roadways and functional classifications;
- Current and past pavement maintenance history and budgets;
- Desired pavement service levels;
- Quality control approach;
- Safety, field work access and public notifications;

*StreetSaver® is a registered trademark of MTC.*



- PEI personnel and project contacts;
- The format of deliverables.

Reviewing these items prior to beginning work will help establish objectives and will save financial resources for actual pavement preservation.

PEI will meet with City staff at least three times throughout the project to coordinate and review specific project progress, address schedules, budgets and other items of business to ensure the work performed meets performance goals. Our objective is to deliver a quality project on time and on budget but also make sure City staff knows where we are at all times throughout the project

## **Task 2: Visual Evaluation of Pavement Condition and Quality Control**

PEI will manually inspect all 92 centerline miles of the City's streets using MTC's inspection procedures and will measure and evaluate the following pavement distresses: alligator cracking, block cracking, distortions, patches/utility cuts, rutting/depressions, longitudinal and transverse cracking, and weathering/raveling. The assessment will conform to ASTM Standard D 6433 standards. PEI's inspectors are certified by MTC for quality and consistency and attend annual training to keep abreast of changes and hone skills.

PEI will assign a Pavement Condition Index (PCI) for each street segment per StreetSaver® criteria and supported by PEI's quality assurance standards, which are designed to ensure accuracy and consistency.

During the field review, PEI will use a vehicle-mounted digital measuring device to measure the length of each street segment and a hand-held wheel to measure the width. Precise measurements are key to accurate cost projections, which are calculated based on pavement area.

PEI will sample locations on random test sites of  $\pm 2,500$  sf and will annotate the sample location on our rating sheet using footage from the beginning of each road segment. Recording locations of inspected sample areas provides the necessary information to relocate the measured area for verification. This method produces reliable, reproducible data for current and future use.

At PEI we strive for accuracy and precision, so our Quality Control Plan compares the latest PCI's of newly rated street segments to prior PCI's from the last PMS update. Street segments with PCI's that have increased in PCI, without any maintenance and rehabilitation, and street segments with PCI's that have dropped more than 3 PCI points per year, since their last rating, will be identified and reviewed in the field by an engineer or senior engineering technician. At PEI, we strive for a +/- 5 PCI points when comparing initial ratings versus QC ratings. Any segment that exhibits a PCI



difference outside of the +/- 5 PCI points, will be re-rated by an engineer or a senior engineering technician. We will review a minimum of 10% of the segments as part of the QC review.

To ensure safety during the visual evaluation, PEI will provide its inspectors with reflective safety vests and will provide traffic control using a flashing beacon and a vehicle-mounted magnetic sign warning of frequent stops.

### **Task 3: Data Input**

PEI will input all the data collected during the visual evaluations in the City's StreetSaver database using MTC's Mobile Rater. To make sure any analysis is consistent with the use of recommended maintenance and rehabilitation strategies, PEI will review the City's current street segmentation and how the roads are being used. Our goal is to develop the most accurate database possible, one that will manifest in better and more precise recommendations and projections.

In addition, PEI can review the functional classifications of streets in its system to determine if they comply with Caltrans specifications and are therefore eligible for future federal funding. We can compare each road section contained in the updated PMS database with the California Road System (CRS) maps found on the Caltrans website to verify functional classification accuracy.

PEI will also review both the StreetSaver® Decision Tree and PCI breakpoint table with the City to verify recommended treatments and associated unit prices to ensure costs being used by the program are current and reflect the construction costs the City is seeing. Revised information will be updated in StreetSaver®.

### **Task 4: Draft Report and Budget Recommendations**

Once the visual evaluations are finished and the StreetSaver® database is completely updated, PEI will run reports that forecast the PCI based on proposed treatments. This effort provides feedback for the treatment decisions necessary to achieve the City's goals.

Our analysis will demonstrate what the City can expect for their overall pavement condition based on current and proposed future funding levels. If shortfalls exist, PEI will recommend preventative maintenance strategies to improve and maintain the City's street system within budgetary constraints. PEI has the knowledge and experience to assist the City in evaluating appropriate options and explore treatments and value engineering techniques to accomplish their objectives.



#### **Task 5: Final Report and Council Presentation**

PEI will prepare one copy of the final report in PDF format for the City's use. The report will include:

- Executive summary
- Budget needs scenarios
- Network replacement costs
- Proposed future budget levels
- Budget scenarios including
  - ✓ a scenario to maintain roadways at the existing PCI;
  - ✓ a scenario to increase the current PCI by 5 points; and
  - ✓ a scenario to show the potential PCI for roadways over five years using current funding levels.
- A section description report for all street segments
- Street sections selected for recommended treatments during the next five years
- Maps illustrating the PCI of the City

#### **Task 6: StreetSaver® Training (Optional)**

StreetSaver® is a very useful tool to help manage and maintain your roadway network. PEI will provide training on how to utilize StreetSaver® to help prioritize, manage, and maintain the City's roadway network. We anticipate this training to be two, two hour virtual sessions. Prior to the training, PEI will discuss and agree on the training topics that will be presented.

#### **Task 7: Brown Bag Lunchtime Training Session / Pavement 101 (Optional)**

PEI will meet with City Staff and provide a tutorial on asphalt pavement, how they deteriorate, how they are rated, the effects of loading and weathering, types of maintenance and rehabilitation treatments, management principles and design techniques. The brown bag lunch will be on-site. The City will provide lunch to the attendees.

#### **Task 8: Multi-Year Plan (Optional)**

PEI will meet with City Staff and develop a multi-year paving plan. This will assist the City in ways to strategically manage the pavement maintenance based on current and future budget scenarios.

PEI will work with City staff to identify and prioritize annual asphalt concrete preventative maintenance and rehabilitation treatments on a street by street or neighborhood by neighborhood basis and make recommendations based on a critical-point approach that incorporates pavements from all parts of the deterioration curve, not just the best nor just the worst. This approach optimizes every budget dollar by seeking to apply the right treatment at the right time: not too soon and not too late.



Leisser Mazariegos  
MP24-486  
August 23, 2024  
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Using StreetSaver® and working with City staff, we determine (forecast) the best maintenance and rehabilitation approach for the next three to five years that will maintain the overall PCI at a level set by the City. We will do this by performing a budget analysis using several scenarios that will help the City evaluate various budget strategies. StreetSaver® GIS mapping will be used to visually illustrate these impacts.

## **SCHEDULE**

We anticipate Tasks 1 through 5 will take six to eight weeks. The schedule may vary depending upon rain days. Tasks 6 through 7 will follow as needed. PEI will be ready to begin the project shortly after contracts have been signed, and we receive a notice to proceed.

## **FEES**

Our fees for performing the outlined work for Tasks 1 through 5 will be \$71,335. The fees for the optional work, Tasks 6 through 7, are \$32,030. If all Tasks are selected, our total fees will be \$103,365. Our fees are summarized in the enclosed fee breakdown. We will invoice monthly according to the percentage of completed work. All costs associated with this project are subject to final negotiation with the City of Lathrop. The enclosed proposal conditions apply.

We value our relationship with the City of Lathrop and will continue our commitment to provide our services with honesty, trust and professionalism. As our slogan says, "You can ride on our reputation." Please don't hesitate to contact me with any questions you may have regarding this proposal.

Very truly yours,  
PAVEMENT ENGINEERING INC.



Joseph L. Ririe, P.E.  
Senior Principal Engineer

Enclosures: Fee Schedule Breakdown  
Proposal Conditions

pc: C File  
M File  
MP File S/P/R



**FEE BREAKDOWN SCHEDULE  
 FOR THE  
 CITY OF LATHROP  
 2024 CITYWIDE PAVEMENT MANAGEMENT SYSTEM UPDATE**

<b>Task 1 – Initial Planning &amp; Kick-off Meeting</b>			
<b>Position</b>	<b>Units</b>	<b>Unit Rate</b>	<b>Total</b>
Principal Engineer	3	\$270	\$810
Associate Engineer	3	\$215	\$645
Project Manager	8	\$165	\$1,320
<b>Task 1 fee</b>			<b>\$2,775</b>
<b>Task 2 – Pavement Condition Surveys and Quality Control</b>			
<b>Position</b>	<b>Units</b>	<b>Unit Rate</b>	<b>Total</b>
Project Manager	11	\$165	\$1,815
PMS Data Technician	20	\$110	\$2,200
PMS Inspection Team	107	\$220	\$23,540
PMS Quality Control	40	\$215	\$8,600
Per diem	14	\$350	\$4,900
<b>Task 2 fee</b>			<b>\$41,055</b>
<b>Task 3 – Data Input and Decision Tree Update</b>			
<b>Position</b>	<b>Units</b>	<b>Unit Rate</b>	<b>Total</b>
Principal Engineer	6	\$270	\$1,620
Associate Engineer	6	\$215	\$1,290
Project Manager	17	\$165	\$2,805
PMS Data Technician	33	\$110	\$3,630
PMS Clerical	4	\$85	\$340
<b>Task 3 fee</b>			<b>\$9,685</b>
<b>Task 4 – Budget Analysis, Funding Scenarios, &amp; Draft Report</b>			
<b>Position</b>	<b>Units</b>	<b>Unit Rate</b>	<b>Total</b>
Principal Engineer	4	\$270	\$1,080
Associate Engineer	4	\$215	\$860
Project Manager	11	\$165	\$1,815
PMS Data Technician	33	\$110	\$3,630
PMS Clerical	4	\$85	\$340
<b>Task 4 fee</b>			<b>\$7,725</b>
<b>Task 5 – Final Report &amp; City Council Presentation</b>			
<b>Position</b>	<b>Units</b>	<b>Unit Rate</b>	<b>Total</b>
Principal Engineer	9	\$270	\$2,430
Associate Engineer	9	\$215	\$1,935
Project Manager	18	\$165	\$2,970
PMS Data Technician	22	\$110	\$2,420
PMS Clerical	4	\$85	\$340
<b>Task 5 fee</b>			<b>\$10,095</b>
<b>Task 1-5 Estimated Fees</b>			<b>\$71,335</b>



**FEE BREAKDOWN SCHEDULE  
 FOR THE  
 CITY OF LATHROP  
 2024 CITYWIDE PAVEMENT MANAGEMENT SYSTEM UPDATE  
 (Continued)**

<b>Task 6 – Multi-Year Pavement Plan (Optional)</b>			
<b>Position</b>	<b>Units</b>	<b>Unit Rate</b>	<b>Total</b>
Principal Engineer	8	\$270	\$2,160
Associate Engineer	8	\$215	\$1,720
Project Manager	15	\$165	\$2,475
PMS Data Technician	45	\$110	\$4,950
PMS Clerical	5	\$85	\$425
<b>Task 6 fee</b>			<b>\$11,730</b>
<b>Task 7 – StreetSaver Training and On-Call StreetSaver Support for 1 Year (Optional)</b>			
<b>Position</b>	<b>Units</b>	<b>Unit Rate</b>	<b>Total</b>
Principal Engineer	10	\$270	\$2,700
Associate Engineer	10	\$215	\$2,150
Project Manager	30	\$165	\$4,950
PMS Data Technician	60	\$110	\$6,600
<b>Task 7 fee</b>			<b>\$16,400</b>
<b>Task 8 – Pavement 101 Training (Brown Bag) (Optional)</b>			
<b>Position</b>	<b>Units</b>	<b>Unit Rate</b>	<b>Total</b>
Principal Engineer	6	\$270	\$1,620
Associate Engineer	6	\$215	\$1,290
Project Manager	6	\$165	\$990
<b>Task 8 fee</b>			<b>\$3,900</b>
<b>Task 1-8 Estimated Fees</b>			<b>\$103,365</b>



### PROPOSAL CONDITIONS

1. Proposal is valid for thirty days from the date of the proposal.
2. All work shall be performed utilizing common methods and practices of the civil engineering profession.
3. Fees for Lump Sum or Unit Price Proposals will be charged at the quoted price. Fees for Engineering and PMS Technical Services on a Time and Materials Basis will be charged at the applicable hourly rates of the current PEI PMS Fee Schedule.
4. The proposal is based upon providing liability insurance with limits up to \$1,000,000.
5. One copy of a PMS Final Report will be provided to the Owner. Additional copies are \$50 each.
6. Payment: Invoices will be submitted on a monthly basis. All invoices are due within 30 days. Attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by the client.





**ITEM 4.15**

**CITY MANAGER’S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM: APPROVE PROFESSIONAL SERVICES AGREEMENT WITH PACE, INC. FOR INTEGRATION SERVICES AND EQUIPMENT FOR CTF PHASE 3 EXPANSION, CIP WW 22-38 AND APPROVE BUDGET AMENDMENT**

**RECOMMENDATION: Adopt Resolution to Approve Professional Services Agreement with Pacific Advanced Civil Engineering, Inc. for Integration Services and Equipment for CTF Phase 3 Expansion, CIP WW 22-38 and Approve Budget Amendment**

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**SUMMARY:**

On November 8, 2021, City Council approved a Professional Services Agreement (PSA) with Pacific Advanced Civil Engineering (PACE) for design of the Consolidated Treatment Facility (CTF) Phase 3 Expansion, CIP WW 22-38 (Project). City Council awarded a contract for the construction of the Project on August 12, 2024, and construction began on September 5, 2024.

Integration Services from the design engineer, PACE, will soon be needed to establish and implement a Programmable Logic Control (PLC) system for the Phase 3 equipment, currently being constructed. Integration Services on large or complex projects like the CTF Phase 3 Expansion are typical, and essential to the automated control needed to properly operate complex equipment like that being installed at the CTF. Staff requested and received from PACE a proposal to provide Integration Services and Equipment for a fixed fee amount of \$475,000. Therefore, staff requests City Council approve a PSA with PACE (Attachment B) for a fixed fee cost of \$475,000 to fund the requested Integration Services.

Pursuant to the Design and Construction Funding Agreement by and between the City of Lathrop and River Islands Development, LLC Related to the Phase 3 Expansion of the Existing Lathrop Consolidated Treatment Facility dated February 12, 2024 (Funding Agreement), River Islands will pay 80% of this cost, which is \$380,000, and the City’s share is \$95,000. Staff requests City Council approve a budget amendment of \$475,000 for the proposed Integration Services and Equipment.

**BACKGROUND:**

PACE’s proposal for the work contemplated by the PSA is comprised of 2 sub-tasks: Equipment and Hardware Supply for a cost of \$245,000, and Integration and Start-Up Services for a cost of \$230,000.

The equipment and hardware supply will consist of two PLC 3A panels: one for main control, and the other for dewatering control. The Integration Services include

**CITY MANAGER’S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**APPROVE PSA WITH PACE, INC. FOR INTEGRATION SERVICES FOR CTF**  
**PHASE 3 EXPANSION, CIP WW 22-38 AND APPROVE BUDGET AMENDMENT**

configuration and programming of the PLC panels, start-up and commissioning services and system training for City and Veolia staff.

**REASON FOR RECOMMENDATION:**

Integration Services from PACE are needed to manufacture, install and configure the PLC systems for the additional wastewater treatment facilities being installed as a function of the Project.

**FISCAL IMPACT:**

Sufficient funds were not allocated to CIP WW 22-38 in the adopted Fiscal Year 2024/25 budget for the City’s 20% share of the proposed Integration Services; therefore, a budget amendment transferring \$95,000 from the Sewer Connection Fee Fund (6030) and \$380,000 from the Developer Fund (2710) to the CIP Project Fund is requested as detailed below:

<u>Increase Revenue</u>		
2710-8000-372-0100		\$380,000
 <u>Increase Transfer Out</u>		
6030-9900-990-9010		\$95,000
2710-9900-990-9010		\$380,000
 <u>Increase Transfer In</u>		
6090-9900-393-0000	WW 22-38	\$475,000
 <u>Increase Appropriation</u>		
6090-8000-420-1200	WW 22-38	\$475,000

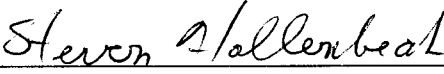
The above funding contribution to the PSA for Integration Services is consistent with the 80% Developer/ 20% City funding responsibility agreed upon in the Funding Agreement.

**ATTACHMENTS:**

- A. Resolution Approving Professional Services Agreement with Pacific Advanced Civil Engineering, Inc. for Integration Services for CTF Phase 3 Expansion – CIP WW 22-38
- B. Professional Services Agreement with Pacific Advanced Civil Engineering, Inc. for Integration Services for CTF Phase 3 Expansion – CIP WW 22-38

**CITY MANAGER'S REPORT** **PAGE 3**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**APPROVE PSA WITH PACE, INC. FOR INTEGRATION SERVICES FOR CTF**  
**PHASE 3 EXPANSION, CIP WW 22-38 AND APPROVE BUDGET AMENDMENT**

**APPROVALS:**

  
\_\_\_\_\_  
Steven Hollenbeak  
Assistant Engineer

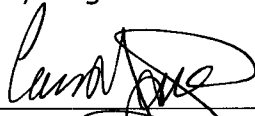
11.3.24  
Date

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

11-13-24  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

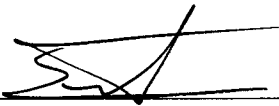
11/4/2024  
Date

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

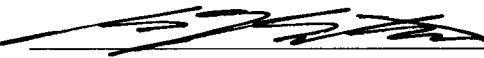
11/13/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

11.6.2024  
Date

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

11.5-2024  
Date

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

11.14.24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE PROFESSIONAL SERVICES AGREEMENT WITH PACE, INC. FOR INTEGRATION SERVICES AND EQUIPMENT FOR CTF PHASE 3 EXPANSION, CIP WW 22-38 AND APPROVE BUDGET AMENDMENT**

**WHEREAS**, on November 8, 2021, City Council approved a Professional Services Agreement (PSA) with Pacific Advanced Civil Engineering (PACE) for design of the Consolidated Treatment Facility (CTF) Phase 3 Expansion, CIP WW 22-38 (Project); and

**WHEREAS**, on August 12, 2024 City Council awarded a contract for the construction of the Project to GSE Construction, Inc., and construction commenced in early September of 2024; and

**WHEREAS**, the City will soon need Integration Services from the design engineer, PACE, to establish and implement a Programmable Logic Control (PLC) system for the Phase 3 equipment, currently being constructed; and

**WHEREAS**, City staff requested and received from PACE a proposal to provide Integration Services and Equipment for a fixed fee cost of \$475,000; and

**WHEREAS**, staff requests City Council approve a Professional Services Agreement (PSA) with PACE in the amount of \$475,000; and

**WHEREAS**, pursuant to the Design and Construction Funding Agreement by and between the City of Lathrop and River Islands Development, LLC related to the Phase 3 Expansion of the Existing Lathrop Consolidated Treatment Facility dated February 12, 2024 (Funding Agreement); River Islands will pay 80% of this cost, which is \$380,000, and the City's share is \$95,000. Therefore, a budget amendment transferring \$95,000 from the Sewer Connection Fee Fund (6030) and \$380,000 from the Developer Fund (2710) to the CIP Project Fund is requested as detailed below:

<u>Increase Revenue</u>		
2710-8000-372-0100		\$380,000
<u>Increase Transfer Out</u>		
6030-9900-990-9010		\$ 95,000
2710-9900-990-9010		\$380,000
<u>Increase Transfer In</u>		
6090-9900-393-0000	WW 22-38	\$475,000
<u>Increase Appropriation</u>		
6090-8000-420-1200	WW 22-38	\$475,000

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby approve a PSA with PACE for a fixed fee cost of \$475,000 to provide Integration Services for the Project; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop does hereby approve a budget amendment as detailed above in the amount of \$475,000 to fund the proposed Integration Services and Equipment from PACE.

**PASSED AND ADOPTED** by the City Council of the City of Lathrop this 18th day of November 2024, by the following vote:

AYES:

NOES:


ABSENT:

ABSTAIN:

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

**ATTEST:**

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

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

**CITY OF LATHROP**

**AGREEMENT FOR PROFESSIONAL SERVICES WITH  
PACIFIC ADVANCED CIVIL ENGINEERS**

**TO PROVIDE INTEGRATION SERVICES AND EQUIPMENT  
FOR CTF PHASE 3 EXPANSION, CIP WW 22-38**

**THIS AGREEMENT**, dated for convenience this **18th day of November 2024**, is by and between **PACIFIC ADVANCED CIVIL ENGINEERS** ("CONSULTANT") and the **City of Lathrop**, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to perform Integration 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 Integration Services, as hereinafter defined, on the following terms and conditions;

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

**AGREEMENT**

**(1) Scope of Service**

CONSULTANT agrees to perform Integration Services in accordance with the scope of work and fee proposal provided by CONSULTANT, attached hereto as Exhibit "A" and incorporated herein by reference. CONSULTANT represents it is prepared to and can diligently perform these services in accordance with the upmost standards of its profession and to CITY'S satisfaction. The fee proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved of in advance and in writing, by the CITY.

**(2) Compensation**

CITY hereby agrees to pay CONSULTANT a sum not to exceed **\$475,000** for the Professional Services set forth in Exhibit "A". CONSULTANT shall be paid any uncontested sum due and payable within thirty (30) days of receipt of billings containing all information 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. Payment is made based on a time and materials basis.

**(3) Effective Date and Term**

The effective date of this Agreement is **November 18, 2024**, and it shall terminate no later than **December 30, 2026**.

**(4) Independent Contractor Status**

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

**(5) Billings**

CONSULTANT shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONSULTANT'S bills shall include a list of all tasks, a total amount due, the amounts previously billed, and the net amount due on the invoice. Except as specifically authorized by CITY, CONSULTANT shall not bill CITY for duplicate services performed by more than one person. In no event shall CONSULTANT submit any billing for an amount in excess of the rates or the maximum amount of compensation provided in section (2) for either task or for the entire Agreement, unless modified by a properly executed change order.

**(6) Advice and Status Reporting**

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

CONSULTANT shall submit to CITY such reports, diagrams, drawings and other work products developed pursuant to the Scope of Services.

**(7) Assignment of Personnel**

CONSULTANT acknowledges that the CITY has relied on CONSULTANT's capabilities and on the qualifications of CONSULTANT's principals and staff as identified in its proposal to CITY. The services shall be performed by, or under the direct supervision, of CONSULTANT's Authorized Representative: Andrew T. Komor. CITY shall be notified by CONSULTANT of any change of its Authorized Representative, and CITY is granted the right of approval of all original, additional, and replacement personnel at CITY's sole discretion, and shall be notified by CONSULTANT of any changes of CONSULTANT's project staff prior to any change.



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

**(8) Assignment and Subcontracting**

It is recognized by the parties hereto that a substantial inducement to CITY for entering into this Agreement was, and is, the professional reputation and competence of CONSULTANT. Neither this Agreement nor any interest therein may be assigned by CONSULTANT without the prior written approval of CITY'S authorized representative. CONSULTANT shall not subcontract any portion of the performance contemplated and provided for herein, other than the subcontractors noted in the proposal, without prior written approval of the CITY'S authorized representative.

**(9) Insurance**

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

- (a) Workers' Compensation. CONSULTANT shall, at CONSULTANT'S sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by CONSULTANT. Said Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than one million dollars (\$1,000,000). In the alternative, CONSULTANT may rely on a self-insurance program to meet these requirements provided that the program of self-insurance complies fully with the provisions of the California Labor Code. The insurer, if insurance is provided, or the CONSULTANT, if a program of self-insurance is provided, shall waive all rights of subrogation against the CITY for loss arising from work performed under this Agreement.
- (b) Commercial General and Automobile Liability Insurance. CONSULTANT, at CONSULTANT'S own cost and expense, shall maintain commercial general and automobile liability insurance for the period covered by this Agreement in an amount not less than one million dollars (\$1,000,000) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims

arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

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

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

- (i) CITY, its officers, employees, agents, and volunteers are to be covered as insured with respect to each of the following: liability arising out of activities performed by or on behalf of CONSULTANT, including the insider's general supervision of CONSULTANT; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents, or volunteers.
  - (ii) The insurance shall cover on an occurrence or an accident basis, and not on a claim made basis.
  - (iii) An endorsement must state that coverage is primary insurance and that no other insurance affected by the CITY will be called upon to contribute to a loss under the coverage.
  - (iv) Any failure of CONSULTANT to comply with reporting provisions of the policy shall not affect coverage provided to CITY and its officers, employees, agents, and volunteers.
  - (v) Insurance is to be placed with California-admitted insurers with a Best's rating of no less than A: VII.
  - (vi) Notice of cancellation or non-renewal must be received by CITY at least thirty days prior to such change.
- (c) Professional Liability. CONSULTANT, at CONSULTANT'S own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than Two Million Dollars (\$2,000,000) per claim made and per policy aggregate covering the licensed professionals' errors and omissions, as follows:
- (i) Any deductible or self-insured retention shall not exceed \$150,000 per claim.
  - (ii) Notice of cancellation, material change, or non-renewal must be received by the CITY at least thirty days prior to such change shall be included in the coverage or added as an endorsement to the policy.

- (iii) The policy must contain a cross liability or severability of interest clause.
- (iv) The following provisions shall apply if the professional liability coverages are written on a claims made form:
  - 1. The retroactive date of the policy must be shown and must be before the date of the Agreement.
  - 2. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
  - 3. If coverage is canceled or not renewed and it is not replaced with another claims made policy form with a retroactive date that precedes the date of this Agreement, CONSULTANT must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The CITY shall have the right to exercise at the CONSULTANT'S cost, any extended reporting provisions of the policy should the CONSULTANT cancel or not renew the coverage.
  - 4. A copy of the claim reporting requirements must be submitted to the CITY prior to the commencement of any work under this Agreement.
- (d) Deductibles and Self-Insured Retentions. CONSULTANT shall disclose the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. During the period covered by this Agreement, upon express written authorization of the CITY's authorized representative, CONSULTANT may increase such deductibles or self-insured retentions with respect to CITY, its officers, employees, agents, and volunteers. The CITY's authorized representative may condition approval of an increase in deductible or self-insured retention levels upon a requirement that CONSULTANT procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- (e) Notice of Reduction in Coverage. In the event that any coverage required under subsections (a), (b), or (c) of this section of the Agreement is reduced, limited, or materially affected in any other manner, CONSULTANT shall provide written notice to CITY at CONSULTANT'S earliest possible opportunity and in no case later than five days after CONSULTANT is notified of the change in coverage.
- (f) In addition to any other remedies CITY may have if CONSULTANT fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:

- (i) Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- (ii) Order CONSULTANT to stop work under this Agreement or withhold any payment which becomes due to CONSULTANT hereunder, or both stop work and withhold any payment, until CONSULTANT demonstrates compliance with the requirements hereof;
- (iii) Terminate this Agreement.

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

**(10) Indemnification - CONSULTANT'S Responsibility**

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

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

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

**(11) Licenses**

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

**(12) Business Licenses**

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

**(13) Termination**

Either CITY or CONSULTANT may cancel this Agreement upon 30 days written notification to the other party. Upon termination, or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONSULTANT to CITY within ten (10) calendar days.

**(14) Funding**

CONSULTANT agrees and understands that renewal of this agreement in subsequent years is contingent upon action by the City Council consistent with the appropriations limits of Article XIII (B) of the California Constitution and that the Council may determine not to fund this agreement in subsequent years.

**(15) Notices**

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

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

Copy to: City of Lathrop  
Department of Public Works  
390 Towne Centre  
Lathrop, CA 95330  
MAIN: (209) 941-7430  
FAX: (209) 941-7449

To Consultant: Pacific Advanced Civil Engineering  
17520 Newhope St.  
Fountain Valley, CA 92708  
FED ID # 33-0265538  
Bus License # 20319

**(16) Miscellaneous**

- (a) Consent. Whenever in this Agreement the approval or consent of a party is required, such approval or consent shall be in writing and shall be executed by a person having the express authority to grant such approval or consent.
- (b) Contract Terms Prevail. All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and attached exhibits, the terms of this Agreement shall prevail.
- (c) Controlling Law. The parties agree that this Agreement shall be governed and construed by and in accordance with the Laws of the State of California.
- (d) Definitions. The definitions and terms are as defined in these specifications.
- (e) Force Majeure. Neither party shall be deemed to be in default on account of any delay or failure to perform its obligations under this Agreement, which directly results from an Act of God or an act of a superior governmental authority.
- (f) Headings. The paragraph headings are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.
- (g) Incorporation of Documents. All documents constituting the Agreement documents described in Section 1 hereof and all documents which may, from time to time, be referred to in any duly executed amendment hereto are by such reference incorporated in the Agreement and shall be deemed to be part of this Agreement.
- (h) Integration. This Agreement and any amendments hereto between the parties constitute the entire Agreement between the parties concerning the Project and Work, and there are no other prior oral or written agreements between the parties that are not incorporated in this Agreement.
- (i) Modification of Agreement. This Agreement shall not be modified or be binding upon the parties unless such modification is agreed to in writing and signed by the parties.

- (j) Ownership of Documents. All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of the CITY. Upon CITY's request, CONSULTANT shall allow CITY to inspect all such documents during the CONSULTANT's regular business hours.
- (k) Provision. Any agreement, covenant, condition, clause, qualification, restriction, reservation, term or other stipulation in the Agreement shall define or otherwise control, establish or limit the performance required or permitted or to be required of or permitted by either party. All provisions, whether covenants or conditions, shall be deemed to be both covenants and conditions.
- (l) Severability. The invalidity in whole or part of any provision of this Agreement shall not void or affect the validity of any other provision of this agreement. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the provisions of this Agreement not so affected shall remain in full force and effect.
- (m) Status of CONSULTANT. In the exercise of rights and obligations under this Agreement, CONSULTANT acts as an independent contractor and not as an agent or employee of CITY. CONSULTANT shall not be entitled to any rights and benefits accorded or accruing to the City Council members, officers or employees of CITY, and CONSULTANT expressly waives any and all claims to such right and benefits.
- (n) Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and shall apply to and bind, the successors and assigns of the parties.
- (o) Time of the Essence. Time is of the essence of this Agreement and each of its provisions. In the calculation of time hereunder, the time in which an act is to be performed shall be computed by excluding the first Day and including the last. If the time in which an act is to be performed falls on a Saturday, Sunday or any Day observed as a legal holiday by CITY, the time for performance shall be extended to the following Business Day.
- (p) 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.
- (q) Recovery of Costs. The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs, including reasonable attorney's fees, incurred or expended in connection with such action against the non-prevailing party.

**(17) Notice to Proceed**

Prior to commencing work under this agreement, CONSULTANT 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 CONSULTANT for any services prior to issuance of the Notice to Proceed.

**(18) 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.

**EXHIBITS**

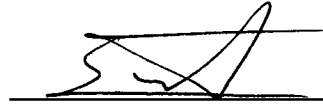
A. Proposal from PACE for Integration Services for CTF Phase 3 Expansion



CITY OF LATHROP – PACIFIC ADVANCED CIVIL ENGINEERING.  
TO PROVIDE INTEGRATION SERVICES AND EQUIPMENT FOR CTF PHASE 3 EXPANSION, CIP WW  
22-38

Approved as to Form:

City of Lathrop  
City Attorney



Salvador Navarrete

11-6-2024

Date

Recommended for Approval:

City of Lathrop  
Assistant City Manager

Michael King

Date

Approved by:  
Resolution # ( \_\_\_\_\_ )

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

Stephen J. Salvatore  
City Manager

Date

Consultant:

Pacific Advanced Civil Engineering  
17520 Newhope St.  
Fountain Valley, CA 92708  
FED ID # 33-0265538  
Bus License # 20319

Signature

Date

Print Name and Title



## EXHIBIT A

### AGREEMENT BETWEEN CLIENT AND CONSULTANT

AGREEMENT ENTERED INTO AT Fountain Valley, CA made this 4th day of November 2024, by and between **City of Lathrop**, hereinafter called "Client," and **Pacific Advanced Civil Engineering, Inc. (PACE)**, a California corporation, herein called "Consultant."

Client and Consultant agree as follows:

#### **OBJECTIVE:**

Provide Integration Services for the supply, configuration, programming and commissioning of a new PLC-based control system, as identified here-in, for the automation of the City's new treatment facility expansion. The following proposal is based on a review of the Project Design Drawings, dated Feb 2024. PACE's services include the supply, programming, configuration and commissioning of PLC-3A and Dewatering; programming/re-programming of PLC 1, 1A, 2, 3, and A; and integration services to coordinate and control ancillary networked panels, equipment and processes being supplied by others as part of the project. SCADA design and programming is by Primex Controls and address mapping and coordination will be provided for the SCADA system implementation by Primex under separate contract.

#### **DESCRIPTION OF SERVICES:**

##### **Equipment Procurement**

PACE shall prepare a complete Submittal Package for all equipment and materials supplied under this Scope of Work. PACE shall not proceed with ordering of equipment or materials for the project without an approved submittal or written authorization from the Client to proceed.

PACE shall procure the following required project components and materials:

##### **PLC-3A Control Panel**

PACE shall provide all hardware, software, labor and materials required to fabricate one (1) complete PLC control panel unit. The control panel shall be designed and fabricated to meet UL508A requirements and shall be supplied as a "UL Listed" unit.

Supply, Program and Configure a new Main Control Panel (CP-3A) as detailed in the project plans and specifications. The control panel shall consist of the following major components and as detailed in the attached Preliminary General Arrangement Drawing:

- 72" x 72" x 18" free-standing NEMA 4X Stainless Steel Enclosure
- 60" x 68" Painted Steel Backplane for control hardware
- 60" x 14" Painted Steel Backplane for networking hardware
- Allen Bradley CompactLogix Processor w/ Dual Ethernet IP Ports
- Allen Bradley I/O Expansion Cards to Provide:  
(60 Digital In / 32 Relay Out / 32 Analog In / 8 Analog out)
- Allen Bradley 2711P 12" PanelView Plus 7 Performance Series HMI
- Redundant 24VDC Aux Power Supplies
- 1500VA 120VAC APC UPS
- Back-up 8-Channel Hardwire Auto-Dial Alarm Unit
- Field Wiring Terminal Blocks, Fuses and Circuit Breakers as required

NOTE: Local and Network Switches to be provided by the City and installed by PACE

### **PLC-Dewatering Control Panel**

PACE shall provide all hardware, software, labor and materials required to fabricate one (1) complete PLC control panel unit. The control panel shall be designed and fabricated to meet UL508A requirements and shall be supplied as a "UL Listed" unit.

Supply, Program and Configure a new Main Control Panel (CP-Dewatering) as detailed in the project plans and specifications. The control panel shall consist of the following major components and as detailed in the attached Preliminary General Arrangement Drawing:

- 48" x 72" x 18" free-standing NEMA 4X Stainless Steel Enclosure
- Painted Steel Backplane for control hardware
- Painted Steel Backplane for networking hardware
- Allen Bradley CompactLogix Processor w/ Dual Ethernet IP Ports
- Allen Bradley I/O Expansion Cards
- Allen Bradley 2711P 12" PanelView Plus 7 Performance Series HMI
- Redundant 24VDC Aux Power Supplies
- 1500VA 120VAC APC UPS
- Back-up 8-Channel Hardwire Auto-Dial Alarm Unit
- Field Wiring Terminal Blocks, Fuses and Circuit Breakers as required

NOTE: Local and Network Switches to be provided by the City and installed by PACE

### **Configuration and Programming**

#### **PLC 1, 1A, 2, 3, and A and New 3A and Dewatering Control Panels**

PACE shall supply and coordinate PLC and HMI programming with the City's Integration Consultant and City Information Technology Staff to ensure consistency in programming means and methods with existing City infrastructure.

PACE shall supply and coordinate the programming of to manage, control and/or supervise operation of equipment directly networked to PLCs 1, 1A, 2, 3, and A and New 3A. In conformance with the requirements of the project, PACE shall prepare and submit a proposed Sequence of Operation description, for approval by the Client, prior to programming of the PLC and HMI systems.

Based on the Client's and Process Engineer's approval of the Sequence of Operation, PACE shall provide all required configuration and programming to implement the approved sequences and graphics for the system.

PACE shall prepare and provide a tag-database which includes all local and remote I/O from ancillary devices, panels and components directly networked or connected, for use by the City's Integration Consultant, in the development of a new SCADA system.

PACE shall conduct a functional test of the completed programming for the PLC and HMI, prior to commissioning, to ensure that the hardware and programming are fully operational. This test shall occur prior to deployment of the programming on-site.

PACE has included 60 additional hours of PLC/HMI integration time during commissioning of the system to perform additional programming requested by the Client or Process Engineer after deployment of the system. The intent of this work is to add and/or modify the system programming based on unforeseen or additional needs of the client that were not captured during facility design or during the submittal approval process.

### **Product Delivery**

Once PACE has acquired, tested, configured and programmed the new PLC-3A and Dewatering panels, PACE shall deliver said equipment, and loose-ship components, to the work site for installation by the City's Selected Contractor. PACE will coordinate and schedule delivery of the equipment with the City and the City's Contractor at least 2-weeks in advance.

Upon delivery to the work site, the City's Contractor will be responsible for installation/setting of the equipment in the field, all process connections, piping, valving and providing all electrical conduit, wire and networking wire, as indicated on the plans and specifications and/or shown in the approved shop drawings provided by PACE.

Upon notified completion of the installation of all equipment and materials supplied, PACE shall conduct a field inspection to determine that the equipment is properly installed and complete. Once PACE has determined that the installation is complete and acceptable, PACE will be responsible for conducting field control wiring tests on control panels and instruments supplied by PACE. **Termination of all wiring to all control panels, field devices, instruments and all 3-phase power terminations, shall be made by the City's Contractor.**

PACE shall be responsible for coordinating with the City's IT Staff for the network configuration of the PLC-3A and Dewatering panels to connect to the site's workgroup and provide internet access and connection to the City's existing remote SCADA servers.

PACE will be responsible for configuration of the industrial Ethernet network systems which connect PLC-2 to ancillary systems directly networked to PLC-3A and Dewatering.

### **Start-up & Commissioning Services**

PACE shall provide the services of its Instrumentation & Controls staff for the purpose of commissioning the PACE-supplied PLC control system and assisting the City's Contractor and other Phase 3 vendors with the start-up and commissioning of the facility control systems. PACE anticipates start-up of these systems can be completed within 3 consecutive weeks.

PACE will work with the City's Contractor and Operations Staff to commission and adjust the control system to operate based on the design treatment objectives.

### **System Training Services**

PACE shall provide the services of its Instrumentation & Controls staff for the purpose of providing up to 16 hours (3 days) of on-site training on the proper operation and maintenance of the completed PLC control system. This training is assumed to take place at the completion of the Start-up & Commissioning Services, consecutive with this work.

### **SYSTEM WARRANTY:**

PACE shall provide a warranty on all equipment and programming supplied under the contract for a period of 1 year from substantial completion of the project or 18 months from the delivery of equipment, whichever occurs first. The warranty shall include on-site and off-site troubleshooting, replacement or repair of defective equipment and correction of programming "bugs" or errors.

Modifications and/or additional programming which are in addition to the functionality of the completed PLC/HMI systems, but requested by the Client, will be completed for additional fee on a Time & Expense Basis. (See additional hours included in the Programming & Configuration Scope of Services).

**PROPOSED FEE:**

PACE will bill a **total fixed fee amount of \$475,000**, which includes all taxes and reimbursable expenses. PACE will complete the work outlined herein and invoice the Client in a total of Five (5) installment draws as follows:

- 20% of the Contracted Amount due with Notice to Proceed
- 10% of the Contracted Amount due upon Approval of Submittals
- 20% of the Contracted Amount due upon Progress of Programming
- 30% of the Contracted Amount due upon Delivery of Equipment to Site
- 10% of the Contracted Amount due upon Completion of Start-up & Commissioning
- 10% of the Contracted Amount due upon Final Completion

<b><u>Task</u></b>	<b><u>Description</u></b>	<b><u>Professional Fee</u></b>
76.1	Equipment & Hardware Supply	\$ 245,000
76.2	Integration & Start-up Services	\$ 230,000
		<b>\$ 475,000</b>
	<b>Total Engineering Fee:</b>	<b>\$ 475,000</b>

**ASSUMPTIONS AND EXCLUSIONS**

The Client's responsibilities shall include providing PACE with the base data and project information in a timely manner, coordination and management of other team consultants and contractors to assure that the project schedule can be met, and prompt payment of invoices in accordance with the terms and conditions included herein. The specific items that are to be provided by the Client (City) or the City's Contractor or other consultants include the following:

1. City Integrations Consultant and City IT Staff input pertaining to project design issues and requirements including scheduling.
2. City SCADA, PLC and HMI programming standards
3. Copies of Existing Facility PLC and HMI Programs
4. Copies and Coordination with Other Project Equipment and Control Vendors
5. Any other data that directly impacts PACE ability to perform the services in an efficient and economic manner.

Any proposed project changes which affect work in progress or previously completed will be justification for additional compensation.

Local government approval meetings, hearings, etc., and preparation of presentation graphics will be under separate work authorization, if required.

This proposal is valid for 90 days from the date of issue.

The proposal includes coordination with the City's selected General Contractor, the City's Information Technology Staff and the City's selected SCADA Integrations consultant for the project. The proposal does not include installation of equipment, conduit, wiring or wire termination on said equipment.



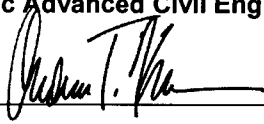
- A. This Agreement is subject to Provisions of Agreement 1 through 28 attached herewith, and the terms and conditions attached and made a part hereof.

IN WITNESS WHEREOF, the parties hereby execute this agreement upon the terms and conditions stated above and on the day and year indicated above.

**Pacific Advanced Civil Engineering, Inc. (PACE)**

**CLIENT: *City of Lathrop***

By:



By:

**Name:** Andy Komor, PE

**Name:**

**Title:** Sr. VP – Environmental Water Division

**Title:**

**Job #:** A713

**Date:**

**GENERAL PROVISIONS ATTACHED TO THAT CERTAIN  
AGREEMENT BETWEEN CLIENT AND CONSULTANT  
DATED November 4, 2024 (collectively, the “Agreement”)**

**Pacific Advanced Civil Engineering, Inc. (PACE)** shall be hereinafter referred to as “CONSULTANT” and **City of Lathrop** will be hereinafter referred to as “CLIENT” with respect to the “PROJECT” known as **Lathrop Consolidated Treatment Facility – PLC Controls**.

**GENERAL**

1. In the performance of the services under the Agreement, CONSULTANT shall at all times be an independent contractor, contracting services to CLIENT solely pursuant to the Agreement, and CONSULTANT is not, nor shall CONSULTANT represent CONSULTANT to be at any time, an agent or employee of CLIENT except as expressly set forth in the Agreement.
2. CLIENT agrees to cooperate in any and every way or manner with CONSULTANT on the PROJECT.
3. In addition to the printed provisions, the drawings and specifications shall become the property of CLIENT at completion of construction of the PROJECT. The CLIENT shall not reuse project design, drawings, and specifications without written consent of CONSULTANT. CONSULTANT will provide reproducible transparencies of the final PROJECT plans to CLIENT at completion of construction of the PROJECT. CONSULTANT, however, does not assume any professional responsibility or liability for use of the final plans and/or the drawings or specifications at any location other than this particular PROJECT site. CLIENT will defend, indemnify and hold CONSULTANT harmless from any errors and/or omissions arising out of the use of the final plans and/or the drawings and specifications at any other location.
4. All agreements on CONSULTANT'S part are contingent upon and subject to, the fact that CONSULTANT shall not be responsible for damages, or be in default or be deemed to be in default, by reason of delays in performance by reason of strike, lockouts, accidents, acts of God and other delays unavoidable or beyond CONSULTANT'S reasonable control or due to shortages or unavailability of labor at established area wage rates or delays caused by failure of CLIENT or CLIENT'S agents to furnish information or to approve or disapprove CONSULTANT'S work promptly, or due to late or slow, or faulty performance by CLIENT or Client's consultants or contractors, or by governmental agencies. In the case of the happening of any such cause of delay, the time of completion of CLIENT'S work under the Agreement shall be extended accordingly.
5. In the event that all of the obligations of CONSULTANT or CLIENT, respectively, required to be performed under the Agreement have not been performed as agreed for any reason other than a default by other party hereto, the non-defaulting party shall have the right, upon giving 30 calendar days prior written notice to the other party hereto, to terminate the Agreement and CONSULTANT shall be paid to the date of termination for all services rendered and cost incurred hereunder.
6. CONSULTANT makes no warranty, either expressed or implied, as to CONSULTANT'S findings, recommendations, specifications or professional advice except that these were promulgated after being prepared in accordance with generally accepted Civil Engineer practices and under the direction of a Civil Engineer and/or a professional staff.
7. CONSULTANT makes no representations concerning soil conditions unless specifically included in writing in the Agreement and CLIENT is not responsible for any liability that may arise out of the making, or any failure to make, soil surveys or subsurface soil tests or general soil testing.
8. CONSULTANT makes no representation concerning construction cost figures estimated in connection with maps, plans, specifications or drawings other than that all cost figures are estimates only.
9. In consideration of CONSULTANT'S fee for services, CLIENT agrees that, unless otherwise specified, CONSULTANT will perform no on site construction review for this PROJECT, unless specifically included in writing in this Agreement, that such services will be provided by others and that CLIENT shall defend, indemnify and hold CONSULTANT harmless from any and all liability, real or alleged, that might be occasioned by others performing construction review for this PROJECT.
10. CLIENT agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for the PROJECT site, including safety of all persons and property; that this requirement shall be made to apply continuously and not

- be limited to normal working hours and CLIENT further agrees to defend, indemnify and hold CONSULTANT harmless from any and all liability, real or alleged, in connection with the performance of work of this PROJECT, except liability arising from the sole negligence of CONSULTANT.
11. Notwithstanding anything else to the contrary contained herein or in the Agreement, CLIENT agrees to limit CONSULTANT'S exposure to liability and damages to CLIENT and to all contractors and subcontractors on the PROJECT, due to professional negligent acts, errors or omissions of CONSULTANT, to the lesser of the limits of CONSULTANT'S errors and omissions and general liability insurance policies, or the fee paid to CONSULTANT for the performance of the services under the Agreement. IN NO EVENT WILL CONSULTANT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, EXPENSES, LOST PROFITS, OR OTHER DAMAGES ARISING OUT OF THE PERFORMANCE OR NON-PERFORMANCE OF THE SERVICES UNDER THE AGREEMENT, EVEN IF CONSULTANT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. THIS SECTION WILL SURVIVE THE TERMINATION OF THE AGREEMENT.
  12. Upon written request, each of the parties hereto shall execute and deliver, or cause to be executed and delivered, such additional instruments and documents which may be necessary and proper to carry out the terms of the Agreement.
  13. The terms and provisions of the Agreement shall not be construed to alter, waive or affect any lien or stop notice rights, which CONSULTANT may have for the performance of services under the Agreement.
  14. No conditions or representations, altering, detracting from or adding to the terms of the Agreement or hereof shall be valid unless printed or written hereon or evidenced in writing by either party to the Agreement and accepted in writing by the other party hereto.
  15. One or more waivers of any term, condition or covenant by CONSULTANT shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of the same or any other term, condition or covenant.
  16. In the event any provision of the Agreement shall be held to be invalid and unenforceable, the other provisions of the Agreement shall be valid and binding on the parties hereto.
  17. Should litigation be necessary to enforce any term or provision of the Agreement, or to collect any portion of the amount payable under the Agreement, then all litigation and collection expenses, witness fees and court costs and attorneys' fees shall be paid to the prevailing party.
  18. The Agreement binds CONSULTANT and CLIENT and their successors and permitted assigns. Neither party hereto shall assign or transfer, whether by operation of law or otherwise, all or any portion of such party's interest, rights or obligations in the Agreement without the prior written consent of the other party hereto.
  19. The Agreement and the documents, drawings, plans and specifications referred to therein, and these General Provisions, constitute the entire agreement of the parties hereto with respect to the matters set forth therein and herein and are the final, complete and exclusive expression of the terms and conditions thereof. All prior or contemporaneous agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.
  20. The Agreement shall be construed and enforced in accordance with the laws of the State of California. Each Party hereby irrevocably consents that all proceedings arising in connection with the Agreement shall be tried and litigated exclusively in the State and Federal courts located in the County of Orange, State of California. The aforementioned choice of venue is intended by the parties to be mandatory and not permissive in nature, thereby precluding the possibility of litigation between the parties with respect to, or arising out of, the Agreement in any jurisdiction other than that specified in this Section.
  21. All notices, demands or other communications given hereunder shall be in writing and shall be delivered personally, by facsimile or electronic mail transmission, or by United States certified or registered mail, return receipt requested, postage prepaid, addressed to the address for such party set forth in the Agreement. All notices shall be deemed given upon the earliest of receipt, confirmed facsimile or electronic mail transmission, or three 3 calendar days after deposit in the United States mail.
  22. In the event of any conflict or inconsistency between the provisions of these General Provisions and the provisions of the Agreement, the provisions of these General Provisions shall control.



**PAYMENT**

23. CONSULTANT shall present all invoices to CLIENT prior to the last day of each calendar month based upon percentage of completion, per the fee set forth in the Agreement. Invoices shall be due and payable when delivered. Payment is to be made at 17520 Newhope Street, Suite 200, Fountain Valley, CA 92708.
24. CLIENT shall promptly review invoices and notify CONSULTANT of any objection thereto; absent such objection in writing within 10 calendar days of the date of the invoice, the invoice shall be deemed proper and acceptable and immediately payable in full.
25. If the undisputed amount of any invoice is not paid within 30 calendar days of the date of the invoice, such undisputed amount shall commence bearing interest from the date of the invoice at the rate of 1.5% per month or the maximum rate allowed by law, whichever is greater, and CLIENT agrees to pay all accrued interest thereon, together with the undisputed amounts set forth in such invoice.
26. In the event that any undisputed amount of any invoice is not paid in full within 60 calendar days following the date of the invoice, such failure shall constitute a material breach of the Agreement and CONSULTANT may exercise all rights and remedies CONSULTANT may have at law, in equity or under the Agreement with respect to such material breach including, without limitation, termination of the Agreement following 10 calendar days' written notice of such material breach to CLIENT and CLIENT'S failure to cure such breach within such 10-day period.
27. CLIENT shall pay, in addition to the stated fee, the cost of all reimbursable items such as fees, permits, bond premiums, title company charges, delivery charges, blueprints, and reproductions and all other charges and expenses not specifically covered by the terms of the Agreement. In the event such reimbursable items are paid directly by CONSULTANT, then such charges and expenses shall be invoiced at CONSULTANT'S direct cost plus 10% for handling.
28. Any additional services not covered in the Scope of Work of the Agreement, which CLIENT requests CONSULTANT to perform, such as site reconnaissance and inspections during construction, additional visits out of town or to other places of business, will be requested in writing and will be invoiced on a time and material basis based on CONSULTANT'S then current schedule of fees and costs.

**2024 HOURLY LABOR RATES**

Principal	\$300
Sr. Project Manager / Sr. Consulting Engineer	\$260
Project Manager / Consulting Engineer / Sr. I&C Specialist	\$250
Sr. Electrical Engineer / Sr. GIS Analyst	\$245
Sr. Project Engineer / Sr. Design Engineer	\$220
Project Engineer / Design Engineer II	\$190
Instrumentation & Controls Specialist	\$185
Sr. CAD Designer	\$175
Design Engineer	\$150
CAD Designer / GIS Analyst	\$145
Graphic Designer	\$125
Project Coordinator	\$105
Administrative Support	\$100
Assistant Designer	\$85
G.P.S. Survey Unit (w/ Operator)	\$290
Expert Witness / Legal Consultation	\$400 + Exp.

**REIMBURSABLE EXPENSE RATES\***

	Units	Cost
<b>Travel</b>		
Mileage (Per Mile)	Mile	\$0.67
Airfare, Auto Rental, Hotel		At Cost
Misc. Travel (Parking, tax, tolls, meals, etc.)		At Cost
Per Diem (Contract Rate)	DAY	Contract Rate
<b>Outside Reproduction</b>		At Cost
<b>Shipping (FedEx, UPS, Courier, etc.)</b>		At Cost
<b>Misc. (Review Fees, Specific Charges)</b>		At Cost
<b>Reproduction (In-House)</b>		
Sheet Bond - B/W Prints and Copies – All sizes (8 ½ x 11 to 12 x18)	SF	\$0.16
Sheet - Color Prints and Copies – All sizes	SF	\$1.20
Sheet - Glossy Color Print/Photo – All sizes	SF	\$2.60
Roll - Plots and Copies (Roll Paper)		
- Bond (B/W)	SF	\$0.88
- Bond (Color)	SF	\$1.56
Roll - Vellum or Mylar Plots	SF	\$2.60
Roll - Glossy Color Plot Exhibits (Roll Paper)	SF	\$3.12
Report 3-Ring Binders		
< 1.5"	EA	\$10.40
1.5" to 3"	EA	\$15.60
> 3"	EA	\$26.00
Coil or GBC Punch Binding	EA	\$1.04

\*Note: All reimbursable expenses will be invoiced at the above rates + 10%

**ITEM 4.16**

**CITY MANAGER’S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM:                                    AUTHORIZE THE POSTPONEMENT OF DELINQUENT  
UTILITY TURN-OFFS**

**RECOMMENDATION:   Adopt a Resolution to Approve the Suspension of  
Service Disconnections in the Month of December  
2024 for All Delinquent Accounts**

**SUMMARY:**

Since 1996, Council has suspended utility service disconnections during the month of December. As in years past, Council can authorize staff to forgo utility disconnections to residents scheduled in the month of December 2024. The City will still assess a 10% late fee to all accounts with balances not paid by December 31, 2024.

**BACKGROUND:**

The Finance Department produces monthly utility invoices for its water and wastewater customers. The cycle of the utility bills is as follows:

- **Invoice Production:** Utility invoices are created and mailed to City residents at the beginning of each month. Utility invoice payments are due by the 25<sup>th</sup> of each month. A 10% penalty fee is assessed to all outstanding accounts on the last working day of the month.
- **10-Day Notice:** 10-Day notices are sent to City residents ten (10) days before the disconnection date for all accounts with an outstanding balance more than 60 days past due. 10-Day Notices inform the resident that their account is subject to disconnection.
- **48 Hour IVR Phone Campaign:** An automated phone call is made to notify the residents of the pending disconnection if payment is not received in the 48-hour timeframe. Multiple options are given to residents to submit payment or make payment arrangements.
- **Disconnection:** Accounts with past due balances after the 10-Day Notice deadline are subject to disconnection.

The City’s process for utility service disconnections is in compliance with Senate Bill 998, the State of California’s mandated process for discontinuation of residential water service. The State legislature has enacted Senate Bill 998 (“SB 998”) known as the Water Shut Off Protection Act. It is intended to help residential water users who lose access to water service due to their inability to pay. It requires procedural protections before residential water service can be discontinued for non-payment. The City’s SB 998 policy can be found on the City’s website in seven languages. The policy is currently available in English, Chinese, Korean, Punjabi, Spanish, Tagalog and Vietnamese. First reading of the reconnection fee to be reduced to \$35.00 was presented to Council at the regular meeting on October 14, 2024. Any account

**CITY MANAGER’S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
POSTPONEMENT OF DELINQUENT UTILITY TURN-OFFS**

disconnected for non-payment will be assessed a reconnection fee to cover the staff costs associated with this process.

Suspension of turn-offs in the month of December may increase account delinquency and potentially increase the amount of uncollectible accounts written-off (referred to a collections agency) at the end of the fiscal year. Instead of disconnecting unpaid accounts in mid-December through the turn-off process, unpaid accounts are not disconnected until mid-January.

If Council decides to suspend turn-offs in the month of December, the service reconnection charges would not be assessed. However, the City will still apply a 10% late fee to all delinquent accounts if their balance is not paid by December 31, 2024.

**REASON FOR RECOMMENDATION:**

Interruptions of essential City services such as water service due to non-payment can be disruptive during the holidays. Therefore, Council may decide to suspend service disconnections during the month of December. This action has been approved by Council since 1996.

**FISCAL IMPACT:**

Suspension of turn-offs in the month of December has fiscal impacts, as noted below:

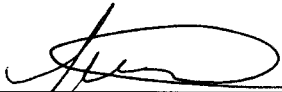
- Potentially increases the number of customers who fail to pay their bills timely.
- Service reconnection charges would not be assessed or collected.
- Increases the likelihood of having a higher number of unpaid accounts referred to collections.

**ATTACHMENTS:**

- A. Adopt a Resolution Approving the Suspension of Service Disconnections in the Month of December 2024 for All Delinquent Accounts.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
POSTPONEMENT OF DELINQUENT UTILITY TURN-OFFS**

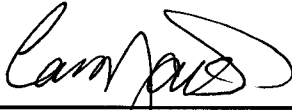
**APPROVALS:**



\_\_\_\_\_  
Roopale Bulsara-Popal  
Customer Service Supervisor

10/22/24

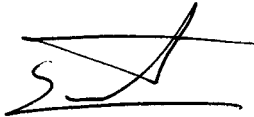
\_\_\_\_\_  
Date



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

10/22/2024

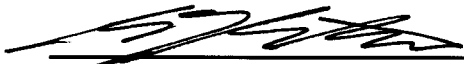
\_\_\_\_\_  
Date



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

10 - 23 - 2024

\_\_\_\_\_  
Date



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

11.4.24

\_\_\_\_\_  
Date

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO  
SUSPEND SERVICE DISCONNECTIONS IN THE MONTH OF DECEMBER  
2024 FOR ALL DELINQUENT ACCOUNTS**

**WHEREAS**, since 1996, the City has allowed utility services to remain uninterrupted during the month of December for all utility accounts, including delinquent accounts; and

**WHEREAS**, the City's process for utility service disconnections is in compliance with Senate Bill 998, the State of California's mandated process for discontinuation of residential water service; and

**WHEREAS** the City's SB 998 policy can be found on the City's website in seven languages. The policy is currently available in English, Chinese, Korean, Punjabi, Spanish, Tagalog and Vietnamese; and

**WHEREAS**, a fee will be assessed to reconnect water service after disconnection for non-payment to cover the staff costs associated with this process; and

**WHEREAS**, the City will still apply a 10% late fee to all delinquent accounts if their balance is not paid by December 31, 2024;

**NOW, THEREFORE, BE IT RESOLVED** that this City Council does hereby suspend turn-offs of water services in the month of December for all delinquent accounts.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council:

AYES:

NOES:

ABSTAIN:

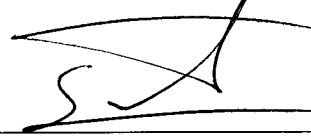
ABSENT:

---

Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:



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Teresa Vargas, City Clerk

---

Salvador Navarrete, City Attorney

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## ITEM 4.17

### CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING

**ITEM:**                                   **AUTHORIZE THE RELEASE OF CONTRACT RETENTION, AND PERFORMANCE AND PAYMENT BONDS FOR THE LATHROP ROAD RESIDENTIAL DRIVEWAY RECONSTRUCTION, CIP GG 24-27**

**RECOMMENDATION:**   **Adopt Resolution to Release the Contract Retention, and Performance and Payment Bonds from Dirt Dynasty, Inc. for the Lathrop Road Residential Driveway Reconstruction, CIP GG 24-27**

---

#### **SUMMARY:**

Dirt Dynasty Inc. (Dirt Dynasty) completed the construction of Capital Improvement Project (CIP) GG 24-27 for Lathrop Road Residential Driveway Reconstruction (Project). The Project consisted of reconstructing the concrete residential driveway at 570 Lathrop Road.

Staff inspected and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications. Dirt Dynasty has submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year warranty bond (based on 10% of the construction contract) for the improvements to be accepted.

Staff requests City Council release the contract retention to Dirt Dynasty in the amount of \$1,831, and the performance and payment bonds for the Lathrop Road Residential Driveway Reconstruction, CIP GG 24-27.

#### **BACKGROUND:**

In 2017, the City constructed the Lathrop Road Widening that included installation of driveway transitions from the new roadway improvements to existing residential driveways. At that time, the contractor was unable to construct a driveway transition at the property of 570 Lathrop Road. On September 11, 2023, City Council created CIP GG 24-27 to reconstruct the residential driveway at 570 Lathrop Road.

On May 13, 2024, City Council awarded a construction contract to Dirt Dynasty for construction of the Project. The scope of work included sawcutting, removing the existing concrete residential driveway and sidewalk, and reconstructing a new driveway, vertical curb, gutter, and sidewalk improvements at 570 Lathrop Road.

The awarded contract was in the amount of \$40,492 and a 10% construction contingency of \$4,049 was authorized for staff to use as necessary to achieve the goals of the project. The total construction budget for the Project was \$44,541.

**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING****AUTHORIZE THE RELEASE OF CONTRACT RETENTION, AND PERFORMANCE AND PAYMENT BONDS FOR THE LATHROP ROAD RESIDENTIAL DRIVEWAY RECONSTRUCTION, CIP GG 24-27**

The Project has been completed within the available construction budget, original contract period, and in accordance with the plans, specifications, and City of Lathrop standards. Dirt Dynasty has also submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year warranty bond (based on 10% of the construction contract) for the improvements to be accepted.

Upon Council's approval, the performance and payment bonds (Bond No. GM235983) will be released and replaced with a warranty bond (Bond No. GM235983, \$4,049). The warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this authorization, due to defective materials or workmanship in connection with the completed improvements. Dirt Dynasty also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council release the contract retention to Dirt Dynasty in the amount of \$1,831, and release the performance and payment bonds for CIP GG 24-27.

**REASON FOR RECOMMENDATION:**

The Project was completed by Dirt Dynasty pursuant to the contract documents dated May 13, 2024. Staff inspected the improvements and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications.

Upon Council's approval, the performance and payment bonds (Bond No. GM235983) will be released and replaced with a one-year warranty bond (Bond No. GM235983, \$4,049).

**FISCAL IMPACT:**

The awarded contract was in the amount of \$40,492 with a 10% construction contingency for a total construction budget of \$44,541. Adequate funds were allocated within the fiscal year 2024/25 budget to close out CIP GG 24-27. With the completion of the Project, staff requests that unused funds be transferred back into the General Fund Street Repair Reserves (1010).

**ATTACHMENTS:**

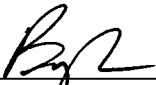
- A. Resolution to Release the Contract Retention, and Performance and Payment Bonds from Dirt Dynasty, Inc. for the Lathrop Road Residential Driveway Reconstruction, CIP GG 24-27

**CITY MANAGER'S REPORT** **PAGE 3**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**AUTHORIZE THE RELEASE OF CONTRACT RETENTION, PERFORMANCE AND**  
**PAYMENT BONDS FOR THE LATHROP ROAD RESIDENTIAL DRIVEWAY**  
**RECONSTRUCTION, CIP GG 24-27**

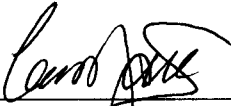
**APPROVALS:**

  
\_\_\_\_\_  
Angel Abarca  
Assistant Engineer

10-29-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

10/30/2024  
\_\_\_\_\_  
Date

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

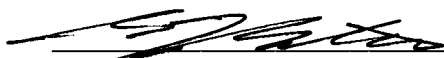
11/1/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

10.31.2024  
\_\_\_\_\_  
Date

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

10-29-2024  
\_\_\_\_\_  
Date

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

11.7.24  
\_\_\_\_\_  
Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO RELEASE THE CONTRACT RETENTION, AND PERFORMANCE AND PAYMENT BONDS FROM DIRT DYNASTY, INC. FOR THE LATHROP ROAD RESIDENTIAL DRIVEWAY RECONSTRUCTION, CIP GG 24-27**

**WHEREAS**, on September 11, 2023, City Council created Capital Improvement Project (CIP) GG 24-27 for Lathrop Road Residential Driveway Reconstruction (Project) to reconstruct the residential driveway at 570 Lathrop Road; and

**WHEREAS**, on May 13, 2024, City Council awarded a construction contract to Dirt Dynasty, Inc. (Dirt Dynasty) for construction of the Project; and

**WHEREAS**, the scope of work included sawcutting, removing the existing concrete residential driveway and sidewalk, and reconstructing a new driveway, vertical curb, gutter, and sidewalk improvements at 570 Lathrop Road; and

**WHEREAS**, the awarded contract was in the amount of \$40,492 and a 10% construction contingency of \$4,049 was authorized for staff to use as necessary to achieve the goals for a total construction budget of \$44,541; and

**WHEREAS**, Dirt Dynasty has completed the construction of the project; staff inspected and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications; and

**WHEREAS**, Dirt Dynasty has provided the necessary lien releases for the materials supplied and completed work; and

**WHEREAS**, Dirt Dynasty has submitted a one-year warranty bond (based on 10% of total project cost) for the improvements being accepted; and

**WHEREAS**, upon City Council's approval, the performance and payment bonds (Bond No. GM235983) will be released and replaced with a one-year warranty bond (Bond No. GM235983, \$4,049); and

**WHEREAS**, adequate funds were allocated within the fiscal year 2024/25 budget to close out CIP GG 24-27. With the completion of this project, staff requests that unused funds be transferred back into the General Fund Street Repair Reserves (1010); and

**WHEREAS**, staff requests City Council release the contract retention to Dirt Dynasty in the amount of \$1,831, and release the performance and payment bonds to CIP GG 24-27.

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby Release the contract retention to Dirt Dynasty in the amount of \$1,831, and the performance and payment bonds to CIP GG 24-27; and

**BE IT FURTHER RESOLVED,** that City Council also authorizes the transfer of the unused project funds into the General Fund Street Repair Reserves (1010).

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

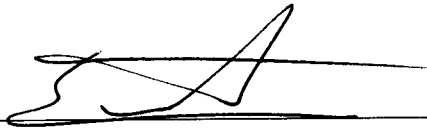
ABSTAIN:

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

**ATTEST:**

**APPROVED AS TO FORM:**

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

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

## ITEM 4.18

### **CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM:** **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DSS COMPANY DBA KNIFE RIVER CONSTRUCTION FOR PAVEMENT REHABILITATION, CIP PS 24-29**

**RECOMMENDATION:** **Adopt Resolution to Accept Public Improvements Constructed by DSS Company dba Knife River Construction for the Pavement Rehabilitation CIP PS 24-29, and Authorize the Filing of a Notice of Completion, Release of Contract Retention, Release of Performance and Payment Bonds, and File a One-Year Maintenance Warranty Bond**

---

#### **SUMMARY:**

DSS Company dba Knife River Construction (Knife River) completed construction of the Capital Improvement Project (CIP) PS 24-29 for Pavement Rehabilitation (Project). The Project repaired the deteriorated pavement on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court. Staff inspected and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications.

Knife River has submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year maintenance bond (based on 10% of the construction contract) for the improvements to be accepted.

Staff requests City Council accept the improvements constructed by Knife River for the Project. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Knife River in the amount of \$31,446 within forty-five (45) days after the recording of the Notice of Completion, release of performance and payment bonds, and file of a one-year maintenance warranty bond.

#### **BACKGROUND:**

On February 12, 2024, City Council awarded a construction contract to Knife River for construction of the Project to correct existing road deficiencies in the Woodfield community area. The scope of work consisted of a full-reconstruction pavement treatment on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court.

Knife River completed the construction of the Project. Staff inspected the improvements and deemed the improvements complete and in accordance with the approved plans and specifications by the City Engineer.

**CITY MANAGER’S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DSS COMPANY DBA**  
**KNIFE RIVER CONSTRUCTION FOR PAVEMENT REHABILITATION, CIP PS 24-**  
**29**

The awarded contract was in the amount of \$582,982 and a 10% construction contingency of \$58,298 was authorized for staff to use as necessary to achieve the goals of the Project. The total construction budget for the Project was \$641,280.

During construction, contract change orders totaling \$45,934 were issued for a final contract amount of \$628,916. The construction costs referenced below capture all expenditures.

Construction costs are as follows:

A.	Construction Contract Amount	\$ 582,982
B.	Approved Change Order 1	\$ 30,380
C.	Approved Change Order 2	\$ 15,554
Total Construction Costs		\$ 628,916

The Project has been completed within original contract period and in accordance with the plans, specifications, and City of Lathrop standards. Upon acceptance of the improvements, the performance and payment bonds (Bond No. 190-054-038/107885655) will be released and replaced with a warranty bond (Bond No. 190-054-038/107885655, \$62,892). The warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements. Knife River has also provided the necessary lien releases for the materials supplied and completed work.

Staff is requesting City Council accept the public improvements constructed by Knife River for the Project. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to Knife River in the amount of \$31,446 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

**REASON FOR RECOMMENDATION:**

The Project was completed by Knife River pursuant to the contract documents dated February 12, 2024. Staff inspected the improvements and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications. The performance and payment bonds (Bond No. 190-054-038/107885655) will be released and replaced with a one-year warranty bond (Bond No. 190-054-038/107885655, \$62,892) upon City Council’s acceptance of the improvements.



**CITY MANAGER'S REPORT** **PAGE 3**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DSS COMPANY DBA**  
**KNIFE RIVER CONSTRUCTION FOR PAVEMENT REHABILITATION, CIP PS 24-**  
**29**

**FISCAL IMPACT:**

The awarded contract was in the amount of \$582,982 with a 10% construction contingency for a total construction budget of \$641,280. During construction, contract change orders totaling \$45,934 were issued for a final contract amount of \$628,916.

Adequate funds were allocated in Fiscal Year 2024/25 budget to close out CIP PS 24-29. With the completion of this Project, staff requests that unused funds be transferred back into the General Fund Street Repair Reserves (1010).

**ATTACHMENTS:**

- A. Resolution to Accept Public Improvements Constructed by DSS Company dba Knife River Construction for the Pavement Rehabilitation CIP PS 24-29, and Authorize the Filing of a Notice of Completion, Release of Contract Retention, Release of Performance and Payment Bonds, and File a One-Year Maintenance Warranty Bond
- B. Notice of Completion – Pavement Rehabilitation, CIP PS 24-29

**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DSS COMPANY DBA**  
**KNIFE RIVER CONSTRUCTION FOR PAVEMENT REHABILITATION, CIP PS 24-**  
**29**

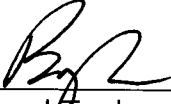
**APPROVALS:**



Angel Abarca  
Assistant Engineer

11-5-2024

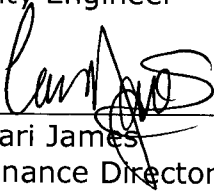
Date



Brad Taylor  
City Engineer

11/5/2024

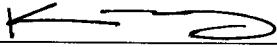
Date



Cari James  
Finance Director

11/5/2024

Date



Michael King  
Assistant City Manager

11.5.2024

Date



Salvador Navarrete  
City Attorney

11-5-2024

Date



Stephen J. Salvatore  
City Manager

11.14.24

Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DSS COMPANY DBA KNIFE RIVER CONSTRUCTION FOR PAVEMENT REHABILITATION, CIP PS 24-29, AND AUTHORIZE THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, RELEASE OF PERFORMANCE AND PAYMENT BONDS, AND FILE A ONE-YEAR MAINTENANCE WARRANTY BOND**

**WHEREAS**, on February 12, 2024, City Council awarded a construction contract to DSS Company dba Knife River Construction (Knife River) for construction of Capital Improvement Project (CIP) PS 24-29 for Pavement Rehabilitation (Project) to correct existing road deficiencies in the Woodfield community area; and

**WHEREAS**, the Project repaired the deteriorated pavement on Cherry Hills Drive, Cherry Hills Court, Kilarney Drive, and Kilarney Court; and

**WHEREAS**, the awarded contract was in the amount of \$582,982 and a 10% construction contingency of \$58,298 was authorized for staff to use as necessary to achieve the goals of the Project; and

**WHEREAS**, during construction, contract amendments totaling \$45,934 were issued for a final contract amount of \$628,916; and

**WHEREAS**, Knife River has completed the construction of the Project; staff inspected and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications; and

**WHEREAS**, Knife River has provided the necessary lien releases for the materials supplied and completed work; and

**WHEREAS**, Knife River has submitted a one-year warranty bond (based on 10% of total project cost) for the improvements being accepted; and

**WHEREAS**, the performance and payment bonds (Bond No. 190-054-038/107885655) will be released and replaced with a one-year warranty bond (Bond No. 190-054-038/107885655, \$62,892) upon City Council's acceptance of the improvements; and

**WHEREAS**, adequate funds were allocated in Fiscal Year 2024/25 budget to close out CIP PS 24-29. With the completion of this Project, staff requests that unused funds be transferred back into the General Fund Street Repair Reserves (1010); and

**WHEREAS**, staff requests City Council accept the public improvements constructed by Knife River for Pavement Rehabilitation, CIP PS 24-29; and

**WHEREAS**, staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk upon acceptance of the improvements and the release of the contract retention to Knife Rive, in the amount of \$31,446, within forty-five (45) days after the recording of the Notice of Completion and the release of the performance and payment bonds.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby accept the public improvements constructed by Knife River for Pavement Rehabilitation, CIP PS 24-29, pursuant to the contract documents dated February 12, 2024; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop authorizes the filing of the Notice of Completion with the San Joaquin County Clerk, the release of the contract retention to Knife River, in the amount of \$31,446, within forty-five (45) days after the recording of the Notice of Completion, the release of the performance and payment bonds, and the file of a one-year maintenance warranty bond; and

**BE IT FURTHER RESOLVED**, that City Council also authorizes the transfer of the unused project funds into the General Fund Street Repair Reserves (1010).

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

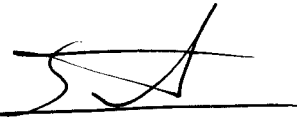
ABSTAIN:

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

**ATTEST:**

**APPROVED AS TO FORM:**

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

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

RECORDING REQUESTED BY, AND  
WHEN RECORDED MAIL TO:

CITY OF LATHROP  
ATTN: CITY CLERK  
390 TOWNE CENTRE DRIVE  
LATHROP, CA 95330  
Exempt from payment of recording fees (GC 11922)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN:

- 1. That the interest or estate stated in paragraph 3 herein in the real property herein described is owned by:
NAME STREET AND NO. CITY STATE
City of Lathrop 390 Towne Centre Drive Lathrop CA 95330
(If more than one owner of the interest stated, the name and address of each must be stated)
2. That the full name and address of the owner of said interest or estate, if there is only one owner, and that the full names and addresses of all the co-owners who own said interest or estate as tenants in common, as joint tenants, or otherwise, if there is more than one owner, are set forth in the preceding paragraph.
3. That the nature of title or the stated owner, or if more than one owner, then of the stated owner and co-owners is:
Project No. CIP PS 24-29 Pavement Rehabilitation by DSS Company dba Knife River Construction
4. That on the 18th day of November 2024 a work of improvement on the real property herein described was completed.
5. That the name of the original contractor, if any, for said work of improvement was: DSS Company dba Knife River Construction
6. That the name and address of the transferor is:
NAME STREET AND NO. CITY STATE
DSS Company dba Knife River Construction 655 West Clay Street Stockton CA 95206
7. That the real property herein referred to is situated in the City of Lathrop County of San Joaquin, State of California, and is described as follows:
Project No. CIP PS 24-29 Pavement Rehabilitation by DSS Company dba Knife River Construction

CITY OF LATHROP

By: Stephen J. Salvatore, City Manager Date

That the undersigned has knowledge of the contents herein and states under penalty of perjury that the foregoing is true and correct.

By: Teresa Vargas, City Clerk Date

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the NOTICE OF COMPLETION dated **November 18, 2024** by **DSS Company dba Knife River Construction** to the **City of Lathrop**, a political corporation and/or governmental agency, is hereby accepted by the undersigned officer or agent on behalf of the City Council pursuant to authority conferred by minute action of the City Council adopted on **November 18, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

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

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## ITEM 4.19

### CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING

**ITEM:** **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY MG & JC CONCRETE, INC. FOR CTF SERVICE DRIVEWAY, CIP WW 22-38**

**RECOMMENDATION:** **Adopt Resolution to Accept Public Improvements Constructed by MG & JC Concrete, Inc. for CTF Service Driveway, CIP WW 22-38, and Authorize the Filing of a Notice of Completion, Release of Contract Retention, Release of Performance and Payment Bonds and Filing the One-Year Maintenance Warranty Bond**

---

#### **SUMMARY:**

MG & JC Concrete, Inc. (MG & JC Concrete) has completed the construction of Consolidated Treatment Facility (CTF) Service Driveway, CIP WW 22-38 (Project). Staff inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

MG & JC Concrete has submitted lien releases confirming all subcontractors and suppliers have been paid in full and provided a one-year warranty bond (based on 10% of the construction contract) for the improvements to be accepted.

Staff requests City Council accept the completed improvements constructed by MG & JC Concrete for the Project. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk-Recorder, the release of contract retention to MG & JC Concrete of \$1,611 within forty-five (45) days after filing the Notice of Completion, the release of performance and payment bonds and filing the one-year maintenance warranty bond.

#### **BACKGROUND:**

On August 30, 2024, City Council awarded a construction contract to MG & JC Concrete for the construction of the Project in the amount of \$32,225, and approved a 10% construction contingency of \$3,222 for staff to use as necessary to achieve the goals of the Project.

The Project scope consisted of constructing a concrete service driveway into the CTF from Christopher Way. This driveway is extra wide, allowing for the passage of large industrial and construction equipment not possible through the existing main driveway.

No contract change orders were issued during the construction of the project; therefore, the final contract price of the Project is \$32,225.

**CITY MANAGER'S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY MG & JC CONCRETE, INC. FOR CTF SERVICE DRIVEWAY, CIP WW 22-38**

Upon acceptance of the improvements, the performance bond (Bond No. 66878, \$32,225) and payment bond (Bond No. 66878, \$32,225) will be released and replaced with a one-year warranty bond (Bond No. 66878, \$3,222). The one-year warranty bond covers any repairs or replacements that may become necessary during the one-year period beginning with this acceptance due to any defective materials or workmanship in connection with the completed improvements. MG & JC Concrete has also provided the necessary lien releases for the materials supplied and completed work.

Staff request City Council accept the improvements constructed by MG & JC Concrete for CIP WW 22-38 CTF Service Driveway. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk-Recorder, the release of contract retention to MG & JC Concrete of \$1,611 within forty-five (45) days after the recording of the Notice of Completion, the release of performance and payment bonds and the filing of the one-year maintenance warranty bond.

**REASON FOR RECOMMENDATION:**

MG & JC Concrete has completed the Project pursuant to the contract documents dated July 11, 2024. Staff inspected the improvements, and they have been deemed complete and in accordance with the plans and specifications approved by the City Engineer.

MG & JC Concrete has submitted a one-year warranty bond for the improvements to be accepted (based on 10% of the construction contract) and lien releases confirming all sub-contractors and suppliers have been paid in full. The warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements.

The performance bond and payment bond will be released and replaced with the one-year warranty bond upon City Council's acceptance of the improvements.

**FISCAL IMPACT:**


The final construction contract amount with MG & JC Concrete for the Project is \$32,225. Adequate funds have been allocated in the FY 2024-25 budget to CIP WW 22-38 to close out the Project. With the completion of the Project, staff request that unused funds be transferred back to the original funding source.

**ATTACHMENTS:**

- A. Resolution Accepting Public Improvements Constructed by MG & JC Concrete, Inc. for CTF Service Driveway, CIP WW 22-38, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, Release of Performance and Payment Bonds and Filing the One Year Maintenance Warranty Bond.
- B. Notice of Completion –CTF Service Driveway, CIP WW 22-38

**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY MG & JC CONCRETE,**  
**INC. FOR CIP WW 22-38 CTF SERVICE DRIVEWAY**


**APPROVALS:**

  
\_\_\_\_\_  
Steven Hollenbeak  
Assistant Engineer

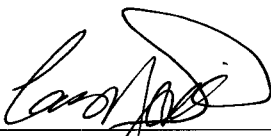
11.3.24  
\_\_\_\_\_  
Date

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

11-5-2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer


11/4/2024  
\_\_\_\_\_  
Date

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


11/3/2024  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

11.4.2024  
\_\_\_\_\_  
Date

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

11.4.2024  
\_\_\_\_\_  
Date

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

11.14.24  
\_\_\_\_\_  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY MG & JC CONCRETE, INC. FOR CTF SERVICE DRIVEWAY, CIP WW 22-38, AND AUTHORIZE THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, RELEASE OF PERFORMANCE AND PAYMENT BONDS AND FILING THE ONE-YEAR MAINTENANCE WARRANTY BOND**

**WHEREAS**, on August 30, 2024, the City Manager approved a construction contract with MG & JC Concrete, Inc. (MG & JC Concrete) for CTF Service Driveway, CIP WW 22-38, (Project) in the amount of \$32,225 with a 10% construction contingency of \$3,222 for staff to use as necessary to achieve the goals of the Project; and

**WHEREAS**, the scope of work consisted of constructing a concrete service driveway into the CTF from Christopher Way; and

**WHEREAS**, staff inspected the improvements and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications; and

**WHEREAS**, MG & JC Concrete has provided the necessary lien releases for the materials supplied and completed work and a one-year warranty bond (based on 10% of total Project cost) for the improvements being accepted; and

**WHEREAS**, the performance bond (Bond No. 66878, \$32,225) and payment bond (Bond No. 66878, \$32,225) will be released and replaced with a one-year warranty bond (Bond No. 66878, \$3,222) upon City Council's acceptance of the improvements; and

**WHEREAS**, the one-year warranty bond covers any repairs or replacements that may become necessary during the one-year period beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements; and

**WHEREAS**, adequate funds have been allocated in the FY 2024-25 budget for CIP WW 22-38 to close out the Project. With the completion of the Project, staff requests that unused funds be transferred back to the source Fund; and

**WHEREAS**, staff requests City Council accept the public improvements constructed by MG & JC Concrete for CTF Service Driveway, CIP WW 22-38;; and

**WHEREAS**, staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk-Recorder, the release of contract retention to MG & JC Concrete in the amount of \$1,611 within forty-five (45) days after the recording of the Notice of Completion, the release of performance and payment bonds and filing the one-year maintenance warranty bond.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby accept the completed public improvements constructed by MG & JC Concrete for CTF Service Driveway, CIP WW 22-38, pursuant to the contract documents dated August 30, 2024; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop authorizes the filing of the Notice of Completion with the San Joaquin County Clerk-Recorder, the release of the contract retention to MG & JC Concrete in the amount of \$1,611 within forty-five (45) days after the recording of the Notice of Completion, the release of the performance and payment bonds and filing the one-year maintenance warranty bond; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop approves the transfer of unused funds back to the original funding source.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November, 2024 by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

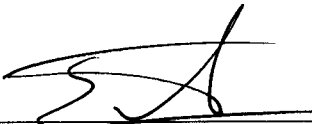
ABSTAIN:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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





**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the NOTICE OF COMPLETION dated **November 18, 2024** by **MG & JC Concrete, Inc.** to the **City of Lathrop**, a political corporation and/or governmental agency, is hereby accepted by the undersigned officer or agent on behalf of the City Council pursuant to authority conferred by minute action of the City Council adopted on **November 18, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

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

**UNCONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT**

**NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES AND RELEASES LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL WAIVER AND RELEASE FORM.**

**Identifying Information**

Name of Claimant: MG & JC Concrete & Inc  
Name of Customer: City of Lathrop  
Job Location: 18800 Christopher way, Lathrop, CA 95330

**Unconditional Waiver and Release**

This document waves and releases lien, stop payment notice, and payment bond rights the claimant has for all labor and service provided, and equipment and material delivered, to the customer on this job. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. The claimant has been paid in full.

\$32,225.00

**Exceptions**

This document does not affect any of the following:

Disputed claims for extras in the Amount of: \$ \_\_\_\_\_

**Signature**

Claimant's Signature: Miguel Gonzalez

Claimant's Title: President

Date of Signature: 10/18/24

## ITEM 4.20

### **CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM:**                                   **CREATE CIP PS 25-15 FOR STREET LIGHTS ON MCKINLEY AVENUE, AWARD CONSTRUCTION CONTRACT TO BEAR ELECTRICAL SOLUTIONS, LLC, AND APPROVE BUDGET AMENDMENT**

**RECOMMENDATION:**   **Adopt Resolution to Create Capital Improvement Project PS 25-15 for Street Lights on McKinley Avenue, Award a Construction Contract to Bear Electrical Solutions, LLC, and Approve a Budget Amendment**

---

#### **SUMMARY:**

Capital Improvement Project (CIP) PS 15-02 for Louise Avenue and McKinley Avenue Intersection Improvements recently constructed new sidewalk, curb, and gutter along McKinley Avenue. Streetlights were not included within the scope of CIP PS 15-02, therefore staff is proposing to create CIP PS 25-15 for Street Lights on McKinley Avenue (Project) to install street lighting along the new sidewalk on McKinley Avenue.

The Project scope of work includes installing 2" street light conduit at the back of walk, installing streetlight foundations, placing a new communication box, trenching and patching asphalt at existing driveway, and all wiring and connections to install nine (9) City furnished street light poles and fixtures.

Staff prepared the specifications and improvement plans that were advertised for formal bid on October 10, 2024 in accordance with Bidding Procedures in California Public Contract Code (PCC) 22160 and Lathrop Municipal Code (LMC) 2.36.060. The City Clerk received and opened five (5) bids on October 30, 2024. Based on the review and evaluation of the bids, the lowest responsive and responsible bidder for construction of the Project was determined to be Bear Electrical Solutions, LLC (Bear Electrical) with a bid of \$242,365.

Staff requests City Council create CIP PS 25-15 for Street Lights on McKinley Avenue and award a construction contract to Bear Electrical for construction of the Project in the amount of \$242,365 plus a 10% construction contingency in the amount of \$24,237 for a total construction budget of \$266,602.

Staff is also requesting City Council approve a budget amendment transferring \$300,000 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) to fund the construction contract, a 10% contingency, and additional funds for miscellaneous and unforeseen items. Any unused funds will be transferred back into General Fund Street Repair Reserves upon acceptance of the Project.

**CITY MANAGER’S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**CREATE CIP PS 25-15 FOR STREET LIGHTS ON MCKINLEY AVENUE, AWARD**  
**CONSTRUCTION CONTRACT TO BEAR ELECTRICAL SOLUTIONS, LLC, AND**  
**APPROVE BUDGET AMENDMENT**

**BACKGROUND:**

Through CIP PS 15-02, the City constructed new sidewalk, curb and gutter on McKinley Avenue near the Louise Avenue intersection. To provide lighting along McKinley Avenue, staff is proposing to create CIP PS 25-15 for Street Lights on McKinley Avenue. The Project will install conduit, foundations and (9) nine new street light poles and fixtures with corresponding connections at existing meter pedestals and street light boxes. The new conduit will be placed along the back of walk and cross through an existing driveway that will require trenching and patching with new asphalt. The City will furnish the new street lights and fixtures.

The bid solicitation package with plans and specifications for the construction of the Project was advertised on October 10, 2024, in accordance with Bidding Procedures in California PCC 22160 and LMC 2.36.060.

Five (5) bids were received; each 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>Base Bid</b>
Bear Electrical Solutions, LLC	\$242,365
Pacific Excavation	\$263,905
Koch & Koch, Inc.	\$266,975
Bockmon & Woody Electric	\$282,610
Tennyson Electric, Inc.	\$287,460

Staff reviewed and evaluated the bids, and determined that the lowest responsive and responsible bidder is Bear Electrical. Staff requests City Council adopt a resolution to award a construction contract to Bear Electrical for the amount of \$242,365.

Staff also requests City Council authorize a 10% construction contingency of \$24,237 and authorize staff to spend the contingency as necessary to achieve the goals of the Project for a total construction budget of \$266,602.

**REASON FOR RECOMMENDATION:**

Creation of CIP PS 25-15 is needed to provide lighting for pedestrians walking along the new sidewalk and vehicles approaching the Louise Avenue and McKinley Avenue intersection. Awarding a construction contract to Bear Electrical will allow the Project to proceed with the installation of street lighting on McKinley Avenue and improve the visibility for pedestrians and vehicles.

**CITY MANAGER’S REPORT** **PAGE 3**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**CREATE CIP PS 25-15 FOR STREET LIGHTS ON MCKINLEY AVENUE, AWARD**  
**CONSTRUCTION CONTRACT TO BEAR ELECTRICAL SOLUTIONS, LLC, AND**  
**APPROVE BUDGET AMENDMENT**

**FISCAL IMPACT:**

Sufficient funds were not allocated in the approved Fiscal Year 24-25 budget, thus staff is also requesting the approval of a budget amendment transferring \$300,000 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) as follows:


<u>Decrease Street Repair Reserves</u>		
1010-251-03-00		\$300,000
<u>Increase Transfer Out</u>		
1010-9900-990-9010		\$300,000
<u>Increase Transfer In</u>		
3310-9900-393-0000	PS 25-15	\$300,000
<u>Increase Appropriation</u>		
3310-8000-420-1200	PS 25-15	\$300,000

**ATTACHMENTS:**


- A. Resolution to Create Capital Improvement Project PS 25-15 for Street Lights on McKinley Avenue, Award a Construction Contract to Bear Electrical Solutions, LLC, and Approve a Budget Amendment
- B. Construction Contract with Bear Electrical Solutions, LLC, for CIP PS 25-15 for Street Lights on McKinley Avenue

**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**CREATE CIP PS 25-15 FOR STREET LIGHTS ON MCKINLEY AVENUE, AWARD**  
**CONSTRUCTION CONTRACT TO BEAR ELECTRICAL SOLUTIONS, LLC, AND**  
**APPROVE BUDGET AMENDMENT**

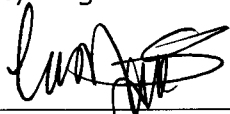
**APPROVALS:**

  
\_\_\_\_\_  
Angel Abarca  
Assistant Engineer

11 / 5 / 2024  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

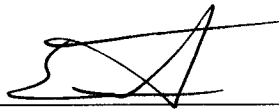
11/6/2024  
Date

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

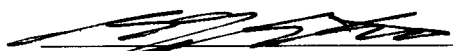
11/7/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

11.6.2024  
Date

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

11-7-2024  
Date

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

11.14.24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO CREATE CIP PS 25-15 FOR STREET LIGHTS ON MCKINLEY AVENUE, AWARD CONSTRUCTION CONTRACT TO BEAR ELECTRICAL SOLUTIONS, LLC, AND APPROVE BUDGET AMENDMENT**

**WHEREAS**, Capital Improvement Project (CIP) PS 15-02 for Louise Avenue and McKinley Avenue Intersection Improvements recently constructed new sidewalk, curb, and gutter along McKinley Avenue; and

**WHEREAS**, streetlights were not included within the scope of CIP PS 15-02, therefore staff is proposing to create CIP PS 25-15 for Street Lights on McKinley Avenue (Project) to install street lighting along the new sidewalk on McKinley Avenue; and

**WHEREAS**, the Project scope of work includes installing 2" street light conduit at the back of walk, installing streetlight foundations, placing a new communication box, trenching and patching asphalt at existing driveway, and all wiring and connections to install nine (9) City furnished street light poles and fixtures; and

**WHEREAS**, staff prepared the specifications and improvement plans that were advertised for formal bid on October 10, 2024 in accordance with Bidding Procedures in California Public Contract Code (PCC) 22160 and Lathrop Municipal Code (LMC) 2.36.060; and

**WHEREAS**, the City Clerk received and opened five (5) bids on October 30, 2024; and

**WHEREAS**, based on the review and evaluation of the bids, the lowest responsive and responsible bidder for construction of the Project was determined to be Bear Electrical Solutions, LLC (Bear Electrical) with a bid of \$242,365; and

**WHEREAS**, staff requests City Council create CIP PS 25-15 for Street Lights on McKinley Avenue and award a construction contract to Bear Electrical for construction of the Project in the amount of \$242,365 plus a 10% construction contingency in the amount of \$24,237 for a total construction budget of \$266,602; and

**WHEREAS**, to fund the construction contract, a 10% contingency, and miscellaneous and unforeseen items, staff is also requesting City Council approve a budget amendment transferring \$300,000 from the General Fund Street Repair Reserves (1010) to the CIP Project Fund (3310) as follows:

<u>Decrease Street Repair Reserves</u>		
1010-251-03-00		\$300,000
<u>Increase Transfer Out</u>		
1010-9900-990-9010		\$300,000
<u>Increase Transfer In</u>		
3310-9900-393-0000	PS 25-15	\$300,000
<u>Increase Appropriation</u>		
3310-8000-420-1200	PS 25-15	\$300,000

**NOW, THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop hereby creates Capital Improvement Project PS 25-15 for Street Lights on McKinley Avenue; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop hereby approves a construction contract with Bear Electrical Solutions, LLC for construction of CIP PS 25-15 for Street Lights on McKinley Avenue; and

**BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop hereby approves a 10% construction contingency of \$24,237 for a total construction budget of \$266,602 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 the City of Lathrop hereby approves a budget amendment transferring \$300,000 from the General Fund Street Repair Reserves (1010) to the CIP Project (3310) as detailed above.



The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

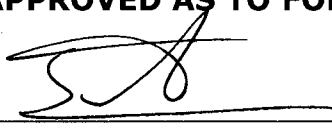
ABSENT:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

## CONSTRUCTION CONTRACT

This Contract, dated **November 18<sup>th</sup> 2024**, is entered into by and between the **City of Lathrop**, a municipal corporation of the State of California (City), and **Bear Electrical Solutions, LLC**, (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 **Street Lights on McKinley Avenue, CIP PS 25-15** (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 is generally described as, but not necessarily limited to; installing 2" street light conduit at back of walk, (9) street light poles and fixtures, sweeping fiber optic conduit, placing a new communication box, trenching and patching asphalt at existing driveway, removing and replacing sidewalk panels, and performing all appurtenant work in place and ready for use, all as shown in the Contract Plans and Specifications.

The work shall be **completed within 30 working days** following issuance of Notice to Proceed.

The Work shall be complete, and all appurtenant work, materials, and services not expressly shown or called for in the Construction Documents which may be necessary for the complete and proper construction of the Work in good faith shall be performed, furnished, and installed by the Contractor as though originally specified or shown. The Contractor will be compensated for work actual work performed in accordance with the unit prices and provisions contained in these Construction Documents.

**Base Bid Total: \$242,365.**

3. Construction Documents. This Contract shall include the Construction Documents which are on file with 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 Bear Electrical Solutions, LLC on October 30, 2024.

For the purposes of construing, interpreting and resolving inconsistencies between the provisions of this Contract, these documents and the provisions thereof are set forth in the order of precedence described in Article 3 of the General Conditions.

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

                                  (209) 941-7430  
                                   FAX: (209) 941-7449  
                                   ATTN: Senior Construction Manager

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

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

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 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:**

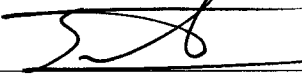
By: \_\_\_\_\_

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

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

**CITY OF LATHROP**

APPROVED AS TO FORM:

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

RECOMMENDED FOR APPROVAL:

By: \_\_\_\_\_  
Michael King, Assistant City Manager

APPROVED:

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

## SECTION 00300

STREET LIGHTS ON MCKINLEY AVENUE  
CIP PS 25-15

BID PROPOSAL FORMS

**BID PROPOSAL FORMS**

TO: City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

ATTENTION: City Clerk

FOR: STREET LIGHTS ON MCKINLEY AVENUE, CIP PS 25-15

THE UNDERSIGNED, AS BIDDER, HEREBY AGREES AND DECLARES THAT:

**LEGAL COMPLIANCE**

The only persons or parties interested in this Bid as Principals are those named herein; that this Bid is made without collusion with any other person, firm, partnership, corporation, or association; that he has carefully examined the location of the proposed work and the Construction Documents; and he proposes and agrees that if this Bid is accepted he will contract with the City of Lathrop, in the form of the Contract as set forth in the Construction Documents for said project, to provide all the necessary labor, services, materials, and equipment, and to do all the work and furnish all the materials; and that he will accept in full payment therefore the price as proposed in the following Bid Schedule.

**SCHEDULE OF PRICES**

All applicable permit fees, licensing costs, sales taxes, State, and/or Federal, and any other taxes, patent rights, or royalties are included in the prices quoted in the Bid. All blank spaces must be filled in.

**BASIS OF AWARD**

The basis for award of the contract will be the price of the base bid. The City of Lathrop reserves the right to award the work contemplated by only the Base Bid, or none of the work.

## SECTION 00300

STREET LIGHTS ON MCKINLEY AVENUE  
CIP PS 25-15

BID PROPOSAL FORMS

STREET LIGHTS ON MCKINLEY AVENUE, CIP PS 25-15  
BID SCHEDULE

BID ITEM	DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	EXTENDED TOTAL
1	Mobilization, Bonds & Insurance	1	LS	\$10,000	\$10,000.00
2	Traffic Control	1	LS	\$15,000.00	\$15,000.00
3	Erosion and Sediment Control Plan (ESCP)	1	LS	\$4,500.00	\$4,500.00
4	Trenching/Boring and Backfilling	1,285	LF	\$60.00	\$77,100.00
5	Trench and Patch Asphalt Driveway	90	SF	\$60.00	\$5,400.00
6	Furnish and Install 2" Schedule 40 Conduit	1,285	LF	\$8.00	\$10,280.00
7	Furnish and Install 10 AWG Tracer Wire	1,285	LF	\$1.00	\$1,280.00
8	Assembly and Install City of Lathrop Furnished Street Lights	9	EA	\$3,500.00	\$31,500.00
9	Install N9 Pull Box	9	EA	\$1,200.00	\$10,800.00
10	Street Light Concrete Foundation	9	EA	\$5,000.00	\$45,000.00
11	Wiring to Connect Poles to Power and Boxes	1	LS	\$7,000.00	\$7,000.00
12	Install B2436 Pull Box w/ Traffic Rated Lid (Sweep Fiber Optic Conduit)	1	EA	\$24,500.00	\$24,500.00

**TOTAL BID:** \$ 242,365.00**TOTAL BID IN WORDS:** Two Hundred Forty Two Thousand Three Hundred Sixty Five Dollars and Zero Cents

00300-2

## ITEM 4.21

### **CITY MANAGER'S REPORT NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING**

**ITEM:**                               **APPROVE FINAL MAP, CFD ANNEXATION, AND SUBDIVISION IMPROVEMENT AGREEMENT FOR 33 LOTS IN TRACT 4244 VILLAGE 28 UNIT 1 WITHIN WEST VILLAGE DISTRICT OF RIVER ISLANDS**

**RECOMMENDATION:**   **Adopt Resolution to Approve Final Map for Tract 4244 Village 28 Unit 1 within the West Village District, Totaling 33 Single Family Lots, Annexation into CFD 2023-1, and a Subdivision Improvement Agreement with River Islands Development Area 1, LLC**

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#### **SUMMARY:**

The proposed Final Map for Tract 4244 Village 28 Unit 1 (Tract 4244), included as Attachment "E", is within the West Village District of Phase 2 for the River Islands Project. Tract 4244 will be the first tract map within the Village 28 area. River Islands Development Area 1, LLC (River Islands) is proposing thirty-three (33) residential lots. A Vicinity Map is included as Attachment "B".

Staff recommends City Council approve the proposed Final Map for Tract 4244, to be recorded pursuant to the terms of the Escrow Instructions, included as Attachment "D", and a Subdivision Improvement Agreement (SIA), included as Attachment "C", with River Islands Development Area 1, LLC, by Resolution, included as Attachment "A".

#### **BACKGROUND:**

On June 14, 2021, the City Council adopted resolutions and ordinances approving the River Islands modified Phase 2 Project and Vesting Tentative Subdivision Map (VTM) 6716. On August 12, 2024, City Council approved a Large Lot Map (LLM) Tract 4235 to create 8 undevelopable parcels. On December 7, 2023, Planning Commission approved the West Village Non-Age Restricted Neighborhood Development Plan and Architectural Design Guidelines and Development Standards. The land for the proposed Final Map for Tract 4244 is within the geographic boundaries of VTM 6716, LLM Tract 4235, and the West Village Non-Age Restricted Neighborhood.

As required by the Lathrop Municipal Code Chapter 16.16, all final maps must include a SIA to guarantee specific offsite and onsite improvements.

Construction of the public improvements associated with Tract 4244 are substantially complete. Performance and labor & materials securities have been provided with the SIA for Tract 4244 that guarantee the unfinished improvements for Village 28 as detailed in Table 1.

**CITY MANAGER’S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING**  
**APPROVE FINAL MAP, CFD ANNEXATION, AND SUBDIVISION IMPROVEMENT**  
**AGREEMENT FOR 33 LOTS IN TRACT 4244 VILLAGE 28 UNIT 1 WITHIN WEST**  
**VILLAGE DISTRICT OF RIVER ISLANDS**

**Table 1 – Bond Values**

Unfinished Improvement Total:	\$493,550
Performance Security (110% of Unfinished Improvements) Bond No. 0844470	\$542,905
Labor & Materials Security (50% of Performance Security) Bond No. 0844470	\$271,453

The conditions, terms and requirements associated with Off-Site Improvements as well as the use of temporary wastewater pump and haul are documented in the Tract 4155 SIA approved by City Council on September 11, 2023, and are applicable to this Tract 4244.

Potential acceptance of the public improvements will be processed by staff at a later date. Prior to acceptance, River Islands will be required to provide a one (1) year warranty bond.

Tract 4244 will need to be annexed into three different Community Facilities Districts (CFDs) for maintenance purposes. The CFDs are for the City of Lathrop, Island Reclamation District (RD) 2062, and River Islands Public Financing Authority (RIPFA). Approval of Annexation into City of Lathrop CFD 2023-1 is proposed with this Council item. Annexation into additional CFDs administered by RD 2062 and RIPFA is required as part of the escrow instructions prior to recording of the final map.

As a precondition to record the Final Map, River Islands must satisfy the Escrow Instructions by depositing necessary sums to guarantee the payment of all fees and providing required documents.

**REASON FOR RECOMMENDATION:**

River Islands has fulfilled all of the requirements of the City’s subdivision ordinance as listed below:

<b>Documents</b>	<b>Status</b>
1. Final Map ready for signature	Completed
2. Subdivision Improvement Agreement	Completed
3. Performance Security – Uncompleted Landscaping and Miscellaneous Improvements	Received
4. Labor and Materials Security – Uncompleted Landscaping and Miscellaneous Improvements	Received
5. Street Improvement, Landscape, Light & Joint Trench	Completed
6. Geotechnical Report	Completed
7. Agreement for Backbone Improvements and Parks (Agreement for Dedication, Inspection and Guarantee of Streets and Public Improvements)	Completed



**NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING  
 APPROVE FINAL MAP, CFD ANNEXATION, AND SUBDIVISION IMPROVEMENT  
 AGREEMENT FOR 33 LOTS IN TRACT 4244 VILLAGE 28 UNIT 1 WITHIN WEST  
 VILLAGE DISTRICT OF RIVER ISLANDS**

8. Approval of 3 <sup>rd</sup> Amendment to Development Agreement that guarantees creation of CFD for City Maintenance and Shortfalls, and Guarantee of Developer CFDs for Developer/other public agency Maintenance	Completed
9. Allocation of Water and Sewer capacity	Completed
10. Recommendation for approval from Stewart Tract Design Review Committee	Completed
11. Submitted Certificate of Insurance, Tax Letter	Completed
12. Submitted Preliminary Guarantee of Title	Completed
13. Escrow Instructions	Completed
14. Tract 4244 Village 28 – City of Lathrop Community Facilities District No. 2023-1 Annexation	Pending Approval
<b>Fees</b>	<b>Status</b>
1. Final Map plan check fee	Paid
2. Improvement Plans - Plan check and inspection fees	Paid
3. Sierra Club Settlement fee	To be paid in escrow

**FISCAL IMPACT:**

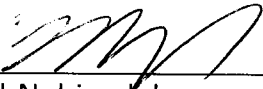
There is no fiscal impact to the City as all costs are covered by development fees and any shortfalls in the City’s maintenance and operating costs are covered by the CFDs.

**ATTACHMENTS:**

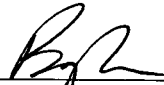
- A. Resolution Approving Final Map for Tract 4244 Village 28 Unit 1 within the West Village District, Totaling 33 Single Family Lots, Annexation into CFD 2023-1, and a Subdivision Improvement Agreement with River Islands Development Area 1, LLC
- B. Vicinity Map – Tract 4244 Village 28 Unit 1
- C. Subdivision Improvement Agreement between the City of Lathrop and River Islands Development Area 1, LLC, a Delaware limited liability company, for Tract 4244 Village 28 Unit 1
- D. Escrow Instructions for Final Map Tract 4244 Village 28 Unit 1
  - Annexation into City of Lathrop CFD 2023-1 (B2 of Attachment “D”)
- E. Final Map – Tract 4244 Village 28 Unit 1

**CITY MANAGER'S REPORT** **PAGE 4**  
**NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING**  
**APPROVE FINAL MAP, CFD ANNEXATION, AND SUBDIVISION IMPROVEMENT**  
**AGREEMENT FOR 33 LOTS IN TRACT 4244 VILLAGE 28 UNIT 1 WITHIN WEST**  
**VILLAGE DISTRICT OF RIVER ISLANDS**

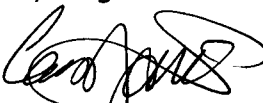
**APPROVALS**

  
\_\_\_\_\_  
Bellal Nabizadah  
Assistant Engineer

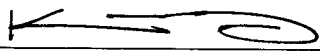
11/6/24  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

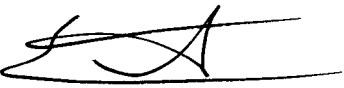
11/6/2024  
Date

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

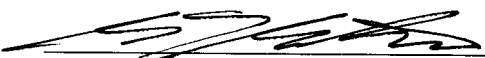
11/6/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

11.6.2024  
Date

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

11-6-2024  
Date

  
\_\_\_\_\_  
Stephen Salvatore  
City Manager

11.14.24  
Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING FINAL MAP FOR TRACT 4244 VILLAGE 28 UNIT 1 WITHIN THE WEST VILLAGE DISTRICT, TOTALING 33 SINGLE FAMILY LOTS, ANNEXATION INTO CFD 2023-1, AND A SUBDIVISION IMPROVEMENT AGREEMENT WITH RIVER ISLANDS DEVELOPMENT AREA 1, LLC**

**WHEREAS**, on June 14, 2021, the City Council adopted resolutions and ordinances approving the River Islands modified Phase 2 Project and Vesting Tentative Subdivision Map (VTM) 6716; and

**WHEREAS**, on August 12, 2024, City Council approved a Large Lot Map (LLM) Tract 4235 to create 8 undevelopable parcels; and

**WHEREAS**, on December 7, 2023, Planning Commission approved the West Village Non-Age Restricted Neighborhood Development Plan and Architectural Design Guidelines and Development Standards; and

**WHEREAS**, the land for the proposed Final Map for Tract 4244 Village 28 Unit 1 (Tract 4244) is within the geographic boundaries of VTM 6716, LLM Tract 4235, and the West Village Non-Age Restricted Neighborhood; and

**WHEREAS**, as required by the Lathrop Municipal Code Chapter 16.16, all final maps must include a Subdivision Improvement Agreement (SIA) to guarantee specific offsite and onsite improvements; and

**WHEREAS**, River Islands Development Area 1, LLC (River Islands), provided performance and labor & material securities with the SIA for Tract 4244 that guarantee the unfinished improvements for Tract 4244 in the amount as follows:

Unfinished Improvement Total:	\$493,550
Performance Security (110% of Unfinished Improvements) Bond No. 0844470	\$542,905
Labor & Materials Security (50% of Performance Security) Bond No. 0844470	\$271,453

; and

**WHEREAS**, the conditions, terms and requirements associated with Off-Site Improvements as well as the use of temporary wastewater pump and haul are documented in Tract 4155 SIA approved by City Council on September 11, 2023, and are applicable to this Tract 4244; and

**WHEREAS**, potential acceptance of the public improvements will be processed by staff at a later date and when the unfinished improvements are completed. Prior to acceptance, River Islands will be required to provide a one (1) year warranty bond; and

**WHEREAS**, Tract 4244 needs to be annexed into three different Community Facilities Districts (CFDs) for maintenance purposes. Staff recommends that Council approve Annexation into City of Lathrop CFD 2023-1. Additional CFDs administered by Island Reclamation District (RD) 2062 and River Islands Public Financing Authority (RIPFA) are recorded and included as part of the Escrow instructions; and

**WHEREAS**, River Islands must satisfy the Escrow Instructions, included as Attachment "D" to the City Manager's Report, by depositing necessary sums to guarantee the payment of all fees and providing required documents.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Lathrop that approves and accepts the following actions:

1. The Final Map for Tract 4244 and is hereby approved as submitted and recordation with the San Joaquin County Assessor/Recorder/County Clerk Office is authorized in substantially the form attached to the November 18, 2024 staff report once the terms and conditions of the Escrow Instructions, included as Attachment "D" to the City Manager's Report, are met.
2. The City Manager, or their designee, is authorized to execute a Subdivision Improvement Agreement with River Islands Development Area 1, LLC in substantially the form as attached to the November 18, 2024 staff report.
3. Annexation into the City of Lathrop Community Facilities District No. 2023-1 (River Islands Public Services and Facilities) in substantially the form as attached to the November 18, 2024 staff report.

**PASSED AND ADOPTED** by the City Council of the City of Lathrop this 18<sup>th</sup> day of November 2024 by the following vote:

AYES:

NOES:

ABSTAIN:

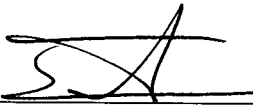
ABSENT:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

TRACT 4244  
(UNIT 1 LOTS)

RIVER ISLANDS  
HIGH SCHOOL

VILLAGE 3

VILLAGE EE

VILLAGE  
2

VILLAGE 27

LAKE 21

VILLAGE 26

LAKE 22

VILLAGE 26

VILLAGE 25

FUTURE  
DEL WEBB

VILLAGE  
44

FUTURE  
PARADISE CUT  
VILLAGE CENTER

FUTURE  
DEL WEBB

HAVERTHILL WAY

TRACT 4155  
DEL WEBB  
UNIT 1

FUTURE  
SCHOOL SITE

VILLAGE 41

VILLAGE 40

LAKE 24

VILLAGE 40

VILLAGE 42

FUTURE  
DEL WEBB

FUTURE  
DEL WEBB

TRACT 4221  
DEL WEBB  
UNIT 2



VILLAGE 30

CAMBAY PARKWAY

VILLAGE 31

VILLAGE 32

VILLAGE 33

 VILLAGE 28  
FUTURE UNIT 2 LOTS

**ATTACHMENT "B"**  
**TRACT 4244**  
**VILLAGE 28 UNIT 1**  
**VICINITY MAP**  
**SEPTEMBER 2024**

**SUBDIVISION IMPROVEMENT AGREEMENT**  
**BY AND BETWEEN THE CITY OF LATHROP AND**  
**RIVER ISLANDS DEVELOPMENT AREA 1, LLC,**  
**DELAWARE LIMITED LIABILITY COMPANY**  
**FOR TRACT 4244 VILLAGE 28 UNIT 1 33 RESIDENTIAL LOTS**

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**RECITALS**

A. This Agreement is made and entered into this **18<sup>th</sup> day of November 2024**, by and between the **CITY OF LATHROP**, a municipal corporation of the State of California (hereinafter "CITY") and **River Islands Development Area 1, LLC**, a Delaware limited liability company, (hereinafter "SUBDIVIDER").

B. Pursuant to Division 2 of Title 7 of the Government Code of the State of California and the CITY's Subdivision Regulations (City of Lathrop, Code of Ordinances, Chapter 16), SUBDIVIDER is required to make dedications and improve Tract 4244 Village 28 Unit 1 (Tract 4244). However, SUBDIVIDER has completed a significant portion of public infrastructure improvements associated with Tract 4244 located within the West Village District of River Islands Phase 2, which also includes major streets necessary to access the site. Performance and Labor & Material securities have been provided for Village 28 by SUBDIVIDER that guarantee the unfinished improvements for Tract 4244, in the amount shown in Table 1 of this agreement.

C. SUBDIVIDER is required to construct certain off-site improvements (Off-Site Improvements) that support the West Village, Lake Harbor, and Paradise Cut Village Center Neighborhoods of River Islands Phase 2 (Neighborhoods). The Offsite Improvements are needed to provide public access, emergency vehicle access, and wastewater discharge for the Neighborhoods as described below. Since construction of the Offsite Improvements are not complete, SUBDIVIDER has provided security with the Subdivision Improvement Agreement for Tract 4155 West Village Unit 1 (Tract 4155 SIA) as detailed in Table 1 of the Tract 4155 SIA. The conditions, terms and requirements associated with the Off-Site Improvements stated in the Tract 4155 SIA are applicable to Tract 4173, Tract 4189, Tract 4221, Tract 4231, Tract 4237, and this Agreement.

D. As a condition of Final Map approval, SUBDIVIDER is required to provide wastewater conveyance to the City's Consolidated Treatment Facility (CTF) and treatment capacity to each parcel within the Final Map boundary. However, construction of the Callerton Lift Station, which is guaranteed with the Tract 4155 SIA, is incomplete and the wastewater conveyance system for Phase 2 of the Project south/west of the main drain does not have the ability to convey wastewater to the CTF. Therefore, SUBDIVIDER requested approval with Tract 4155 SIA for the use of

temporary pump and haul of wastewater until the Callerton Avenue Lift Station is constructed and conveyance of wastewater to the CTF is possible.

The conditions, terms and requirements associated with the pump and haul agreement as detailed in Section 10 of the Tract 4155 SIA are applicable to Tract 4173, Tract 4189, Tract 4221, Tract 4231, Tract 4237, and this Agreement.

E. SUBDIVIDER has completed a portion of the joint trench improvements for Tract 4244 and as noted in Recital B, security shall be required for the unfinished portion of these improvements, along with other required infrastructure associated with Tract 4244. Improvement plans, and street light plans have already been approved by the City. The street, sidewalk, underground utility, storm drainage, streetlight and joint trench improvements (hereinafter "Improvements") are substantially completed, and minor improvements not yet constructed as part of the required infrastructure for Tract 4244 are required security as outlined in this Agreement.

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**NOW THEREFORE** in consideration of CITY'S pending approval and acceptance of the Improvements upon their satisfactory completion, and in consideration of SUBDIVIDER'S construction of Improvements in strict accordance with the terms of this Agreement, all applicable laws, statutes, ordinances, rules and regulations currently in force and effect in CITY, the terms and conditions of which are incorporated herein by this reference, the parties hereto mutually covenant and agree as follows:

1. SUBDIVIDER shall complete construction of, or cause construction to be completed at its sole cost and expense, the Improvements for all of the lots within the West Village - Village 28 neighborhood, to the limits identified in Exhibit "A", including the public landscaping, streetlight and joint trench improvements. A Vicinity Map is included as Exhibit "B".

All improvements shall be constructed to the satisfaction and approval of the City Engineer, in a good and workmanlike manner in accordance with the above referenced improvement plans and specifications, the improvement standards and specifications of the CITY'S Department of Public Works, the applicable Ordinances of the City of Lathrop and the California Subdivision Map Act.

2. SUBDIVIDER shall complete the Improvements, including all deferred and unfinished improvements as defined in this agreement, prior to issuance of certificate of occupancy of the last home constructed in Tract 4244, or November 18, 2025, whichever comes first.

3. CITY, or its agent(s), shall, at any time during the progress of the Improvements, have free access thereto, and shall be allowed to examine the same and all material to be used therein. If the Improvements or any part thereof are not completed in strict compliance with the standards set forth in Paragraph 1 above, CITY may refuse to accept and may reject the defective Improvements and/or materials therein.

4. SUBDIVIDER shall secure the services of skilled personnel necessary to construct the Improvements. CITY is not skilled in these matters and relies upon the skill of the SUBDIVIDER to ensure that the construction of the Improvements is in the most skillful and durable manner.



5. CITY'S acceptance of the Improvements does not operate as a release of SUBDIVIDER from any guarantee hereunder.

6. SUBDIVIDER guarantees and warrants that the Improvements shall be constructed in compliance with the standards set forth in Paragraph 1 above, free from any defects in work or labor done, and from any defects in materials furnished. Further, SUBDIVIDER shall repair and maintain the Improvements in good condition and in accordance with CITY specifications for one (1) year after CITY'S acceptance of the Improvements. As required by this Agreement, prior to acceptance of the Improvements, SUBDIVIDER shall deposit with the City Engineer a Warranty Bond equal to 10% of the estimated cost of the Improvements for the West Village - Village 28 entire area as included in the Engineer's estimate attached to this Agreement as Exhibit "D", to insure SUBDIVIDER'S repair and warranty of the Improvements in accordance with the terms of this Agreement. The Warranty Bond shall be released at the end of the one-year guarantee period, provided there are no claims against it are then outstanding.

7. If SUBDIVIDER, in whole or in part, abandons the Improvements, or unnecessarily or unreasonably delays construction of the Improvements, or fails to complete construction of the Improvements within the time specified in this Agreement, or fails to repair, replace or reconstruct any defects, as set forth in Paragraph 6 above, CITY may, but is not required to, proceed to complete and/or repair, replace, or reconstruct the Improvements, either by itself or by contract for such service, and CITY may cause to be forfeited such portion of any security deposited therein as is necessary to cover the costs of completion, repair, replacement, or reconstruction incurred by CITY.

Once action is taken by CITY to complete, repair, replace and/or reconstruct the Improvements, SUBDIVIDER shall be responsible for all costs incurred by CITY, even if SUBDIVIDER subsequently completes the work.

The CITY shall have recourse against SUBDIVIDER for any and all amounts necessary to complete the obligations of SUBDIVIDER in the event the security (including but not limited to any Letter of Guarantee, Certificate of Deposit, cash, bond for performance, labor and materials and repair and maintenance, letter of credit or cash deposit) therefore is insufficient to pay such amounts. All administrative costs, including reasonable attorney's fees pursuant to Government Code Section 66499.4, incurred by the CITY, in addition to the costs of the improvements shall be a proper charge against the security and SUBDIVIDER. In the event it becomes necessary for CITY to bring an action to compel performance of this Agreement or to recover costs of completing such improvements, SUBDIVIDER shall pay reasonable attorney's fees, costs of suit and all other expenses of litigation incurred by CITY in connection therewith.

8. Because the Improvements are not entirely complete, the SUBDIVIDER is required to only post Performance or Labor & Materials bonds to guarantee the unfinished improvements associated with Tract 4244 as included and described in Exhibit "D" of this Agreement. Performance and Labor & Material securities have been provided in the amount shown in Table 1 below. SUBDIVIDER shall also comply with CITY'S insurance requirements set forth on Exhibit "C" attached hereto and incorporated herein.

**Table 1 – Bond Values**

<b>Tract 4244 Improvements</b>	
Unfinished Improvement Total:	\$493,550
Performance Bond (Bond No. 0844470)	\$542,905
Labor & Materials Bond (Bond No. 0844470)	\$271,453

9. SUBDIVIDER is required to construct certain off-site improvements (Off-Site Improvements) that support the West Village, Lake Harbor, and Paradise Cut Village Center Neighborhoods of River Islands Phase 2 (Neighborhoods). The Offsite Improvements are needed to provide public access, emergency vehicle access, and wastewater discharge for the Neighborhoods as described below. Since construction of the Offsite Improvements are not complete, SUBDIVIDER has provided security with the Subdivision Improvement Agreement for Tract 4155 West Village Unit 1 (Tract 4155 SIA) as detailed in Table 1 of the Tract 4155 SIA. The conditions, terms and requirements associated with the Off-Site Improvements stated in the Tract 4155 SIA are applicable to Tract 4173, Tract 4189, Tract 4221, Tract 4231, Tract 4237, and this Agreement.

10. As a condition of Final Map approval, SUBDIVIDER is required to provide wastewater conveyance to the City’s Consolidated Treatment Facility (CTF) and treatment capacity to each parcel within the Final Map boundary. However, construction of the Callerton Lift Station, which is guaranteed with the Tract 4155 SIA, is incomplete and the wastewater conveyance system for Phase 2 of the Project south/west of the main drain does not have the ability to convey wastewater to the CTF. Therefore, SUBDIVIDER requested approval with Tract 4155 SIA for the use of temporary pump and haul of wastewater until the Callerton Avenue Lift Station is constructed and conveyance of wastewater to the CTF is possible. The conditions, terms and requirements associated with the pump and haul agreement as detailed in Section 10 of the Tract 4155 SIA are applicable to Tract 4173, Tract 4189, Tract 4221, Tract 4231, Tract 4237, and this Agreement.

11. Any alteration(s) made to the plans and specifications, which are a part of this Agreement, or any provision of this Agreement shall not operate to release any surety or sureties from liability on any bond or bonds attached hereto and made a part thereof. The above referenced sureties hereby consent to such alterations and waive the provisions of California Civil Code Section 2819.

12. Neither the CITY nor any of its officers, employees or agents shall be liable to SUBDIVIDER, and/or SUBDIVIDER’S agents, contractors or subcontractors for any error or omission arising out of or in connection with any work to be performed under this Agreement.

13. Neither the CITY nor any of its officers, employees, or agents, shall be liable to the SUBDIVIDER or to any person, entity, or organization, for any injury or damage that may result to any person or property by or from any cause in, on, or about the subdivision of all or any part of the land covered by this Agreement.

14. SUBDIVIDER hereby agrees to, and shall hold CITY, its elective and appointive boards, commissions, officers, agents and employees (collectively, “Indemnitees”), harmless from any liability for damage or claims which may arise from SUBDIVIDER and/or SUBDIVIDER’S contractors, subcontractors, agents, or employees’ operations under this Agreement, whether such

operations be by SUBDIVIDER or by any SUBDIVIDER contractors, subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, SUBDIVIDER or any of SUBDIVIDER'S contractors or subcontractors. SUBDIVIDER shall, at its own cost and expense, defend any and all actions, suits, or legal proceedings or any type that may be brought or instituted against CITY and indemnities on any claim or demand, of any nature whatsoever, and pay or satisfy any judgment that may be rendered against CITY and the Indemnitees in any such action, suit or legal proceedings, resulting from or alleged to have resulted from SUBDIVIDER'S performance or non-performance of his duties and obligations under this Agreement, or from the negligent act or omission of himself, his agents, contractors, representatives, servants or employees. The promises and Agreement to indemnify and hold harmless set forth in this section is not conditioned or dependent on whether or not any indemnity has prepared, supplied or approved any plan or specification in connection with this work or subdivision, whether or not any such indemnity has insurance or indemnification covering any of these matters. CITY does not and shall not; waive any rights against SUBDIVIDER which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by CITY of any deposit with CITY by SUBDIVIDER. The aforesaid hold harmless agreement by SUBDIVIDER shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations referred to in this paragraph, regardless of whether or not CITY has prepared, supplied or approved of, plans and/or specifications for the subdivision.

15. Neither SUBDIVIDER nor any of SUBDIVIDER'S agents, contractors or subcontractors are, or shall be, considered to be agents of CITY in connection with the performance of SUBDIVIDER'S obligations under this Agreement.

16. Prior to acceptance of the Improvements by the City Council, the SUBDIVIDER shall be solely responsible for maintaining the quality of the Improvements and maintaining safety at the project site. The SUBDIVIDER'S obligation to provide the Improvements shall not be satisfied until after the City Engineer has made a written determination that all obligations of the Agreement have been satisfied and all outstanding fees and charges have been paid, and the City Council has accepted the Improvements as complete. The CITY and SUBDIVIDER have formed Community Facilities Districts to finance maintenance and improvements. The CITY expects to preserve the ability to use future special taxes of the CFD for payment of the cost of acquisition of the Improvements, which may require that acceptance of improvements by CITY be subject to the provisions of an acquisition agreement to be entered into by the CITY and SUBDIVIDER providing that CITY expects to be paid or reimbursed acquisition costs through future CFD special taxes. SUBDIVIDER shall cooperate to facilitate such method of acquisition.

17. SUBDIVIDER shall pay service fees for the utility services from the time the Improvements are accepted by the CITY to the end of the fiscal year, or up to a one (1) year period, whichever is needed to ensure an opportunity for the Improvements to be included in the next fiscal year annual assessment.

18. SUBDIVIDER shall be responsible to sweep streets within the subdivision every two weeks as directed by the City Engineer, on all streets where lots are occupied and all streets providing access to occupied lots until the Improvements are accepted by the CITY.

19. SUBDIVIDER shall not assign this Agreement without the prior written consent of CITY. If such consent is given, the terms of this Agreement shall apply to and bind the heirs, successors, executors, administrators and assignees of SUBDIVIDER, and any heirs, successors, executors, administrators and assignees of the SUBDIVIDER and shall be jointly and severally liable hereunder.

20. The SUBDIVIDER shall, at the SUBDIVIDER'S expense, obtain and maintain all necessary permits and licenses for construction of the Improvements. Prior to the commencement of Improvement construction, the SUBDIVIDER shall obtain a City of Lathrop Business License. The SUBDIVIDER shall comply with all local, state and federal laws, whether or not said laws are expressly stated in this Agreement.

21. This Agreement and any amendments hereto comprise the entire understanding and agreement between the parties regarding the improvements to be constructed and dedications for Tract 4244.

22. The following miscellaneous provisions are applicable to this Agreement:

a. Controlling Law. The parties agree that this Agreement shall be governed and construed by and in accordance with the laws of the State of California.

b. Definitions. The definitions and terms are as defined in this Agreement.

c. Force Majeure. Neither party shall be deemed to be in default on account of any delay or failure to perform its obligations under this Agreement, which directly results from an Act of God or an act of a superior governmental authority.

d. Headings. The paragraph headings are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.

e. Incorporation of Documents. All documents referred to herein and all documents which may, from time to time, be referred to in any duly executed amendment hereto are by such reference incorporated herein and shall be deemed to be part of this Agreement.

f. Modification of Agreement. This Agreement shall not be modified or be binding upon the parties unless such modification is agreed to in writing and signed by the parties.

g. Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the provisions of this Agreement not so affected shall remain in full force and effect.

h. Successors and Assigns. Except as otherwise expressly provided herein, the provisions of this Agreement shall inure to the benefit of, and shall apply to and bind, the successors and assigns of the parties.

i. Time of the Essence. Time is of the essence of this Agreement and each of its provisions. In the calculation of time hereunder, the time in which an act is to be performed shall be computed

Subdivision Improvement Agreement (River Islands Development Area 1, LLC)  
Tract 4244 Village 28 Unit 1

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.

j. Venue. In the event either party brings that suit 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.

**ATTACHMENTS:**

EXHIBIT A FINAL MAP - TRACT 4244 VILLAGE 28 UNIT 1  
EXHIBIT B TRACT 4244 VILLAGE 28 UNIT 1 AREA  
EXHIBIT C CITY INSURANCE REQUIREMENTS  
EXHIBIT D WEST VILLAGE - VILLAGE 28 UNFINISHED IMPROVEMENTS AND FULL  
IMPROVEMENTS COST ESTIMATE

Subdivision Improvement Agreement (River Islands Development Area 1, LLC)  
Tract 4244 Village 28 Unit 1

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this 18th day of November 2024, at Lathrop, California.

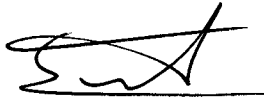
ATTEST: TERESA VARGAS  
City Clerk of and for the City  
of Lathrop, State of California

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

BY: \_\_\_\_\_  
Teresa Vargas                      Date  
City Clerk

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

APPROVED AS TO FORM BY THE CITY OF LATHROP CITY ATTORNEY

BY:  \_\_\_\_\_      11-6-2024  
Salvador Navarrete              Date  
City Attorney

Subdivision Improvement Agreement (River Islands Development Area 1, LLC)  
Tract 4244 Village 28 Unit 1

**SUBDIVIDER**

River Islands Development Area 1, LLC,  
a Delaware limited liability company

BY: \_\_\_\_\_  
Susan Dell'Osso  
President

Subdivision Improvement Agreement (River Islands Development Area 1, LLC)  
Tract 4244 Village 28 Unit 1

**EXHIBIT "A"**

**FINAL MAP - TRACT 4244 VILLAGE 28 UNIT 1**





**CITY SURVEYOR'S STATEMENT**

I, DARRYL A. ALEXANDER, HEREBY STATE THAT I HAVE EXAMINED THIS FINAL MAP OF TRACT 4244, RIVER ISLANDS - PHASE 2, VILLAGE 28, UNIT 1, FINAL MAP, CITY OF LATHROP, CALIFORNIA, AND THAT THE SUBDIVISION SHOWN HEREON COMPLES WITH ALL THE PROVISIONS OF CHAPTER 2 OF THE CALIFORNIA SUBDIVISION MAP ACT, AS AMENDED AND THAT THIS FINAL MAP IS TECHNICALLY CORRECT.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2024.

DARRYL A. ALEXANDER, P.L.S. 5071  
 AGENCY CITY SURVEYOR



**SURVEYORS STATEMENT**

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY AND THE RECORDS OF THE SURVEYORS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF THE SUBDIVIDER. THE SURVEY WAS CONDUCTED ON SEPTEMBER 14, 2024. I HEREBY STATE ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCURE, THE POSITIONS OF THE MONUMENTS ARE CORRECT, AND THAT THEY WILL BE SET IN THOSE POSITIONS BEFORE JULY 1, 2025, AND THAT THE MONUMENTS ARE OF THE CHARACTER AND OCCURE, THE POSITIONS OF THE MONUMENTS ARE CORRECT, AND THAT THEY WILL BE SET IN THOSE POSITIONS BEFORE JULY 1, 2025, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED VESTING TENTATIVE MAP.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2024.

DYLAN GRAMFORD, P.L.S. NO. 7788



**RECITALS**

1. RIGHT TO PAIN STATEMENT: PER CITY OF LATHROP MUNICIPAL CODE OR ORDINANCES, TITLE 15, CHAPTER 15.48.04, THE CITY OF LATHROP HAS A POLICY OF PROMOTING ENVIRONMENTAL OPERATIONS WITHIN THE CITY LIMITS, INCLUDING THE PROTECTION OF AIR QUALITY, WATER RESOURCES, AND THE PROTECTION OF THE PROPERTY OF THE CITY. THESE POLICIES MAY BE LOCATED ELSEWHERE IN THE CITY OF LATHROP MUNICIPAL CODE OR ORDINANCES. YOU ARE ADVISED THAT THE PROPERTY SUBJECT TO INCORPORATION OR DISCOMFORT ARISING FROM THE LAND USE AND PROPOSED USE OF AGRICULTURAL, CHEMICALS AND PESTICIDES, SPRAYING, IRRIGATION, PRUNING, HARVESTING, BURNING OF AGRICULTURAL WASTE, CULLIVATION, FLOWING, SPRAYING, IRRIGATION, PRUNING, HARVESTING, BURNING OF AGRICULTURAL WASTE, LOCATE BURN, SMOKE, NOISE, TOOK, ROBOTS AND RESIS, BE AWARE ALSO THAT THIS PROPERTY MAY BE SUBJECT TO THE PROVISIONS OF THE SUBDIVISION MAP ACT, AS AMENDED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED VESTING TENTATIVE MAP.

2. A SOILS REPORT ENTITLED "GEOCHEMICAL EXPLORATION, RIVER ISLANDS PHASE 1, LATHROP, CALIFORNIA," REFERENCED AS PROJECT NO. 5044.5.001.01 AND DATED JULY 29, 2025, HAS BEEN PREPARED FOR THIS PROJECT BY BRUNO INCORPORATED, JOSEF J. TONTE, G.E. NO. 2877, AND IS ON FILE WITH THE CITY OF LATHROP.

3. TRACT 4244, RIVER ISLANDS - PHASE 2, VILLAGE 28, UNIT 1, FINAL MAP, CONTAINS 31 LOTS WITH A TOTAL OF 4,624 ACRES, MORE OR LESS. PARCELS 1 THROUGH 6 WHICH INCLUDE 8,944 ACRES, MORE OR LESS, PARCELS A AND B WHICH INCLUDE 2,157 ACRES, MORE OR LESS, AND ROADWAYS THAT ARE BEING DEDICATED BY THIS FINAL MAP WHICH INCLUDE 4,964 ACRES, MORE OR LESS AS SHOWN ON THIS FINAL MAP (PLEASE REFER TO THE AREA TABLE BELOW).

TRACT 4244 AREA SUMMARY	
LOTS 1 THROUGH 33	4,624 AC.
PARCELS A AND B	2,157 AC.
PARCELS 1 THROUGH 6	8,944 AC.
STREET DEDICATIONS	4,964 AC.
TOTAL	20,689 AC.

**TRACT 4244  
 RIVER ISLANDS - PHASE 2  
 VILLAGE 28 UNIT 1**

A PORTION OF PARCELS E1, E2, E3, E4, E5, E6, E7, E8, E9, E10, E11, E12, E13, E14, E15, E16, E17, E18, E19, E20, E21, E22, E23, E24, E25, E26, E27, E28, E29, E30, E31, E32, E33, E34, E35, E36, E37, E38, E39, E40, E41, E42, E43, E44, E45, E46, E47, E48, E49, E50, E51, E52, E53, E54, E55, E56, E57, E58, E59, E60, E61, E62, E63, E64, E65, E66, E67, E68, E69, E70, E71, E72, E73, E74, E75, E76, E77, E78, E79, E80, E81, E82, E83, E84, E85, E86, E87, E88, E89, E90, E91, E92, E93, E94, E95, E96, E97, E98, E99, E100, CITY OF LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA



**TRUSTEES STATEMENT**

I, DARRYL A. ALEXANDER, A CALIFORNIA CORPORATION AS TRUSTEE, UNDER THE DEED OF TRUST RECORDED SEPTEMBER 19, 2024 AS DOCUMENT NUMBER 2024-078936, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY,

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2024.  
 BY: \_\_\_\_\_  
 ITS: \_\_\_\_\_

**ACKNOWLEDGEMENT CERTIFICATE (TRUSTEE)**

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 VALIDITY, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA  
 COUNTY OF SAN JOAQUIN }  
 ON \_\_\_\_\_ 2024, BEFORE ME, \_\_\_\_\_, WHO PROVED A NOTARY PUBLIC, PERSONALLY APPEARED \_\_\_\_\_, 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/HEY DEED(S) ON THE INSTRUMENT 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:  
 NAME (PRINT): \_\_\_\_\_  
 PRINCIPAL COUNTY OF BUSINESS: \_\_\_\_\_  
 MY COMMISSION NUMBER: \_\_\_\_\_  
 MY COMMISSION EXPIRES: \_\_\_\_\_

**SIGNATURE OMISSIONS**  
 PURSUANT TO SECTION 6646 OF THE CALIFORNIA SUBDIVISION MAP ACT, THE SIGNATURES OF THE FOLLOWING PARTIES HAVE BEEN OMITTED:  
 1. REQUIRED ISLANDS LAND COMPANY, RESERVATION FOR OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES TO A DEPTH OF 500 FEET, PER DOCUMENT NUMBER 2001-01081771, 3/3/02.

**LINE AND CURVE TABLES FOR SHEET 3 ONLY**

LINE TABLE			LINE TABLE			
LINE #	DIRECTION	LENGTH	LINE #	DIRECTION	LENGTH	
L1	N13°22'05"E	49.02'	L22	N9°20'36"E	86.00'	
L2	N15°06'21"E	52.00'	L23	N4°20'36"E	35.96'	
L3	N23°13'47"E	60.09'	L24	N9°20'36"E	60.00'	
L4	N73°19'25"W	34.40'	L25	N65°09'24"W	35.96'	
L5	N80°54'41"E	35.96'	L26	N60°09'24"W	60.00'	
L6	N4°05'19"W	70.55'	L27	N54°20'36"E	35.96'	
L7	N5°45'19"W	34.00'	L28	N60°09'24"W	87.48'	
L8	N35°54'41"E	111.00'	L29	N54°19'49"W	30.00'	
L9	N54°19'49"W	60.00'	L30	N54°19'49"W	30.00'	
L10	N65°09'25"W	57.00'	L31	N54°19'49"W	30.00'	
L11	N68°53'00"W	49.00'	L32	N60°09'24"W	65.67'	
L12	N61°04'49"W	49.00'	L33	N9°20'36"E	30.00'	
L13	N63°16'37"W	49.00'	L34	N9°20'36"E	30.00'	
L14	N65°28'26"W	49.00'	L35	N60°09'24"W	30.00'	
L15	N67°40'15"W	49.00'	L36	N60°09'24"W	30.00'	
L16	N69°20'04"W	49.00'				
L17	N70°33'53"W	49.00'	<b>CURVE TABLE</b>			
L18	N74°15'42"W	49.00'	CURVE #	RADIUS	DELTA	LENGTH
L19	N76°27'15"W	48.80'	C1	113.00'	15°12'13"	29.96'
L20	N78°42'34"W	48.80'	C2	87.00'	15°12'13"	23.09'
L21	N80°24'22"W	57.90'	C3	580.00'	7°02'20"	70.92'
			C4	850.00'	29°54'06"	431.24'

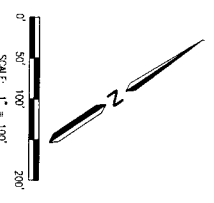
4. BASED ON INFORMATION CONTAINED IN THE PRELIMINARY TITLE REPORT, ORDER NUMBER 121402344-1-R, (VERSION 3), DATED SEPTEMBER 19, 2024, PROVIDED BY QID REPUBLIC, TITLE COMPANY.

# TRACT 4244 RIVER ISLANDS - PHASE 2 VILLAGE 28 UNIT 1

A PORTION OF RANCHO EL PESQUERO BEING A  
SUBDIVISION OF PLOT 2 OF PLOT 4235 (44 MAP 124), CITY OF  
LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA  
OCTOBER 2024

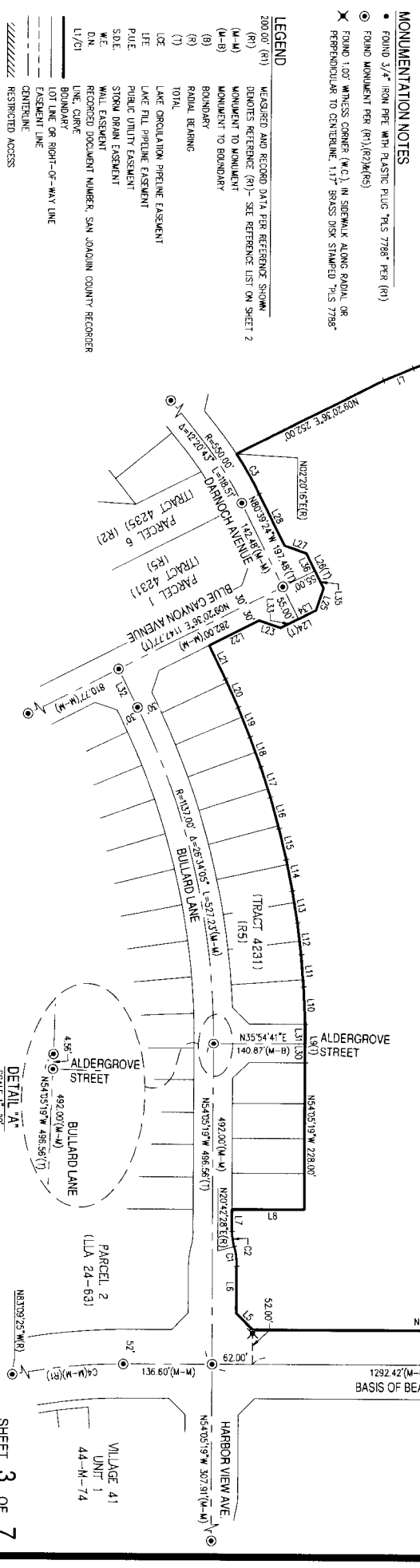


**NOTES**  
1. SEE SHEET 2 FOR LINE AND CURVE TABLES.



- REFERENCES**
- (R1) TRACT 4149, RIVER ISLANDS - PHASE 2, WEST VILLAGE LARGE LOT FINAL MAP, FILED DECEMBER 5, 2022, IN BOOK 44 OF MAPS AND PLATS, PAGE 52, SLICER (44 MAP 52)
  - (R2) TRACT 4235, RIVER ISLANDS - PHASE 2, WEST VILLAGE NORTH-LARGE LOT FINAL MAP, FILED AUGUST 22, 2024, IN BOOK 44 OF MAPS AND PLATS, PAGE 124, SLICER (44 MAP 124)
  - (R3) LOT LINE ADJUSTMENT NO. 24-63, RECORDED MAY 9, 2024, AS DOCUMENT NUMBER 2024-028955, SLICER
  - (R4) TRACT 4172, RIVER ISLANDS - PHASE 2, VILLAGE 1 - UNIT 1 FINAL MAP, FILED NOVEMBER 17, 2023, IN BOOK 44 OF MAPS AND PLATS, PAGE 75, SLICER (44 MAP 75)
  - (R5) TRACT 4231, RIVER ISLANDS - PHASE 2, VILLAGE 26 - UNIT 1 FINAL MAP, FILED \_\_\_\_\_ 2024, IN BOOK \_\_\_\_\_ OF MAPS AND PLATS, PAGE \_\_\_\_\_, SLICER (\_\_\_\_\_ MAP \_\_\_\_\_)

- BASIS OF BEARINGS**
- THE BEARING OF NORTH 35°54'41" EAST BETWEEN FOUND MONUMENTS ALONG CALLERTON AVENUE AS SHOWN PER 44-MAP-52, FILED DECEMBER 5, 2022, IN BOOK 44 OF MAPS AND PLATS, AT PAGE 52, RECORDS OF SAN JOAQUIN COUNTY, WAS TAKEN AS THE BASIS OF BEARINGS SHOWN ON THIS MAP (ZONE 3, NAD83). ALL DISTANCES SHOWN HEREON ARE GROUND DISTANCES.



DETAIL A  
SCALE 1"=20'

VILLAGE 41  
UNIT 1  
44-M-74

SHEET 3 OF 7

**MONUMENTATION NOTES**

- FOUND 3/4" IRON PIPE WITH PLASTIC PLUG "PLS 7786" PER (R1)
- FOUND MONUMENT PER (R1),(R2),(R3)
- FOUND 1.00" WITNESS CORNER ("W.C.") IN SIDEWALK ALONG RADIAL OR PERPENDICULAR TO CENTERLINE, 1.17" BRASS DISK STAMPED "PLS 7786"

**LEGEND**

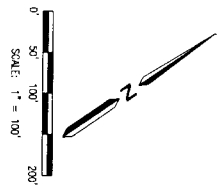
- 200.00' (R1) MEASURED AND RECORD DATA PER REFERENCE SHOWN
- (R) DEMONSTRATES REFERENCE (R)- SEE REFERENCE LIST ON SHEET 2
- (M-M) MONUMENT TO MONUMENT
- (M-B) MONUMENT TO BOUNDARY
- (B) BOUNDARY
- (R) RADIAL BEARING
- (T) TOTAL
- (L) LANE OR CIRCULATION PIPELINE EASEMENT
- (LCE) LANE FILL PIPELINE EASEMENT
- (LFE) PUBLIC UTILITY EASEMENT
- (LPU) STORM DRAIN EASEMENT
- (LSE) WALL EASEMENT
- (LWE) RECORDED DOCUMENT NUMBER, SAN JOAQUIN COUNTY RECORDER
- (LW) LINE, CORNER
- (LDC) BOUNDARY
- (LDM) EASEMENT OR RIGHT-OF-WAY LINE
- (LFL) EASEMENT LINE
- (LCL) CENTERLINE
- (LRA) RESTRICTED ACCESS

**TRACT 4244**  
**RIVER ISLANDS - PHASE 2**  
**VILLAGE 28 UNIT 1**

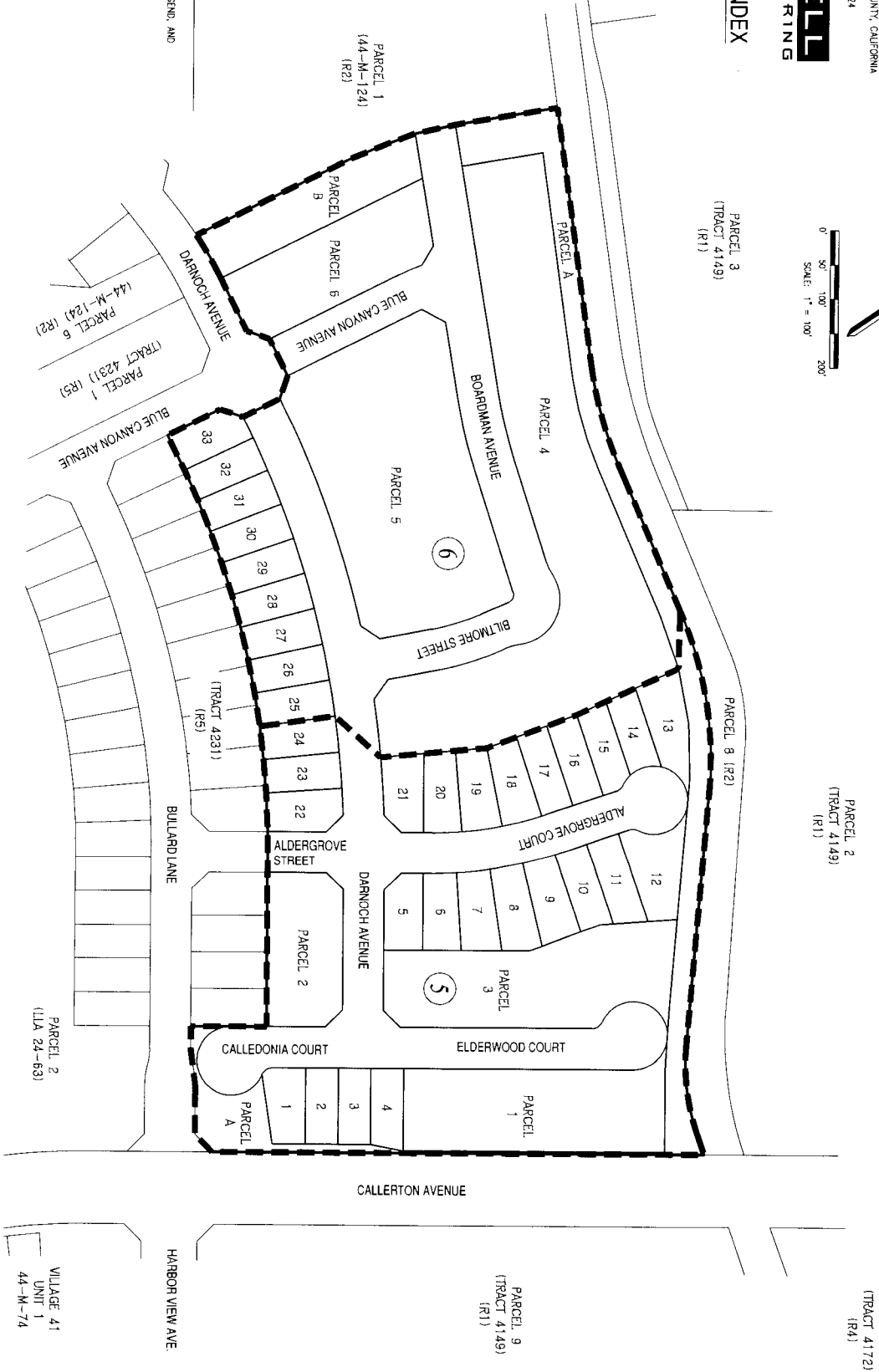
A PORTION OF PARCEL 2, RESUBDIVISION BEING A  
 SUBDIVISION OF PARCEL 2 OF TRACT 4231, MAP 42,  
 LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA,  
 OCTOBER 2024



**SHEET INDEX**



- NOTES**
- SEE SHEET 3 FOR REFERENCES.
  - SEE SHEET 3 FOR BESS OF BEARINGS, LEGEND, AND MONUMENTATION NOTES.
- LEGEND**
- BOUNDARY
  - LOT LINE
  - SHEET NUMBER
  - SHEET LIMIT LINE

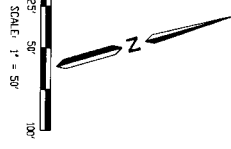




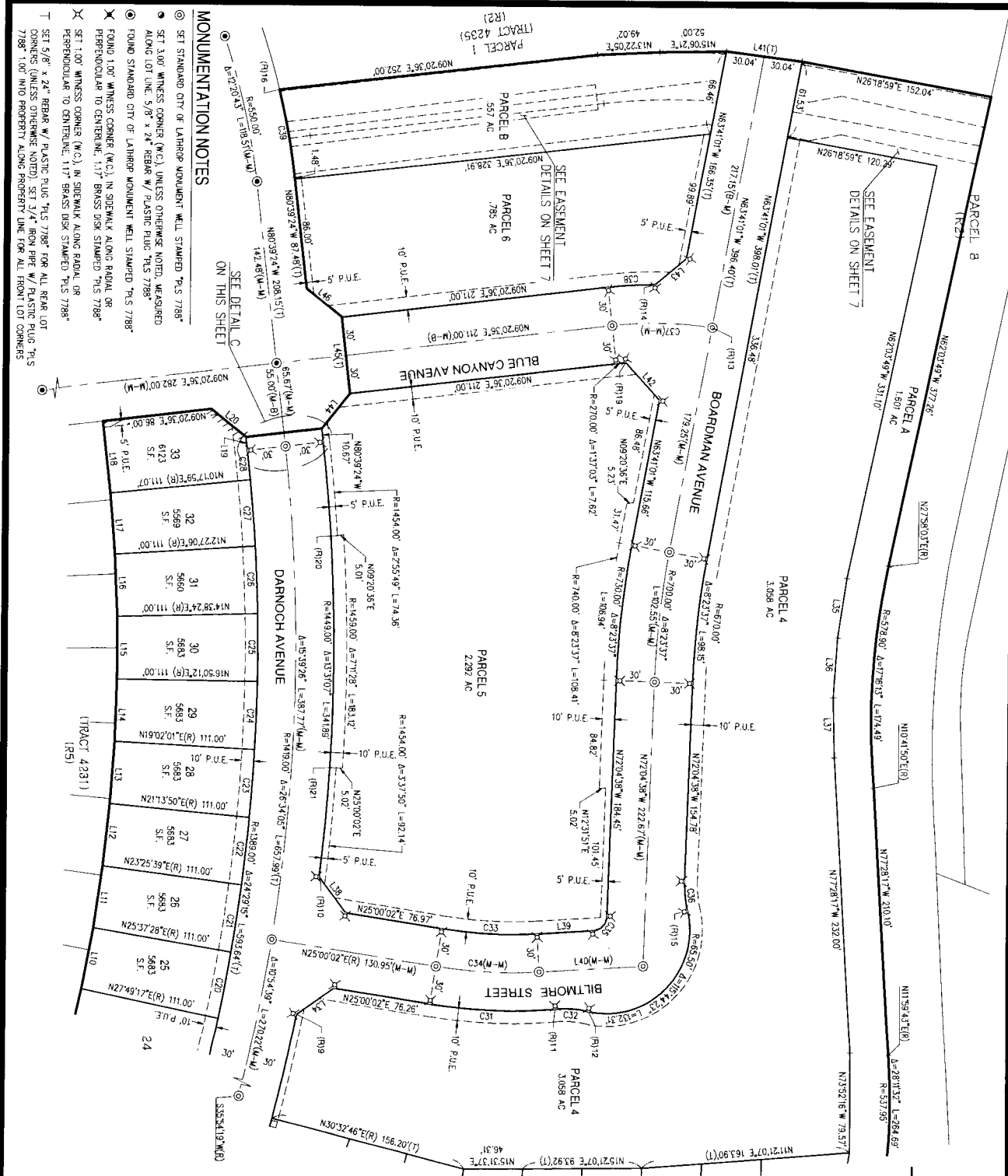
**TRACT 4244**  
**RIVER ISLANDS - PHASE 2**  
**VILLAGE 28 UNIT 1**

A PORTION OF PARCIBO EL PASO, BRING A SUBDIVISION OF PARCEL 2 OF TRACT 4235 (44 PM 124) CITY OF LAHAROP, SAN JOAQUIN COUNTY, CALIFORNIA

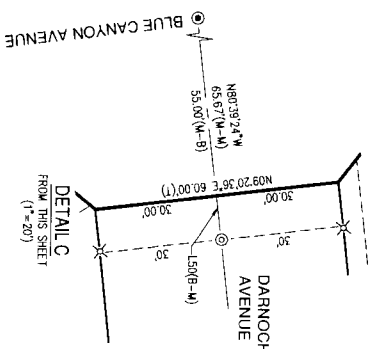
OCTOBER 2024



- NOTES**
1. SEE SHEET 3 FOR REFERENCES.
  2. SEE SHEET 3 FOR BASIS OF BEARINGS AND LEGEND.
  3. SEE SHEET 7 FOR LINE AND CURVE TABLES.
  4. SEE SHEET 7 FOR S.D.L., D.F., AND L.C.E. DIMENSIONS.



SEE SHEET 5



SHEET 6 OF 7

**MONUMENTATION NOTES**

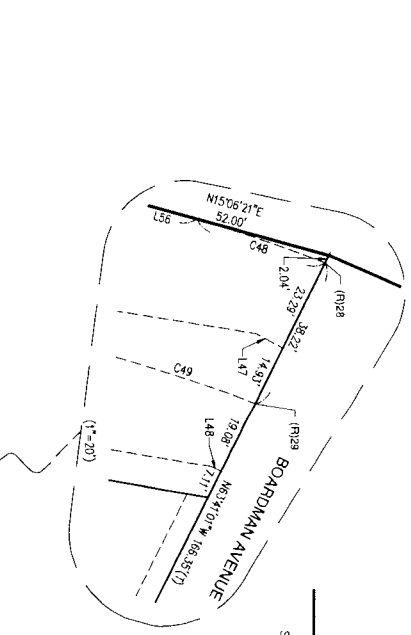
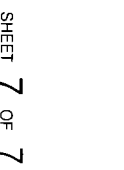
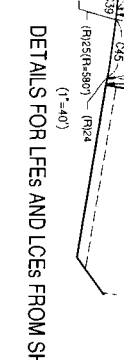
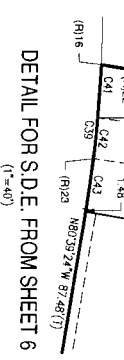
- SET STANDARD CITY OF LAHAROP MONUMENT WELL STAMPED "PLS 7788"
- SET 3.00" WINGESS CORNER (W.C.) UNLESS OTHERWISE NOTED, MEASURED ALONG LOT LINE, 5/8" x 24" REBAR W/ PLASTIC PLUG "PLS 7788"
- FOUND STANDARD CITY OF LAHAROP MONUMENT WELL STAMPED "PLS 7788"
- FOUND 1.00" WINGESS CORNER (W.C.) IN SIDEWALK ALONG RADIAL OR PERPENDICULAR TO CENTERLINE, 1.17" BRASS DISK STAMPED "PLS 7788"
- SET 1.00" WINGESS CORNER (W.C.) IN SIDEWALK ALONG RADIAL OR PERPENDICULAR TO CENTERLINE, 1.17" BRASS DISK STAMPED "PLS 7788"
- SET 5/8" x 24" REBAR W/ PLASTIC PLUG "PLS 7788" FOR ALL REAR LOT CORNERS (UNLESS OTHERWISE NOTED), SET 3/4" IRON PIPE W/ PLASTIC PLUG "PLS 7788" 1.00" INTO PROPERTY ALONG PROPERTY LINE FOR ALL FRONT LOT CORNERS

LINE AND CURVE TABLES FOR SHEETS 5 AND 6 ONLY

LINE TABLE			LINE TABLE			LINE TABLE			LINE TABLE		
LINE #	DIRECTION	LENGTH	LINE #	DIRECTION	LENGTH	LINE #	DIRECTION	LENGTH	LINE #	DIRECTION	LENGTH
L1	S46°31'52"W	48.84	L15	S74°15'42"E	49.00	L29	S59°40'35"W	50.00	L43	N23°56'55"W	31.96
L2	N82°51'19"W	35.36	L16	S76°22'15"E	48.80	L30	S54°03'19"E	20.00	L44	S35°39'24"E	35.36
L3	N55°44'41"W	44.26	L17	S78°42'34"E	48.00	L31	S50°38'00"E	48.81	L45	S60°39'24"E	60.00
L4	S35°54'41"W	44.49	L18	S80°24'22"E	57.00	L32	N50°24'08"W	46.88	L46	N54°20'28"E	35.36
L5	N80°09'41"E	35.82	L19	N80°39'24"E	10.67	L33	S73°19'25"E	34.40	L47	N27°57'28"E	7.82
L6	N85°56'16"W	34.87	L20	N54°20'28"E	35.36	L34	S19°03'30"E	35.67	L48	N27°57'28"E	2.84
L7	S66°30'25"E	57.00	L21	N54°05'19"W	20.00	L35	N65°38'35"W	47.00	L49	N27°20'58"W	50.00
L8	S58°53'00"E	49.00	L22	S59°40'35"E	50.00	L36	S70°17'55"E	47.00	L50	N80°39'24"W	10.67
L9	S61°04'49"E	49.00	L23	S54°05'19"E	34.00	L37	S73°12'54"E	47.07	L51	N27°57'28"E	11.79
L10	S63°16'37"E	49.00	L24	N54°05'19"W	70.55	L38	N68°55'27"E	34.89	L52	N5°27'28"E	28.13
L11	S65°29'26"E	49.00	L25	N80°54'41"E	35.36	L39	N12°31'43"E	43.98	L53	N27°57'28"E	18.90
L12	S67°40'15"E	49.00	L26	S9°05'19"E	35.36	L40	N12°31'43"E	82.21	L54	N5°27'28"E	28.13
L13	S69°52'04"E	49.00	L27	N80°54'41"E	35.36	L41	N23°13'47"E	60.99	L55	N1°32'05"E	30.29
L14	S72°03'55"E	49.00	L28	N80°54'41"E	35.36	L42	N63°39'19"E	39.78	L56	N15°08'21"E	18.38

CURVE TABLE				CURVE TABLE				CURVE TABLE				CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH	CURVE #	RADIUS	DELTA	LENGTH	CURVE #	RADIUS	DELTA	LENGTH	CURVE #	RADIUS	DELTA	LENGTH
C1	17.00	66°14'36"	19.65	C27	1389.00	2°03'09"	52.17	C43	87.00	171°71'7"	28.25	C59	519.00	10°34'25"	88.77
C2	580.00	3°37'48"	36.75	C28	1389.00	0°57'22"	23.18	C44	87.00	171°71'7"	28.25	C60	519.00	10°34'25"	88.77
C3	580.00	4°53'31"	49.01	C29	87.00	15°12'15"	23.09	C45	580.00	0°15'46"	2.83	C61	519.00	10°34'25"	88.77
C4	580.00	4°50'31"	49.01	C30	113.00	15°12'13"	29.88	C46	580.00	0°15'46"	2.83	C62	519.00	10°34'25"	88.77
C5	580.00	4°50'31"	49.01	C31	405.00	14°03'38"	99.39	C47	519.00	1°59'39"	18.66	C63	519.00	10°34'25"	88.77
C6	580.00	0°33'29"	5.65	C32	87.00	171°71'7"	28.25	C48	519.00	3°40'38"	33.31	C64	519.00	10°34'25"	88.77
C7	17.00	46°27'11"	13.49	C33	345.00	12°28'19"	75.10	C49	481.00	1°59'21"	16.56	C65	519.00	10°34'25"	88.77
C8	50.00	112°08'56"	97.83	C34	375.00	12°28'19"	81.60	C50	481.00	1°59'21"	16.56	C66	519.00	10°34'25"	88.77
C9	50.00	81°50'47"	71.42	C35	12.00	84°48'21"	1.72	C51	481.00	1°59'21"	16.56	C67	519.00	10°34'25"	88.77
C10	50.00	58°10'39"	48.02	C36	87.00	15°26'05"	23.44	C52	580.00	0°31'51"	5.37	C68	519.00	10°34'25"	88.77
C11	50.00	20°46'23"	18.13	C37	300.00	15°05'10"	78.99	C69	519.00	10°34'25"	88.77	C69	519.00	10°34'25"	88.77
C12	17.00	46°27'11"	13.49	C38	300.00	6°29'34"	37.11	C70	519.00	10°34'25"	88.77	C70	519.00	10°34'25"	88.77
C13	320.00	0°42'04"	6.36	C39	580.00	7°00'20"	70.32	C71	519.00	10°34'25"	88.77	C71	519.00	10°34'25"	88.77
C14	520.00	6°35'16"	59.79	C40	17.00	66°14'05"	19.65	C72	519.00	10°34'25"	88.77	C72	519.00	10°34'25"	88.77
C15	520.00	6°35'16"	59.79	C41	580.00	1°58'42"	20.03	C73	519.00	10°34'25"	88.77	C73	519.00	10°34'25"	88.77
C16	520.00	4°50'15"	43.90	C42	580.00	1°58'42"	20.03	C74	519.00	10°34'25"	88.77	C74	519.00	10°34'25"	88.77
C17	1389.00	1°38'58"	39.17	C43	580.00	2°27'11"	24.83	C75	519.00	10°34'25"	88.77	C75	519.00	10°34'25"	88.77
C18	1389.00	2°11'49"	53.26	C44	580.00	3°45'34"	38.06	C76	519.00	10°34'25"	88.77	C76	519.00	10°34'25"	88.77
C19	1389.00	2°11'49"	53.26	C45	580.00	2°49'46"	28.84	C77	519.00	10°34'25"	88.77	C77	519.00	10°34'25"	88.77
C20	1389.00	2°11'49"	53.26	C46	580.00	0°15'46"	2.83	C78	519.00	10°34'25"	88.77	C78	519.00	10°34'25"	88.77
C21	1389.00	2°11'49"	53.26	C47	519.00	1°59'39"	18.66	C79	519.00	10°34'25"	88.77	C79	519.00	10°34'25"	88.77
C22	1389.00	2°11'49"	53.26	C48	519.00	3°40'38"	33.31	C80	519.00	10°34'25"	88.77	C80	519.00	10°34'25"	88.77
C23	1389.00	2°11'49"	53.26	C49	481.00	1°59'21"	16.56	C81	519.00	10°34'25"	88.77	C81	519.00	10°34'25"	88.77
C24	1389.00	2°11'49"	53.26	C50	519.00	10°34'25"	88.77	C82	519.00	10°34'25"	88.77	C82	519.00	10°34'25"	88.77
C25	1389.00	2°11'49"	53.26	C51	481.00	1°59'21"	16.56	C83	519.00	10°34'25"	88.77	C83	519.00	10°34'25"	88.77
C26	1389.00	2°11'49"	53.26	C52	580.00	0°31'51"	5.37	C84	519.00	10°34'25"	88.77	C84	519.00	10°34'25"	88.77

RADIAL BEARINGS		
LINE #	DIRECTION	LENGTH
(R1)	N29°42'28"E	52.17
(R2)	N59°40'35"E	23.18
(R3)	N27°20'58"W	23.09
(R4)	S41°18'22"E	99.39
(R5)	N82°31'02"E	75.10
(R6)	N61°44'39"E	28.25
(R7)	S33°56'01"W	75.10
(R8)	S33°49'51"W	81.60
(R9)	S27°10'31"W	1.72
(R10)	S22°51'43"W	23.44
(R11)	S79°03'36"E	37.11
(R12)	N61°46'19"W	19.65
(R13)	S79°03'36"E	19.65
(R14)	S68°34'14"E	26.06
(R15)	S74°12'50"E	20.03
(R16)	S2°29'17"W	24.83
(R17)	S2°20'16"W	38.06
(R18)	N39°25'52"E	2.83
(R19)	N42°32'25"E	18.66
(R20)	N79°02'21"W	33.31
(R21)	N12°16'25"E	18.66
(R22)	N4°54'44"E	19.87
(R23)	S6°33'26"W	16.56
(R24)	S9°03'51"W	16.56
(R25)	N8°10'40"E	5.37
(R26)	S5°42'14"W	5.37
(R27)	S2°28'31"W	5.37
(R28)	S69°36'48"E	5.37
(R29)	N70°04'59"W	5.37



**TRACT 4244**  
**RIVER ISLANDS - PHASE 2**  
**VILLAGE 28 UNIT 1**

A PORTION OF PARCEL B, PEGASUS, BEING A SUBDIVISION UNDER SAN JOAQUIN COUNTY, CALIFORNIA  
 OCTOBER 2024

**ODELL ENGINEERING**

**NOTES**

- SEE SHEET 3 FOR REFERENCES.
- SEE SHEET 3 FOR BASIS OF BEARINGS AND LEGEND.
- SEE SHEET 6 FOR MONUMENTATION NOTES.

Subdivision Improvement Agreement (River Islands Development Area 1, LLC)  
Tract 4244 Village 28 Unit 1

**EXHIBIT "B"**

**TRACT 4244 VILLAGE 28 UNIT 1 AREA**



TRACT 4244  
(UNIT 1 LOTS)

RIVER ISLANDS  
HIGH SCHOOL

VILLAGE 3

VILLAGE EE

VILLAGE  
2

VILLAGE 27

LAKE 21

VILLAGE 26

LAKE 22

VILLAGE 26

VILLAGE 25

FUTURE  
DEL WEBB

VILLAGE  
44

FUTURE  
PARADISE CUT  
VILLAGE CENTER

FUTURE  
DEL WEBB

HAVERHILL WAY

FUTURE  
SCHOOL SITE

TRACT 4155  
DEL WEBB  
UNIT 1

VILLAGE 41

VILLAGE 40

LAKE 24

VILLAGE 40

VILLAGE 42

FUTURE  
DEL WEBB

FUTURE  
DEL WEBB

TRACT 4221  
DEL WEBB  
UNIT 2

CALLERTON AVENUE



VILLAGE 30

CAMBAY PARKWAY

VILLAGE 31

VILLAGE 33

VILLAGE 32

 VILLAGE 28  
FUTURE UNIT 2 LOTS

**EXHIBIT "B"**  
**TRACT 4244**  
**VILLAGE 28 UNIT 1**  
**VICINITY MAP**  
**SEPTEMBER 2024**

## **EXHIBIT "C"**

### **CITY INSURANCE REQUIREMENTS**

1. The Subdivider shall obtain commercial general liability insurance companies licensed to do business in the State of California with an A.M. Best Company rating Insurance rating of no less than A:VII which provides coverage for bodily injury, personal injury and property damage liability in the amount of at least \$1,000,000 for each occurrence and \$2,000,000 in the aggregate.

Said insurance coverage shall be evidenced by a certificate of insurance with policy endorsements, executed by an authorized official of the insurer(s). All parties to the Subdivision Improvement Agreement must be named insured on the policy. The policy endorsements to be attached to the certificate must provide all the following:

a. Name the City of Lathrop, its officers, City Council, boards and commissions, and members thereof, its employees and agents as additional insured as respects to any liability arising out of the activities of the named insured. A CG 2010 or CG 2026 endorsement form or the equivalent is the appropriate form.

b. State that “the insurance coverage afforded by this policy shall be primary insurance as respects to the City of Lathrop, its officers, employees and agents. Any insurance or self-insurance maintained by the City of Lathrop, its officers, employees, or agents shall be in excess of the insurance afforded to the named insured by this policy and shall not contribute to any loss.

c. Include a statement that, “the insurer will provide to the City at least thirty (30) days prior notice of cancellation or material change in coverage.” The above language can be included on the additional insured endorsement form or on a separate endorsement form.

d. The policy must contain a cross liability or severability of interest clause.

e. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.



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

**ADDITIONAL INSURED – STATE OR GOVERNMENTAL  
AGENCY OR SUBDIVISION OR POLITICAL  
SUBDIVISION – PERMITS OR AUTHORIZATIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
SCHEDULE**

**State Or Governmental Agency Or Subdivision Or Political Subdivision:**  
City of Lathrop its officers, City Council, boards and commissions and members thereof, its employees and agents 390 Towne Centre Drive Lathrop, CA 95330

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

**A. Section II – Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision shown in the Schedule, subject to the following provisions:

**1.** This insurance applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

However:

- a.** The insurance afforded to such additional insured only applies to the extent permitted by law; and
- b.** If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**2.** This insurance does not apply to:

- a.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or
- b.** "Bodily injury" or "property damage" included within the "products-completed operations hazard".

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

- 1.** Required by the contract or agreement; or
  - 2.** Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**United Specialty Insurance Company**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
VEN 051 00 (02/20)**

**PRIMARY AND NON-CONTRIBUTING INSURANCE ENDORSEMENT**

This endorsement modifies the Conditions provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** of the **COMMERCIAL GENERAL LIABILITY COVERAGE PART**, and supersedes any provision to the contrary:

**Primary and Non-Contributory Insurance**

Any coverage provided to an Additional Insured under this policy shall be excess over any other valid and collectible insurance available to such Additional Insured whether primary, excess, contingent or on any other basis unless:

- a. (1) The Additional Insured is a Named Insured under such other insurance;

and

- (2) A fully written contract fully executed prior to the Named Insured's commencement of work for such Additional Insured for the specific project that is the subject of the claim, "suit," or "occurrence" expressly requires that this insurance:

- (i) apply on a primary and non-contributory basis;
- and
- (ii) would not seek contribution from any other insurance available to the additional insured.

or

- b. Prior to a loss, you request in writing and we agree in writing that this insurance shall apply on a primary and non-contributory basis.

<b>Name Of Person(s) Or Organization(s)</b>
As Required By Written Contract, Fully Executed Prior To The Named Insured's Work.

All other terms, conditions and exclusions under this policy are applicable to this Endorsement and remain unchanged.

Policy: ATN2418343P

**UNITED SPECIALTY INSURANCE COMPANY**

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

**VEN 064 00 (01/15)**

**THIRD PARTY CANCELLATION NOTICE ENDORSEMENT**

This endorsement modifies the Conditions provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

If we cancel this policy for any reason other than nonpayment of premium, we will mail notification to the persons or organizations shown in the schedule below (according to the number of days listed below) once the Named Insured has been notified.

If we cancel this coverage for nonpayment of premium, we will mail a copy of such written notice of cancellation to the name and address below at least 10 days prior to the effective date of such cancellation.

Our failure to provide such advance notification will not extend the policy cancellation date nor negate cancellation of the policy.

**SCHEDULE**

**Name and Address of Other Person/Organization**

**Number of Days Notice**

**City of Lathrop, its officers, City Council,  
boards and commissions and members thereof,  
its employees and agents  
390 Towne Centre Drive  
Lathrop, CA 95330**

**30**

All other terms, conditions and exclusions under this policy are applicable to this Endorsement and remain unchanged.

Subdivision Improvement Agreement (River Islands Development Area 1, LLC)  
Tract 4244 Village 28 Unit 1

**EXHIBIT “D”**

**WEST VILLAGE – VILLAGE 28 UNIT 1**

**UNFINISHED IMPROVEMENTS AND FULL IMPROVEMENTS COST ESTIMATE**

# Westwood

ENGINEER'S BOND ESTIMATE  
COST TO COMPLETE  
RIVER ISLANDS - PHASE 2  
VILLAGE 28

CITY OF LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA

Item Description	Quantity	Unit	Unit Price	Amount
1 Joint Trench (60% Completion)	1	LS	\$ 369,230.00	\$ 369,230.00
2 Wet Utilities (95% Completion)	1	LS	\$ 87,750.00	\$ 87,750.00
3 Striping & Monuments (0% Completion)	1	LS	\$ 36,570.00	\$ 36,570.00
<b>TOTAL COST TO COMPLETE</b>				<b>\$ 493,550.00</b>

Notes:

- 1) Estimate for cost to complete based on contractor's note for Village 28 as of date 10/14/2024



DRAFT ENGINEER'S OPINION OF PROBABLE COST  
**RIVER ISLANDS - PHASE 2**  
**VILLAGE 28 (93 UNITS)**  
 CITY OF LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA

October 13, 2023  
 Job No.: 25504-86

Item	Description	Quantity	Unit	Unit Price	Amount
<b><u>STREET WORK</u></b>					
1	Fine Grading	221,500	SF	\$ 0.45	\$ 99,675.00
2	3.0" AC Paving	53,200	SF	\$ 1.50	\$ 79,800.00
3	4.5" AC Paving	87,900	SF	\$ 2.25	\$ 197,775.00
4	6" Aggregate Base	53,200	SF	\$ 0.90	\$ 47,880.00
5	8" Aggregate Base	87,900	SF	\$ 1.20	\$ 105,480.00
6	Vertical Curb and Gutter <i>(with AB cushion)</i>	2,210	LF	\$ 15.00	\$ 33,150.00
7	Rolled Curb and Gutter <i>(with AB cushion)</i>	4,870	LF	\$ 15.00	\$ 73,050.00
8	Concrete Sidewalk	36,300	SF	\$ 5.00	\$ 181,500.00
9	Driveway Approach	94	EA	\$ 600.00	\$ 56,400.00
10	Handicap Ramps	10	EA	\$ 2,500.00	\$ 25,000.00
11	Survey Monuments	8	EA	\$ 300.00	\$ 2,400.00
12	Traffic Striping & Signage	3,520	LF	\$ 5.00	\$ 17,600.00
13	Dewatering <i>(budget)</i>	3,520	LF	\$ 100.00	\$ 352,000.00
Subtotal Street Work					\$ 1,271,710.00
<b><u>STORM DRAIN</u></b>					
14	Catch Basins <i>(type I inlet over type I manhole base)</i>	23	EA	\$ 2,800.00	\$ 64,400.00
15	Catch Basins <i>(type I inlet over type II manhole base)</i>	4	EA	\$ 5,000.00	\$ 20,000.00
16	Catch Basins <i>(type C inlet over type I manhole base)</i>	2	EA	\$ 1,200.00	\$ 2,400.00
17	15" Storm Drain Pipe <i>(polypropylene)</i>	1,260	LF	\$ 18.00	\$ 22,680.00
18	18" Storm Drain Pipe <i>(polypropylene)</i>	780	LF	\$ 20.00	\$ 15,600.00
19	24" Storm Drain Pipe <i>(polypropylene)</i>	690	LF	\$ 31.00	\$ 21,390.00
20	30" Storm Drain Pipe <i>(polypropylene)</i>	650	LF	\$ 45.00	\$ 29,250.00
21	36" Storm Drain Pipe <i>(polypropylene)</i>	180	LF	\$ 60.00	\$ 10,800.00
22	Manholes <i>(type I)</i>	2	EA	\$ 3,000.00	\$ 6,000.00
23	Manholes <i>(type II)</i>	2	EA	\$ 5,000.00	\$ 10,000.00
24	Connect to Existing	3	EA	\$ 1,700.00	\$ 5,100.00
Subtotal Storm Drain					\$ 207,620.00
<b><u>SANITARY SEWER</u></b>					
25	8" Sanitary Sewer Pipe <i>(PVC)</i>	3,250	LF	\$ 28.00	\$ 91,007.31
26	Manholes <i>(type I)</i>	10	EA	\$ 4,000.00	\$ 40,000.00
27	Sewer Service	93	EA	\$ 600.00	\$ 55,800.00
28	Connect to Existing	4	EA	\$ 3,000.00	\$ 12,000.00
Subtotal Sanitary Sewer					\$ 198,807.31

Item	Description	Quantity	Unit	Unit Price	Amount
<b><u>WATER SUPPLY</u></b>					
29	8" Water Line (including all appurtenances) (PVC)	3,050	LF	\$ 32.00	\$ 97,600.00
30	12" Water Line (including all appurtenances) (PVC)	640	LF	\$ 48.00	\$ 30,720.00
31	Water Service	93	EA	\$ 2,000.00	\$ 186,000.00
32	2" Water Lateral	1	EA	\$ 2,000.00	\$ 2,000.00
33	Fire Hydrants	9	EA	\$ 4,000.00	\$ 36,000.00
34	8" Resilient Gate Valve	14	EA	\$ 1,550.00	\$ 21,700.00
35	12" Butterfly Valve	4	EA	\$ 3,000.00	\$ 12,000.00
36	Connect to Existing	5	EA	\$ 4,000.00	\$ 20,000.00
	Subtotal Water Supply				\$ 406,020.00
<b><u>LAKE FILL LINE</u></b>					
37	24" Lake Fill Line (including all appurtenances) (PVC)	490	LF	\$ 32.00	\$ 15,680.00
38	Connect to Existing	2	EA	\$ 4,000.00	\$ 8,000.00
	Subtotal Lake Fill Line				\$ 23,680.00
<b><u>DRY UTILITIES</u></b>					
39	Street Lighting/Joint Trench (including all appurtenances) - lump sum	1	LS	\$ 1,600,000.00	\$ 1,600,000.00
	Subtotal Dry Utilities				\$ 1,600,000.00
	<b>TOTAL CONSTRUCTION COST (nearest \$1,000)</b>				<b>3,708,000.00</b>

## Notes:

- 1) This estimate does not include surveying, engineering, landscaping, irrigation, or street trees.
- 2) Unit prices are based on estimated current construction costs and no provision for inflation is included.

**JOINT ESCROW INSTRUCTIONS  
RECORDATION OF FINAL MAPS  
(RIVER ISLANDS AT LATHROP)**

November 18, 2024

**Via Email and Hand Delivery**

Old Republic Title Company  
1215 W. Center Street, Suite 103  
Manteca, CA 95337  
Attn: Lori Richardson

**Re: Recordation of Final Map 4244; Escrow No. 1214023544**

Dear Lori:

This letter constitutes the joint escrow instructions ("**Escrow Instructions**") of River Islands Development Area 1, LLC, a Delaware limited liability company ("**RIDA1**") and the City of Lathrop ("**City**") in connection with the above-referenced escrow ("**Escrow**"). The Escrow was opened in connection with recordation of the above-referenced final map ("**Final Map**"). Recordation of the Final Map is subject to the conditions set forth below. The transactions described in these Escrow Instructions are referred to as the "**Transaction**." Old Republic Title Company is referred to as "you" or "**ORTC**."

**A. Date for Closings**

The Final Map will be recorded at the time designated by RIDA1 as set forth below. The Final Map can only be recorded after the City has approved the map in writing. The closing date for the Transaction is intended to occur by December 31, 2024, at the time designated in writing by RIDA1, subject to satisfaction of the conditions set forth below (each a "**Closing**"). If the Final Map has not been recorded by June 30, 2025, ORTC will return the Final Map to the City.

**B. Documents to be Delivered and Recordation Documents**

In connection with the Transaction, you have in your possession or will receive the following documents from City and RIDA1 for recordation in the Official Records of San Joaquin County, California ("**Official Records**").

B.1. One original Final Map for Tract 4244, executed and acknowledged by the City (provided to title by City).

B.2. A fully executed and acknowledged Amendment to Notice of Special Tax Lien for the City of Lathrop Community Facilities District No. 2023-1 (River Islands Public Services and Facilities) Annexation No. 14 (provided to title by City).

B.3. A fully executed and acknowledged Amendment to Notice of Special Tax Lien for Island Reclamation District 2062 Community Facilities District No. 2013-1 (Levee and Lake Maintenance Services) (provided to title by RIDA1).

B.4. A fully executed and acknowledged Amendment to Notice of Special Tax Lien for River Islands Public Financing Authority Community Facilities District No. 2013-1 (River Islands Public Services) (provided to title by RIDA1).

B.5. A fully executed and acknowledged Amendment to Notice of Special Tax Lien for River Islands Public Financing Authority Community Facilities District No. 2023-2 (Public Facilities Supplemental) (provided to title by RIDA1).

## JOINT ESCROW INSTRUCTIONS RECORDATION OF FINAL MAPS (RIVER ISLANDS AT LATHROP)

The documents listed in Items B.1, B.2, B.3, B.4 and B.5 above are referred to as the “**Recordation Documents**.” The Recordation Documents shall be recorded in the order referred to above. The date on which the Recordation Documents are recorded in the Official Records is the Recordation Date.

Prior to recording the Recordation Documents, please confirm that you have received copies or originals of the following documents: (i) Unanimous Approval of Annexation to a Community Facilities District and Related Matters, City of Lathrop Community Facilities District No. 2023-1 (River Islands Public Services and Facilities); (ii) Consent to, and Ballot in favor of, Annexation of Real Property to Island Reclamation District No. 2062 Community Facilities District No. 2013-1 (Levee and Lake Maintenance); (iii) Consent to, and Ballot in favor of, Annexation of Real Property to the River Islands Public Financing Authority Community Facilities District No. 2013-1 (River Islands Public Services) and (iv) Consent to, and Ballot in favor of, Annexation of Real Property to Improvement Area No. 2 of the River Islands Public Financing Authority Community Facilities District No. 2023-2 (Public Facilities Supplemental). The original City of Lathrop Unanimous Approval must be delivered to the City of Lathrop. The original Consents and Ballots for River Islands Public Financing Authority CFD Nos. 2013-1, 2023-2 and Island Reclamation District No. 2013-1 must be delivered to Jeanne Zolezzi at Herum\Crabtree\Suntag, 5757 Pacific Ave., Suite 222, Stockton, CA 95207. Copies should be sent via email to Cari James ([cjames@ci.lathrop.ca.us](mailto:cjames@ci.lathrop.ca.us)), Cindy Yan at Goodwin Consulting Group, [cindy@goodwinconsultinggroup.net](mailto:cindy@goodwinconsultinggroup.net), Susan Dell’Osso ([sdelloso@riverislands.com](mailto:sdelloso@riverislands.com)) and Debbie Belmar ([dbelmar@riverislands.com](mailto:dbelmar@riverislands.com)) together with conformed copies of the amendments to notices of special tax that are recorded as part of the Recordation Documents.

### **C. Funds and Settlement Statement**

You also have received, or will receive from RIDA1, prior to the recordation of the Recordation Documents, in immediately available funds, the following amounts, in accordance with the settlement statement prepared by you and approved in writing by both RIDA1 and City (“**Settlement Statement**”): recordation costs, escrow fees and other amounts as set forth in the Settlement Statement. Such costs, fees and other amounts are the sole responsibility of RIDA1.

- Funds to be wire transferred directly to the entity set forth below, immediately upon recordation of the Final Map, in accordance with the wire transfer instructions for each entity are as follows: The amount of **\$44,325.63**, payable to the City pursuant to that certain Agreement to Settle Litigation Regarding River Islands at Lathrop (as amended “**Sierra Club Agreement**”), constituting the amount of **\$3,774.00** multiplied by **11.745** acres (or portion thereof) included in the Final Map, is to be transferred to the City upon recordation of the Final Map. The City’s wire instructions are set forth below.

The amounts set forth in Section C are referred to as the “**Closing Funds**.”

### **D. Closing Requirements**

When the following has occurred, you are authorized to close the Escrow at the time(s) and in accordance with the process set forth below:

D.1. You have delivered copies of your Settlement Statement by email transmission to: (a) Susan Dell’Osso ([sdelloso@riverislands.com](mailto:sdelloso@riverislands.com)); (b) Debbie Belmar

## **JOINT ESCROW INSTRUCTIONS RECORDATION OF FINAL MAPS (RIVER ISLANDS AT LATHROP)**

([dbelmar@riverislands.com](mailto:dbelmar@riverislands.com)); (c) Brad Taylor ([btaylor@ci.lathrop.ca.us](mailto:btaylor@ci.lathrop.ca.us)); (d) Salvador Navarrete ([snavarrete@ci.lathrop.ca.us](mailto:snavarrete@ci.lathrop.ca.us); and have confirmation (by telephone or email) from Susan Dell'Osso and Brad Taylor that the Settlement Statement is accurate and acceptable;

D.2. You have not received any instructions contrary to these Escrow Instructions;

D.3. The Recordation Documents and all other documents described herein as being held by you or delivered to you have been received by you and have been fully executed and, where applicable, acknowledged, and you have attached all legal descriptions or have confirmed that all exhibits and legal descriptions are attached;

D.4 You are prepared to record the Recordation Documents, as designated, release funds in accordance with the Settlement Statement and complete the Transaction in compliance with these Escrow Instructions;

D.5. You have delivered a copy of these instructions, executed by an authorized signatory of ORTC with authority to bind ORTC, and initialed all pages, by email transmission (with original hard copy to follow by U.S. Mail) to Debbie Belmar and Brad Taylor at the email addresses set forth above; and

D.6. You have received confirmation (by email or other writing) from Susan Dell'Osso and Stephen Salvatore or Brad Taylor to record the Recordation Documents and complete the Transaction.

### **E. Closing Process and Priorities**

When you have fully satisfied all of the closing requirements set forth in Section D, then you are authorized and instructed to do the following in the chronological order given:

E.1. Date the Recordation Documents to be recorded;

E.2. Record the Recordation Documents in the Official Records;

E.3. Pay the costs associated with the Transaction;

E.4. Refund any funds delivered to you by RIDA1 that are not disbursed at the time of the final Closing pursuant to these Escrow Instructions to the following entity and address:

River Islands Development Area 1, LLC  
73 W. Stewart Road  
Lathrop, CA 95330  
Attn: Susan Dell'Osso

E.5. Notify Susan Dell'Osso ([sdelloso@riverislands.com](mailto:sdelloso@riverislands.com)), Debbie Belmar ([dbelmar@riverislands.com](mailto:dbelmar@riverislands.com)), Brad Taylor ([btaylor@ci.lathrop.ca.us](mailto:btaylor@ci.lathrop.ca.us)), Monica Garcia ([mgarcia@ci.lathrop.ca.us](mailto:mgarcia@ci.lathrop.ca.us)), Teresa Vargas ([tvargas@ci.lathrop.ca.us](mailto:tvargas@ci.lathrop.ca.us)), Sarah Pimentel ([spimentel@ci.lathrop.ca.us](mailto:spimentel@ci.lathrop.ca.us)), and Jose Molina ([JMolina@sjgov.org](mailto:JMolina@sjgov.org)) of the completion of the Transaction;

E.6. Within five (5) business days after each Recordation Date, deliver by overnight delivery via recognized, national, overnight delivery carrier to: (1) Susan Dell'Osso, River Islands Development Area 1, LLC, 73 W. Stewart Road, Lathrop, CA

**JOINT ESCROW INSTRUCTIONS  
RECORDATION OF FINAL MAPS  
(RIVER ISLANDS AT LATHROP)**

95330; and (2) Mr. Brad Taylor, City Engineer, City Attorney, City of Lathrop, 390 Towne Centre Drive, Lathrop, CA 95330:

- (A) a certified copy of the Recordation Documents, showing all recording information of the Recordation Documents; and
- (B) a certified copy of the final Settlement Statement.

**F. Additional Instructions**

When assembling the final documents, signature pages from all parties shall be inserted into each respective final document in creating fully executed counterparts.

Please acknowledge receipt of these instructions and your agreement to act as Escrow agent in connection with this Transaction in accordance with these Escrow Instructions, by executing and dating a copy of these Escrow Instructions where indicated below, initialing all pages and returning it to both of the undersigned.

The Escrow Instructions may be modified only in a writing signed by both of the undersigned.

Very truly yours,

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

\_\_\_\_\_  
Susan Dell'Osso                      Date  
President  
River Islands Development Area 1, LLC

**JOINT ESCROW INSTRUCTIONS  
RECORDATION OF FINAL MAPS  
(RIVER ISLANDS AT LATHROP)**

ESCROW INSTRUCTIONS  
ACKNOWLEDGEMENT AND AGREEMENT:

Receipt of the foregoing Escrow Instructions from RIDA1 and the City is hereby acknowledged. The undersigned agrees, for itself, and on behalf of ORTC, to proceed in strict accordance with these Escrow Instructions. The undersigned represents and warrants to RIDA1 and the City that the undersigned is authorized to execute this Acknowledgement and Agreement, for itself, and on behalf of ORTC.

Old Republic Title Company

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**RECORDING REQUESTED BY AND  
AFTER RECORDATION RETURN TO:**

City Clerk  
City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

Recorded for the benefit of the City of Lathrop  
pursuant to Government Code Section 27383

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**FOURTEENTH AMENDMENT TO NOTICE OF SPECIAL TAX LIEN**

City of Lathrop  
Community Facilities District No. 2023-1  
(River Islands Public Services and Facilities #2)  
Annexation No. 14

Pursuant to the requirements of Section 3117.5 of the Streets and Highways Code of California and the Mello-Roos Community Facilities Act of 1982, as amended, Section 53311, *et. seq.*, of the California Government Code (the "Act"), the undersigned City Clerk of the City of Lathrop (the "City"), County of San Joaquin, State of California, hereby gives notice that a lien to secure payment of a special tax is hereby imposed by the City Council of the City on the property described in Exhibit A hereto. The special tax secured by this lien is authorized to be levied for the purpose of paying principal and interest on bonds, the proceeds of which are being used to finance the acquisition and construction of all or a portion of the public facilities authorized to be funded by the City of Lathrop Community Facilities District No. 2023-1 (River Islands Public Services and Facilities #2) (the "CFD"), and to pay costs of the public services and facilities authorized to be funded by the CFD, both as described in Exhibit A to the Notice of Special Tax Lien heretofore recorded in the Office of the County Recorder for the County of San Joaquin, State of California (the "County Recorder") on June 28, 2023 as Document No. 2023-050810 (the "Original Notice"), and said special tax is to be levied according to the Rate and Method of Apportionment of Special Tax set forth in Exhibit B to the Notice of Special Tax Lien, to which recorded Notice of Special Tax Lien reference is hereby made and the provisions of which are hereby incorporated herein in full by this reference.

This Fourteenth Amendment to Notice of Special Tax Lien amends the Notice of Special Tax Lien to add to the territory within the City of Lathrop Community Facilities District No. 2023-1 (River Islands Public Services and Facilities #2) certain real property identified in Exhibit A hereto (the "Property") and shown within the future annexation area on the boundary map of the community facilities district recorded on April 19, 2023, in Book 7 of Maps of Assessment and Community Facilities Districts at Page 55 (Document No. 2023-030264), in the Office of the County Recorder, which map is the final boundary map of the community facilities district. The Property is being annexed into Tax Zone 1 of the community facilities district, as described in the



Rate and Method of Apportionment of Special Tax attached as Exhibit B to the Notice of Special Tax Lien, with the maximum special tax rates identified in Exhibit B hereto.

The assessor's tax parcel(s) numbers of all parcels or any portion thereof which are included in this Fourteenth Amendment to Notice of Special Tax Lien, together with the name(s) of the owner(s) thereof, as they appear on the latest secured assessment roll as of the date of recording hereof or as are otherwise known to the Authority are as set forth in Exhibit A hereto which is by this reference made a part hereof.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property or interests therein subject to the special tax lien, interested persons should contact the Finance Director, City of Lathrop, 390 Towne Centre Drive, Lathrop, California 95330; Telephone: (209) 941-7320.

Dated: \_\_\_\_\_, 2024.

By: \_\_\_\_\_  
Teresa Vargas, City Clerk,  
City of Lathrop

**EXHIBIT A**

**CITY OF LATHROP  
COMMUNITY FACILITIES DISTRICT NO. 2023-1  
(RIVER ISLANDS PUBLIC SERVICES AND FACILITIES #2)  
ANNEXATION NO. 14  
ASSESSOR'S PARCEL NUMBER(S) AND OWNER(S) OF LAND  
WITHIN ANNEXATION NO. 14 TO CITY OF LATHROP  
COMMUNITY FACILITIES DISTRICT NO. 2023-1  
(RIVER ISLANDS PUBLIC SERVICES AND FACILITIES #2)**

<b>Name(s) of Property Owner(s)</b>	<b>San Joaquin County Assessor's Parcel No.</b>	<b>Legal Description of Property</b>
RIVER ISLANDS DEVELOPMENT AREA 1, LLC 73 W. STEWART RD., LATHROP, CA 95330	213-610-54 (Por.)	Parcel 2 of Tract 4235 as shown in the Large Lot Final Map recorded in the office of the San Joaquin County Recorder on August 22, 2024 in Book 44 of Maps and Plats, at Page 124 as Document Number 2024-070599.

**EXHIBIT B**  
**CITY OF LATHROP**  
**COMMUNITY FACILITIES DISTRICT NO. 2023-1**  
**(RIVER ISLANDS PUBLIC SERVICES AND FACILITIES #2)**  
**ANNEXATION NO. 14**

**MAXIMUM SERVICES SPECIAL TAX FOR ZONE 1 OF THE CFD**

The table below identifies the Maximum Services Special Tax for Developed Property within Tax Zone 1, both before and after the Trigger Event:

<b>Type of Property</b>	<b>Lot Size</b>	<b>Maximum Services Special Tax in Tax Zone 1 Prior to the Trigger Event (Fiscal Year 2022-23)*</b>	<b>Maximum Services Special Tax in Tax Zone 1 After the Trigger Event (Fiscal Year 2022-23)*</b>
<b><u>Residential Property:</u></b>			
Single Family Detached Property	Greater than 7,000 SqFt	\$432.29 per SFD Lot	\$205.02 per SFD Lot
Single Family Detached Property	5,801 to 7,000 SqFt	\$349.02 per SFD Lot	\$165.53 per SFD Lot
Single Family Detached Property	4,801 to 5,800 SqFt	\$320.21 per SFD Lot	\$151.87 per SFD Lot
Single Family Detached Property	4,000 to 4,800 SqFt	\$272.18 per SFD Lot	\$129.09 per SFD Lot
Single Family Detached Property	Less Than 4,000 SqFt	\$252.96 per SFD Lot	\$119.97 per SFD Lot
Single Family Attached Property	Not Applicable	\$0.00 per Unit	\$0.00 per Unit
Multi-Family Property	Not Applicable	\$0.00 per Unit	\$0.00 per Unit
Non-Residential Property	Not Applicable	\$0.00 per Non-Residential Square Foot	\$0.00 per Non-Residential Square Foot

*\* On July 1, 2023, and on each July 1 thereafter, all figures shown in the table above shall be increased by the Escalation Factor.*

**MAXIMUM FACILITIES SPECIAL TAX FOR ZONE 1 OF THE CFD**

The table below identifies the Maximum Facilities Special Tax for Developed Property within Tax Zone 1, both before and after the Trigger Event:

<b>Type of Property</b>	<b>Lot Size</b>	<b>Maximum Facilities Special Tax in Tax Zone 1 Prior to the Trigger Event (Fiscal Year 2022-23)*</b>	<b>Maximum Facilities Special Tax in Tax Zone 1 After the Trigger Event (Fiscal Year 2022-23)*</b>
<b>Residential Property:</b>			
Single Family Detached Property	Greater than 7,000 SqFt	\$0.00 per SFD Lot	\$227.27 per SFD Lot
Single Family Detached Property	5,801 to 7,000 SqFt	\$0.00 per SFD Lot	\$183.49 per SFD Lot
Single Family Detached Property	4,801 to 5,800 SqFt	\$0.00 per SFD Lot	\$168.34 per SFD Lot
Single Family Detached Property	4,000 to 4,800 SqFt	\$0.00 per SFD Lot	\$143.09 per SFD Lot
Single Family Detached Property	Less Than 4,000 SqFt	\$0.00 per SFD Lot	\$132.99 per SFD Lot
Single Family Attached Property	Not Applicable	\$0.00 per Unit	\$0.00 per Unit
Multi-Family Property	Not Applicable	\$0.00 per Unit	\$0.00 per Unit
Non-Residential Property	Not Applicable	\$0.00 per Non-Residential Square Foot	\$0.00 per Non-Residential Square Foot

*\* On July 1, 2023, and on each July 1 thereafter until the first Fiscal Year after the Trigger Event, all figures shown in the table above shall be increased by the Escalation Factor. On July 1 of the first Fiscal Year after the Trigger Event, and on each July 1 thereafter, the Maximum Facilities Special Taxes shall increase by two percent (2%) of the amount in effect in the prior Fiscal Year.*

**UNANIMOUS APPROVAL  
of Annexation to a Community Facilities District  
and Related Matters**

**CITY OF LATHROP  
Community Facilities District No. 2023-1  
(River Islands Public Services and Facilities #2)**

To the Honorable City Council,  
City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

Members of the City Council:

This constitutes the Unanimous Approval (the "Unanimous Approval") of River Islands Development Area 1, LLC, the record owner(s) (the "Property Owner") of the fee title to the real property identified below (the "Property") contemplated by Section 53339.3 et seq. of the Mello-Roos Community Facilities Act of 1982, as amended (the "Act") to annexation of the Property to the "City of Lathrop, Community Facilities District No. 2023-1 (River Islands Public Services and Facilities #2)" (the "CFD"), and it states as follows:

**1. Property Owner.** This Unanimous Approval is submitted by the Property Owner as the record owner(s) of fee title to the Property. The Property Owner has supplied to the City current evidence of its ownership of fee title to the Property.

**2. Approval of Annexation.** This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the annexation of the Property to the CFD. The CFD was formed to finance the municipal services and facilities (the "Services and Facilities") described in Exhibit A hereto and made a part hereof.

**3. Approval of Special Tax and the Facilities and Services.** This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the levy of special taxes (the "Special Taxes") on the Property to finance the Services and Facilities, according to the Rate and Method of Apportionment of Special Taxes for the CFD attached hereto as Exhibit B and made a part hereof (the "Rate and Method"). Exhibit B includes the cost estimate for the Facilities and Services. The Property is being annexed into Tax Zone 1 of the CFD with the maximum special tax rates identified in Exhibit C hereto. The City will create a special account into which the Special Taxes will be deposited, when collected. The City will prepare the annual report required by Government Code Section 50075.3.

**4. Approval of the Appropriations Limit.** This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the appropriations limit established for the CFD.

**5. Waivers and Vote.** The Property Owner hereby confirms that this Unanimous Approval constitutes its approval and unanimous vote as described herein and as contemplated by Section 53339.3 et seq. of the Act and Article XIII A of the California Constitution. The Property Owner hereby waives all other rights with respect to the annexation of the Property, the levy of the Special Taxes on the Property and the other matters covered in this Unanimous Approval.

**6. Recordation of Amendment to Notice of Special Tax Lien.** The Notice of Special Tax Lien for the CFD was recorded in the Office of the County Recorder of the County of San Joaquin, State of California on June 28, 2023, as Document No. 2023-050810 in the Office of the County Recorder of the County of San Joaquin. The Property Owner hereby authorizes and directs the City Clerk to 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 the CFD as required by Section 3117.5 of the California Streets and Highways Code. The amendment to the Notice of Special Tax Lien shall include the Rate and Method as an exhibit thereto.

**7. Authority Warranted.** The Property Owner warrants to the City that the presentation of this Unanimous Approval, any votes, consents or waivers contained herein, and other actions mandated by the City for the annexation of the Property to the CFD shall not constitute or be construed as events of default or delinquencies under any existing or proposed financing documents entered into or to be entered into by the Property Owner for the Property, including any “due-on-encumbrance” clauses under any existing security instruments secured by the Property.

**8. Due Diligence and Disclosures.** The Property Owner agrees to cooperate with the City and its attorneys and consultants and to provide all information and disclosures required by the City about the Special Taxes to purchasers of the Property or any part of it.

**9. Agreements.** The Property Owner further agrees to execute such additional or supplemental agreements as may be required by the City to provide for any of the actions and conditions described in this Unanimous Approval, including any cash deposit required to pay for the City’s costs in annexing the Property to the CFD.

**10. The Property.** The Property is identified as follows:

Assessor’s Parcel No. 213-610-54 (Por.)

Property Address: N/A

Legal Description of Property: Parcel 2 of Tract 4235 as shown in the Large Lot Final Map recorded in the office of the San Joaquin County Recorder on August 22, 2024 in Book 44 of Maps and Plats, at Page 124 as Document Number 2024-070599.

By executing this Unanimous Approval, the Property Owner agrees to all of the above.

Tax Zone #: 1

Property Owner

RIVER ISLANDS DEVELOPMENT  
AREA 1, LLC  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: Susan Dell'Osso  
Title: President

Notice Address:

River Islands Development Area 1, LLC  
73 W. Stewart Rd.,  
Lathrop, CA 95330

(Attach acknowledgment)

**EXHIBIT A**

**CITY OF LATHROP  
Community Facilities District No. 2023-1  
(River Islands Public Services and Facilities #2)**

**DESCRIPTION OF AUTHORIZED SERVICES AND FACILITIES**

**Services**

The services to be funded, in whole or in part, by the community facilities district (CFD) include all direct and incidental costs related to providing public services and maintenance of public infrastructure within the River Islands area including the area initially included in the CFD, as well as any future annexation area of the CFD and areas adjacent to the foregoing. More specifically, the services shall include, but not be limited to: (i) police protection services, including City contracts with the San Joaquin Sheriff's Office or other police services providers, or costs of a City police department if and when one is established, (ii) maintenance of open space, including trails and habitat areas, with services to include, but not be limited to, irrigation and vegetation control; (iii) maintenance of roads and roadways, with services to include, but not be limited to, regularly scheduled street sweeping, repair of public streets, striping of streets and repair and repainting of sound walls and other appurtenances; (iv) storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, (v) landscaping in public areas and in the public right of way along public streets, including, but not limited to, irrigation, tree trimming and vegetation maintenance and control; and (vi) any other public services authorized to be funded under Section 53313 of the California Government Code that are not already funded by another community facilities district on the property within the CFD.

The CFD may fund any of the following related to the services described in the preceding paragraph: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of personnel necessary or convenient to provide the services, payment of insurance costs and other related expenses and the provision of reserves for repairs and replacements and for the future provision of services. The services to be financed by the CFD are in addition to those provided in the territory of the CFD before the date of formation of the CFD and will not supplant services already available within that territory when the District is created.

**Facilities**

The CFD may also fund all or any portion of the costs of the following facilities to be located within or in the vicinity of the CFD:

Roadway and related improvements, including, but not limited to, construction of the roadways currently identified on Vesting Tentative Map No. 3694 as Stewart Road, Golden Valley Parkway, South River Islands Parkway, North River Islands Parkway, Broad Street, Commercial Street, J8 Street, B5 Street, B6 Street and Cl Street, as well as other backbone and



arterial streets, including, but not limited to, grading, fill, pavement section, curb gutter and sidewalk, joint trench, water, sewer, reclaimed water, storm drainage, and other utility improvements necessary for, or incidental to, road construction. Roadway improvements may also include landscaping, street lights and signage, and traffic signals and striping.

Bradshaw's Crossing Bridge improvements, including, but not limited to, design, construction, utility connections, mitigation payments, right-of-way acquisition, and other improvements required for, or incidental to, construction of the bridge.

Water infrastructure, including, but not limited to, tanks, pump stations, distribution lines, and other improvements necessary for, or incidental to, the delivery of potable or reclaimed water.

Sewer infrastructure, including, but not limited to, treatment facilities, sanitary sewer collection lines and force mains, effluent holding and storage, pump stations, lift stations, and other improvements necessary for, or incidental to, the delivery of sanitary sewer service.

Public landscaping and recreational features along rivers, lakes, within parks, and along and including pathways.

Offsite public infrastructure, including, but not limited to, the extension of sanitary sewer lines and payment of license fees (e.g., to Caltrans or UPRR) and any other incidental fees or exactions.

The facilities authorized to be funded by the CFD shall include the costs of design, engineering, surveys, reports, environmental mitigation, soils testing, permits, plan check, inspection fees, impact fees, insurance, construction management, and any other costs or appurtenances related to any of the foregoing.

### **Administrative Expenses**

The administrative expenses to be funded by the CFD include the direct and indirect expenses incurred by the City of Lathrop (City) in carrying out its duties with respect to the CFD including, but not limited to, the levy and collection of the special taxes, the fees and expenses of attorneys, any fees of the County of San Joaquin related to the CFD or the collection of special taxes, an allocable share of the salaries of any City staff directly related thereto and a proportionate amount of the City's general administrative overhead related thereto, any amounts paid by the City from its general fund with respect to the CFD or the services authorized to be financed by the CFD, and expenses incurred by the City in undertaking action to foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the City in any way related to the CFD.

**Other**

The incidental expenses that may be funded by the CFD include, in addition to the administrative expenses identified above, the payment or reimbursement to the CFD of all costs associated with the establishment and ongoing administration of the CFD.

**EXHIBIT B**

**CITY OF LATHROP  
COMMUNITY FACILITIES DISTRICT NO. 2023-1  
(RIVER ISLANDS PUBLIC SERVICES AND FACILITIES #2)**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

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Special Taxes applicable to each Assessor’s Parcel in the City of Lathrop Community Facilities District No. 2023-1 (River Islands Public Services and Facilities #2) shall be levied and collected according to the tax liability determined by the City or its designee, through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section F below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD unless a separate rate and method of apportionment of Special Tax is adopted for the annexation area.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

“**Accessory Unit**” means a second residential unit of limited size (e.g., granny cottage, second unit) that shares a Parcel with a single-family detached unit.

“**Act**” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311), Part 1, Division 2, of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means any or all of the following: expenses of the City in carrying out its duties with respect to the CFD, including, but not limited to, the levy and collection of Special Taxes, the fees and expenses of its legal counsel, costs related to annexing property into the CFD, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Taxes, costs associated with appeals or requests for interpretation associated with the Special Taxes and this RMA, costs associated with foreclosure and collection of delinquent Special Taxes and all other costs and expenses of the City and County in any way related to the establishment or administration of the CFD.

“**Administrator**” means the person or firm designated by the City to administer the Special Taxes according to this RMA.

“**Assessor’s Parcel**” or “**Parcel**” means a lot or parcel shown on a County Assessor’s Parcel map with an assigned County Assessor’s Parcel number.

“**Authorized Facilities**” means the public facilities authorized to be financed, in whole or in part, by Facilities Special Taxes collected within the CFD, pursuant to the documents adopted by the City Council at CFD Formation.

**“Authorized Services”** means those services that are authorized to be funded by Services Special Taxes collected within the CFD, pursuant to the documents adopted by the City Council at CFD Formation.

**“CFD”** means the City of Lathrop Community Facilities District No. 2023-1 (River Islands Public Services and Facilities #2).

**“CFD Formation”** means the date on which the Resolution of Formation to form the CFD was adopted by the City Council.

**“City”** means the City of Lathrop.

**“City Council”** means the City Council of the City of Lathrop.

**“County”** means the County of San Joaquin.

**“Developed Property”** means, in any Fiscal Year, the following:

- for Single Family Detached Property, all Parcels of Taxable Property for which a Final Map was recorded on or prior to June 30 of the preceding Fiscal Year
- for Multi-Family Property and Single Family Attached Property, all Parcels of Taxable Property for which a building permit for new construction of a residential structure was issued on or prior to June 30 of the preceding Fiscal Year
- for Non-Residential Property, all Parcels of Taxable Property for which a building permit for new construction of a structure was issued on or prior to June 30 of the preceding Fiscal Year.

**“Development Agreement”** means the 2003 Amended and Restated Development Agreement dated February 4, 2003 and recorded on March 31, 2003 in the San Joaquin County Recorder’s Office as Document No. 2003-069319, as has been amended and as may be amended in the future.

**“Escalation Factor”** means, in any Fiscal Year, the lesser of (i) the increase from the prior Fiscal Year, if any, in the Local Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose Area for All Urban Consumers, or (ii) four percent (4%). The CPI used shall be as determined by the Bureau of Labor Statistics from April to April beginning with the period from April 2022 to April 2023.

**“Facilities Special Tax”** means a special tax levied in any Fiscal Year after the Trigger Event has taken place to pay the Facilities Special Tax Requirement.

**“Facilities Special Tax Requirement”** means the amount necessary in any Fiscal Year after the Trigger Event to pay the costs of Authorized Facilities to be funded directly from Facilities Special Tax proceeds.

**“Final Map”** means a final map, or portion thereof, approved by the City and recorded by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq)

that creates SFD Lots. The term “Final Map” shall not include any large lot subdivision map, Assessor’s Parcel Map, or subdivision map or portion thereof, that does not create SFD Lots, including Assessor’s Parcels that are designated as remainder parcels.

“**Fiscal Review Process**” means the River Islands Annual Fiscal Review Process, which is required pursuant to the Development Agreement, and which process is described in detail in Exhibit B of the Development Agreement.

“**Fiscal Year**” means the period starting July 1 and ending on the following June 30.

“**Maximum Facilities Special Tax**” means the greatest amount of Facilities Special Tax that can be levied on a Parcel in any Fiscal Year after the Trigger Event, as determined in accordance with Section C below.

“**Maximum Services Special Tax**” means the greatest amount of Services Special Tax that can be levied on a Parcel in any Fiscal Year, as determined in accordance with Section C below.

“**Maximum Special Taxes**” means, collectively, the Maximum Facilities Special Tax and the Maximum Services Special Tax that can be levied on a Parcel in any Fiscal Year.

“**Multi-Family Property**” means, in any Fiscal Year, all Parcels of Taxable Property for which a building permit or use permit has been issued or is expected to be issued for construction of a residential structure with five or more Units that share a single Assessor’s Parcel number, are offered for rent to the general public, and cannot be purchased by individual homebuyers.

“**Non-Residential Property**” means all Assessor’s Parcels of Taxable Property for which a building permit was or is expected to be issued for an office, commercial, retail, industrial or mixed-use building, as determined by the City.

“**Non-Residential Square Footage**” means the net leasable square footage used by or designated for non-residential uses within a building as reflected on the condominium plan, site plan, building permit for new construction, or other such document. If a structure on a Parcel of Non-Residential Property includes Units, such Units shall be categorized and taxed as Residential Property, and the square footage of such Units shall not be counted as Non-Residential Square Footage for purposes of determining the Maximum Special Taxes pursuant to Section C below.

“**Proportionately**” means, for the Services Special Tax, that the ratio of the actual Services Special Tax levied in any Fiscal Year to the Maximum Services Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor’s Parcels of Developed Property. For the Facilities Special Tax, “Proportionately” means that the ratio of the actual Facilities Special Tax levied in any Fiscal Year to the Maximum Facilities Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor’s Parcels of Developed Property.

“**Public Property**” means any property within the boundaries of the CFD that is owned by or irrevocably offered for dedication to the federal government, State of California, County, City, or other local governments or public agencies.

**“Residential Property”** means, collectively, Single Family Detached Property, Single Family Attached Property, and Multi-Family Property. If a building includes both Units and Non-Residential Square Footage, the Units within the building shall be categorized as Residential Property for purposes of this RMA.

**“RMA”** means this Rate and Method of Apportionment of Special Tax.

**“Services Special Tax”** means a special tax levied in any Fiscal Year to pay the Services Special Tax Requirement.

**“Services Special Tax Requirement”** means the amount of revenue needed in any Fiscal Year to pay for: (i) Authorized Services, (ii) Administrative Expenses, and (iii) amounts needed to cure any delinquencies in the payment of Services Special Taxes which have occurred or (based on delinquency rates in prior years) may be expected to occur in the Fiscal Year in which the tax will be collected. In any Fiscal Year, the Services Special Tax Requirement shall be reduced by surplus amounts available (as determined by the City) from the levy of the Services Special Tax in prior Fiscal Years, including revenues from the collection of delinquent Services Special Taxes and associated penalties and interest.

**“SFD Lot”** means an individual residential lot, identified and numbered on a recorded Final Map, on which a building permit was or is permitted to be issued for construction of a single family detached unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated pursuant to an approved tentative map.

**“Single Family Attached Property”** means, in any Fiscal Year, all Parcels of Taxable Property for which a building permit was or is expected to be issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor’s Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor’s Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the unit), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 4125.

**“Single Family Detached Property”** means, in any Fiscal Year, all Parcels of Taxable Property for which a building permit was or is expected to be issued for construction of a Unit that does not share a common wall with another Unit. An Accessory Unit that shares a Parcel with a single-family detached unit shall not be considered a separate Unit for purposes of this RMA.

**“Special Taxes”** means, collectively, the Facilities Special Tax and the Services Special Tax.

**“Taxable Property”** means all of the Assessor’s Parcels within the boundaries of the CFD which are not exempt from the Special Taxes pursuant to law or Section F below.

**“Tax Zone”** means a mutually exclusive geographic area within which Special Taxes may be levied pursuant to this RMA. *All of the property within the CFD at the time of CFD Formation is within Tax Zone 1.* Additional Tax Zones may be created when property is annexed to the CFD, and separate Maximum Special Taxes shall be identified for property within the new Tax Zone at the time of such annexation. The Assessor’s Parcels included within a new Tax Zone established

when such Parcels are annexed to the CFD shall be identified by Assessor's Parcel number in the Unanimous Approval Form that is signed by the owner(s) of the Parcels at the time of annexation.

**“Unanimous Approval Form”** means that form executed by the record owner of fee title to a Parcel or Parcels annexed into the CFD that constitutes the property owner's approval and unanimous vote in favor of annexing into the CFD and the levy of Special Taxes against his/her Parcel or Parcels pursuant to this RMA.

**“Trigger Event”** will be deemed to have occurred in any Fiscal Year if, on or before June 30 of the prior Fiscal Year, the City has made a finding that, for the third year in a row, the Fiscal Review Process has demonstrated that fiscal surpluses will be generated to the City's general fund from development within the River Islands Master Plan area, and, as part of the Fiscal Review Process in each of the prior three years, the Services Special Tax revenue factored into the fiscal analysis was based on the Services Special Tax being levied at only 47.43% of the Maximum Services Special Tax that could have been levied in each of those three years. Once the Trigger Event has occurred, the reduced Services Special Taxes and the Facilities Special Taxes determined for each Tax Zone pursuant to Section C shall be the applicable Maximum Special Taxes in all future Fiscal Years regardless of the results of future Fiscal Review Processes.

**“Unit”** means a single family detached unit or an individual unit within a duplex, triplex, halfplex, fourplex, condominium, townhome, live/work, or apartment structure.

## **B. DATA FOR ADMINISTRATION OF SPECIAL TAXES**

On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Parcels of Developed Property within the CFD. The Administrator shall also determine: (i) within which Tax Zone each Parcel is located; (ii) which Parcels of Developed Property are Residential Property and Non-Residential Property; (iii) the Non-Residential Square Footage of buildings on each Parcel of Non-Residential Property; (iv) for Single Family Detached Property, the square footage of each SFD Lot, (v) by reference to the condominium plan, site plan, or other document, the number of Units on each Parcel of Single Family Attached Property and Multi-Family Property; (vi) whether the Trigger Event has occurred; and (vii) the Services Special Tax Requirement and, if the Trigger Event has occurred, the Facilities Special Tax Requirement for the Fiscal Year. To determine the square footage of each Parcel of Single Family Detached Property, the Administrator shall reference Assessor's Parcel Maps or, if the square footage is not yet designated on such maps, the small lot subdivision map recorded to create the individual lots.

In any Fiscal Year, if it is determined that: (i) a parcel map for property in the CFD was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new parcels created by the parcel map, and (iii) a building permit was issued on or prior to June 30 of the prior Fiscal Year for development on one or more of the newly-created parcels, the Administrator shall calculate the Special Taxes for Units and/or Non-Residential Square Footage within the subdivided area and levy such Special Taxes on the master Parcel that was subdivided by recordation of the parcel map.

**C. MAXIMUM SPECIAL TAXES**

*1. Services Special Tax, Tax Zone 1*

Table 1 below identifies the Maximum Services Special Tax for Developed Property within Tax Zone 1, both before and after the Trigger Event. A different Maximum Services Special Tax may be identified for property that annexes into the CFD and is part of a separate Tax Zone.

**TABLE 1  
MAXIMUM SERVICES SPECIAL TAX  
TAX ZONE 1**

<b>Type of Property</b>	<b>Lot Size</b>	<b>Maximum Services Special Tax in Tax Zone 1 Prior to the Trigger Event (Fiscal Year 2022-23)*</b>	<b>Maximum Services Special Tax in Tax Zone 1 After the Trigger Event (Fiscal Year 2022-23)*</b>
<u>Residential Property:</u> Single Family Detached Property Single Family Detached Property Single Family Detached Property Single Family Detached Property Single Family Detached Property Single Family Attached Property Multi-Family Property	Greater than 7,000 SqFt 5,801 to 7,000 SqFt 4,801 to 5,800 SqFt 4,000 to 4,800 SqFt Less than 4,000 SqFt Not Applicable Not Applicable	\$432.29 per SFD Lot \$349.02 per SFD Lot \$320.21 per SFD Lot \$272.18 per SFD Lot \$252.96 per SFD Lot \$ 0.00 per Unit \$ 0.00 per Unit	\$205.02 per SFD Lot \$165.53 per SFD Lot \$151.87 per SFD Lot \$129.09 per SFD Lot \$119.97 per SFD Lot \$ 0.00 per Unit \$ 0.00 per Unit
Non-Residential Property	Not Applicable	\$0.00 per Non-Residential Square Foot	\$0.00 per Non-Residential Square Foot

**\* On July 1, 2023 and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by the Escalation Factor.**



2. *Facilities Special Tax, Tax Zone 1*

Table 2 below identifies the Maximum Facilities Special Tax for Developed Property within Tax Zone 1 both before and after the Trigger Event; a different Maximum Facilities Special Tax may be identified for property that annexes into the CFD and is part of a separate Tax Zone.

**TABLE 2  
MAXIMUM FACILITIES SPECIAL TAX  
TAX ZONE 1**

Type of Property	Lot Size	Maximum Facilities Special Tax in Tax Zone 1 Prior to the Trigger Event (Fiscal Year 2022-23)*	Maximum Facilities Special Tax in Tax Zone 1 After the Trigger Event (Fiscal Year 2022-23)*
<u>Residential Property:</u>			
Single Family Detached Property	Greater than 7,000 SqFt	\$ 0.00 per SFD Lot	\$227.27 per SFD Lot
Single Family Detached Property	5,801 to 7,000 SqFt	\$ 0.00 per SFD Lot	\$183.49 per SFD Lot
Single Family Detached Property	4,801 to 5,800 SqFt	\$ 0.00 per SFD Lot	\$168.34 per SFD Lot
Single Family Detached Property	4,000 to 4,800 SqFt	\$ 0.00 per SFD Lot	\$143.09 per SFD Lot
Single Family Detached Property	Less than 4,000 SqFt	\$ 0.00 per SFD Lot	\$132.99 per SFD Lot
Single Family Attached Property	Not Applicable	\$ 0.00 per Unit	\$ 0.00 per Unit
Multi-Family Property	Not Applicable	\$ 0.00 per Unit	\$ 0.00 per Unit
Non-Residential Property	Not Applicable	\$0.00 per Non-Residential Square Foot	\$0.00 per Non-Residential Square Foot

\* On July 1, 2023 and on each July 1 thereafter until the first Fiscal Year after the Trigger Event, all figures shown in Table 2 above shall be increased by the Escalation Factor. On July 1 of the first Fiscal Year after the Trigger Event, and on each July 1 thereafter, the Maximum Facilities Special Taxes shall increase by two percent (2%) of the amount in effect in the prior Fiscal Year.

3. *Maximum Special Taxes for Mixed-Use Buildings*

If, in any Fiscal Year, the Administrator determines that a Parcel of Developed Property is built or proposed to be built with both Units and Non-Residential Square Footage, the Maximum Special Taxes for the Parcel shall be the sum of (i) the aggregate Maximum Special Taxes for all Units on the Parcel, and (ii) the Maximum Special Taxes determined for all of the Non-Residential Square Footage on the Parcel.

4. *Reduction of the Maximum Special Taxes*

If, in any Fiscal Year, the City determines pursuant to the Fiscal Review Process that the Maximum Special Taxes within one or more Tax Zones should be reduced, the Maximum Special Taxes within the Tax Zones may be reduced without a vote of the qualified CFD electors. An Amended Notice of Special Tax Lien reflecting the reduced Maximum Special Taxes shall be recorded against the Parcels within such Tax Zones.

**D. METHOD OF LEVY OF THE SPECIAL TAXES**

*1. Services Special Tax*

Each Fiscal Year, the Administrator shall determine the Services Special Tax Requirement for the Fiscal Year, and the Services Special Tax shall be levied on each Parcel of Developed Property within the CFD in the amount of either (i) the Maximum Services Special Tax, or (ii) the Proportionately determined percentage of the Maximum Services Special Tax required to generate the Services Special Tax Requirement, whichever is less.

*2. Facilities Special Tax*

Each Fiscal Year after the Trigger Event, the Administrator shall determine the Facilities Special Tax Requirement for the Fiscal Year, and the Facilities Special Tax shall be levied on each Parcel of Developed Property within the CFD in the amount of either (i) the Maximum Facilities Special Tax, or (ii) the Proportionately determined percentage of the Maximum Facilities Special Tax required to generate the Facilities Special Tax Requirement, whichever is less.

**E. MANNER OF COLLECTION OF SPECIAL TAXES**

The Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the City may directly bill, collect at a different time or in a different manner, and/or collect delinquent Special Taxes through foreclosure or other available methods.

The Facilities Special Tax shall be levied for thirty (30) Fiscal Years, beginning the first Fiscal Year after the Trigger Event has taken place. Under no circumstances may the Facilities Special Tax on a Parcel in residential use be increased in any Fiscal Year as a consequence of delinquency or default in payment of the Facilities Special Tax levied on another Parcel or Parcels by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults. The Services Special Tax may be levied and collected in perpetuity.

**F. EXEMPTIONS**

No Special Taxes shall be levied on Public Property or any other Parcels in the CFD that are not Residential Property or Non-Residential Property, as defined herein.

**G. INTERPRETATION OF SPECIAL TAX FORMULA**

The City may interpret, clarify, and/or revise this RMA to correct any inconsistency, vagueness or ambiguity as it relates to the Special Tax rates, the method of apportionment, the classification of properties or any definition applicable to the CFD, by resolution or ordinance. The City, upon the request of an owner of land within the CFD which is not Developed Property, may also amend this RMA in any manner acceptable to the City, by resolution or ordinance following a public hearing, upon the affirmative vote of such owner to such amendment and without the vote of owners of any other land within the CFD, provided such amendment only affects such owner's land.

**EXHIBIT C**  
**CITY OF LATHROP**  
**COMMUNITY FACILITIES DISTRICT NO. 2023-1**  
**(RIVER ISLANDS PUBLIC SERVICES AND FACILITIES #2)**  
**ANNEXATION NO. 14**

**MAXIMUM SERVICES SPECIAL TAX FOR ZONE 1 OF THE CFD**

The table below identifies the Maximum Services Special Tax for Developed Property within Tax Zone 1, both before and after the Trigger Event:

<b>Type of Property</b>	<b>Lot Size</b>	<b>Maximum Services Special Tax in Tax Zone 1 Prior to the Trigger Event (Fiscal Year 2022-23)*</b>	<b>Maximum Services Special Tax in Tax Zone 1 After the Trigger Event (Fiscal Year 2022-23)*</b>
<b>Residential Property:</b>			
Single Family Detached Property	Greater than 7,000 SqFt	\$432.29 per SFD Lot	\$205.02 per SFD Lot
Single Family Detached Property	5,801 to 7,000 SqFt	\$349.02 per SFD Lot	\$165.53 per SFD Lot
Single Family Detached Property	4,801 to 5,800 SqFt	\$320.21 per SFD Lot	\$151.87 per SFD Lot
Single Family Detached Property	4,000 to 4,800 SqFt	\$272.18 per SFD Lot	\$129.09 per SFD Lot
Single Family Detached Property	Less Than 4,000 SqFt	\$252.96 per SFD Lot	\$119.97 per SFD Lot
Single Family Attached Property	Not Applicable	\$0.00 per Unit	\$0.00 per Unit
Multi-Family Property	Not Applicable	\$0.00 per Unit	\$0.00 per Unit
Non-Residential Property	Not Applicable	\$0.00 per Non-Residential Square Foot	\$0.00 per Non-Residential Square Foot

*\* On July 1, 2023, and on each July 1 thereafter, all figures shown in the table above shall be increased by the Escalation Factor.*

**MAXIMUM FACILITIES SPECIAL TAX FOR ZONE 1 OF THE CFD**

The table below identifies the Maximum Facilities Special Tax for Developed Property within Tax Zone 1, both before and after the Trigger Event:

<b>Type of Property</b>	<b>Lot Size</b>	<b>Maximum Facilities Special Tax in Tax Zone 1 Prior to the Trigger Event (Fiscal Year 2022-23)*</b>	<b>Maximum Facilities Special Tax in Tax Zone 1 After the Trigger Event (Fiscal Year 2022-23)*</b>
<u>Residential Property:</u>			
Single Family Detached Property	Greater than 7,000 SqFt	\$0.00 per SFD Lot	\$227.27 per SFD Lot
Single Family Detached Property	5,801 to 7,000 SqFt	\$0.00 per SFD Lot	\$183.49 per SFD Lot
Single Family Detached Property	4,801 to 5,800 SqFt	\$0.00 per SFD Lot	\$168.34 per SFD Lot
Single Family Detached Property	4,000 to 4,800 SqFt	\$0.00 per SFD Lot	\$143.09 per SFD Lot
Single Family Detached Property	Less Than 4,000 SqFt	\$0.00 per SFD Lot	\$132.99 per SFD Lot
Single Family Attached Property	Not Applicable	\$0.00 per Unit	\$0.00 per Unit
Multi-Family Property	Not Applicable	\$0.00 per Unit	\$0.00 per Unit
Non-Residential Property	Not Applicable	\$0.00 per Non-Residential Square Foot	\$0.00 per Non-Residential Square Foot

*\* On July 1, 2023, and on each July 1 thereafter until the first Fiscal Year after the Trigger Event, all figures shown in the table above shall be increased by the Escalation Factor. On July 1 of the first Fiscal Year after the Trigger Event, and on each July 1 thereafter, the Maximum Facilities Special Taxes shall increase by two percent (2%) of the amount in effect in the prior Fiscal Year.*

OWNERS STATEMENT

THE UNDERSIGNED, DOES HEREBY STATE THAT THEY ARE THE OWNERS OR HAVE SOME RECORD TITLE INTEREST IN THE LAND DESCRIBED AND ENGRAVED WITHIN THE EXTENTOR BOUNDARY LINE OF THE HEREBY ENGRAVED FINAL MAP ENTITLED...

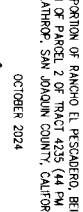
- 1. TO THE CITY OF LATHROP FOR PUBLIC RIGHT-OF-WAY PURPOSES, THOSE PORTIONS OF SAID LANDS DESIGNATED ON SAID MAP AS BOBHAM AVENUE, BLUE CANYON AVENUE, BILMORE STREET, DARBONCH AVENUE, ALDERGROVE STREET, ALDERGROVE COURT, ELDERWOOD COURT, AND CALLEDOWN COURT, AS SHOWN ON THIS FINAL MAP.
2. A NON-EXCLUSIVE EASEMENT TO THE CITY OF LATHROP, TOGETHER WITH THE RIGHT TO CONSTRUCT, RECONSTRUCT, REPAIR AND MAINTAIN, PRELINES, DRAINS, DRAINAGE SYSTEMS AND THEIR APPURTENANCES UPON, OVER AND UNDER THE STRIPS OF LAND AS SHOWN ON THIS FINAL MAP DESIGNATED AS 'S.O.E.' (STORM DRAIN EASEMENT)...

THE UNDERSIGNED DOES HEREBY RESERVE PARCELS 1 THROUGH 6 AS SHOWN ON THIS MAP FOR FUTURE DEVELOPMENT. THE UNDERSIGNED DOES HEREBY RESERVE THE NON-EXCLUSIVE TAKE FILL PRELINE EASEMENTS AND TAKE PRELINE EASEMENTS, TOGETHER WITH THE RIGHT TO CONSTRUCT, RECONSTRUCT, REPAIR AND MAINTAIN, THE EASEMENTS AND THEIR APPURTENANCES, UPON, OVER AND UNDER THE STRIPS OF LAND AS SHOWN ON THIS FINAL MAP...

BY: SUSAN BELLUSSO DATE
PRESIDENT

SEE TRUSTEES STATEMENT ON SHEET 2

TRACT 4244
RIVER ISLANDS - PHASE 2
VILLAGE 28 UNIT 1



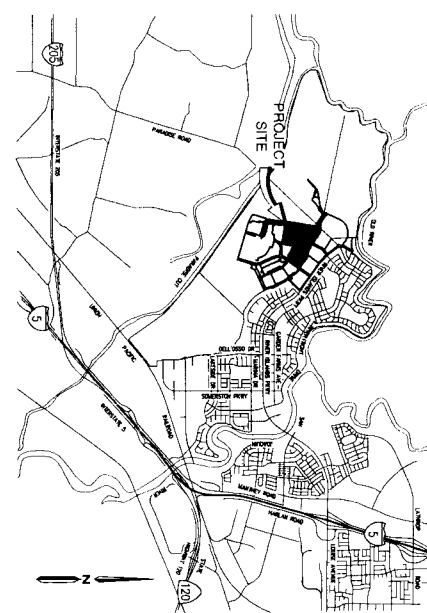
A PORTION OF PARCEL E1, PESQUERO, BEING A SUBDIVISION OF PARCEL 2 OF TRACT 4235 (44 PM 124), CITY OF LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA
OCTOBER 2024

CITY CLERKS STATEMENT

I, TERESA WARGAS, CITY CLERK AND CLERK OF THE CITY COUNCIL OF THE CITY OF LATHROP, STATE OF CALIFORNIA, DO HEREBY STATE THAT THE HEREBY ENGRAVED MAP ENTITLED 'TRACT 4244, RIVER ISLANDS - PHASE 2, VILLAGE 28 UNIT 1' FINAL MAP, CITY OF LATHROP, CALIFORNIA, CONSISTING OF SEVEN (7) SHEETS, THIS STATEMENT WAS PREPARED BY THE CITY ENGINEER, AS PROVIDED BY LAW AT A MEETING THEREOF, HELD ON THE \_\_\_ DAY OF \_\_\_ 2024, AND THAT SAID CITY COUNCIL DID THEREAFTER BY RESOLUTION NO. \_\_\_ DULY PASSED AND ADOPTED AT SAID MEETING, APPROVE SAID MAP, AND AUTHORIZED ITS RECOGNITION AND ACCEPTANCE ON BEHALF OF THE CITY OF LATHROP, FOR PUBLIC USE AND BENEFIT...

ACKNOWLEDGEMENT CERTIFICATE (OWNER)

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.
2024 BEFORE ME, \_\_\_ WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITIES, 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:
SIGNATURE:
NAME (PRINT):
PRINCIPAL COUNTY OF BUSINESS:
MY COMMISSION NUMBER:
MY COMMISSION EXPIRES:
EXPIRES FROM THE GOVERNMENT CODE 21398.1, DOCUMENT RECORDED IN CONNECTION WITH CONSIDERED TRANSFER SUBJECT TO THE IMPOSITION OF DOCUMENTARY TRANSFER TAX



VICINITY MAP
NOT TO SCALE

SECRETARY OF THE PLANNING COMMISSION'S STATEMENT

THIS MAP CONFORMS TO BESTING TENTATIVE MAP NO. 4216 RECOMMENDED BY THE PLANNING COMMISSION AND APPROVED BY THE CITY COUNCIL PER RESOLUTION NO. 21-4908.
DATED THIS \_\_\_ DAY OF \_\_\_ 2024.

CITY ENGINEERS STATEMENT

I, BRAD R. TAYLOR, HEREBY STATE THAT I AM THE CITY ENGINEER OF THE CITY OF LATHROP, CALIFORNIA AND THAT I HAVE EXAMINED THIS FINAL MAP OF 'TRACT 4244, RIVER ISLANDS - PHASE 2, VILLAGE 28 UNIT 1' FINAL MAP, CITY OF LATHROP, CALIFORNIA, AND THAT THE SUBDIVISION SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE VESTING TENTATIVE MAP NO. 4216, AND ANY APPROVED ALTERATIONS TO THE MAP. I HEREBY CERTIFY THAT THE MAP CONFORMS TO THE REQUIREMENTS OF THE CALIFORNIA STATE SUBDIVISION MAP ACT AND APPLICABLE ORDINANCES OF THE CITY OF LATHROP, AND ANY AMENDMENTS HERETO, APPLICABLE AT THE TIME OF APPROVAL OF VESTING TENTATIVE MAP.
DATED THIS \_\_\_ DAY OF \_\_\_ 2024.



RECORDERS STATEMENT

FILED THIS \_\_\_ DAY OF \_\_\_ 2024, AT \_\_\_ M.
IN BOOK \_\_\_ OF MAPS AND PLATS, AT PAGE \_\_\_ AT THE REQUEST OF OLD REPUBLIC TITLE COMPANY.
BY: STEVE BRESTOLARDES, ASSISTANT/DEPUTY RECORDER, SAN JOAQUIN COUNTY, CALIFORNIA

**CITY SURVEYORS STATEMENT**

DARRYL A. ALEXANDER, HEREBY STATE THAT I HAVE EXAMINED THIS FINAL MAP OF TRACT 4244, RIVER ISLANDS - PHASE 2, VILLAGE 28, UNIT 1 FINAL MAP CITY OF LATHROP, SUBDIVISION OF PARCEL 2 OF THE SUBDIVISION SHOWN HEREON CONCORDS WITH ALL THE PROVISIONS OF CHAPTER 2 OF THE SUBDIVISION MAP ACT, AS AMENDED, AND THAT THIS FINAL MAP IS TECHNICALLY CORRECT.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2024.

DARRYL A. ALEXANDER, P.L.S. 5071  
ACTING CITY SURVEYOR



**SURVEYOR'S STATEMENT**

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF RIVER ISLANDS DEVELOPMENT, LLC, ON JUNE 14, 2024. I HEREBY STATE ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR THAT THEY WILL BE SET IN THOSE POSITIONS BEFORE JULY 1, 2025, AND THAT THE MONUMENTS ARE, OR THAT THEY WILL BE, SUFFICIENT TO ENABLE THIS SURVEY TO BE RE-TRACED AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED VERSION TENTATIVE MAP.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2024.

OTUM GRAYSON, P.L.S. NO. 7788



**TRACT 4244  
RIVER ISLANDS - PHASE 2  
VILLAGE 28 UNIT 1**

A PORTION OF RANCHO EL PESQUERO, BEING A SUBDIVISION OF PARCEL 2 OF TRACT 4235 (44 PM 124), CITY OF LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA.

OCTOBER 2024



**TRUSTEES STATEMENT**

OLD REPUBLIC TITLE COMPANY, A CALIFORNIA CORPORATION AS TRUSTEE, UNDER THE DEED OF TRUST RECORDED SEPTEMBER 19, 2024 AS DOCUMENT NUMBER 2024-079836, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2024.

BY NAME: \_\_\_\_\_  
ITS \_\_\_\_\_

**ACKNOWLEDGEMENT CERTIFICATE (TRUSTEE)**

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.

ON \_\_\_\_\_ 2024 BEFORE ME, \_\_\_\_\_

WHO PROVED TO ME ON THE BASIS OF SATISFACTOR EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/HET/HEIT EXECUTED THE SAME IN HIS/HER/HERS/HERS (CAPACITIES) AND THAT BY HIS/HER/HERS SIGNATURE(S) ON 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:

SIGNATURE: \_\_\_\_\_  
NAME (PRINT): \_\_\_\_\_  
PROFESSIONAL COUNTY OF BUSINESS: \_\_\_\_\_  
PROFESSIONAL LICENSE NUMBER: \_\_\_\_\_  
MY COMMISSION EXPIRES: \_\_\_\_\_

- RIGHT TO FARM STATEMENT:  
CITY OF LATHROP MUNICIPAL CODE OF ORDINANCES, TITLE 15, CHAPTER 15.48.04, THE CITY OF LATHROP PERMITS OPERATION OF PROPERLY CONDUCTED AGRICULTURAL OPERATIONS WITHIN THE CITY LIMITS, INCLUDING THOSE THAT UTILIZE CHEMICAL FERTILIZERS AND PESTICIDES. YOU ARE HEREBY NOTIFIED THAT THE PROPERTY YOU ARE PURCHASING MAY BE LOCATED CLOSE TO AGRICULTURAL LANDS AND OPERATIONS. YOU MAY BE SUBJECT TO INCONVENIENCE OR DISCOMFORT ARISING FROM THE LAWNMOW AND PROPER USE OF AGRICULTURAL CHEMICALS AND PESTICIDES AND FROM OTHER AGRICULTURAL ACTIVITIES, INCLUDING, WITHOUT LIMITATIONS, CHURNING, FEEDING, AND MANURE SPREADING. YOU SHOULD BE AWARE ALSO THAT THIS PROPERTY MAY BE LOCATED ADJACENT TO AGRICULTURAL OPERATIONS OUTSIDE THE CITY'S JURISDICTION. CONSEQUENTLY, DEPENDING ON THE LOCATION OF YOUR PROPERTY, IT MAY BE NECESSARY THAT YOU BE PREPARED TO ACCEPT SUCH INCONVENIENCES OR DISCOMFORT AS NORMAL AND NECESSARY ASPECT OF LIVING IN AN AGRICULTURALLY ACTIVE REGION.
- AGRICULTURAL EXPLOIATION RIVER ISLANDS PHASE 1, LATHROP, CALIFORNIA, PROJECT BY ENGEO, INCORPORATED, JOSEF J. TOOLE, GE. NO. 26272, AND IS ON FILE WITH THE CITY OF LATHROP.
- TRACT 4244, RIVER ISLANDS-PHASE 2, VILLAGE 28, UNIT 1 FINAL MAP, CONTAINS 33 LOTS WITH A TOTAL OF 4,624 ACRES, MORE OR LESS, PARCELS 1 THROUGH 6 WHICH INCLUDE 8,944 ACRES, MORE OR LESS, PARCELS A AND B WHICH INCLUDE 2,157 ACRES, MORE OR LESS, AND ROADWAYS THAT ARE BEING DEDICATED BY THIS MAP. THIS MAP ALSO INCLUDES 4,964 ACRES, MORE OR LESS AS SHOWN ON THIS FINAL MAP (PLEASE REFER TO THE AREA WHOLE BELOW).

TRACT 4244 AREA SUMMARY	
LOTS 1 THROUGH 33	4,624 ACRES
PARCELS A AND B	2,157 ACRES
PARCELS 1 THROUGH 6	8,944 ACRES
STREET DEDICATIONS	4,964 ACRES
TOTAL	20,689 ACRES

4. BASED ON INFORMATION CONTAINED IN THE PRELIMINARY TITLE REPORT, ORDER NUMBER 1214023544-LR, (VERSION 3) DATED SEPTEMBER 19, 2024, PROVIDED BY OLD REPUBLIC TITLE COMPANY.

**SIGNATURE OMISSIONS**  
PURSUANT TO SECTION 66426 OF THE CALIFORNIA SUBDIVISION MAP ACT, THE SIGNATURES OF THE FOLLOWING PARTIES HAVE BEEN OMITTED:

1. REQUIRED ISLANDS LAND COMPANY, RESERVATION FOR OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET, PER DOCUMENT NUMBER 2001-01068177, S.U.C.K.

**LINE AND CURVE TABLES FOR SHEET 3 ONLY**

LINE TABLE			LINE TABLE		
LINE #	DIRECTION	LENGTH	LINE #	DIRECTION	LENGTH
L1	N19°22'05"E	49.62'	L22	N9°20'36"E	86.00'
L2	N15°06'21"E	52.00'	L23	N64°20'36"E	35.96'
L3	N23°13'47"E	60.09'	L24	N9°20'36"E	60.00'
L4	N73°19'23"W	34.40'	L25	N63°39'24"W	35.96'
L5	N80°54'41"E	35.96'	L26	N80°39'24"W	60.00'
L6	N64°05'19"W	70.55'	L27	N64°20'36"E	35.96'
L7	N64°05'19"W	34.00'	L28	N80°39'24"W	87.48'
L8	N55°54'41"E	111.00'	L30	N64°19'49"W	30.00'
L9	N64°19'49"W	60.00'	L31	N64°19'49"W	30.00'
L10	N66°30'25"W	57.00'	L32	N80°39'24"W	65.67'
L11	N68°53'09"W	49.00'	L33	N9°20'36"E	30.00'
L12	N81°04'49"W	49.00'	L34	N9°20'36"E	30.00'
L13	N83°16'37"W	49.00'	L35	N80°39'24"W	30.00'
L14	N85°28'26"W	49.00'	L36	N80°39'24"W	30.00'
L15	N87°40'15"W	49.00'			
L16	N69°52'04"W	49.00'			
L17	N72°03'53"W	49.00'			
L18	N24°15'42"W	49.00'			
L19	N76°27'15"W	48.80'			
L20	N78°42'34"W	48.00'			
L21	N80°24'22"W	57.00'			

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	113.00'	15°12'13"	29.98'
C2	87.00'	15°12'13"	23.09'
C3	580.00'	7°02'20"	70.92'
C4	860.00'	29°04'06"	431.24'

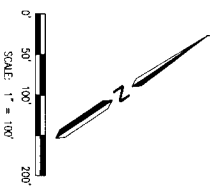
# TRACT 4244 RIVER ISLANDS - PHASE 2 VILLAGE 28 UNIT 1

A PORTION OF RANCHO EL PESQUERO, BEING A SUBDIVISION OF PARCEL 2 OF TRACT 4235 (44 PM 124), CITY OF LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA

OCTOBER 2024



**NOTES**  
1. SEE SHEET 2 FOR LINE AND CURVE TABLES.



### REFERENCES

- (R1) TRACT 4149, RIVER ISLANDS-PHASE 2, WEST VILLAGE LARGE LOT FINAL MAP, FILED DECEMBER 5, 2022, IN BOOK 44 OF MAPS AND PLATS, PAGE 52, S.L.C.R. (44 MAP 52)
- (R2) TRACT 4235, RIVER ISLANDS-PHASE 2, WEST VILLAGE NORTH LARGE LOT FINAL MAP, FILED AUGUST 22, 2024, IN BOOK 44 OF MAPS AND PLATS, PAGE 124, S.L.C.R. (44 MAP 124)
- (R3) LOT LINE ADJUSTMENT NO. 24-83, RECORDED MAY 9, 2024 AS DOCUMENT NUMBER 2024-038666, S.L.C.R.
- (R4) TRACT 4172, RIVER ISLANDS-PHASE 2, VILLAGE 1-UNIT 1 FINAL MAP, FILED NOVEMBER 17, 2023, IN BOOK 44 OF MAP AND PLATS, PAGE 75, S.L.C.R. (44 MAP 75)
- (R5) TRACT 4231, RIVER ISLANDS-PHASE 2, VILLAGE 26-UNIT 1 FINAL MAP, FILED \_\_\_\_\_, 2024, IN BOOK \_\_\_\_\_ OF MAP AND PLATS, PAGE \_\_\_\_\_, S.L.C.R. (MAP \_\_\_\_\_)

### BASIS OF BEARINGS

THE BEARING OF NORTH 355°41' EAST BETWEEN FOUND MONUMENTS ALONG CALLERTON AVENUE AS SHOWN PER 44-MAP-52, FILED DECEMBER 5, 2022, IN BOOK 44 OF MAPS AND PLATS, AT PAGE 52, RECORDS OF SAN JOAQUIN COUNTY, WAS TAKEN AS THE BASIS OF BEARINGS SHOWN ON THIS MAP (ZONE 3, MADD3). ALL DISTANCES SHOWN HEREON ARE GROUND DISTANCES.

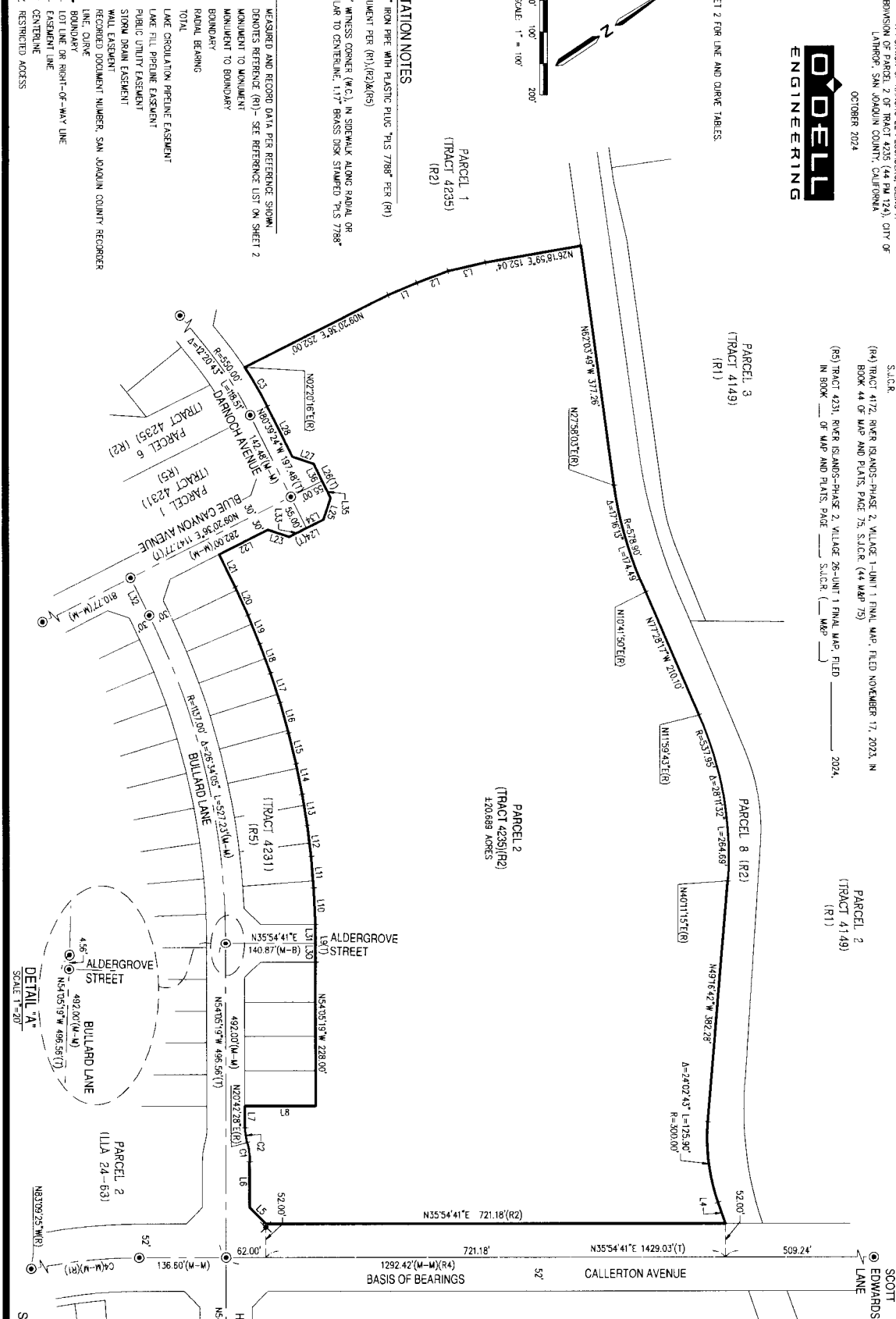
### MONUMENTATION NOTES

- FOUND 3/4" IRON PIPE WITH PLASTIC PLUG THIS 7786' FERN (R1)
- FOUND MONUMENT PER (R1),(R2),(R5)
- ✕ FOUND 1.00" WITNESS CORNER (W.C.), IN SIDEWALK ALONG RADIAL OR PERPENDICULAR TO CENTERLINE, 1.17" BRASS DISK STAMPED THIS 7786'

### LEGEND

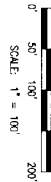
- WAS SURVEYED AND RECORD DATA HAS REFERENCE SHOWN
- (R1) MONUMENT TO BOUNDARY
- (M-M) MONUMENT TO BOUNDARY
- (W-B) MONUMENT TO BOUNDARY
- (B) BOUNDARY
- (R) RADIAL BEARING
- (T) TOTAL
- LCR LAKE CIRCULATION PIPELINE EASEMENT
- LEF LAKE FILL PIPELINE EASEMENT
- P.U.E. PUBLIC UTILITY EASEMENT
- S.D.E. STORM DRAIN EASEMENT
- W.E. WALL EASEMENT
- D.N. RECORDED DOCUMENT NUMBER, SAN JOAQUIN COUNTY RECORDER
- LN/CN LINE, CURVE
- BOUNDARY
- LOT LINE OR RIGHT-OF-WAY LINE
- EASEMENT LINE
- CENTERLINE
- RESTRICTED ACCESS

DETAIL "A"  
SCALE 1"=20'



# TRACT 4244 RIVER ISLANDS - PHASE 2 VILLAGE 28 UNIT 1

A PORTION OF RANCHO EL PESQUERO, BEING A  
SUBDIVISION OF PARCEL 2 OF TRACT 4149, EX. 84, 420,  
LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA  
OCTOBER 2024



PARCEL 2  
(TRACT 4149)  
(R1)

(TRACT 4172)  
(R4)

## SHEET INDEX

PARCEL 3  
(TRACT 4149)  
(R1)

PARCEL 8 (R2)

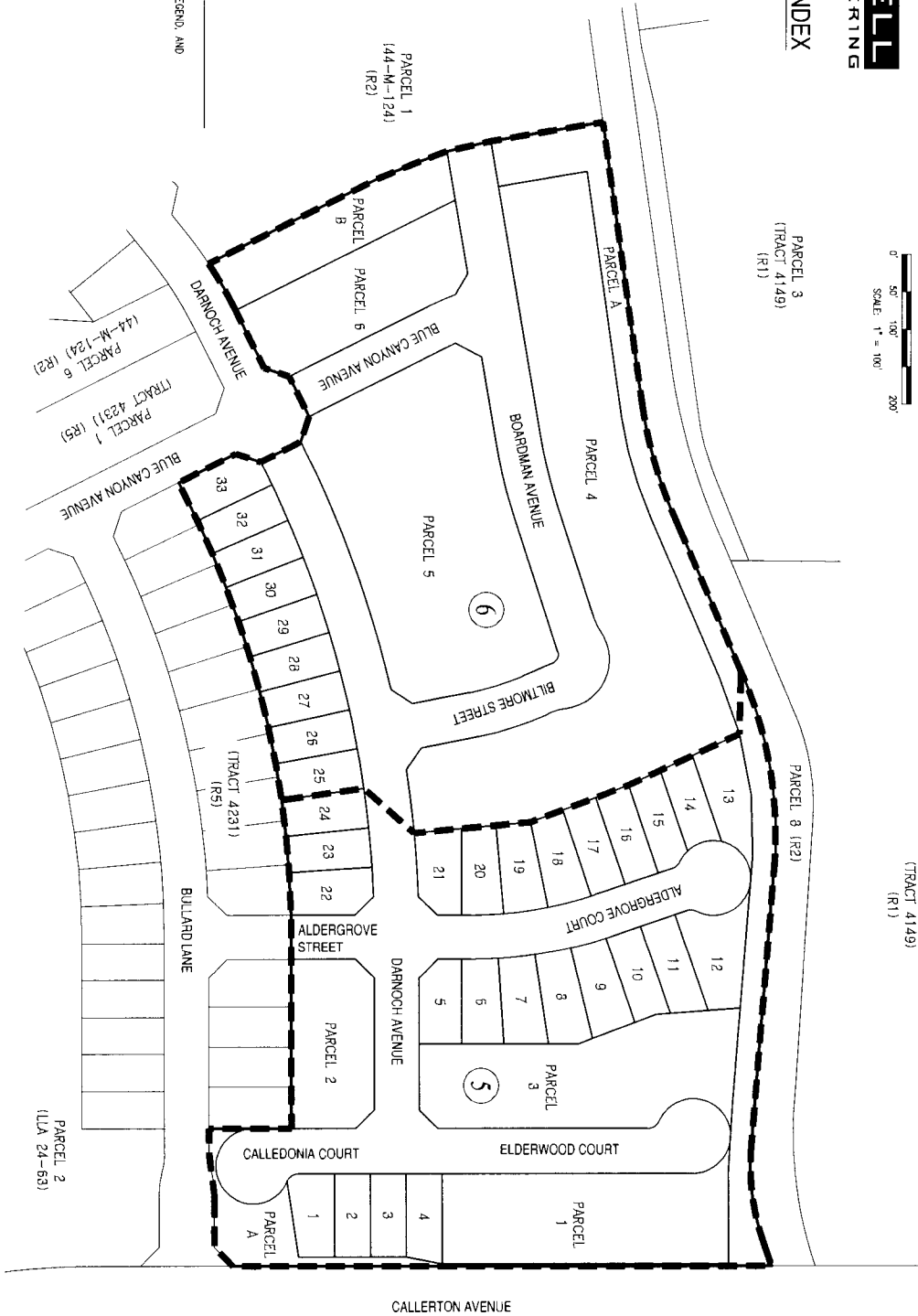
PARCEL 9  
(TRACT 4149)  
(R1)

## NOTES

1. SEE SHEET 3 FOR REFERENCES.
2. SEE SHEET 3 FOR BASIS OF BEARINGS, LEGEND, AND MONUMENTATION NOTES.

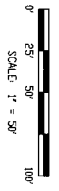
## LEGEND

- BOUNDARY
- LOT LINE
- SHEET NUMBER
- SHEET LIMIT LINE

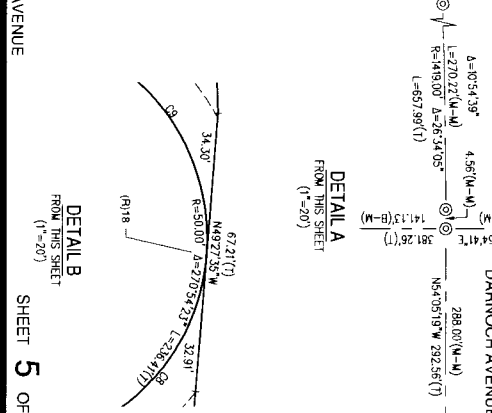
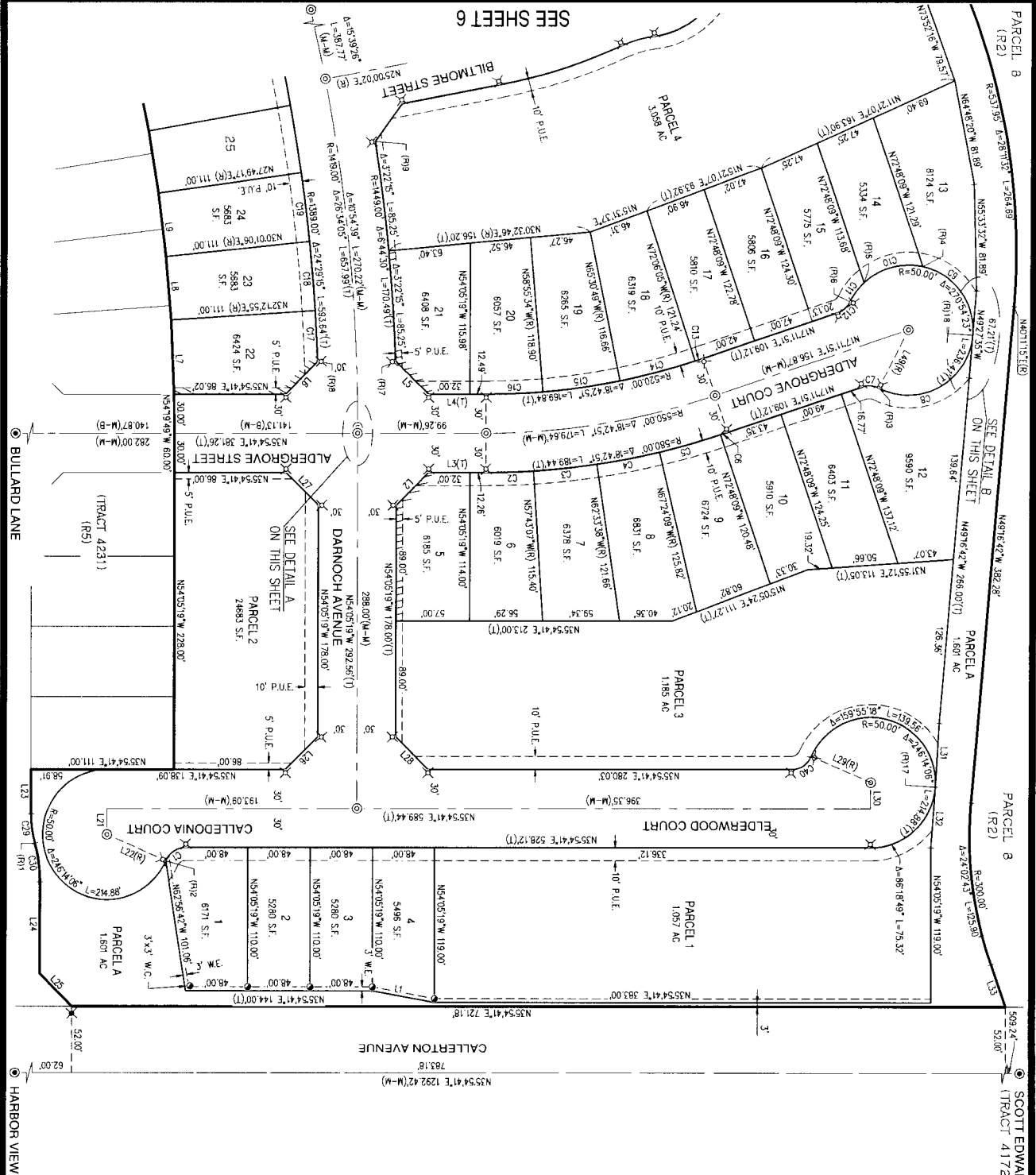




**TRACT 4224**  
**RIVER ISLANDS - PHASE 2**  
**VILLAGE 28 UNIT 1**  
 A PORTION OF RANCHO EL PESQUERO, BEING A  
 SUBDIVISION OF PARCEL OF TRACT 41722 (R1), CITY OF  
 LATHROP, SAN JOAQUIN COUNTY, CALIFORNIA  
 OCTOBER 2024



- NOTES**
1. SEE SHEET 3 FOR REFERENCES.
  2. SEE SHEET 3 FOR BEARINGS AND LEGEND.
  3. SEE SHEET 3 FOR BEARINGS AND LEGEND.
  4. SEE SHEET 7 FOR LINE AND CURVE TABLES.



DETAIL A  
 FROM THIS SHEET  
 (1"=20')

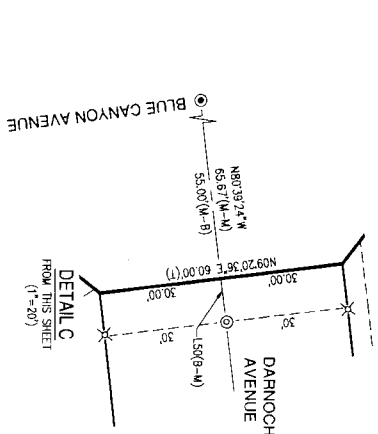
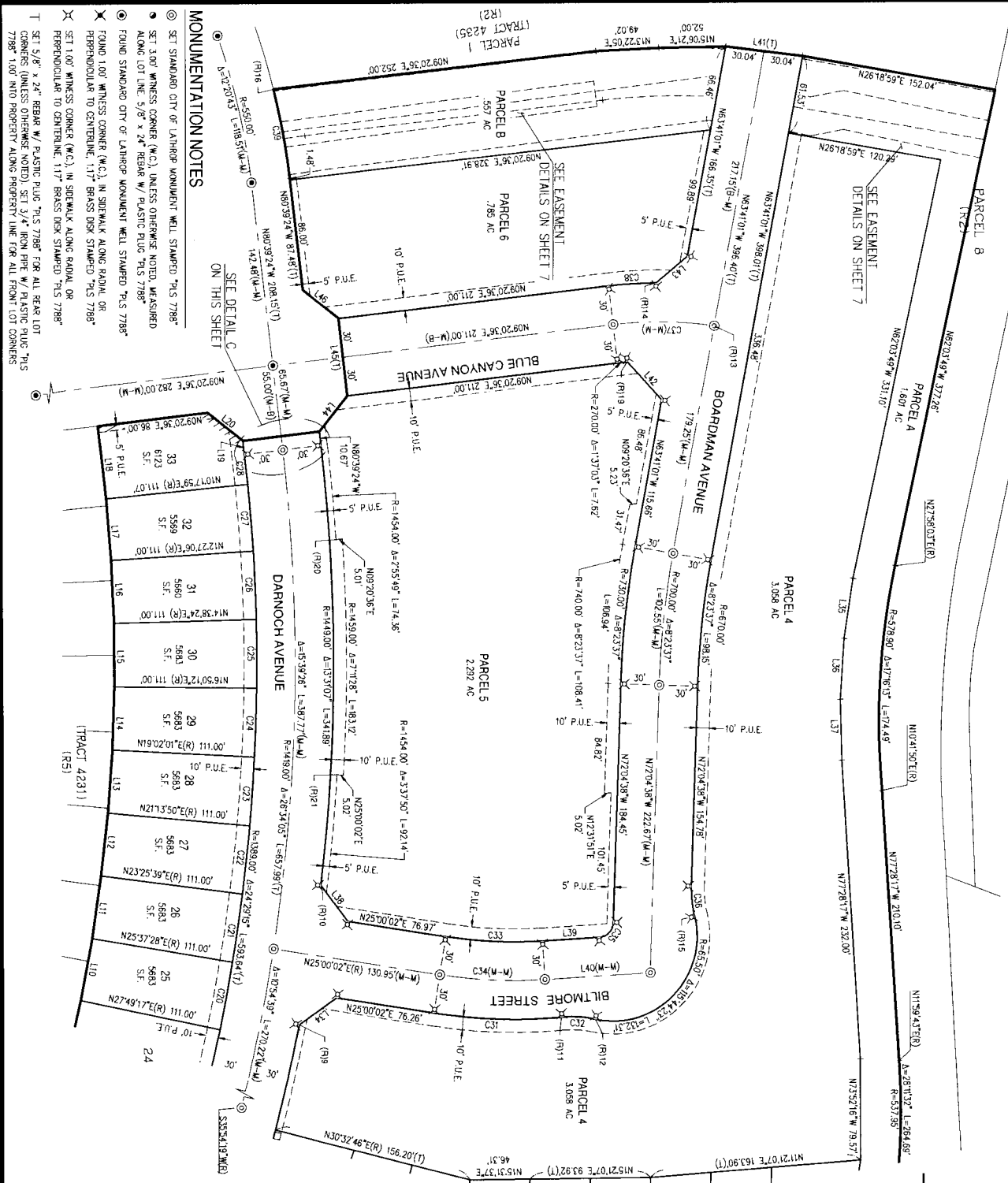
**TRACT 4244**  
**RIVER ISLANDS - PHASE 2**  
**VILLAGE 28 UNIT 1**

A PORTION OF RANCHO EL ESCOBEDO BEING A CITY OF  
 SUBDIVISION OF PARCEL 2 OF TRACT 4235 (44 PM 124),  
 LAHOP, SAN JOAQUIN COUNTY, CALIFORNIA  
 OCTOBER 2024



**NOTES**

1. SEE SHEET 3 FOR REFERENCES.
2. SEE SHEET 3 FOR BASIS OF BEARINGS AND LEGEND.
3. SEE SHEET 3 FOR BASIS OF BEARINGS AND CURVE TABLES.
4. SEE SHEET 7 FOR S.D.E., U.E. AND L.C.E. DIMENSIONS.



**MONUMENTATION NOTES**

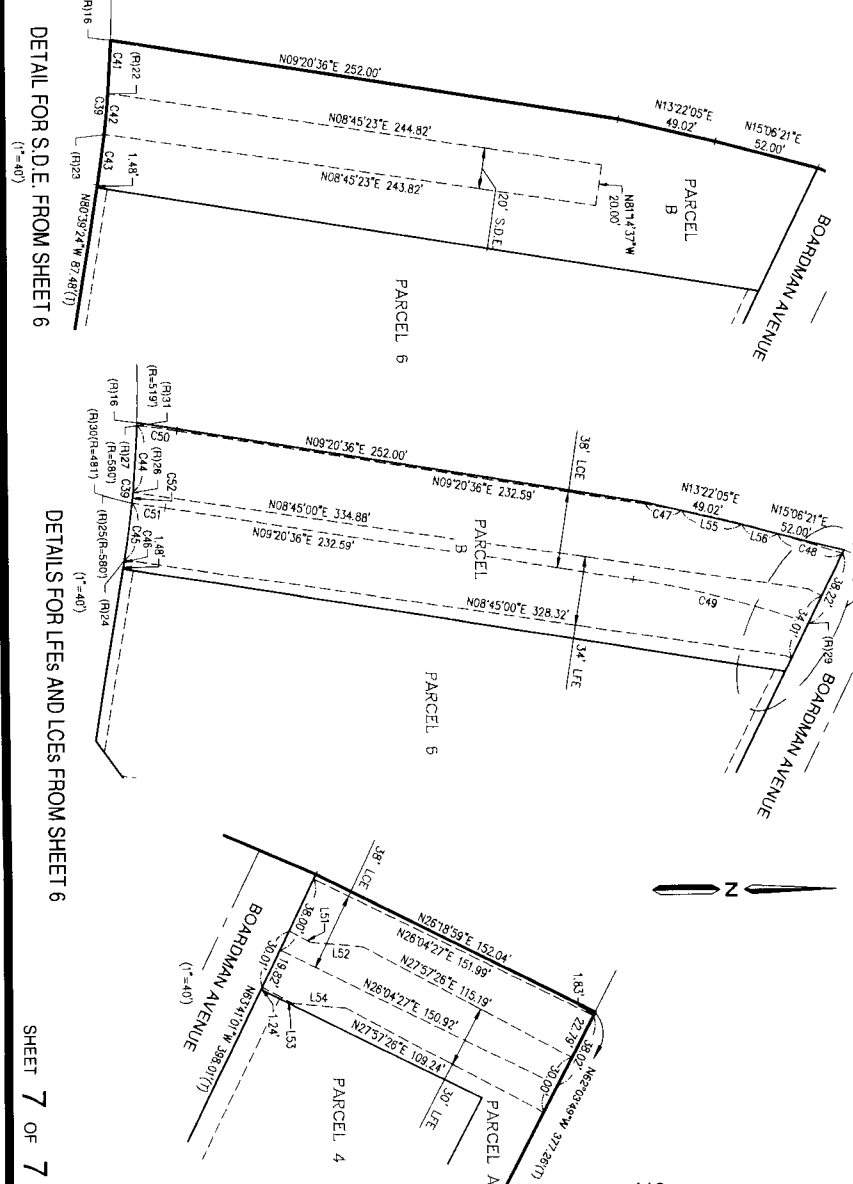
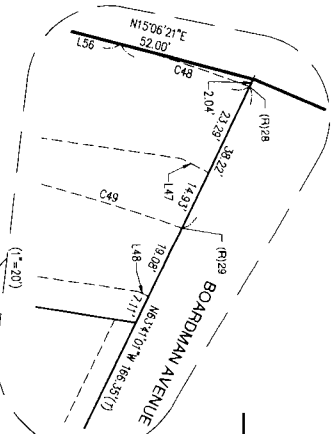
- SET STANDARD CITY OF LAHOP MONUMENT WELL STAMPED "PLS 7788"
- SET 3.00" WITNESS CORNER (W.C.) UNLESS OTHERWISE NOTED, MEASURED ALONG LOT LINE, 5/8" x 24" REBAR W/ PLASTIC PLUG "PLS 7788"
- FOUND STANDARD CITY OF LAHOP MONUMENT WELL STAMPED "PLS 7788"
- FOUND 1.00" WITNESS CORNER (W.C.) IN SHERMALK ALONG PARADISE OR PERPENDICULAR TO CENTERLINE, 1.17" BRASS DISK STAMPED "PLS 7788"
- SET 1.00" WITNESS CORNER (W.C.) IN SHERMALK ALONG PARADISE OR PERPENDICULAR TO CENTERLINE, 1.17" BRASS DISK STAMPED "PLS 7788"
- SET 5/8" x 24" REBAR W/ PLASTIC PLUG "PLS 7788" FOR ALL REAR LOT CORNERS (UNLESS OTHERWISE NOTED). SET 3/4" IRON PIPE W/ PLASTIC PLUG "PLS 7788" 1.00' INTO PROPERTY ALONG PROPERTY LINE FOR ALL FRONT LOT CORNERS

LINE AND CURVE TABLES FOR SHEETS 5 AND 6 ONLY

LINE #	DIRECTION	LENGTH	LINE #	DIRECTION	LENGTH	LINE #	DIRECTION	LENGTH
L1	S46°13'22"W	48.84	L15	S74°15'42"E	49.00	L29	S59°40'35"W	50.00
L2	N9°55'19"W	35.96	L16	S76°27'15"E	48.80	L30	S54°05'19"E	20.00
L3	N03°54'41"E	44.28	L17	S78°42'34"E	48.00	L31	S50°38'03"E	48.81
L4	S35°54'41"W	44.49	L18	S80°24'08"W	46.88	L32	N50°24'08"W	46.88
L5	N89°08'41"E	35.82	L19	N80°32'21"W	10.67	L33	S27°19'25"E	34.40
L6	N9°32'16"W	34.87	L20	N54°20'36"E	35.96	L34	S19°03'33"E	35.87
L7	S58°53'00"E	49.00	L21	N54°05'19"W	20.00	L35	N65°38'35"W	47.00
L8	S58°53'00"E	49.00	L22	S59°40'35"W	50.00	L36	S70°17'55"E	47.00
L9	S61°04'48"E	49.00	L23	S54°05'19"E	34.00	L37	S75°12'54"E	47.07
L10	S61°04'48"E	49.00	L24	N54°05'19"W	20.55	L38	N68°55'52"E	34.69
L11	S65°28'26"E	49.00	L25	N80°54'41"E	35.96	L39	N12°31'49"E	49.98
L12	S67°46'15"E	49.00	L26	S89°05'19"E	35.96	L40	N12°31'49"E	82.21
L13	S69°52'04"E	49.00	L27	N80°54'41"E	35.96	L41	N29°13'42"E	60.09
L14	S72°03'55"E	49.00	L28	N80°54'41"E	35.96	L42	N83°28'19"E	39.76
L15	S74°15'42"E	49.00	L29	S59°40'35"W	50.00	L43	N23°56'55"W	31.96
L16	S76°27'15"E	48.80	L30	S54°05'19"E	20.00	L44	S55°39'24"E	35.96
L17	S78°42'34"E	48.00	L31	S50°38'03"E	48.81	L45	S80°39'24"E	60.00
L18	S80°24'08"W	46.88	L32	N50°24'08"W	46.88	L46	N54°20'36"E	35.96
L19	N80°32'21"W	10.67	L33	S27°19'25"E	34.40	L47	N27°57'26"E	7.82
L20	N54°20'36"E	35.96	L34	S19°03'33"E	35.87	L48	N27°57'26"E	2.84
L21	N54°05'19"W	20.00	L35	N65°38'35"W	47.00	L49	N27°05'98"W	50.00
L22	S59°40'35"W	50.00	L36	S70°17'55"E	47.00	L50	N80°39'24"W	10.67
L23	S54°05'19"E	34.00	L37	S75°12'54"E	47.07	L51	N27°57'26"E	11.79
L24	N54°05'19"W	20.55	L38	N68°55'52"E	34.69	L52	N5°27'26"E	16.90
L25	N80°54'41"E	35.96	L39	N12°31'49"E	49.98	L53	N27°57'26"E	16.90
L26	S89°05'19"E	35.96	L40	N12°31'49"E	82.21	L54	N5°27'26"E	26.13
L27	N80°54'41"E	35.96	L41	N29°13'42"E	60.09	L55	N13°22'05"E	30.29
L28	N80°54'41"E	35.96	L42	N83°28'19"E	39.76	L56	N15°06'21"E	18.96

CURVE #	RADIUS	DELTA	LENGTH	CURVE #	RADIUS	DELTA	LENGTH
C1	17.00	66°14'06"	19.65	C27	1389.00	2°39'08"	62.17
C2	580.00	3°37'48"	36.75	C28	1389.00	0°57'22"	23.18
C3	580.00	4°50'31"	49.01	C29	87.00	15°21'23"	23.99
C4	580.00	4°50'31"	49.01	C30	113.00	15°42'13"	29.98
C5	580.00	4°50'31"	49.01	C31	405.00	14°03'38"	99.39
C6	580.00	0°30'29"	5.65	C32	87.00	17°17'17"	26.25
C7	17.00	45°27'11"	13.49	C33	345.00	12°28'19"	75.10
C8	50.00	11°20'56"	97.86	C34	375.00	12°28'19"	81.63
C9	50.00	81°50'47"	71.42	C35	12.00	84°56'21"	11.72
C10	50.00	56°10'36"	49.02	C36	87.00	15°26'05"	23.44
C11	50.00	20°46'23"	18.13	C37	300.00	15°05'10"	78.99
C12	17.00	45°27'11"	13.49	C38	330.00	6°26'34"	37.11
C13	500.00	0°42'04"	6.36	C39	580.00	7°02'20"	70.92
C14	500.00	6°35'16"	59.79	C40	17.00	66°14'06"	19.65
C15	500.00	6°35'16"	59.79	C41	580.00	2°34'27"	26.06
C16	500.00	4°50'15"	43.90	C42	580.00	1°58'42"	20.03
C17	1389.00	1°35'56"	38.17	C43	580.00	2°27'11"	24.83
C18	1389.00	2°11'49"	53.26	C44	580.00	3°45'34"	38.06
C19	1389.00	2°11'49"	53.26	C45	580.00	2°49'46"	28.64
C20	1389.00	2°11'49"	53.26	C46	580.00	0°16'46"	2.83
C21	1389.00	2°11'49"	53.26	C47	519.00	1°59'39"	18.06
C22	1389.00	2°11'49"	53.26	C48	519.00	3°40'38"	33.31
C23	1389.00	2°11'49"	53.26	C49	481.00	10°44'25"	88.77
C24	1389.00	2°11'49"	53.26	C50	519.00	2°11'37"	19.87
C25	1389.00	2°11'49"	53.26	C51	481.00	1°59'21"	16.56
C26	1389.00	2°11'49"	53.05	C52	580.00	0°31'51"	5.37

RADIUS	BEARINGS	LINE #	DIRECTION
(R)1	N02°37'45"W	(R)30	N82°51'01"W
(R)2	S89°36'46"E	(R)31	N82°51'01"W
(R)3	N70°04'59"W	(R)32	N82°51'01"W
(R)4	N70°04'59"W	(R)33	N82°51'01"W
(R)5	N81°40'4"E	(R)34	N82°51'01"W
(R)6	S5°42'14"W	(R)35	N82°51'01"W
(R)7	S2°28'31"W	(R)36	N82°51'01"W
(R)8	S89°36'46"E	(R)37	N82°51'01"W
(R)9	N70°04'59"W	(R)38	N82°51'01"W
(R)10	N70°04'59"W	(R)39	N82°51'01"W
(R)11	S79°03'38"E	(R)40	N82°51'01"W
(R)12	N81°46'19"W	(R)41	N82°51'01"W
(R)13	S66°34'14"E	(R)42	N82°51'01"W
(R)14	S74°12'50"E	(R)43	N82°51'01"W
(R)15	S27°20'16"W	(R)44	N82°51'01"W
(R)16	S27°20'16"W	(R)45	N82°51'01"W
(R)17	N39°35'52"E	(R)46	N82°51'01"W
(R)18	N40°30'28"E	(R)47	N82°51'01"W
(R)19	N79°02'21"W	(R)48	N82°51'01"W
(R)20	N12°16'25"E	(R)49	N82°51'01"W
(R)21	N19°26'09"E	(R)50	N82°51'01"W
(R)22	N4°54'41"E	(R)51	N82°51'01"W
(R)23	S8°53'26"W	(R)52	N82°51'01"W
(R)24	S9°03'51"W	(R)53	N82°51'01"W
(R)25	N81°40'4"E	(R)54	N82°51'01"W
(R)26	S5°42'14"W	(R)55	N82°51'01"W
(R)27	S2°28'31"W	(R)56	N82°51'01"W
(R)28	S89°36'46"E	(R)57	N82°51'01"W
(R)29	N70°04'59"W	(R)58	N82°51'01"W
(R)30	N82°51'01"W	(R)59	N82°51'01"W
(R)31	N82°51'01"W	(R)60	N82°51'01"W
(R)32	N82°51'01"W	(R)61	N82°51'01"W
(R)33	N82°51'01"W	(R)62	N82°51'01"W
(R)34	N82°51'01"W	(R)63	N82°51'01"W
(R)35	N82°51'01"W	(R)64	N82°51'01"W
(R)36	N82°51'01"W	(R)65	N82°51'01"W
(R)37	N82°51'01"W	(R)66	N82°51'01"W
(R)38	N82°51'01"W	(R)67	N82°51'01"W
(R)39	N82°51'01"W	(R)68	N82°51'01"W
(R)40	N82°51'01"W	(R)69	N82°51'01"W
(R)41	N82°51'01"W	(R)70	N82°51'01"W
(R)42	N82°51'01"W	(R)71	N82°51'01"W
(R)43	N82°51'01"W	(R)72	N82°51'01"W
(R)44	N82°51'01"W	(R)73	N82°51'01"W
(R)45	N82°51'01"W	(R)74	N82°51'01"W
(R)46	N82°51'01"W	(R)75	N82°51'01"W
(R)47	N82°51'01"W	(R)76	N82°51'01"W
(R)48	N82°51'01"W	(R)77	N82°51'01"W
(R)49	N82°51'01"W	(R)78	N82°51'01"W
(R)50	N82°51'01"W	(R)79	N82°51'01"W
(R)51	N82°51'01"W	(R)80	N82°51'01"W
(R)52	N82°51'01"W	(R)81	N82°51'01"W
(R)53	N82°51'01"W	(R)82	N82°51'01"W
(R)54	N82°51'01"W	(R)83	N82°51'01"W
(R)55	N82°51'01"W	(R)84	N82°51'01"W
(R)56	N82°51'01"W	(R)85	N82°51'01"W
(R)57	N82°51'01"W	(R)86	N82°51'01"W
(R)58	N82°51'01"W	(R)87	N82°51'01"W
(R)59	N82°51'01"W	(R)88	N82°51'01"W
(R)60	N82°51'01"W	(R)89	N82°51'01"W
(R)61	N82°51'01"W	(R)90	N82°51'01"W
(R)62	N82°51'01"W	(R)91	N82°51'01"W
(R)63	N82°51'01"W	(R)92	N82°51'01"W
(R)64	N82°51'01"W	(R)93	N82°51'01"W
(R)65	N82°51'01"W	(R)94	N82°51'01"W
(R)66	N82°51'01"W	(R)95	N82°51'01"W
(R)67	N82°51'01"W	(R)96	N82°51'01"W
(R)68	N82°51'01"W	(R)97	N82°51'01"W
(R)69	N82°51'01"W	(R)98	N82°51'01"W
(R)70	N82°51'01"W	(R)99	N82°51'01"W
(R)71	N82°51'01"W	(R)100	N82°51'01"W



DETAIL FOR S.D.E. FROM SHEET 6  
(1"=40')

DETAILS FOR LINES AND LINES FROM SHEET 6  
(1"=40')

TRACT 4244  
RIVER ISLANDS - PHASE 2  
VILLAGE 28 UNIT 1

A PORTION OF PARCEL 2 OF PARCEL 4235 L44 241, CITY OF  
LATHROP, SAN JOHANN COUNTY, OREGON  
OCTOBER 2024



- NOTES
- SEE SHEET 3 FOR REFERENCES.
  - SEE SHEET 3 FOR BASIS OF BEARINGS AND LEGEND.
  - SEE SHEET 6 FOR MONUMENTATION NOTES.

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## ITEM 4.22

### **CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM: ACCEPT N8 AND N9 PUBLIC PARK IMPROVEMENTS WITH CONDITIONS WITHIN TRACTS 4020 AND 4089 FROM RIVER ISLANDS**

**RECOMMENDATION: Adopt Resolution to Accept N8 and N9 Public Park Improvements with Conditions within Tracts 4020 and 4089 from River Islands**

---

#### **SUMMARY:**

River Islands Stage 2A, LLC and River Islands Stage 2B, LLC, (collectively "River Islands") have completed the construction of the N8 Park and the N9 Park as required by the Subdivision Improvement Agreements (SIA's) for Tracts 4020 and 4089. Vicinity Maps are included as Attachment "B".

Staff has inspected the public park improvements, and they have been deemed substantially complete to City specifications, by the City Engineer with the exceptions noted below. River Islands has provided warranty bonds based on 10% of the construction costs, as well as conditional lien releases for the improvements offered for acceptance.

All required improvements have been completed with the exception of two pending items. A portion of the grass within the N8 park is still in its establishment phase and will be maintained by River Islands after the City conditional acceptance until the establishment phase has been confirmed to be complete by the City Engineer. Due to delays in manufacturing, an architectural feature within the N9 park has not been installed. The Performance and Labor and Materials bonds associated with the SIAs will remain in place until the City Engineer determines that both pending improvements are complete.

The approximate value of the improvements proposed to be accepted is \$4,722,501.27 as shown in the GASB 34 Reports, included in Attachment "C".

Staff recommends City Council accept the completed improvements and accept the two listed pending improvements contingent on their completion.

#### **BACKGROUND:**

On March 27, 2007, Council approved Vesting Tentative Map (VTM) 3694, which was amended with updated Conditions of Approval (COA) on June 1, 2015. On July 18, 2018, the City of Lathrop Planning Commission approved a Neighborhood Design Plan (NDP) and Architectural Guidelines and Design Standards (AG/DS) for the Lakeside East District, Stage 2A, within Phase 1. On December 2, 2020, the City of Lathrop Planning Commission approved a Neighborhood Design Plan (NDP) and Architectural

**CITY MANAGER’S REPORT** **PAGE 2**  
**NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING**  
**ACCEPT N8 AND N9 PUBLIC PARK IMPROVEMENTS WITH CONDITIONS**  
**WITHIN TRACTS 4020 AND 4089 FROM RIVER ISLANDS**

Guidelines and Design Standards (AG/DS) for the Lakeside West District, Stage 2B, within Phase 1. Although the NDP provides conceptual guidance on parks, Council approved a revised Master Parks Plan on September 12, 2022. The parks are within the geographic boundary of the VTM 3694.

On November 9, 2020, City Council approved Tract 4020, establishing 57 single-family lots. As required by the City’s subdivision ordinance, the approved Tract 4020 included an SIA to guarantee certain public improvements associated with the final map. The construction of the N9 Park is a requirement of the SIA for Tract 4020.

On September 13, 2021, City Council approved Tract 4089, establishing 48 single-family lots. As required by the City’s subdivision ordinance, the approved Tract 4089 included an SIA to guarantee certain public improvements associated with the final map. The construction of the N8 Park is a requirement of the SIA for Tract 4089.

A portion of the grass within the N8 park is still in its establishment phase and will be maintained by River Islands after Council conditional acceptance until the establishment phase has been confirmed to be complete by the City Engineer. Due to delays in manufacturing, an architectural feature within the N9 park has not been installed but is expected to be installed. Both parks are substantially complete, and the City engineer shall confirm when the remaining improvements have been completed.

Construction of the N8 and N9 Parks is complete with the two exceptions noted above, and the approximate value of the improvements proposed to be accepted is \$4,722,501.27 as shown in the GASB34 Reports. These improvements have been inspected by staff and deemed substantially complete, and in accordance with the approved plans and City specifications by the City Engineer.

Staff shall confirm completion of the two unfinished improvements, receipt of final unconditional lien releases, and satisfaction of conditions of the SIA’s for Tracts 4020 and 4089 related to the public park improvements.

River Islands has provided one-year warranty bonds based on 10% of the construction cost, as well as a developer lien release and conditional lien releases from the contractors. The warranty bonds are detailed in Table 1 below.

**Table 1**

<b>Tract No.</b>	<b>Project Name</b>	<b>Warranty Bond No.</b>	<b>Bond Value</b>
4020	N9 Park	0844473	\$294,930.19
4089	N8 Park	0844472	\$249,091.01

**CITY MANAGER'S REPORT** **PAGE 3**  
**NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING**  
**ACCEPT N8 AND N9 PUBLIC PARK IMPROVEMENTS WITH CONDITIONS**  
**WITHIN TRACTS 4020 AND 4089 FROM RIVER ISLANDS**

**REASON FOR RECOMMENDATION:**

Staff has inspected the improvements listed in the GASB 34 Reports and confirmed that the improvements have been substantially completed in accordance with City specifications with the exception of the establishment of the grass in N8 and the installation of the architectural feature in N9.

Staff recommends City Council accept the completed public improvements listed in the GASB 34 Reports and accept the two pending improvements contingent on their completion and receipt of final unconditional lien releases. River Islands has submitted conditional lien releases and one-year maintenance bonds for the improvements being accepted.

**FISCAL IMPACT:**

River Islands Public Financing Authority (RIPFA) will maintain the park at no additional cost to the City pursuant to the existing Maintenance Agreement with the City. The warranty bonds cover any repairs or replacements due to defective materials or workmanship for the completed improvements that become necessary during the one-year period, beginning with this acceptance. The City's Service Maintenance CFD 2013-1 has been established to fund the maintenance and operating costs of the adjacent streets.

**ATTACHMENTS:**

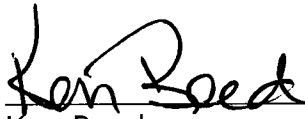
- A. Resolution Accepting N8 and N9 Public Park Improvements with Conditions within Tract 4020 and 4089 from River Islands
- B. Vicinity Maps
- C. GASB 34 Reports – River Islands N8 and N9 Parks

**CITY MANAGER'S REPORT**  
**NOVEMBER 18, 2024, CITY COUNCIL SPECIAL MEETING**  
**ACCEPT N8 AND N9 PUBLIC PARK IMPROVEMENTS WITH CONDITIONS**  
**WITHIN TRACTS 4020 AND 4089 FROM RIVER ISLANDS**

**APPROVALS:**

  
\_\_\_\_\_  
Bellal Nabizadah  
Assistant Engineer


11/13/24  
Date

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

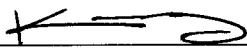
11-13-2024  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

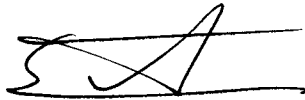
11/13/2024  
Date

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

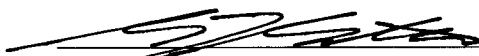
11/13/2024  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

11.13.2024  
Date

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

11-13-2024  
Date

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

11.14.24  
Date



## **RESOLUTION NO. 24-**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING N8 AND N9 PUBLIC PARK IMPROVEMENTS WITH CONDITIONS WITHIN TRACT 4020 AND 4089 FROM RIVER ISLANDS**

**WHEREAS**, on March 27, 2007, Council approved Vesting Tentative Map (VTM) 3694, which was amended with updated Conditions of Approval (COA) on June 1, 2015. On July 18, 2018, the City of Lathrop Planning Commission approved a Neighborhood Design Plan (NDP) and Architectural Guidelines and Design Standards (AG/DS) for the Lakeside East District, Stage 2A, within Phase 1. On December 2, 2020, the City of Lathrop Planning Commission approved a Neighborhood Design Plan (NDP) and Architectural Guidelines and Design Standards (AG/DS) for the Lakeside West District, Stage 2B, within Phase 1; and

**WHEREAS**, although the NDP provides conceptual guidance on parks, Council approved a revised Master Parks Plan on September 12, 2022. The parks are within the geographic boundary of the VTM 3694; and

**WHEREAS**, on November 9, 2020, City Council approved Tract 4020, establishing 57 single-family lots. As required by the City's subdivision ordinance, the approved Tract 4020 included an SIA to guarantee certain public improvements associated with the final map. The construction of the N9 Park is a requirement of the SIA for Tract 4020; and

**WHEREAS**, on September 13, 2021, City Council approved Tract 4089, establishing 48 single-family lots. As required by the City's subdivision ordinance, the approved Tract 4089 included an SIA to guarantee certain public improvements associated with the final map. The construction of the N8 Park is a requirement of the SIA for Tract 4089; and

**WHEREAS**, a portion of the grass within the N8 park is still in its establishment phase and will be maintained by River Islands after Council conditional acceptance until the establishment phase has been confirmed to be complete by the City Engineer. Due to delays in manufacturing, an architectural feature within the N9 park has not been installed. Both parks are substantially complete, and the City engineer shall confirm when the two pending improvements have been completed; and

**WHEREAS**, construction of the N8 and N9 Parks is complete with the exceptions noted above, and the approximate value of the improvements proposed to be accepted is \$4,722,501.27 as shown in the GASB34 Reports. These improvements have been inspected by staff and deemed substantially complete, and in accordance with the approved plans and City specifications by the City Engineer; and

**WHEREAS**, staff shall confirm completion of the two unfinished improvements, receipt of final unconditional lien releases, and satisfaction of conditions of the SIA's for Tracts 4020 and 4089 related to the public park improvements; and

**WHEREAS**, River Islands has provided one-year warranty bonds based on 10% of the construction cost, as well as a developer lien release and conditional lien releases from the contractors. The warranty bonds are detailed in Table 1 below

**Table 1**

<b>Tract No.</b>	<b>Project Name</b>	<b>Warranty Bond No.</b>	<b>Bond Value</b>
4020	N9 Park	0844473	\$294,930.19
4089	N8 Park	0844472	\$249,091.01

;and

**WHEREAS**, staff has inspected the improvements listed in the GASB 34 Reports and confirmed that the improvements have been substantially completed in accordance with City specifications with the exception of the establishment of the grass in N8 and the installation of the architectural feature in N9; and

**WHEREAS**, staff recommends City Council accept the completed public improvements listed in the GASB 34 Reports and accept the two pending improvements contingent on their completion and receipt of final unconditional lien releases; and

**WHEREAS**, River Islands has submitted conditional lien releases and one-year maintenance bonds for the improvements being accepted and

**WHEREAS**, River Islands Public Financing Authority (RIPFA) will maintain the N8 and N9 park at no additional cost to the City pursuant to the existing Maintenance Agreement with the City. The warranty bonds cover any repairs or replacements due to defective materials or workmanship for the improvements that become necessary during the one-year period, beginning with this acceptance. The City's Service Maintenance CFD 2013-1 has been established to fund the maintenance and operating costs of the adjacent streets.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby accept the completed N8 and N9 public park improvements within Tracts 4020 and 4089 from River Islands; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop does hereby conditionally accept the two pending public park improvements contingent on their completion, specifically:

1. The establishment of the grass in the N8 park
2. The installation of the architectural feature at the N9 park

**PASSED AND ADOPTED** by the City Council of the City of Lathrop this 18<sup>th</sup> day of November 2024 by the following vote:

AYES:

NOES:

ABSTAIN:

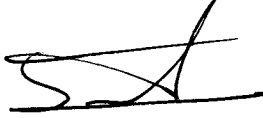
ABSENT:

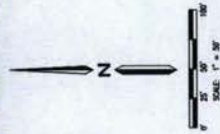
\_\_\_\_\_  
Sonny Dhaliwal, Mayor

**ATTEST:**

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

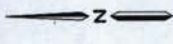
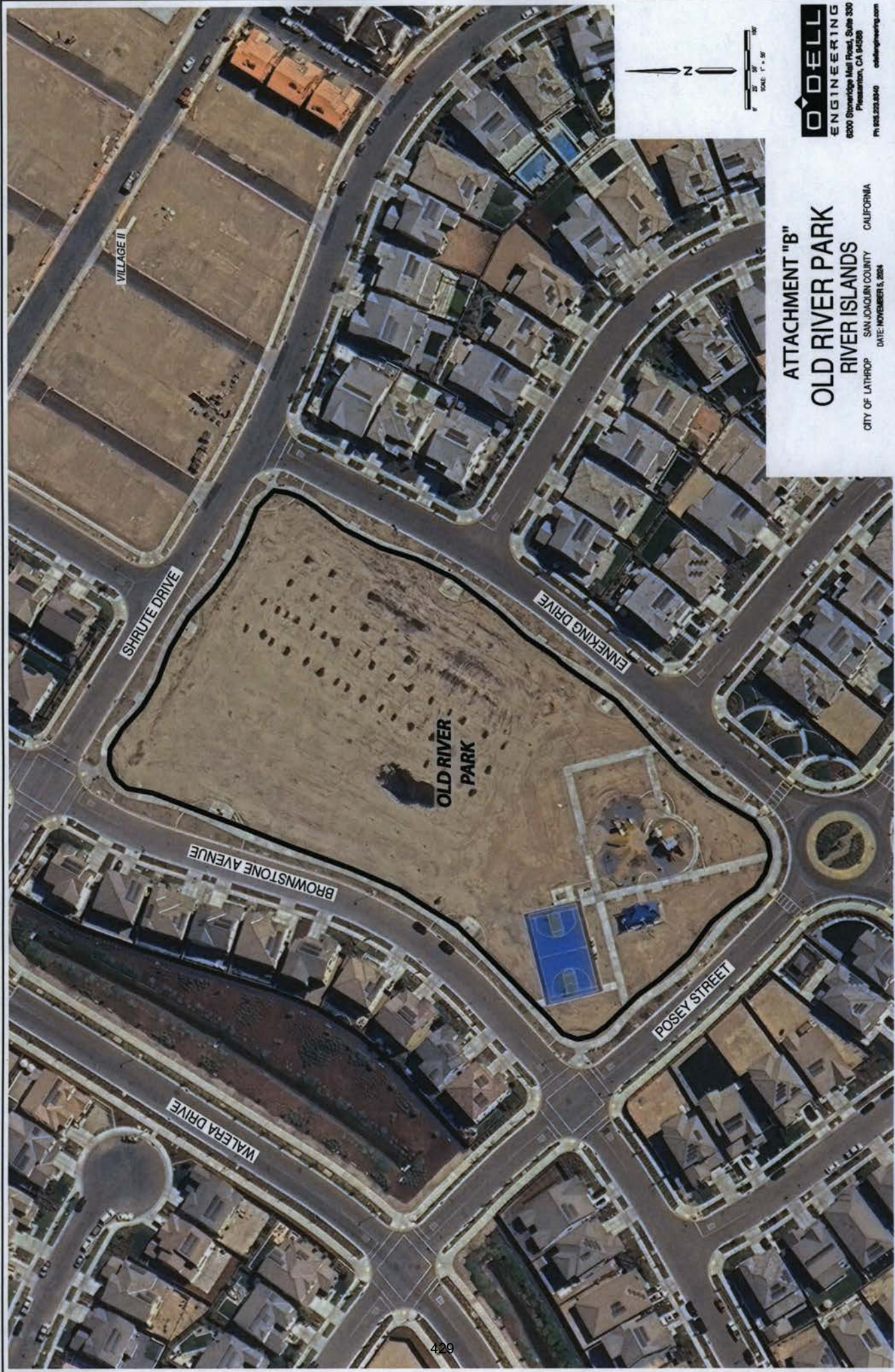
**APPROVED AS TO FORM:**

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



**O'DELL**  
ENGINEERING  
6200 Stoneridge Mall Road, Suite 320  
Pleasanton, CA 94588  
PH: 925.253.8546    odelengineering.com

**ATTACHMENT "B"**  
**NOTOTOMNE PARK**  
**RIVER ISLANDS**  
CITY OF LATHROP    SAN JOAQUIN COUNTY    CALIFORNIA  
DATE: NOVEMBER 5, 2004



0 25 50 100  
SCALE: 1" = 50'

**ODELL**  
ENGINEERING  
6200 Stoneridge Mall Road, Suite 300  
Pleasanton, CA 94566  
PH: 925.223.8240 [odellingr.com](http://odellingr.com)

ATTACHMENT "B"  
**OLD RIVER PARK**  
RIVER ISLANDS  
CITY OF LATHROP SAN JOAQUIN COUNTY CALIFORNIA  
DATE: NOVEMBER 15, 2024



## River Islands - Old River Neighborhood Park (N8)

Lathrop, CA

## AS-BUILTS

11/12/2024

ITEM DESCRIPTION	UNIT	QUANT.	UNIT COST	AMOUNT
<b>A. Site Preparation/Utilities</b>				
1 Site Grading (Rough/Fine)	SF	223,077	\$ 0.95	\$ 211,923.15
2 Storm Drain Inlet Tie-In	EA	6	\$ 1,025.00	\$ 6,150.00
3 Storm Drain Inlet	EA	16	\$ 1,300.00	\$ 20,800.00
4 12" Storm Drain Line	LF	68	\$ 42.50	\$ 2,890.00
5 8" Storm Drain Line	LF	231	\$ 39.90	\$ 9,216.90
6 6" Storm Drain Line	LF	735	\$ 30.00	\$ 22,050.00
7 Erosion Control	LS	1	\$ 5,000.00	\$ 5,000.00
				-----
			SUB-TOTAL	\$ 278,030.05
<b>B. Flatwork / Surfacing</b>				
1 Natural colored 6" Conc. Flatwork	SF	24,787	\$ 17.00	\$ 421,379.00
2 Colored 6" Conc. Flatwork	SF	820	\$ 29.80	\$ 24,436.00
3 Basketball Court (Asphalt/Paving/Striping)	SF	6,000	\$ 10.00	\$ 60,000.00
4 Playground Safety Surfacing (Pour In-Place Rubber)	SF	5,952	\$ 16.72	\$ 99,517.44
5 12" Concrete Mow Curb	LF	851	\$ 14.00	\$ 11,914.00
6 Monolithic Playground Curb	LF	335	\$ 14.00	\$ 4,690.00
7 Playground Curb	LF	70	\$ 14.00	\$ 980.00
8 Playground Bridge	LS	1	\$ 16,000.00	\$ 16,000.00
9 Playground Wave Path	SF	368	\$ 20.00	\$ 7,360.00
10 ADA Ramp	EA	2	\$ 4,000.00	\$ 8,000.00
11 ADA Ramp with Flare	EA	3	\$ 4,000.00	\$ 12,000.00
12 Fitness Safety Surfacing (not installed)	SF	0	\$ -	\$ -
				-----
			SUB-TOTAL	\$ 666,276.44
<b>C. Furnishings / Equipment / Structures</b>				
1 Benches	EA	14	\$ 1,250.00	\$ 17,500.00
2 Trash Receptacles	EA	7	\$ 970.64	\$ 6,794.48
3 Recycling Receptacles	EA	7	\$ 970.64	\$ 6,794.48
4 Picnic Table	EA	5	\$ 837.00	\$ 4,185.00
5 Bike Rack	EA	3	\$ 350.00	\$ 1,050.00
6 BBQ (Group)	EA	1	\$ 4,088.50	\$ 4,088.50
7 Drinking Fountain w/Dog Bowl	EA	1	\$ 5,500.00	\$ 5,500.00
8 Rectangular 20'x40' Shade Sail	EA	1	\$ 50,000.00	\$ 50,000.00
9 Fitness Equipment/Installation	EA	5	\$ 3,000.00	\$ 15,000.00
10 10' Basketball hoop/backboard/goal/net	EA	2	\$ 7,500.00	\$ 15,000.00
11 Guardrail at Playground Bridge	LF	37	\$ 350.00	\$ 12,950.00
12 4' Tubular Steel Fence	EA	547	\$ 50.00	\$ 27,350.00
13 Washed River Cobble	SF	76	\$ 3.28	\$ 249.28
14 Concrete Table Tennis	EA	1	\$ 3,000.00	\$ 3,000.00
				-----
			SUB-TOTAL	\$ 169,461.74
<b>D. Playground Equipment</b>				
1 Structure: 2-5	EA	1	\$ 54,198.00	\$ 54,198.00
2 Structure: 5-12	EA	1	\$ 163,634.00	\$ 163,634.00
3 SpinMax Pod	EA	1	\$ 6,283.00	\$ 6,283.00

4	Toddler Tractor	EA	1	\$ 2,173.00	\$ 2,173.00
5	2 Bay Swingset	EA	1	\$ 10,599.00	\$ 10,599.00
6	Play Panels	EA	5	\$ 2,374.00	\$ 11,870.00
7	Spinner Seat	EA	1	\$ 1,282.00	\$ 1,282.00
8	Twister Tower	EA	1	\$ 65,795.00	\$ 65,795.00
9	Tuned Drums	EA	1	\$ 6,562.00	\$ 6,562.00
10	Flower Bell	EA	2	\$ 2,362.00	\$ 4,724.00
					-----
				SUB-TOTAL	\$ 327,120.00
<b>E. Playground Installation</b>					
1	Installation	LS	1	\$ 130,848.00	\$ 130,848.00
					-----
				SUB-TOTAL	\$ 130,848.00
<b>F. Signage</b>					
1	City of Lathrop Park Rules Sign	EA	4	\$ 500.00	\$ 2,000.00
2	Park Entry Sign (w/Footing)	EA	1	\$ 15,800.00	\$ 15,800.00
3	2-5 Play Sign	EA	1	\$ 500.00	\$ 500.00
4	5-12 Play Sign	EA	1	\$ 500.00	\$ 500.00
					-----
				SUB-TOTAL	\$ 18,800.00
<b>G. Electrical/Lighting</b>					
1	Electrical Pedestal	EA	1	\$ 10,000.00	\$ 10,000.00
2	Park Sign Light	EA	2	\$ 4,000.00	\$ 8,000.00
3	Park Sign & Conduit & Wire	LS	1	\$ 7,000.00	\$ 7,000.00
4	Promenade Path Lights	EA	10	\$ 5,000.00	\$ 50,000.00
5	Promenade Path Light Conduit & Pull Boxes	LS	1	\$ 40,000.00	\$ 40,000.00
					-----
				SUB-TOTAL	\$ 115,000.00
<b>H. Planting</b>					
1	Soil Conditioning & Amendments	SF	183,970	\$ 0.07	\$ 12,877.90
2	Drill Seed Lawn	SF	169,481	\$ 0.08	\$ 13,558.48
3	1 Gallon Shrubs	EA	1,186	\$ 8.00	\$ 9,488.00
4	15 Gallon Trees	EA	173	\$ 90.00	\$ 15,570.00
5	Bark	SF	14,489	\$ 0.19	\$ 2,752.91
6	Root Barrier	LF	1,836	\$ 1.55	\$ 2,845.80
					-----
				SUB-TOTAL	\$57,093.09
<b>I. Irrigation Controls &amp; Distribution</b>					
1	Irrigation System	SF	183,970	\$ 1.50	\$ 275,955.00
					-----
				SUB-TOTAL	\$275,955.00
<b>J. Miscellaneous</b>					
1	Maintenance (60 Day Establishment)	LS	1	\$ 15,000.00	\$ 15,000.00
					-----
				SUB-TOTAL	\$ 15,000.00

**SUB-TOTAL**

**\$2,053,584.32**

**ADD ALTERNATES**

1	Bridge and Tunnel Wall Art	LS	1	\$ 5,000.00	\$ 5,000.00
2	Excess Soil Off-Haul	CY	1	\$ -	\$ -
					-----
				SUB-TOTAL	\$ 5,000.00



**River Islands - Nototomne Park (N9)**

**Lathrop, CA**

**AS-BUILTS**

**11/12/2024**

ITEM DESCRIPTION	UNIT	QUANT.	UNIT COST	AMOUNT
<b>A. Site Preparation/Utilities</b>				
1 Site Grading (Rough/Fine)	SF	207,682	\$ 0.95	\$ 197,297.90
2 Storm Drain Inlet Tie-In	EA	1	\$ 1,025.00	\$ 1,025.00
3 Storm Drain Inlet	EA	15	\$ 1,300.00	\$ 19,500.00
4 Area Drain Inlet	EA	5	\$ 500.00	\$ 2,500.00
5 12" Storm Drain Line	LF	318	\$ 42.50	\$ 13,515.00
7 6" Storm Drain Line	LF	1,310	\$ 30.00	\$ 39,300.00
				-----
		SUB-TOTAL		\$ 273,137.90
<b>B. Flatwork / Surfacing</b>				
1 Natural colored 6" Conc. Flatwork	SF	21,141	\$ 17.00	\$ 359,397.00
2 Playground Safety Surfacing - Pour-in-Place Rubber	SF	12,061	\$ 24.00	\$ 289,464.00
3 Playground Safety Surfacing - Fibar (Removed)	CY	0	\$ 75.00	\$ -
4 Snakes & Ladders Game	EA	1	\$ 13,000.00	\$ 13,000.00
5 DG Surfacing	SF	1,496	\$ 15.00	\$ 22,440.00
6 12" Concrete Mow Curb	LF	1,164	\$ 14.00	\$ 16,296.00
7 Aluminum Edging	LF	1,350	\$ 12.45	\$ 16,807.50
8 12" Playground Curb	LF	260	\$ 14.00	\$ 3,640.00
9 12" Playground Curb with Concrete Extension	LF	81	\$ 16.00	\$ 1,296.00
10 Sidewalk with Playground Edge	LF	484	\$ 9.00	\$ 4,356.00
11 ADA Ramp	EA	1	\$ 4,000.00	\$ 4,000.00
12 Playground Entry Ramp (Removed)	EA	0	\$ 2,000.00	\$ -
				-----
		SUB-TOTAL		\$ 730,696.50
<b>C. Furnishings / Equipment / Structures</b>				
1 Benches	EA	6	\$ 1,250.00	\$ 7,500.00
2 Trash Receptacles	EA	4	\$ 970.64	\$ 3,882.56
3 Recycling Receptacles	EA	4	\$ 970.64	\$ 3,882.56
4 Picnic Table	EA	6	\$ 837.00	\$ 5,022.00
5 Bike Rack	EA	3	\$ 350.00	\$ 1,050.00
6 BBQ - Group	EA	2	\$ 4,088.50	\$ 8,177.00
7 Drinking Fountain w/Dog Bowl	EA	1	\$ 5,500.00	\$ 5,500.00
8 Removable Bollards	EA	3	\$ 2,000.00	\$ 6,000.00
9 Boulder - Small	EA	10	\$ 585.00	\$ 5,850.00
10 Boulder - Medium	EA	15	\$ 2,105.00	\$ 31,575.00
11 Boulder - Large	EA	10	\$ 4,289.00	\$ 42,890.00
12 Boulder - Rectangular	EA	6	\$ 4,289.00	\$ 25,734.00
13 Washed River Cobbles - Assorted sizes (at Statue)	SF	2,299	\$ 3.28	\$ 7,540.72
14 Custom Octagonal Shade Structure	EA	1	\$ 105,000.00	\$ 105,000.00
				-----
		SUB-TOTAL		\$ 259,603.84
<b>D. Playground Equipment</b>				
1 Vibra Chimes	EA	1	\$ 13,000.00	\$ 13,000.00
2 Swirl Saucer	EA	1	\$ 5,900.00	\$ 5,900.00
3 Bear Cave	EA	1	\$ 39,500.00	\$ 39,500.00
4 Grass Blade Beam	EA	1	\$ 7,300.00	\$ 7,300.00
5 Log Stepping Forms	EA	1	\$ 8,300.00	\$ 8,300.00



6	Turtle Pod Stepper	EA	1	\$ 3,100.00	\$ 3,100.00
7	KLD Spin-02	EA	1	\$ 9,400.00	\$ 9,400.00
8	Yokut Roundhouse Climber	EA	1	\$ 266,850.00	\$ 266,850.00
9	Double Belt Swing	EA	1	\$ 7,050.00	\$ 7,050.00
10	Dice/Walnut Steppers	EA	1	\$ 23,300.00	\$ 23,300.00
11	Water Skater climber	EA	1	\$ 55,700.00	\$ 55,700.00
12	Swing Frame for (2) Seats	EA	1	\$ 2,650.00	\$ 2,650.00
13	Ant Springer	EA	2	\$ 3,400.00	\$ 6,800.00
14	Swaying Cornstalks	EA	20	\$ 900.00	\$ 18,000.00
15	Grass - Large	EA	1	\$ 7,100.00	\$ 7,100.00
16	Grass - Medium	EA	1	\$ 7,100.00	\$ 7,100.00
17	Cattail Spinner	EA	1	\$ 4,100.00	\$ 4,100.00
18	Tule Canoe Rocker	EA	1	\$ 33,700.00	\$ 33,700.00
19	Revo	EA	1	\$ 13,000.00	\$ 13,000.00
					-----
				SUB-TOTAL	\$ 531,850.00
<b>E. Playground Installation</b>					
1	Installation	LS	1	\$ 159,555.00	\$ 159,555.00
					-----
				SUB-TOTAL	\$ 159,555.00
<b>F. Interpretive Signage/Activities/Art</b>					
1	Interpretive Signage	EA	5	\$ 8,700.00	\$ 43,500.00
2	Bronze Sculpture	EA	1	\$ 130,000.00	\$ 130,000.00
3	City of Lathrop Park Rules Sign	EA	3	\$ 500.00	\$ 1,500.00
4	Park Entry Sign (w/Footing)	EA	1	\$ 20,000.00	\$ 20,000.00
5	Board Game Spinner	EA	1	\$ 4,500.00	\$ 4,500.00
6	Quail Spinner	EA	1	\$ 2,900.00	\$ 2,900.00
7	2-5 Play Sign (No Purchase/Install only)	EA	1	\$ 2,300.00	\$ 2,300.00
8	5-12 Play Sign (No Purchase/Install only)	EA	1	\$ 2,300.00	\$ 2,300.00
					-----
				SUB-TOTAL	\$ 207,000.00
<b>G. Lighting</b>					
1	Electrical Pedestal	EA	1	\$ 15,000.00	\$ 15,000.00
2	Park Sign Light	EA	2	\$ 4,000.00	\$ 8,000.00
3	Park Sign & Memorial Light Conduit & Wire	LS	1	\$ 10,200.00	\$ 10,200.00
4	Memorial Light	EA	6	\$ 4,000.00	\$ 24,000.00
5	Memorial Light Conduit & Wire	LS	1	\$ 10,200.00	\$ 10,200.00
6	Park Path Light	EA	7	\$ 8,320.00	\$ 58,240.00
7	Park Path Light Conduit & Pull Boxes	LS	1	\$ 43,500.00	\$ 43,500.00
8	Booster Pump Conduit & Wire	LS	1	\$ 3,800.00	\$ 3,800.00
					-----
				SUB-TOTAL	\$ 172,940.00
<b>H. Planting</b>					
1	Soil Conditioning & Amendments	SF	169,002	\$ 0.07	\$ 11,830.14
2	Drill Seed Lawn	SF	145,271	\$ 0.08	\$ 11,621.68
3	Hydroseed No-Mow Turf	SF	4,375	\$ 0.06	\$ 262.50
4	1 Gallon Shrubs	EA	1,843	\$ 8.00	\$ 14,744.00
5	15 Gallon Trees	EA	172	\$ 90.00	\$ 15,480.00
6	Bark	SF	19,356	\$ 0.19	\$ 3,677.64
7	Root Barrier	LF	1,945	\$ 1.55	\$ 3,014.75
					-----
				SUB-TOTAL	\$60,630.71
<b>I. Irrigation Controls &amp; Distribution</b>					
1	Irrigation System	SF	169,002	\$ 1.50	\$ 253,503.00

		SUB-TOTAL			\$253,503.00
<b>J.</b>	<b>Miscellaneous</b>				
1	Maintenance (60 Day Establishment)	LS	1	\$ 15,000.00	\$ 15,000.00
		SUB-TOTAL			\$ 15,000.00

**SUB-TOTAL**

**\$2,663,916.95**

**ITEM: DISCUSSION OF POSSIBLE FINANCIAL INCENTIVE PROGRAM(S) TO ATTRACT ENTERTAINMENT RETAIL BUSINESSES TO LATHROP**

**RECOMMENDATION: Council to Consider Incentive Options Presented, Discuss, and Provide Staff Direction to Establish an Entertainment Incentive Program Based on Use of Measure D Funding**

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**SUMMARY:**

On October 14, 2024, Lathrop City Council directed staff to explore possible financial incentive programs to assist in the attraction of entertainment establishments with the use of Measure D's Citywide Economic Development Fee as the source of program funding. The Council asked staff to explore potential incentives including partial reimbursement or a grant based on city capital facilities fees related to new development, opportunities for the City to lease or offset lease expenses on behalf of a third-party entertainment entity, and/or provide financial assistance through a loan program.

In evaluating the three potential programs, a partial reimbursement or grant based on the city capital facility fees for new development appears to have the greatest impact, thereby allowing the business to realize an upfront reduction in capital costs.

After discussions with real estate professionals and landlords regarding the possibility of the City leasing existing space or offsetting lease expenses on behalf of a third-party user, there was unified concern over the financial credit with entertainment users, expensive tenant improvements, and a history of business failure before leases expire. Due to these general concerns regarding entertainment uses, the potential for extended costs and risk of liability, a City incentive to lease or offset lease expenses is not recommended.

Loan programs and funding opportunities are abundant in San Joaquin County, but business financing often depends on the credit history of the borrower. In addition to staff time and expenses, a City funded loan program would require contracting with an outside lending agency for administration. Due to the additional costs related to administration and the potential of financial loss due to loan default, a City funded loan program is not recommended.

Establishing an incentive for the purpose of enticing entertainment businesses to Lathrop may provide a useful business attraction tool, but careful consideration as to the type of incentive and the impact it may have on the City are factors that should be considered.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
DISCUSSION OF POSSIBLE FINANCIAL INCENTIVE PROGRAM(S) TO  
ATTRACT ENTERTAINMENT RETAIL BUSINESSES TO LATHROP**

**BACKGROUND:**

The City's population growth has significantly increased over recent years, which has resulted in the California Department of Finance ranking Lathrop as the fastest growing city in California in the years 2023 and 2024. The City's innovative planning and developer foresight prepared Lathrop for the current growth through new housing developments in River Islands and Stanford Crossing.

From January 2020 through January of 2024, Lathrop's population increased from 26,833 people to 37,033, or by 38%. In addition to the increase in population, Lathrop has also seen an increase in average household income and education levels, which helps to attract more retail establishments. However, commercial growth has not kept pace with residential growth, and residents desire more retail and, specifically, more entertainment venues in Lathrop.

Passed by the vote of the electorate on November 7, 2000, Measure D established an Economic Development Fee (EDF) for the purpose of stimulating business activities in the local economy. The EDF is solely funded through new homes sales in River Islands. At close of escrow for each new home sold, a \$5,000 EDF fee is collected with eighty percent (80%) deposited to a "Stewart Tract Account" and twenty percent (20%) deposited to a "Citywide Account". Measure D limits allocation of money from the EDF Citywide Account to the east side of Interstate 5 within Lathrop's city limits. To date, the EDF Citywide Account has only been used during COVID as a grant to Lathrop small businesses, and the account was repaid through ARPA funding. The current balance of the EDF Citywide Account is \$3.9 million dollars.

Staff received direction from City Council at the October 14<sup>th</sup> meeting to research opportunities to create an incentive program for the purpose of attracting retail entertainment businesses to Lathrop by utilizing the funding of the EDF Citywide Account. Pursuant to the Council's direction, staff explored 1) partial reimbursement or a grant based on the city capital facilities fees for new development, 2) opportunities for the City to lease existing space or offset lease expenses on behalf of a third-party entertainment entity; and/or, 3) offer potential financial assistance through a loan program.

City Capital Facility Fee Partial Reimbursement or Grant

As a new and developing city, Lathrop's vacancy rates for existing leasable building space are minimal, which creates a need for construction of new commercial buildings. With the current climate of high interest rates and increasing costs of construction, these items present challenges to new development to meet the return on investment required to sustain a business establishment. Taking these factors into consideration, a City reimbursement or grant program based on a portion of the city capital facility fees may be an enticing incentive by reducing business start-up costs.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
DISCUSSION OF POSSIBLE FINANCIAL INCENTIVE PROGRAM(S) TO  
ATTRACT ENTERTAINMENT RETAIL BUSINESSES TO LATHROP**

**PAGE 3**

Developers are required to pay permit and development impact fees before constructing a new building. Fees may include building permit and plan check fees, city capital facility fees, levee impact fees, agricultural mitigation fees, and non-city development impact fees, which all vary by parcel, location, acreage, building square footage and use type.

Building and plan check fees are minimal (10-15%) in comparison to the city capital facility fees, which relate to construction and maintenance of City infrastructure such as water, sewer, storm, transportation and municipal service facilities.

Staff analyzed development fees estimated for construction of a new building using various square footage and based on two different locations east of Interstate 5. Estimated city capital facility fees ranged from \$197k to \$273k for a 5,000 square foot building on 1.5 acres to \$511k to \$1m for a 40,000 square foot building on 4 acres. The use of Measure D, EDF Citywide Account to reimburse or grant a percentage of the city capital facility fees on new development may be an impactful way to attract entertainment businesses while reducing their upfront costs. For example, an entertainment incentive may offer a 50% reimbursement or grant based on the total of City capital facility fees up to a maximum of \$500,000.

City Lease Existing Space or Offset Lease Expenses for Entertainment User

To explore opportunities for the City to lease or offset lease expenses on existing industrial and/or commercial space for a third-party entertainment user, staff solicited feedback from four (4) commercial/industrial real estate brokers and two (2) developer/landlords who have interest and investment in Lathrop and the surrounding communities.

Commercial lease rates, common area maintenance (CAM) charges, insurance and taxes for a 5,000 square foot space can cost \$300k or more a year. Because Lathrop is a newer city, the availability of existing commercial space is extremely limited, which requires many new users to construct a building.

Industrial property owners and landlords expressed little interest in leasing warehouse space to entertainment uses for several reasons. The top three industry concerns being: 1) poor credit history causing above market lease rates; 2) liability and cost of insurance; 3) devaluation of the building as industrial tenants tend to take better care of leased space. Other issues included costly tenant improvements to convert the space to entertainment use, such as increasing the number of bathrooms, adding more entrance and emergency exits, meeting Title 24 energy code requirements to provide temperature control systems, and meeting parking requirements. Landlords and brokers shared their experience with entertainment users commenting that many of these businesses have poor credit and fail before the lease expires leaving landlords with a large expense to demolish and recondition the space back to its original use.

**CITY MANAGER’S REPORT**  
**NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**  
**DISCUSSION OF POSSIBLE FINANCIAL INCENTIVE PROGRAM(S) TO**  
**ATTRACT ENTERTAINMENT RETAIL BUSINESSES TO LATHROP**

While it may be possible for the City to lease or offset payment of a lease on behalf of a third-party entertainment user, the landlord would likely require the City to put up a security deposit, agree to a guaranteed lease arrangement, or have the City be the lessee while allowing the ability to sublease the space to a user. All of which would increase the City’s potential expense and liability. For these reasons, a lease type incentive program is not recommended.

Financial Loan Program

There are several funding mechanisms in place to meet business needs for working capital, construction, equipment, and real estate to include loans from banks, credit unions, Small Business Administration 504 and SBA 7(a), San Joaquin County Revolving Loan Fund and Micro-Loan program. However, credit history is key for a business to obtain a loan or line of credit. For the city to compete with these financial institutions, it would need to hire an agency to perform the credit analysis, process the application, underwrite the loan, track payments and follow up on delinquencies. Staff oversight of the loan program would also need to be considered.

In addition to San Joaquin County, the cities of Lodi and Tracy do offer Small Business Loan programs administered through outside lending agencies. The City of Tracy leveraged city funds with a match from Grow America–National Development Council (NDC) to offer SBA 504 and 7(a) loan programs to their small business community. NDC is the third-party lending agency for the City of Tracy’s loan program. Lodi allocated \$340,000 toward its loan program, plus another \$130,000 for technical assistance, fees and associated costs related to program implementation and management. Lodi hired California Capital as its third-party lending agency. However, both programs are for micro and small business loans and are not industry specific.

Due to the additional expenses related to contracting with a third-party lending agency, the risk of default, additional expenses, and existing availability of loan programs, a City-funded loan program is not recommended.

**REASON FOR RECOMMENDATION:**

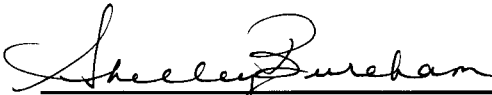
The intent of this report is for City Council to discuss the incentive programs presented and provide staff direction on establishing an Entertainment Incentive Program utilizing Measure D’s Economic Development Fund—Citywide Account as a funding source.

**FISCAL IMPACT:**

Measure D – Economic Development Fund, Citywide Account would be the funding source for an Incentive Program.

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
DISCUSSION OF POSSIBLE FINANCIAL INCENTIVE PROGRAM(S) TO  
ATTRACT ENTERTAINMENT RETAIL BUSINESSES TO LATHROP**

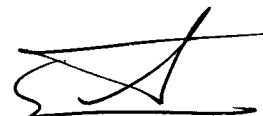
**APPROVALS:**

  
\_\_\_\_\_  
Shelley Burcham  
Economic Development Administrator


11-13-24  
\_\_\_\_\_  
Date

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

11/13/2024  
\_\_\_\_\_  
Date

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

11.13.2024  
\_\_\_\_\_  
Date

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

11.14.24  
\_\_\_\_\_  
Date

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## ITEM 5.2

### **CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM: APPROVE TIME EXTENSION REQUEST FOR THE  
ASHLEY FURNITURE PROJECT**

**RECOMMENDATION: Adopt Resolution To Approve a Two (2) Year Time  
Extension Request for the Ashley Furniture Project  
Conditional Use Permit No. CUP-23-08 and Site Plan  
Review No. SPR-23-09 (TE-24-175)**

---

#### **SUMMARY:**

The Ashley Furniture Project Conditional Use Permit No. CUP-23-08 and Site Plan Review No. SPR-23-09 were approved by City Council on November 13, 2023 (City Council Resolution No. 23-5422) which allowed for the development of a 1,486,607 sq. ft. concrete tilt-up building on an 89.82-acre property located at the northwest corner of Dos Reis Road and Manthey Road within the Central Lathrop Specific Plan Phase 2 area. The proposed building includes a 24,000 sq. ft. office, a 110,260 sq. ft. retail outlet and showroom and a 1,352,347 sq. ft. warehouse distribution center.

The applicant, Aaron Hodgdon, is requesting a two (2) year time extension to Conditional Use Permit No. CUP-23-08 and Site Plan Review No. SPR-23-09. If approved, the listed project approval will expire on November 13, 2028.

The proposed time extension will not alter the planned development and required improvements for the project as originally approved, and the previously approved Conditions of Approval for the project will remain in full force.

#### **BACKGROUND:**

The Ashley Furniture Project was approved by City Council on November 13, 2023. The project includes the development of a 1,486,607 sq. ft. concrete tilt-up building on an 89.82-acre property located at the northwest corner of Dos Reis Road and Manthey Road and within the Central Lathrop Specific Plan Phase 2 area. The proposed building includes a 24,000 sq. ft. office, a 110,260 sq. ft. retail outlet and showroom and a 1,352,347 sq. ft. warehouse distribution center.

#### **ANALYSIS:**

Pursuant to Section 17.112.100 of the Lathrop Municipal Code (LMC), the City Council may establish a greater time limit for qualifying projects. The time limit may be extended by City Council for good cause such as proof of an unusual hardship not of applicant's own making.

Due to the project size, the infrastructure required to support the development, off-site improvements, and market conditions, staff believes that the Ashley Furniture Project meets the intent of Section 17.112.100. In addition, the applicant has spent the last ten (10) months diligently working with City staff to prepare the update to the City's Capital Facilities Fees (CFF) for the Central Lathrop Specific Plan Phase 2 and the associated infrastructure studies for the development of the project.

Pursuant to Section 17.112.100, the time limits set by the City Council shall be reasonable, based on the size, nature and complexity of the proposed development. As such, staff believes the request for a two (2) year time extension to November 13, 2028 is reasonable.

**CEQA REVIEW:**

On November 13, 2023, the City of Lathrop City Council adopted Resolution 23-5421 finding the Ashley Furniture Project exempt from further environmental review pursuant to Public Resources Code Section 21083.3 and California Environmental Quality Act (CEQA) Guidelines Section 15183. The proposed time extension falls within the scope of the Section 15183 Analysis (Environmental Checklist) and as such, no further environmental review is required. The request for a time extension does not modify or alter the project (e.g., size, intensity, off-street parking, etc.). As noted above, all of the project requirements and mitigations identified in the Environmental Checklist remain in full effect and are included in the project's original Conditions of Approval.

The Environmental Analysis identified the applicable City of Lathrop development standards and policies that would apply to the proposed project during both the construction and operational phases, identifies applicable minimization measures from the General Plan EIR that must be implemented, identifies applicable state-level standards and policies that would ensure that no peculiar or site-specific environmental impacts would occur. The Environmental Analysis concluded that the project is consistent with the land uses and development intensities assigned to the project site by the General Plan.

Impacts from buildout of the General Plan including cumulative impacts associated with development and buildout of the CLSP Phase 2 plan area and the Ashley Furniture Project, as modified, are fully addressed in the General Plan EIR (State Clearinghouse No. 2021100139), and implementation of the modified project would not result in any new or altered impacts beyond those addressed in the General Plan EIR.

**CITY MANAGERS REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
TIME EXTENSION NO. TE-24-175**

**PAGE 3**

**RECOMMENDATION:**

Staff recommends 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 approving a two (2) year Time Extension request for the Ashley Furniture Project Conditional Use Permit No. CUP-23-08 and Site Plan Review No. SPR-23-09, subject to the original Conditions of Approval dated November 13, 2023.

**FISCAL IMPACT:**

All application processing fees and costs are charged to the applicant. The request has no fiscal impact to the City.

**ATTACHMENT:**

1. City Council Resolution approving a Time Extension request for the Ashley Furniture Project Conditional Use Permit No. CUP-23-08 and Site Plan Review No. SPR-23-09
2. Time Extension Application dated November 7, 2024

**CITY MANAGERS REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
TIME EXTENSION NO. TE-24-175**

**PAGE 4**

**APPROVALS:**



David Niskanen  
Contract Planner

11/6/2024

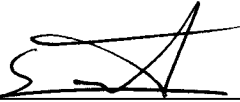
Date



Rick Caguiat  
Community Development Director

11/6/24

Date



Salvador Navarrete  
City Attorney

11-6-2024

Date



Stephen J. Salvatore  
City Manager

11.14.24

Date

**RESOLUTION NO. 24-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE A TWO (2) YEAR TIME EXTENSION REQUEST FOR THE ASHLEY FURNITURE PROJECT CONDITIONAL USE PERMIT NO. CUP-23-08 AND SITE PLAN REVIEW NO. SPR-23-09 (TE-24-175)**

**WHEREAS**, the City of Lathrop City Council held a duly noticed public meeting to consider the time extension request for the Ashley Furniture Project Conditional Use Permit No. CUP-23-08 and Site Plan Review No. SPR-23-09 pursuant to the General Plan and Lathrop Municipal Code; and

**WHEREAS**, on November 13, 2023, the City Council approved Resolution No. 23-5422, to approve the Ashley Furniture Project, which consists of the construction of approximately 1.5 million square foot concrete tilt-up building and all necessary supporting infrastructure on a property located within the Central Lathrop Specific Plan Phase 2 Amendment area as further defined below (the Project); and

**WHEREAS**, the property is located at 14101 S. Manthey Road (APN: 192-020-14) (the property); and

**WHEREAS**, the request is for a two (2) year time extension to the previously approved Conditional Use Permit (CUP-23-08) and Site Plan Review (SPR-23-09); and

**WHEREAS**, pursuant to Section 17.112.100 of the Lathrop Municipal Code (LMC), the City Council may establish a greater time limit for qualifying projects. The time limit may be extended by City Council for good cause, such as proof of an unusual hardship not of applicant's own making. The time limits set by the City Council shall be reasonable, based on the site, nature and complexity of the proposed development; and

**WHEREAS**, on November 13, 2023, the City Council adopted Resolution No. 23-5421 finding the Ashley Furniture Project exempt from further environmental review pursuant to Public Resources Code Section 21083.3 and California Environmental Quality Act (CEQA) Guidelines Section 15183. The proposed time extension falls within the scope of the Section 15183 Analysis (Environmental Checklist) and as such, no further environmental review is necessary; and

**WHEREAS**, proper notice regarding the time extension was given in all respects required by law; and

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

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop does hereby make the following findings:

Section 1. On November 13, 2023, the City Council adopted Resolution No. 23-5421 finding the Ashley Furniture Project exempt from further environmental review pursuant to Public Resources Code Section 21083.3 and California Environmental Quality Act (CEQA) Guidelines Section 15183. The proposed time extension falls within the scope of the Section 15183 Analysis (Environmental Checklist) and as such, no further environmental review is necessary.

Section 2. The City Council finds that due to the project size, the infrastructure required to support the development, off-site improvements, and market conditions, the time extension request meets the intent of Section 17.112.100. In addition, the applicant has spent the last ten (10) months diligently working with the City to prepare the update to the City's Capital Facilities Fees (CFF) for the Central Lathrop Specific Plan Phase 2 and the associated infrastructure studies for the development of the project.

Section 3. Based on the findings set forth in this Resolution and the evidence in the Staff Report, the City Council hereby grants a two (2) year time extension to the Ashley Furniture Project Conditional Use Permit (CUP-23-08) and Site Plan Review (SPR-23-09), extending the approval to November 13, 2028, subject to the original Conditions of Approval, dated November 13, 2023.

**BE IT FURTHER RESOLVED** that the City Council of the City of Lathrop, based on substantial evidence in the administrative record of proceedings, its above findings, including the staff report and associated attachments, pursuant to its independent review and consideration, does hereby approve Time Extension TE-24-175 subject to the original Conditions of Approval dated November 13, 2023, incorporated by reference herein.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024 by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

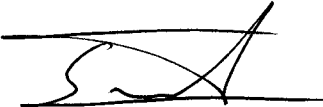
**SIGNED:**

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

City of



Community Development Department

390 Towne Centre Dr. - Lathrop, CA 95330  
 Phone (209) 941-7290 - Fax (209) 941-7219  
[www.ci.lathrop.ca.us](http://www.ci.lathrop.ca.us)

**TIME EXTENSION APPLICATION FORM**

Application Number: <i>TE-24-175</i>	Receipt Number:	Received By: <i>RC</i>
Application Date: <i>11/7/24</i>	Project Name: <i>Ashley</i>	Project Planner: <i>DN</i>

**THIS FORM TO BE COMPLETED BY THE APPLICANT PRIOR TO FILING & PRIOR TO EXPIRATION OF YOUR EXISTING PERMITS**

Owner/Applicant Information				
Owner's Name	DOS REIS RANCH, INC			
Address	7000 S INLAND DRIVE			
City/State	STOCKTON, CA	Phone	290-471-4083	Fax
Applicant's Name	AARON HODGDON			
Address	1461 E COOLEY DR #230			
City/State	COLTON, CA	Phone	909-229-2192	Fax
Business Name (DBA)	HODGDON MANAGEMENT CONSTRUCTION, INC			

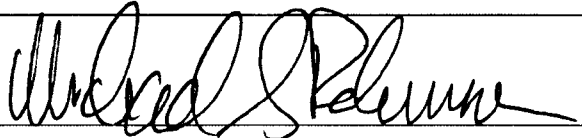
Property Information	
Assessor's Parcel Numbers (APNs)	192-020-14
Subject Site(s)	NWC DOS REIS & MANTHEY ROAD; 141 S MANTHEY ROAD

Existing Permit Information	
Existing Permit Numbers	CUP-23-08 AND SPR-23-09
Date of Original Approval	NOVEMBER 13, 2023
Expiration Date	NOVEMBER 12, 2026

Basis for Request	
<p><b>Please state your reason for a time extension and the length of time requested (up to one year may be approved):</b></p> <p>Due to market and economic uncertainty which has delayed the original project from moving forward coupled with the project size, infrastructure required, preparation of plans, engineering, and budgeting, we request that the 3-year time period from the original approved CUP be extended by a two (2) year time extension until November 13, 2028.</p>	

**Time Extension Application**



Certifications and Signatures	
1. Is the project site included on the "Hazardous Waste and Substance Sites List" or other similar list?	
NO	
2. Is the proposal an application for a development permit as defined by State law?	
NO	
<small>(If you're not sure how to answer these questions, please ask a staff member for assistance)</small>	
<b>I, the undersigned, do hereby certify that I have read and understand the attached cover sheet(s) and that the facts and information contained in this application are true and correct, to the best of my knowledge.</b>	
	
Signature of Applicant/Agent	Signature of Owner(s)*
AARON W. HODGDON	Michael Robinson
Please print signed name here	Please print signed name here
11/6/2024	11-7-24
Date	Date

- All property owners must sign or provide a signed Agent Authorization Form included in the application packet. (If more space is needed for signatures, please attach additional sheets).

For Official Use Only			
General Plan Designation		Zoning District	
Application Fee		Initial Study	
Environmental Review Fee		Development Committee	
Notification Fee		Concurrent Applications	
Total Fees		Public Hearing Dates	
Referral Date		Comments Due Date	
State Clearinghouse Review			

**Time Extension Application**

**Agent Authorization Form**

DOS REIS RANCH, INC is the owner of the subject property for which the following application(s) have been submitted:

Application Name and Number(s): TIME EXTENSION APPLICATION

The subject properties are located at:

NWC DOS REIS & MANTHEY ROAD; 141 S MANTHEY ROAD

APNs: 192-020-14

The Agent for this project is:

Name: AARON HODGDON; HODGDON MANAGEMENT CONSTRUCTION, INC

Address: 1461 E COOLEY DR #230, COLTON, CA 92324

Telephone: 909-229-2192

Fax Number: \_\_\_\_\_

Signatures of Owners:



Michael Robinson

Type or Print Name

Type or Print Name

Type or Print Name

Type or Print Name

Note: Owner of record should be as shown on the latest equalized rolls of San Joaquin County – an option to purchase does not constitute ownership. If ownership has recently been transferred, a copy of recorded deed or similar instrument must accompany this form.

**Time Extension Application**

## ITEM 5.3

### **CITY MANAGER'S REPORT NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING**

**ITEM: CANNABIS REVENUE ALLOCATION**

**RECOMMENDATION: Adopt a Resolution to Approve Cannabis Revenue Allocation**

---

#### **SUMMARY:**

On July 11, 2022, Council approved a development agreement for operation of the City's first cannabis dispensary. The development agreement established terms related to the operation of the business, specifically, monthly fee payments of 2% of gross receipts from online orders and delivery sales and 5% of gross receipts from onsite retail sales. The development agreement outlines that the fee may be appropriated for any lawful purpose at the discretion of the City Council and may be devoted to: drug awareness programs, recreational programs, public safety programs, and programs to address food insecurity and hunger in the City.

The City has collected the fees via the Cannabis Business Tax Remittance Form on a monthly basis as outlined in the development agreement. The fees are deposited into the General Fund and per the development agreement the "City shall keep strictly confidential all statements of revenue furnished by Operator related to operation of the Business, except as otherwise required by law. In particular, the City will exercise its right to withhold such documents under Government Code section 6254, subdivisions (i) and (n)." Since there is only one cannabis dispensary operator, the City does not have the ability to average or aggregate the revenue information. Staff is preparing for the next biennial budget cycle and seeking direction on the percentage of revenue collected that can be allocated to each of the program areas as identified in the development agreement. Staff is presenting two options for Council to allocate the fee payment; Option 1 is to allocate 50% to the Parks and Recreation Department and 50% to the Police Department, Option 2 is to allocate the fee payment at a different allocation as Council considers appropriate. The four programs identified in the development agreement fall within each of these two City departments.

#### **BACKGROUND:**

A series of changes to State law, including the passage of Proposition 64 in 2016, allowed adults to legally use and possess cannabis and created a framework for legal commercial cannabis activities. As with alcohol and tobacco sales, the intent behind legalizing, regulating, and taxing retail cannabis was to make it safer to use, mitigate its negative impacts, and raise tax revenue. The legalization of cannabis businesses led to questions about how the City could best control, regulate, and tax retail cannabis activity, and what it should do with the new tax revenue stream. The

**CITY MANAGER’S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
CANNABIS REVENUE ALLOCATION**

development agreement provides programs that the revenue collected can be applied towards.

On July 11, 2022, Council approved a development agreement for operation of the City’s first cannabis dispensary. The development agreement established terms related to the operation of the business, specifically, monthly fee payments of 2% of gross receipts from online orders and delivery sales and 5% of gross receipts from onsite retail sales. The development agreement outlines that the fee may be appropriated for any lawful purpose at the discretion of the City Council and may be devoted to: drug awareness programs, recreational programs, public safety programs, and programs to address food insecurity and hunger in the City.

The City has collected the fees via the Cannabis Business Tax Remittance Form on a monthly basis as outlined in the development agreement. The fees are deposited into the General Fund and per the development agreement the “City shall keep strictly confidential all statements of revenue furnished by Operator related to operation of the Business, except as otherwise required by law. In particular, the City will exercise its right to withhold such documents under Government Code section 6254, subdivisions (i) and (n).” Since there is only one cannabis dispensary operator the City does not have the ability to average or aggregate the revenue information.

Staff is preparing for the next biennial budget cycle and seeking direction on the percentage of revenue collected that can be allocated to each of the program areas as identified in the development agreement.

**REASON FOR RECOMMENDATION:**

Staff is recommending Council allocate the cannabis fee revenue 50% to the Parks and Recreation Department and 50% to the Police Department because the four programs identified in the council approved development agreement fall within these City departments.

**FISCAL IMPACT:**

There is no fiscal impact associated with this Council action. Staff will proceed with Council direction and return to Council for approval of any related budget amendment if needed.

**ATTACHMENTS:**

- A. Resolution Approving the Cannabis Revenue Allocation

**CITY MANAGER'S REPORT  
NOVEMBER 18, 2024 CITY COUNCIL SPECIAL MEETING  
CANNABIS REVENUE ALLOCATION**

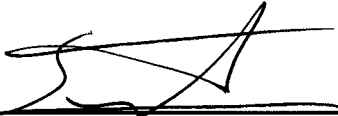
**APPROVALS:**



Thomas Hedegard  
Deputy City Manager

11/13/2024


Date



Salvador Navarrete  
City Attorney

11-13-2024

Date



Stephen J. Salvatore  
City Manager

11.14.24

Date

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO APPROVE CANNABIS REVENUE ALLOCATION**

**WHEREAS**, a series of changes to State law, including the passage of Proposition 64 in 2016, allowed adults to legally use and possess cannabis and created a framework for legal commercial cannabis activities; and

**WHEREAS**, the legalization of cannabis businesses led to questions about how the City could best control, regulate, and tax retail cannabis activity, and what it should do with the new tax revenue stream; and

**WHEREAS**, on July 11, 2022, Council approved a development agreement for operation of the City's first cannabis dispensary. The development agreement established terms related to the operation of the business, specifically, monthly fee payments of 2% of gross receipts from online orders and delivery sales and 5% of gross receipts from onsite retail sales; and

**WHEREAS**, the development agreement outlines that the fee may be appropriated for any lawful purpose at the discretion of the City Council and may be devoted to: drug awareness programs, recreational programs, public safety programs, and programs to address food insecurity and hunger in the City; and

**WHEREAS**, the The City has collected the fees via the Cannabis Business Tax Remittance Form on a monthly basis as outlined in the development agreement. The fees are deposited into the General Fund and pursuant to the development agreement, the "City shall keep strictly confidential all statements of revenue furnished by Operator related to operation of the Business, except as otherwise required by law. In particular, the City will exercise its right to withhold such documents under Government Code section 6254, subdivisions (i) and (n)." Since there is only one cannabis dispensary operator the City does not have the ability to average or aggregate the revenue information to provide Council revenue totals;

**NOW, THEREFORE, BE IT RESOLVED** that this City Council does hereby allocate the cannabis fee revenue 50% to the Parks and Recreation Department and 50% to the Police Department because the four programs identified in the council approved development agreement fall within these two City departments.

The foregoing resolution was passed and adopted this 18<sup>th</sup> day of November 2024, by the following vote of the City Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:



---

Teresa Vargas, City Clerk

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Salvador Navarrete, City Attorney

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