

# February 12, 2018 – City Council Regular Meeting – 7:00 p.m.



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

## City Council

Sonny Dhaliwal, Mayor  
Mark Elliott, Vice Mayor  
Paul Akinjo  
Steve Dresser  
Martha Salcedo

## City Staff

Stephen Salvatore, City Manager  
Salvador Navarrete, City Attorney  
Teresa Vargas, City Clerk  
Glenn Gebhardt, City Engineer  
Cari James, Finance & Administrative  
Services Director  
Rebecca Schmidt, Community  
Development Director  
Zachary Jones, Parks & Recreation  
Director  
James Hood, Police Chief

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



**FEBRUARY 12, 2018 – City Council Regular Meeting Agenda – 7:00 p.m.**

## Addressing the Council

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

## Citizen's Forum

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

**To leave a voice message for the Mayor and all Councilmembers simultaneously, dial (209) 941-7220. To send an e-mail for the Mayor and all Councilmembers simultaneously, [citycouncil@ci.lathrop.ca.us](mailto:citycouncil@ci.lathrop.ca.us)**

**This City Council Agenda may be accessed by computer at the following Worldwide Web Address: [www.ci.lathrop.ca.us](http://www.ci.lathrop.ca.us) LIVE STREAMING - Now available, please visit the City Council Page or use the URL [www.ci.lathrop.ca.us/council/](http://www.ci.lathrop.ca.us/council/)**

## Information

Copies of the Agenda are available in the lobby at the Lathrop City Hall, 390 Towne Centre Drive, Lathrop, on Thursday preceding a regularly scheduled City Council meeting. Supplemental documents relating to specific agenda items are available for review in the City Clerk's Office. This agenda was posted at the following locations: City Hall, Community Center, Generations Center, Senior Center, and "J" Street Fire Department. The meetings of the Lathrop City Council are broadcast on Lathrop Comcast Cable Television Channel 97.

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

Information about the City or items scheduled on the Agenda may be referred to:

Address: City Clerk  
City of Lathrop  
390 Towne Centre Dr.  
Lathrop, CA 95330  
Telephone: (209) 941-7230

*Your interest in the conduct of your City's business is appreciated.*

**CITY OF LATHROP  
CITY COUNCIL REGULAR MEETING  
MONDAY, FEBRUARY 12, 2018  
7:00 P.M.  
COUNCIL CHAMBER, CITY HALL  
390 Towne Centre Drive  
Lathrop, CA 95330**

**AGENDA**

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

**1. PRELIMINARY**

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

**2. PRESENTATIONS**

- 2.1 PROCLAMATION DECLARING FEBRUARY AS BLACK HISTORY MONTH
- 2.2 INTRODUCTION OF NEW EMPLOYEE(S):
  - Sarah Pimentel, Administrative Assistant I
  - Catherine Fair, Facility Attendant
  - Francisco Garcia, Maintenance Worker II
- 2.3 MAYOR'S COMMITTEE REPORT(S)
  - Parks & Recreation Update on Committee Events and Programs
- 2.4 PRESENTATION – LATHROP POLICE FACILITY FUNDING OVERVIEW
  - Receive Information Related to Funding Options Associated with the Future Lathrop Police Facility

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

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

### **4. CONSENT CALENDAR**

Items on the Consent Calendar are considered to be 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 of Ordinances and Resolutions on Agenda Unless Otherwise Requested by the Mayor or a Councilmember
- 4.2 **APPROVAL OF MINUTES**  
Approve Minutes for the Special and Adjourned Regular Council Meeting of January 29, 2018
- 4.3 **SECOND READING AND ADOPTION OF ORDINANCE 18-387 TO PROHIBIT COMMERCIAL CANNABIS ACTIVITIES IN THE CITY OF LATHROP**  
Second Reading and Adoption of Ordinance 18-387 Adopting an Ordinance of the City Council of the City Of Lathrop Modifying Chapter 17.18 and Adding New Chapter 5.26 to the Lathrop Municipal Code to Prohibit the Establishment and Operation of Commercial Cannabis Activities in the City Of Lathrop
- 4.4 **TREASURER'S REPORT DECEMBER 2017**  
Approve Quarterly Treasurer's Investment Report for December 2017
- 4.5 **APPROVE AMENDMENTS WITH EKI ENVIRONMENT & WATER, INC. (EKI) FOR THE INTEGRATED WATER RESOURCE MASTER PLAN, (IWRMP) PW 10-10 & WW 15-08 AND A RELATED BUDGET AMENDMENT**  
Adopt a Resolution Approving Amendments with EKI for the IWRMP Update PW 10-10 and WW 15-08 and a Related Budget Amendment:
  - 1. Amendment No. 2 for Hydraulic Modeling Evaluations and IWRMP Revisions to Include California Military Department Cantonment at the Former Army Sharpe Depot; and
  - 2. Amendment No. 3 for Tracking Tool Development for Water and Sewer Allocations

- 4.6 APPROVE TASK ORDER NO. 5 WITH INTERWEST CONSULTING GROUP FOR PROFESSIONAL BUILDING DIVISION SERVICES AND RELATED BUDGET AMENDMENT  
Adopt a Resolution Approving Task Order No. 5 with Interwest Consulting Group to Provide Professional Building Division Plan Check Services and Related Budget Amendment
- 4.7 AGREEMENTS WITH WGR SOUTHWEST, INC. TO PROVIDE COMPLIANCE SUPPORT SERVICES FOR THE CITY'S STORM WATER DISCHARGE PERMIT SD 14-10 AND A RELATED BUDGET AMENDMENT  
Adopt a Resolution Approving Agreements with WGR Southwest, Inc., for Permit Compliance and Construction Project Plan Review and Inspection Support Services for the Phase II MS4 Storm Water Discharge Permit SD 14-10 and a Related Budget Amendment
- 4.8 ACCEPT SEWER FORCE MAIN CONSTRUCTED BY KNIFE RIVER CONSTRUCTION AT 11800 S. HARLAN ROAD MAIN  
Adopt a Resolution Accepting Improvements for the Sewer Force Main Improvements by UPS at 11800 S. Harlan Road
- 4.9 APPROVE DFIA 18-01 FOR 865 E. ROTH ROAD  
Adopt a Resolution Approving Deferred Frontage Improvement Agreement (DFIA) 18-01 with Sukhchain Gill, to Defer Frontage Improvements on Roth Road

**5. SCHEDULED ITEMS**

- 5.1 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME FUNDING ALLOCATIONS FOR FY 2018/2019  
Council to Consider the Following:
  - 1. Hold a Public Hearing; and
  - 2. Adopt Resolution Recommending the Allocation of the CDBG and HOME Funds for FY 2018/2019
- 5.2 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER AN ORDINANCE TO ADD CHAPTER 3.25 ENTITLED "SOUTH LATHROP SPECIFIC PLAN CAPITAL FACILITY FEES" TO TITLE 3, "REVENUE AND FINANCE" OF THE LATHROP MUNICIPAL CODE  
Council to Consider the Following:
  - 1. Hold a Public Hearing; and
  - 2. Consider an Ordinance to add chapter 3.25 entitled "South Lathrop Specific Plan Capital Facility Fees" to Title 3, "Revenue and Finance" of the Lathrop Municipal Code

- 5.3 PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER AN AMENDMENT TO TITLE 10, CHAPTER 10.24, SECTION 10.24:030 OF THE LATHROP MUNICIPAL CODE TO ADD A NO PARKING AREA ON LATHROP ROAD  
City Council to Consider the Following:
1. Hold a Public Hearing; and
  2. Introduction and First Reading of an Ordinance Amendment to Title 10, Chapter 10.24, Section 10.24.030 of the Lathrop Municipal Code to Add a No Parking Area on Lathrop Road Beginning at the Westerly Right-of-Way of Interstate 5 and Proceeding Approximately 8,300' East on Both Sides of Lathrop Road to the Eastern City Limits
- 5.4 BIENNIAL BUDGET FISCAL YEAR (FY) 2018 – 2019 MID-YEAR REPORT  
Adopt a Resolution Accepting the Biennial Budget FY 2018 – 2019 Mid-Year Report; Grade Step Table; and Staffing Requests
- 5.5 OUT-OF-STATE TRAVEL APPROVAL FOR THE 2018 SAN JOAQUIN COUNTY ONE-VOICE TRIP  
Adopt a Resolution Authorizing Out-of-State Travel for Up to Two Council Members and the City Manager to Attend the 2018 San Joaquin One Voice Trip to Washington, D.C. from April 15, 2018 to April 19, 2018, and Approving Related Budget Amendment

## 6. COUNCIL COMMUNICATIONS

- 6.1 MAYOR DHALI WAL REFERRAL: Set Application Deadline for Appointment of One (1) Member to the Youth Advisory Commission with Term Expiring May 30, 2018, due to Unexpired Term Vacancy
- 6.2 MAYOR & COUNCILMEMBER COMMITTEE REPORT(S)
- *Central Valley Executive Committee/LOCC (Salcedo/Akinjo)*
  - *Council of Governments (Dresser/Dhaliwal)*
  - *Integrated Waste Management Solid Waste Division (Akinjo/Elliott)*
  - *Reclamation District 17 Joint Powers Authority (Salvatore)*
  - *San Joaquin Partnership Board of Directors (Salvatore)*
  - *San Joaquin County Commission on Aging (Zavala)*
  - *San Joaquin Regional Rail Commission (Dresser)*
  - *San Joaquin Valley Air Pollution Control District (Akinjo/Dhaliwal)*
  - *Water Advisory Board (Dhaliwal/Elliott)*
  - *Tri Valley-San Joaquin Valley Regional Rail Authority (Akinjo/Dresser)*
  - *San Joaquin Area Flood Control Agency (Elliott/Dresser)*
- 6.3 MAYOR & COUNCILMEMBER COMMENT(S)

## 7. ADJOURNMENT

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

**CITY OF LATHROP  
CITY COUNCIL SPECIAL MEETING  
ADJOURNED REGULAR MEETING  
MONDAY, JANUARY 29, 2018  
7:00 P.M.  
COUNCIL CHAMBER, CITY HALL  
390 Towne Centre Drive  
Lathrop, CA 95330**

**MINUTES**

**PLEASE NOTE: There was no Closed Session. The Special Meeting and Regular Adjourned Meeting commenced at 7:05 p.m.**

**1. PRELIMINARY**

- 1.1 CALL TO ORDER – Mayor Dhaliwal called the meeting to order at 7:05 p.m.
- 1.2 ROLL CALL Present: Mayor Dhaliwal; Vice Mayor Elliott;  
Councilmembers: Akinjo and Dresser  
  
Absent: Councilmember Salcedo
- 1.3 INVOCATION – Pastor Bill Barnett, Grace Community Church, provided the invocation.
- 1.4 PLEDGE OF ALLEGIANCE – Pastor Bill Barnett led the pledge of allegiance.
- 1.5 ANNOUNCEMENT(S) BY MAYOR / CITY MANAGER - None
- 1.6 INFORMATIONAL ITEM(S) - None
- 1.7 DECLARATION OF CONFLICT(S) OF INTEREST – None

**2. PRESENTATIONS - None**

**3. CITIZEN'S FORUM**

Pat Withrow (Escalon, CA) spoke related to the City of Lathrop Police Services agreement with the San Joaquin County Sheriff's Office; spoke in support of the City continuing to use law enforcement services provided by the County; and requested Council hold their final decision until after the June 5, 2018 Primary Election. Mayor Dhaliwal asked City Attorney Salvador Navarrete to provide an overview of First Amendment Rights. Dan Thompson (Grupe Real Estate, Stockton, CA) representing Dan Doyle, spoke related a potential real estate transaction between Mr. Doyle and the Central Lathrop Specific Plan Developer.

Dan Doyle (Lathrop, CA) spoke related to an upcoming meeting scheduled with the City to discuss a potential real estate transaction of his property and the Central Lathrop Specific Plan Developer; and requested consideration of rezoning of his property. A question and answer period ensued. City Manager Stephen Salvatore provided additional information. Irene Torres (Lathrop, CA) spoke on various matters concerning the Lathrop Road Widening Project, including traffic safety; location of her property line; the City's right-a-way; opening of the second lane on Lathrop Road, and requested documents related to public utility easements and as-built plans. City Attorney Salvador Navarrete and City Manager Stephen Salvatore provided additional information. Margaret Luevano (Lathrop, CA) spoke on various matters concerning the Lathrop Road Widening Project; expressed discontent with the sidewalk improvements fronting her property; and expressed concern with traffic safety on Lathrop Road. A question and answer period ensued. Sharon Land (Lathrop, CA) read a letter expressing discontent with the Lathrop Road Widening Project; including RV access to her property; delivery access; and public parking near her property.

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

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

Ayes: Akinjo, Dresser, Elliott, and Dhaliwal  
Noes: None  
Absent: Salcedo  
Abstain: None

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

Waived the reading of ordinances and resolutions on agenda unless otherwise requested by the Mayor or a Councilmember.

##### **4.2 \*APPROVAL OF MINUTES**

Approved Minutes for the Special Council Meeting of December 11, 2017.

##### **4.3 APPROVAL OF MINUTES**

Approved Minutes for the Regular Council Meeting of December 18, 2017.

##### **4.4 \*SECOND READING AND ADOPTION OF ORDINANCE 18-384 ADOPTING A MUNICIPAL CODE AMENDMENT TO UPDATE VARIOUS SECTIONS TO STREAMLINE PROCEDURES, MINOR CLARIFICATIONS AND INCORPORATE UPDATED POLICIES**



**Adopted Ordinance 18-384** adopting various amendments to the Lathrop Municipal Code to modernize, simplify, and streamline various sections of Title 17 "Zoning", Section 10.25.030 and 10.25.100 of Title 10 "Vehicles and Traffic", Section 16.12.070 of Title 16 "Subdivisions", Section 8.16.020 of Title 8 "Health and Safety", and repeal of Chapter 8.25 of Title 8 "Health and Safety".

- 4.5 \*SECOND READING AND ADOPTION OF ORDINANCE 18-385 ADOPTING AN ORDINANCE OF THE LATHROP CITY COUNCIL TO AMEND CHAPTER 2.36 "PURCHASING SYSTEM" AND CHAPTER 3.30 "INFORMAL BIDDING" OF LATHROP MUNICIPAL CODE TO INCREASE CITY MANAGER'S APPROVAL LIMITS AND MODIFY PROCEDURES

**Adopted Ordinance 18-385** adopting an amendment to Chapter 2.36 "Purchasing System" and Chapter 3.30 "Informal Bidding" of the Lathrop Municipal Code to increase City Manager's approval limits and modify procedures.

- 4.6 \*CAPITAL FACILITY FEE FUNDS REPORT FOR FISCAL YEAR 2016 2017

Reviewed and accepted the Capital Facility Fee Funds Report for Fiscal Year 2016-2017.

- 4.7 \*APPROVE TASK ORDER NO. 8 WITH 4LEAF, INC. FOR INTERIM CHIEF BUILDING OFFICIAL CONSULTANT SERVICES

**Adopted Resolution 18-4333** approving Task Order No. 8 to the Master Professional Consulting Services Agreement with 4Leaf, Inc. dated September 21, 2015 for Interim Chief Building Official consulting services.

- 4.8 APPROVE TASK ORDER NO. 9 WITH MUNICIPAL RESOURCE GROUP, LLC

**Adopted Resolution 18-4334** approving Task Order No. 9 with Municipal Resource Group, LLC to evaluate potential law enforcement alternatives and related budget amendments.

- 4.9 RATIFY AGREEMENT WITH EKI ENVIRONMENT & WATER, INC. FOR BASIN BOUNDARY MODIFICATION FOR SUSTAINABLE GROUNDWATER MANAGEMENT ACT COMPLIANCE CIP PW 16-04

**Adopted Resolution 18-4335** ratifying an Agreement with EKI Environment & Water, Inc., to provide technical support services for a basin boundary modification for Sustainable Groundwater Management Act Compliance CIP PW 16-04.

- 4.10 RATIFY AMENDMENT NO. 1 WITH EKI ENVIRONMENT & WATER, INC. FOR WASTEWATER MASTER PLAN UPDATE WW 15-08 AND A RELATED BUDGET AMENDMENT

**Adopted Resolution 18-4336** ratifying Amendment No. 1 with EKI Environment & Water, Inc., for a wastewater flow monitoring study to support the Wastewater System Master Plan Update WW 15-08 and approved related budget amendment.

4.11 APPROVAL OF FINAL MAP AND SUBDIVISION IMPROVEMENT AGREEMENT (SIA) FOR 25 LOTS IN TRACT 3912 VILLAGE "O" WITHIN EAST VILLAGE DISTRICT

**Adopt Resolution 18-4337** approving Final Map for Tract 3912 Village "O" within East Village District, totaling 25 single family lots and a Subdivision Improvement Agreement with River Islands Development, LLC.

4.12 APPROVE STREET NAME RECOMMENDATIONS ASSOCIATED WITH THE STANFORD CROSSING PROJECT

- Adopted Resolution 18-4338** approving the two street name changes:
- "Lathrop Road" to "Spartan Way" from existing Land Park Drive to Barbara Terry Boulevard; and
  - "Land Park Drive" to "Stanford Crossing" from north of Spartan Way to Golden Valley Parkway

## 5. SCHEDULED ITEMS

5.1 \*URGENCY ORDINANCE MAKING FINDINGS AND EXTENDING AN EXISTING TEMPORARY MORATORIUM ON THE ESTABLISHMENT AND OPERATION OF COMMERCIAL CANNABIS ACTIVITIES FOR A PERIOD OF 22 MONTHS AND 15 DAYS

Community Development Director Rebecca Schmidt provided the presentation, including a summary of recently adopted Urgency Ordinance imposing a 45-day moratorium; and gave an overview of the proposed Urgency Ordinance extending the existing temporary moratorium on the establishment and operation of commercial cannabis activities, to become effective immediately for a period not to exceed 22 months and 15 days. A question and answer period ensued. City Attorney Salvador Navarrete provided additional information. Mayor Dhaliwal opened the public hearing. Justin Danner (The People's Remedy, Patterson, CA) withdrew request to speak and deferred comments to Item 5.2. There were no other speakers. Mayor Dhaliwal closed the public hearing. Councilmembers commented on the matter.

On a motion by Councilmember Dresser, seconded by Mayor Dhaliwal, the City Council:

1. Held a Public Hearing; and
2. Adopted **Urgency Ordinance 18-386** making findings and extending an existing temporary moratorium on the establishment and operation of commercial cannabis activities for a period of 22 months and 15 days.

Ayes: Akinjo, Dresser, Elliott, and Dhaliwal  
Noes: None  
Absent: Salcedo  
Abstain: None

5.2 \*PUBLIC HEARING TO CONSIDER ADOPTION OF AN ORDINANCE TO PROHIBIT COMMERCIAL CANNABIS ACTIVITIES IN THE CITY OF LATHROP

Community Development Director Rebecca Schmidt provided the presentation. A question and answer period ensued throughout the presentation. City Attorney Salvador Navarrete provided additional information.

Mayor Dhaliwal opened the public hearing. Justin Danner (The People's Remedy, Patterson, CA) spoke in support of commercial cannabis activities in the City of Lathrop. Alex Monceaux (GRD, Tracy, CA) spoke in support of commercial cannabis activities the City of Lathrop. A question and answer period ensued. City Attorney Salvador Navarrete and Police Chief James Hood provided additional information. Alan Monceaux (GRD, Tracy, CA) spoke in support of commercial cannabis activities in the City of Lathrop; provided information related to his cannabis distribution company. Bennie Gatto (Lathrop, CA) spoke in opposition to commercial cannabis activities in the City of Lathrop. There were no other speakers. Mayor Dhaliwal closed the public hearing.

Sharon Land (Lathrop, CA/ purple card not provided) requested to speak after the closure of the public hearing, spoke in support of medicinal cannabis. City Attorney Salvador Navarrete confirmed that the City abides with State approved regulations related to medicinal cannabis. Jennifer Luis (purple card not provided) requested to speak after the closure of the public hearing; provided information and spoke in favor of medicinal cannabis. There were no other requests to speak. Mayor Dhaliwal closed the second public hearing. Councilmembers commented on the matter.

On a motion by Councilmember Dresser, seconded by Vice Mayor Elliott, the City Council:

1. Held a Public Hearing; and
2. Introduced an Ordinance to modify Chapter 17.18 and add a new Chapter 5.26 to the Lathrop Municipal Code to prohibit the establishment and operation of commercial cannabis activities in the City of Lathrop.

Ayes: Akinjo, Dresser, Elliott, and Dhaliwal  
Noes: None  
Absent: Salcedo  
Abstain: None

5.3 \*REQUEST TO APPROVE AN AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT (JEPA) FOR THE SAN JOAQUIN AREA FLOOD CONTROL AGENCY (SJAFCA) TO ADD THE CITY OF LATHROP AND THE CITY OF MANTECA AS MEMBERS AND APPOINT TWO BOARD MEMBERS

*Mayor Dhaliwal stepped down from the dais at 8:53 p.m.*

City Engineer Glenn Gebhardt provided the presentation.

*Mayor Dhaliwal returned to the dais at 8:55 p.m.*

A question and answer period followed after the presentation.

On a motion by Councilmember Dresser, seconded by Councilmember Akinjo, the City Council adopted **Resolution 18-4339** approving an Amended and Restated Joint Exercise of Powers Agreement (JEPA) for the San Joaquin Area Flood Control Agency (SJAFCA) to add the City of Lathrop and the City of Manteca as Members.

Ayes: Akinjo, Dresser, Elliott, and Dhaliwal  
Noes: None  
Absent: Salcedo  
Abstain: None

Mayor Dhaliwal appointed Vice Mayor Elliott and Councilmember Dresser as the two Board Members to the San Joaquin Area Flood Control Agency.

On a motion by Councilmember Akinjo, seconded by Mayor Dhaliwal, the City Council ratified Mayor Dhaliwal's appointments.

Ayes: Akinjo, Dresser, Elliott, and Dhaliwal  
Noes: None  
Absent: Salcedo  
Abstain: None

*A public comment letter was received for Item 5.2 prior to the meeting, dated January 29, 2018, by Martin Harris representing Terra Land Group, LLC, an electronic copy was distributed to the City Council, and hard copies were made available to the public at the beginning of the meeting.*

5.4 APPLICATION FOR STATE OF CALIFORNIA LAND AND WATER CONSERVATION FUND GRANT APPLICATION FOR THE LATHROP COMMUNITY SPORTS PARK

Parks and Recreation Director Zach Jones provided the presentation. A question and answer period ensued throughout the presentation. City Manager Stephen Salvatore provided additional information. Council consensus agreed to pursue the grant opportunity and directed staff to continue discussions with the Rock Family on Dos Reis Road.

On a motion by Councilmember Dresser, seconded by Councilmember Akinjo, the City Council adopted **Resolution 18-4340** authorizing the submission of an application for the State of California Land and Water Conservation Funds for the Lathrop Community Sports Park Project.

Ayes: Akinjo, Dresser, Elliott, and Dhaliwal  
Noes: None  
Absent: Salcedo  
Abstain: None

## 6. COUNCIL COMMUNICATIONS

### 6.1 \*MAYOR DHALI WAL REFERRAL – Update Appointment of Alternate Representative to the New Tri-Valley – San Joaquin Valley Regional Rail Authority Board of Directors

Mayor Dhaliwal provided an overview. City Manager provided additional information. Mayor Dhaliwal updated the appointment of the alternate Representative to the new Tri-Valley – San Joaquin Valley Regional Rail Authority Board of Directors, and appointed Councilmember Dresser as the new alternative, replacing former alternate representative City Manager Stephen Salvatore.

On a motion by Vice Mayor Elliott, seconded by Mayor Dhaliwal, the City Council ratified Mayor Dhaliwal’s appointment.

Ayes: Akinjo, Dresser, Elliott, and Dhaliwal  
Noes: None  
Absent: Salcedo  
Abstain: None

### 6.2 MAYOR DHALI WAL REFERRAL – Solar Lighting Improvements at Mossdale Park

Mayor Dhaliwal provided an overview. Council consensus directed staff to agendize the item.

### 6.3 MAYOR & COUNCILMEMBER COMMITTEE REPORT(S)

Councilmember Akinjo reported his attendance to the League of California Cities Policy Executive Committee held January 18, 2018, in which revenue and taxation matters were discussed. Councilmember Akinjo also reported his attendance to the new Tri-Valley – San Joaquin Valley Regional Rail Authority Board of Directors meeting held on January 17, 2018 in Livermore, in which new board members were sworn into office. City Manager Stephen Salvatore provided additional information related to Assembly Bill No. 758, approved to establish the Tri-Valley – San Joaquin Valley Regional Rail Authority for purposes of providing connectivity between the Bay Area Rapid Transit and the Altamont Corridor Express commuter rail service in the Tri-Valley.

6.4 MAYOR & COUNCILMEMBER COMMENT(S)

Councilmember Dresser encouraged public input and thanked those in attendance. Councilmember Akinjo thanked those in attendance. Vice Mayor Elliott thanked those on attendance, wished Deputy Grubb a speedy recovery, and encouraged residents to report any suspicious activity to Lathrop Police Services. Mayor Dhaliwal expressed condolences to the Acosta Family for the loss of Mr. Aurelio Acosta.

7. **ADJOURNMENT** – There being no further business, Mayor Dhaliwal adjourned the meeting at 9:39 p.m. in memory of Aurelio Acosta.

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

**ORDINANCE NO. 18-387****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP MODIFYING CHAPTER 17.18 AND ADDING NEW CHAPTER 5.26 TO THE LATHROP MUNICIPAL CODE TO PROHIBIT THE ESTABLISHMENT AND OPERATION OF COMMERCIAL CANNABIS ACTIVITIES IN THE CITY OF LATHROP**

**WHEREAS**, the City of Lathrop Planning Commission held a duly noticed public hearing on December 13, 2017, at which they adopted PC Resolution No. 17-13 recommending City Council adopt Municipal Code Amendment No. TA-17-118 prohibiting commercial cannabis activities in the City of Lathrop pursuant to the Lathrop Municipal Code; and

**WHEREAS**, pursuant to Government Code section 65858, on December 18, 2017, the City Council adopted an Urgency Ordinance imposing a moratorium on the acceptance of applications and issuance of permits, business licenses or other applicable licenses or entitlements providing for the establishment and/or operation of commercial cannabis businesses; and

**WHEREAS**, the City of Lathrop City Council held a duly noticed public hearing at a special meeting on January 29, 2018 to review and consider the proposed Municipal Code Amendment; and

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

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

**WHEREAS**, in 1996, voters approved Proposition 215, which legalized the use of medicinal cannabis in California; and

**WHEREAS**, in 2015, California enacted three bills: AB 243, AB 266, and SB 64 that collectively established a comprehensive state regulatory framework for the licensing and enforcement of cultivation, manufacturing, retail sale, transportation, storage, delivery and testing of medicinal cannabis in California. This regulatory scheme is known as the Medicinal Cannabis Regulation and Safety Act (MCRSA); and

**WHEREAS**, on November 8, 2016, voters of the State of California enacted Proposition 64, the "Control, Regulate and Tax Adult Use of Marijuana Act" ("Prop 64" or "AUMA"). The AUMA established a comprehensive system to legalize, control, and regulate the cultivation, processing, manufacture, distribution, testing and sale of non-medical marijuana, including marijuana products, for use by adults 21 years and older, and to tax the growth and retail sale of marijuana for non-medical use; and

**WHEREAS**, in June 2017, the California State Legislature passed a budget trailer bill, Senate Bill 94, that integrated MCRSA and AUMA to create the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) contained in division 10 of the Business and Professions Code. Under MAUCRSA, a single regulatory system governs the medicinal and adult use cannabis industry in California; and

**WHEREAS**, the MAUCRSA creates a licensing system whereby the State will issue licenses to businesses authorizing them to cultivate, distribute, transport, store, manufacture, process, test and sell non-medical marijuana and marijuana products for adults 21 years of age and older, with such licenses to be issued by January 1, 2018. The state will not approve an application for a State license if approval of the license will violate the provisions of any local ordinance or regulation adopted in accordance with MAUCRSA; and

**WHEREAS**, the MAUCRSA does not limit the authority of a local governing body to adopt and enforce local ordinances regulating businesses licensed under MAUCRSA or to completely prohibit such businesses within the local jurisdiction to the full extent authorized to a local agency by the MAUCRSA; and

**WHEREAS**, on January 4, 2018, U.S. Attorney General Sessions issued a memorandum on federal marijuana enforcement policy announcing "a return to the rule of law and the rescission of previous guidance documents." The memo also stated that "since the passage of the Controlled Substances Act (CSA) in 1970, Congress has generally prohibited the cultivation, distribution, and possession of marijuana." In the memorandum, Attorney General Jeff Sessions directs all U.S. Attorneys to "enforce the laws enacted by Congress and to follow well-established principles when pursuing prosecutions related to marijuana activities... to disrupt criminal organizations, tackle the growing drug crisis, and thwart violent crime across our country." It is unclear how this recent direction by the U.S. Attorney General will be implemented in states and communities that allow commercial uses of marijuana; and

**WHEREAS**, the City has a compelling interest in protecting the public health, safety, and welfare of its residents and businesses, and to preserve the peace and integrity of neighborhoods within the City's jurisdiction; and

**WHEREAS**, the City of Lathrop's Municipal Code does not list commercial cannabis activities as an allowed use, expressly prohibits businesses and other activities considered illegal under local, state, and federal law and does not contain any provisions with regards to the regulation and location of commercial cannabis activities; and



**WHEREAS**, the City Council desires to (1) address the community concerns regarding the establishment and operation of commercial cannabis, (2) study the potential impacts the commercial cannabis activities may have on the public health, safety and welfare, (3) study and determine what local regulations may be appropriate or necessary for commercial cannabis, (4) study and determine the appropriate zoning and location for commercial cannabis, and (5) determine appropriate controls for protection of public health and welfare; and

**WHEREAS**, pursuant to the City's police powers authorized in Article XI, Section 7 of the California Constitution, as well as under the Lathrop Municipal Code, the City Council has the power to regulate permissible land uses throughout the City and to enact regulations for the preservation of public health, safety, and welfare, such as this Ordinance prohibiting the establishment and operation of commercial cannabis activities within the City; and

**WHEREAS**, the City Council finds that the proposed code amendment is consistent with applicable provisions of the Lathrop General Plan; and

**WHEREAS**, proper notice of this public hearing was given in all respects pursuant to Government Code section 65090, and has duly considered all written and verbal testimony presented during the hearing; and

**WHEREAS**, the proposed Ordinance is exempt according to the California Environmental Quality Act (CEQA) Article 5 §15061 by the "General Rule" that CEQA applies only to projects that have a potential for causing a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, does hereby approve the Municipal Code Amendment as shown in Attachment 3 of the staff report, incorporated by reference herein.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Lathrop does hereby ordain as follows:

1. The Lathrop Municipal Code is hereby amended as shown in Attachment "3" incorporated by reference herein.
2. This ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the city or any officer or employee thereof a mandatory duty of care toward persons and property within or without the city so as to provide a basis of civil liability for damages, except as otherwise imposed by law.
3. **Severability.** If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the Ordinance, including the application of such part or provision to other persons or circumstances shall not

be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid, or unenforceable.

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

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

**THIS ORDINANCE** was regularly introduced at a meeting of the City Council of the City of Lathrop on the 29<sup>th</sup> day of January 2018, and was **PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Lathrop on 12<sup>th</sup> day of February 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

**ATTEST:**

**APPROVED AS TO FORM:**

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

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

**(NEW) Chapter 5.26 PROHIBITION AGAINST COMMERCIAL CANNABIS**

**5.26.010 Purpose.**

The purpose of this chapter is to promote the public health, safety, and general welfare, and to enact a complete and total prohibition of commercial cannabis activity the City of Lathrop.

**5.26.020 Definitions.**

“Cannabis” means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this division, “cannabis” does not mean “industrial hemp” as defined by Section 11018.5 of the CA Health and Safety Code.

“Cannabis for Personal Use” means any use or possession of cannabis that does not require a license pursuant to Chapter 1 of Division 10 of the CA Business and Professions Code.

“Commercial Cannabis” means any activity including cultivation, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, dispensaries, collectives, cooperatives and sale of cannabis or cannabis products that requires a state license.

“Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)” means Senate Bill 94 contained in division 10 of the CA Business and Professions Code.

**5.26.030 Prohibition.**

A. Commercial cannabis activities of all types including, but not limited to, dispensaries, collectives, cooperatives, transportation, distribution, manufacturing, delivery, storing, testing, sale, processing and cultivation are expressly prohibited within the City limits. No person shall establish, operate, conduct, or allow any commercial cannabis (marijuana) activity anywhere within the City.

B. This section is meant to prohibit all activities for which a state license is required. Accordingly, the City shall not issue any permit, license, authorization or other entitlement for any activity for which a state license is required under MAUCRSA.

C. This section is not intended to prohibit cannabis for personal use or cannabis cultivation for personal use as set forth in Chapter 8.44 of the LMC.

**Attachment 3 to Ordinance 18-387**

- D. This section is not intended to prohibit any of the following:
1. A clinic licensed pursuant to Chapter 1 of Division 2 of the CA Health and Safety Code.
  2. A residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the CA Health and Safety Code.
  3. A residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the CA Health and Safety Code.
  4. A residential hospice or a home health agency licensed pursuant to Chapter 8 and Chapter 8.5 of Division 2 of the CA Health and Safety Code.
  5. The cultivation, delivery, gift, or furnishing of cannabis by a qualified patient, a primary caregiver, or other person with an identification card as defined by Section 11362.7 of Health and Safety Code provided such activity complies strictly with all applicable state law, including but not limited to, Sections 11362.5 and 11362.765 of the CA Health and Safety Code.

**5.26.040 Public Nuisance.**

Any use or condition caused, or permitted to exist, in violation of any provision of this chapter shall be, and hereby is declared to be, a public nuisance and may be summarily abated by the City pursuant to CA Code of Civil Procedure Section 731 or any other remedy available to the City.

**(REVISED) Chapter 17.18 PROHIBITED CANNABIS ACTIVITIES**

**17.18.010 Purpose.**

The purpose of this chapter is to promote the public health, safety, and general welfare, and to enact a complete and total prohibition of commercial cannabis activity the City of Lathrop.

**17.18.020 Definitions.**

“Cannabis” means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this division, “cannabis” does not mean “industrial hemp” as defined by Section 11018.5 of the CA Health and Safety Code.

“Cannabis for Personal Use” means any use or possession of cannabis that does not require a license pursuant to Chapter 1 of Division 10 of the CA Business and Professions Code.

“Commercial Cannabis” means any activity including cultivation, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, dispensaries, collectives, cooperatives and sale of cannabis or cannabis products that requires a state license.

“Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)” means Senate Bill 94 contained in division 10 of the CA Business and Professions Code.

**17.18.030 Prohibition.**

A. Commercial cannabis activities of all types including, but not limited to, dispensaries, collectives, cooperatives, transportation, distribution, manufacturing, delivery, storing, testing, sale, processing and cultivation are expressly prohibited within the City limits. No person shall establish, operate, conduct, or allow any commercial cannabis (marijuana) activity anywhere within the City.

B. This section is meant to prohibit all activities for which a state license is required. Accordingly, the City shall not issue any permit, license, authorization or other entitlement for any activity for which a state license is required under MAUCRSA.

C. This section is not intended to prohibit cannabis for personal use or cannabis cultivation for personal use as set forth in Chapter 8.44 of the LMC.

## Attachment 3 to Ordinance 18-387

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  3. A residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the CA Health and Safety Code.
  4. A residential hospice or a home health agency licensed pursuant to Chapter 8 and Chapter 8.5 of Division 2 of the CA Health and Safety Code.
  5. The cultivation, delivery, gift, or furnishing of cannabis by a qualified patient, a primary caregiver, or other person with an identification card as defined by Section 11362.7 of Health and Safety Code provided such activity complies strictly with all applicable state law, including but not limited to, Sections 11362.5 and 11362.765 of the CA Health and Safety Code.

### **17.18.040 Public Nuisance.**

Any use or condition caused, or permitted to exist, in violation of any provision of this chapter shall be, and hereby is declared to be, a public nuisance and may be summarily abated by the City pursuant to CA Code of Civil Procedure Section 731 or any other remedy available to the City



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## Quarterly Investment Report

### December 2017

This report presents a detailed discussion of the City's investment portfolio as of December 31, 2017. It includes all investments managed by the City on its own behalf as well as the City's Trustees. The report provides information on cash flows, broken down by both investment manager (City or Trustee) and by percentage allocation within the portfolio.

As of December 31, 2017, the investment portfolio was in compliance with all state laws and the City's Investment Policy (see Attachment 1).

#### **Current Portfolio Summary**

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

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

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

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

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

The following table (Table: 1) provides a summary of the City's cash and investments, by holding party, based on recorded value as of December 31, 2017 compared with the prior quarter:

	<b>September 30, 2017</b>		<b>December 31, 2017</b>	
<b>Holding Party</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	\$79,525,383	67%	\$72,310,491	65%
Investments held by Trustees	\$38,345,718	33%	\$38,594,717	35%
<b>TOTAL</b>	<b>\$117,871,101</b>	<b>100%</b>	<b>\$110,905,208</b>	<b>100%</b>

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

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

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

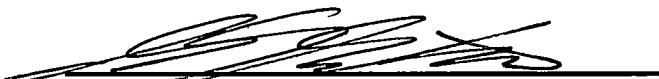
Significant payables paid out during the quarter include:

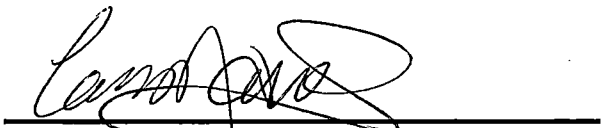
- I. Nonrecurring Expenditure Capital Improvement Projects – General Government, Parks, Streets, Water, and Wastewater
- II. Recurring Expenditures
  - a. Contractual – Park & Street Landscaping, and Water Treatment Services
  - b. Intergovernmental payments – San Joaquin County (Police Services), Lathrop Manteca Fire District

**Quarterly Economic Update**

According to the latest projections from the business Forecasting Center at the University of the Pacific, California’s economy will maintain steady growth despite a slight slowdown at the beginning of the year. Consumer spending and residential investment, which were expected to drive growth in 2017, have increased less than expected but remain well positioned to support future growth. Regionally, the Central Valley is expected to show job growth due to the booming logistics sector as it has added jobs to the trucking and warehousing industry. In addition, the Center estimates that most Central Valley metro areas will average single-digit unemployment in 2017. The strengthening housing market is lending support to manufacturing, which was hit by deep federal government spending cuts and slowing global demand. Locally, the San Joaquin Valley area experienced a decrease in unemployment rates (San Joaquin County: 6.6%; City of Lathrop: 6.4%). While these rates are within the forecasted levels, caution is key to carry out with the business demands of the City.

I certify that all of the investments reported herein are in accordance with the "City of Lathrop Investment Policy" adopted on November 5, 2012, with the Government Code, and other contractual agreements. I further certify the investments reported herein provide for the ability of the City to meet cash flow needs for the next six months.

  
 Stephen Salvatore  
 City Manager

  
 Cari James  
 Director of Finance



**TABLE: 2**  
**CITY OF LATHROP**  
**Summary of All Investments**  
**As of December 31, 2017**

<b>City Held Investments</b>	<b>Recorded Value</b>	<b>Current Yield</b>	<b>Percent of Portfolio</b>	<b>Market Value</b>
Local Agency Investment Fund	\$ 50,683,280	0.228%	55.06%	\$ 50,683,280
Wells Fargo Money Market Mutual Funds	\$ 2,780,161	0.000%	3.02%	\$ 2,780,161
<b>Total Investments Held by the City (1)</b>	<b>\$ 53,463,441</b>	<b>0.216%</b>	<b>58.08%</b>	<b>\$ 53,463,441</b>

<b>Trustee Held Investments</b>	<b>Recorded Value</b>	<b>Current Yield</b>	<b>Percent of Portfolio</b>	<b>Market Value</b>
Union Bank	\$ 7,107,272	0.027%	7.72%	\$ 7,107,272
UMB Bank	\$ 417,902	0.000%	0.45%	\$ 417,902
US Bank	\$ 11	0.025%	0.00%	\$ 11
SJ County Pooled Funds	\$ 276,692	0.260%	0.30%	\$ 276,692
PFM Asset Management	\$ 30,301,131	0.000%	32.92%	\$ 30,301,131
BBVA Compass Bank	\$ 491,708	0.230%	0.53%	\$ 491,708
<b>Total Investments Held by Trustees (2)</b>	<b>\$ 38,594,717</b>	<b>0.010%</b>	<b>41.92%</b>	<b>\$ 38,594,717</b>

<b>Total City &amp; Trustee Held Investments &amp; Cash</b>	<b>Recorded Value</b>	<b>Current Yield</b>	<b>Percent of Portfolio</b>	<b>Market Value</b>
Investments Held by the City and Trustees	\$ 92,058,158	0.130%	100.00%	\$ 92,058,158
Cash in Checking Accounts - Recorded Value	\$ 18,847,050			
<b>Total Cash and Investments</b>	<b>\$ 110,905,207</b>			

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

**Notes:**

- (1) See Table: 4 for detailed investments held by the City.  
(2) See Table: 5 for detailed investments held by Trustees.

**TABLE: 3**  
**CITY OF LATHROP**  
**Investments Cash Flow Analysis**  
**As of December 31, 2017**

<b>Investments Held by the City</b>	<b>Prior Month Recorded Value</b>	<b>Purchased (Buy)</b>	<b>Redeemed (Sell)</b>	<b>Current Month Recorded Value</b>
Local Agency Investment Fund (1)	\$ 50,683,280	-	-	\$ 50,683,280
Wells Fargo Money Market Mutual Funds (2)	\$ 2,778,288	1,873	-	\$ 2,780,161
<b>Total Investments Held by the City</b>	<b>\$ 53,461,568</b>	<b>1,873</b>	<b>-</b>	<b>\$ 53,463,441</b>

<b>Investments Held by Trustees</b>	<b>Prior Month Recorded Value</b>	<b>Purchased (Buy)</b>	<b>Redeemed (Sell)</b>	<b>Current Month Recorded Value</b>
BBVA Compass Bank	\$ 491,333	376		\$ 491,708
SJ County Pooled Funds	\$ 237,496	64,794	(25,598)	\$ 276,692
UMB Bank	\$ 419,001	157	(1,256)	\$ 417,902
Union Bank (3)	\$ 6,803,694	303,577		\$ 7,107,272
US Bank	\$ 11			\$ 11
PFM Asset Management	\$ 30,230,225	3,982,650	(3,911,743)	\$ 30,301,131
<b>Total Investments Held by Trustees</b>	<b>\$ 38,181,759</b>	<b>\$ 4,351,553</b>	<b>\$ (3,938,596)</b>	<b>\$ 38,594,717</b>

<b>Total Cash in Checking Accounts Held by the City (2)</b>	<b>\$ 21,116,999</b>	<b>4,350,363</b>	<b>(6,620,312)</b>	<b>\$ 18,847,050</b>
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<b>Total Cash and Investments Held by the City and Trustees</b>	<b>\$ 112,760,327</b>	<b>\$ 8,703,789</b>	<b>\$ (10,558,909)</b>	<b>\$ 110,905,208</b>
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**Notes:**

(1) LAIF interest income is paid quarterly (Mar/Jun/Sept/Dec) and received in the following month (Apr/Jul/Oct/Jan).

(2) Property Tax, Building permit revenue, TOT, Developer payments, and Utility payments; nonrecurring expenses paid during the month: General government, Parks, Streets, Wastewater, and Water CIPs; also, recurring expenses: Park & street landscape maintenance, and water treatment services; lastly, intergovernmental payments and transfers: Police Services expenses, and SSJID SCSWSP O & M expenses.

(3) Interest earnings, debt service payments.

**TABLE: 4**  
**CITY OF LATHROP**  
**Investment Held by City Detail**  
**As of December 31, 2017**

Agency (Broker)	Investment Description	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date	Market Value (No Accruals)	Recorded Value
<b>Local Agency Investment Fund</b>							
	Money Market Fund City Acct No. 98-39-437	N/A	0.257%	Varies	On Demand	50,683,280	50,683,280
						<b>\$ 50,683,280</b>	<b>\$ 50,683,280</b>
<b>Wells Fargo Mutual Funds</b>							
	Money Market Mutual Fund City Acct No. 12641627	N/A	0.000%	Varies	On Demand	2,780,161	2,780,161
						<b>\$ 2,780,161</b>	<b>\$ 2,780,161</b>
<b>TOTAL INVESTMENTS HELD BY CITY</b>						<b>\$ 53,463,441</b>	<b>\$ 53,463,441</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee Detail**  
**As of Decemeber 31, 2017**

Investment Description	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>Investments Held by Union Bank by Account</b>						
<i><b>03-1 Series 2015 - Mossdale Village Assessment District</b></i>						
Mossdale Village Assessment Dist. No. 03-1 Series 2015 - Redemption Fund		0.010%	10/18/05	On Demand	\$ 60	\$ 60
Mossdale Village Assessment Dist. No. 03-1 Series 2005/2015 - Reserve Fund		0.010%	10/18/05	On Demand	\$ 241,078	\$ 241,078
<i><b>2000 North Harlan Improvement District 99-01</b></i>						
Money Market - Reserve Account		0.010%	7/12/00	On Demand	\$ 92,450	\$ 92,450
Money Market - Redemption Account		0.010%	7/12/00	On Demand	\$ 22	\$ 22
<i><b>2003-2A Lathrop CFD</b></i>						
Money Market- Interest Account		0.010%	12/12/03	On Demand	\$ 26	\$ 26
LAIF - Interest Account		0.257%	03/19/03	On Demand	\$ 720,508	\$ 720,508
<i><b>CDPH/CDWR - SRF Loan</b></i>						
Agreement Account		0.000%	12/22/10	On Demand	\$ 298,822	\$ 298,822
Agreement Account - Reserve Fund		0.000%	12/22/10	On Demand	\$ 602,330	\$ 602,330
<i><b>2013-1 Mossdale Village</b></i>						
2013-1 Refunding Improvement Bonds		0.000%	10/1/13	On Demand	\$ 172	\$ 172
2013-1 Refunding Improvement Bonds		0.000%	10/1/13	On Demand	\$ 949,648	\$ 949,648
<i><b>2013-1 Special Tax Bonds</b></i>						
2013-1 Mossdale Special Tax		0.000%	10/1/13	On Demand	\$ 55	\$ 55
2013-1 Mossdale Special Tax		0.000%	10/1/13	On Demand	\$ 1	\$ 1
2013-1 Mossdale Special Tax		0.000%	10/1/13	On Demand	\$ 265,245	\$ 265,245
<i><b>2015 Crossroads Series B</b></i>						
2015 Crossroads Series B - LOIB RDP		0.000%	9/1/15	On Demand	\$ 308	\$ 308
2015 Crossroads Series B - LOIB Reserve		0.000%	9/1/15	On Demand	\$ 744,369	\$ 744,369
2015 Crossroads Series B - Improvements		0.000%	9/1/15	On Demand	\$ 3,192,179	\$ 3,192,179
2015 Crossroads Series B - COI Custodian Agreement		0.000%	9/1/15	On Demand	\$	\$ -
<b>Total Investments Held by Trustee - Union Bank</b>					<b>\$ 7,107,272</b>	<b>\$ 7,107,272</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee Detail**  
**As of Decemeber 31, 2017**

Investment Description	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>Investments Held by BBVA Compass Bank by Account</b>						
<i>2012 Water Loan (Refunding of 2000 Water COPs)</i>						
Certificate of Deposit - Reserve Fund		0.230%	4/24/13	4/24/14	\$ 491,708	\$ 491,708
<b>Total Investments Held by Trustee -BBVA Compass Bank</b>					<b>\$ 491,708</b>	<b>\$ 491,708</b>
<b>Investments Held by UMB Bank by Account</b>						
<i>2006-1 Central Lathrop Phase I Infrastructure CFD</i>						
Special Tax Fund		0.000%	9/12/06	On Demand	\$ 294,832	\$ 294,832
Interest Fund		0.000%	9/12/06	On Demand	\$ 1	\$ 1
TTEE Fee & Comp Exp		0.002%	9/12/06	On Demand	\$ 123,018	\$ 123,018
Reserve Fund		0.000%	9/12/06	On Demand	\$ 0	\$ 0
Improvement Fund		0.000%	9/12/06	On Demand	\$ 51	\$ 51
<b>Total Investments Held by Trustee - UMB Bank</b>					<b>\$ 417,902</b>	<b>\$ 417,902</b>
<b>Investments Held by US Bank by Account</b>						
<i>2001A Crossroads Assessment District (Reassessment &amp; Refunding)</i>						
Money Market - Redemption Account		0.000%	12/3/01	On Demand	\$ 11	\$ 11
LAIF - Reserve Account		0.257%	12/3/01	On Demand	\$ 0	\$ 0
<b>Total Investments Held by Trustee - US Bank</b>					<b>\$ 11</b>	<b>\$ 11</b>
<b>Investments Held by San Joaquin County by Account</b>						
<i>Sanitary Sewer Assessment District #1</i>						
Pooled Funds - Redemption Account		0.260%	10/1/87	On Demand	\$ 276,692	\$ 276,692
<b>Total Investments Held by Trustee -San Joaquin County</b>					<b>\$ 276,692</b>	<b>\$ 276,692</b>

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee Detail**  
**As of Decemeber 31, 2017**

Investment Description	CUSIP	Current Yield	Purchase	Maturity Date	Value	Recorded Value
<b>Investments Held by PFM Asset Management by Account</b>						
<i>PFM Asset Management</i>						
Money Market Fund		0.000%	5/28/15	05/28/15	\$ 5,861	\$ 5,861
US Treasury Notes	912828P53	0.75%	2/15/16	2/15/19	\$ 790,313	\$ 790,313
US Treasury Notes	912828D23	1.63%	11/10/16	4/30/19	\$ 144,553	\$ 144,553
US Treasury Notes	912828TC4	1.00%	12/1/16	6/30/19	\$ 1,185,047	\$ 1,185,047
US Treasury Notes	9128282K5	1.38%	7/31/17	7/31/19	\$ 297,738	\$ 297,738
US Treasury Notes	912828WW6	1.63%	7/31/14	7/31/19	\$ 647,613	\$ 647,613
US Treasury Notes	912828UL2	1.38%	1/31/13	1/31/20	\$ 410,607	\$ 410,607
US Treasury Notes	912828H52	1.25%	12/1/16	1/31/20	\$ 888,082	\$ 888,082
US Treasury Notes	912828H52	1.25%	2/2/15	1/31/20	\$ 1,776,164	\$ 1,776,164
US Treasury Notes	912828W22	1.38%	2/15/17	2/15/20	\$ 791,187	\$ 791,187
US Treasury Notes	912828J84	1.38%	3/31/15	3/31/20	\$ 1,185,937	\$ 1,185,937
US Treasury Notes	912828K58	1.38%	4/30/15	4/30/20	\$ 987,617	\$ 987,617
US Treasury Notes	912828XE5	1.50%	6/1/15	5/31/20	\$ 420,816	\$ 420,816
US Treasury Notes	912828XH8	1.63%	6/30/15	6/30/20	\$ 1,513,741	\$ 1,513,741
US Treasury Notes	912828XM7	1.63%	7/31/15	7/31/20	\$ 744,229	\$ 744,229
US Treasury Notes	912828L32	1.38%	8/31/15	8/31/20	\$ 1,034,661	\$ 1,034,661
US Treasury Notes	912828L99	1.38%	10/31/15	10/31/20	\$ 1,033,060	\$ 1,033,060
US Treasury Notes	912828M98	1.63%	11/30/15	11/30/20	\$ 593,977	\$ 593,977
US Treasury Notes	912828N48	1.75%	12/31/15	12/31/20	\$ 804,368	\$ 804,368
US Treasury Notes	912828N48	1.75%	12/31/15	12/31/20	\$ 1,142,004	\$ 1,142,004

**TABLE: 5**  
**CITY OF LATHROP**  
**Investments Held by Trustee Detail**  
**As of Decemeber 31, 2017**

Investment Description	CUSIP	Current Yield	Purchase Date	Maturity Date	Value	Recorded Value
<b>Federal Agency Bond/Note</b>						
FHLMC Reference Note	3137EAEA3	0.83%	4/7/16	4/9/18	\$ 74,862	\$ 74,862
FHLB Global Notes	3130A9AE1	0.88%	8/26/16	10/01/18	\$ 1,097,647	\$ 1,097,647
FHLMC Reference Note	3137EAED7	0.88%	9/16/16	10/12/18	\$ 993,075	\$ 993,075
FHLB Notes	3130AAE46	1.25%	12/7/16	01/16/19	\$ 551,513	\$ 551,513
FNMA Benchmark Note	3135G0J53	1.00%	2/19/16	2/26/19	\$ 495,274	\$ 495,274
FNMA Benchmark Note	3135G0J53	1.00%	4/28/16	2/26/19	\$ 2,951,830	\$ 2,951,830
FHLMC Notes	3137EACA5	3.75%	3/2/16	3/27/19	\$ 1,008,033	\$ 1,008,033
Freddie Mac Notes	3137EADZ9	1.13%	4/27/16	4/15/19	\$ 148,627	\$ 148,627
FHLB Global Notes	3130A8DB6	1.13%	6/2/16	6/21/19	\$ 346,242	\$ 346,242
FHLB Global Notes	3130A8DB6	1.13%	6/27/16	6/21/19	\$ 766,680	\$ 766,680
FHLB Global Notes	3130A8DB6	1.13%	6/3/16	6/21/19	\$ 1,013,996	\$ 1,013,996
FHLMC Reference Note	3137EAEB1	0.88%	7/20/16	7/19/19	\$ 280,544	\$ 280,544
FHLMC Reference Note	3137EAEB1	0.88%	10/3/16	7/19/19	\$ 885,928	\$ 885,928
FNMA Benchmark Note	3135G0N33	0.88%	8/2/16	08/02/19	\$ 885,576	\$ 885,576
FNMA Notes	3135G0P49	1.00%	9/2/16	08/28/19	\$ 1,517,283	\$ 1,517,283
FNMA Notes	3135G0T29	1.50%	2/28/17	2/28/20	\$ 296,887	\$ 296,887
FHLMC Agency Notes	3137EAEF2	1.38%	4/20/17	4/20/20	\$ 492,933	\$ 492,933
<b>Interest</b>						
Accrued Interest					\$ 96,628	\$ 96,628
<b>Total Investments Held by Trustee -PFM Asset Management</b>					<b>\$ 30,301,131</b>	<b>\$ 30,301,131</b>
<b>Total Investments Held by Trustees</b>					<b>\$ 38,594,717</b>	<b>\$ 38,594,717</b>

\* Investments made per CLSP Bond Indenture

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**CITY MANAGER’S REPORT  
FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING**

**ITEM:** **APPROVE AMENDMENTS WITH EKI ENVIRONMENT & WATER, INC. (EKI) FOR THE INTEGRATED WATER RESOURCE MASTER PLAN, (IWRMP) PW 10-10 & WW 15-08 AND A RELATED BUDGET AMENDMENT**

**RECOMMENDATION:** **Adopt a Resolution Approving Amendments with EKI for the IWRMP Update PW 10-10 and WW 15-08 and a Related Budget Amendment:**

- 1. Amendment No. 2 for Hydraulic Modeling Evaluations and IWRMP Revisions to Include California Military Department Cantonment at the Former Army Sharpe Depot**
- 2. Amendment No. 3 for Tracking Tool Development for Water and Sewer Allocations**

**SUMMARY:**

A comprehensive update to the City’s water, sewer and recycled water master plan documents is needed to forecast and update water and sewer demand projections, address changes in regulatory requirements, population and growth projections, proposed land use, climate change and other factors. Collectively, these documents are known as the Integrated Water Resources Master Plan (IWRMP), which will be a component of the City’s General Plan, to be used as the basis for regulatory compliance documents, and to support utility operations, budget, rate studies, land use planning and development fees

Amendments No. 2 and No. 3 with EKI to the Integrated Water Resources Master Plan (IWRMP) Update PW 10-10 and WW 15-08 and a related budget amendment are needed to include the California Military Department’s (CMD’s) cantonment at the former Sharpe Army Depot, and to develop a tracking tool needed to compile and track the City’s water and wastewater allocations on a parcel level. The cost for Amendment No.2 for the IWRMP revisions to include the CMD cantonment is \$12,100, and the cost for Contract Amendment No. 3 for the water/sewer allocation tracking tool is \$15,500 for a total cost of \$27,600.

A budget amendment is requested to transfer funds from the following funds to IWRMP PW 10-10 and WW 15-08.

Fund 5600	Fund 6110	Fund 6060
Water System Capital Replacement	MBR Plant #1 West Sewer	Wastewater System Capital Replacement
\$9,108	\$9,246	\$9,246

**CITY MANAGER'S REPORT** **PAGE 2**  
**FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING**  
**APPROVE AMENDMENT NO. 2 AND NO. 3 WITH EKI FOR IWRMP PW 10-10**  
**& WW 15-08 AND A RELATED BUDGET AMENDMENT**

**BACKGROUND:**

A comprehensive update to the City's water, sewer and recycled water master plan documents is needed to forecast and update water and sewer demand projections, address changes in regulatory requirements, population and growth projections, proposed land use, climate change and other factors. Collectively, these documents known as the IWRMP, which are to be a component of the City's General Plan and will be used as the basis for regulatory compliance documents, and are used to support utility operations, budget, rate studies, land use planning and development fees. In May 2016, the City approved an agreement with EKI to prepare the IWRMP. The draft water system and sewer system master plans are now complete, and the recycled water system master plan is in progress.

Upon completion of the draft recycled water master plan, staff intends to issue a request for proposals to environmental consultants to prepare the CEQA analysis.

In addition, a wastewater flow monitoring study is underway to confirm key assumptions and recommended projects included in the draft wastewater system master plan. This flow monitoring study is being performed under Amendment No. 1 to the 2016 agreement with EKI to prepare the IWRMP.

During the initial data collection phase of the IWRMP, it was anticipated that the study would include incorporation of the former Sharpe Army Depot and military officials were requested to provide data for their projected land use, water demands and sewer flows. However, the data for the projected uses of the northern portion of the site near Roth Road, was not received from the CMD until recently, after the wastewater draft master plan was completed. EKI has requested a budget amendment to revise the hydraulic modeling evaluations and IWRMP revisions to include the new projected water demands and sewer flows. This work is proposed to be done under Amendment No. 2 to the agreement with EKI.

To date, City staff has been using a variety of spreadsheets and historic documents to track water and sewer allocations that are allocated to parcels or to developers for use on their projects. The City has a need for a tool to compile and track these water and sewer allocations on a parcel basis, and to developers through developer agreements or infrastructure financing agreements. At the request of staff, EKI has provided a proposal to develop a Tracking Tool, and this work is proposed to be done under Amendment No. 3 to the agreement with EKI for the IWRMP.

**RECOMMENDATION:**

Staff recommends City Council Approve Amendment No. 2 and No. 3. with EKI for the IWRMP Update PW 10-10 and WW 15-08 and a related budget amendment is requested to include the CMD's cantonment at the former Sharpe Army Depot, and to develop a tracking tool needed to compile and track the City's water and wastewater allocations on a parcel level.

**CITY MANAGER'S REPORT** **PAGE 3**  
**FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING**  
**APPROVE AMENDMENT NO. 2 AND NO. 3 WITH EKI FOR IWRMP PW 10-10**  
**& WW 15-08 AND A RELATED BUDGET AMENDMENT**

**FISCAL IMPACT:**

The cost for Amendment No. 2 for the IWRMP revisions to include the CMD cantonment is \$12,100, and the cost for Amendment No. 3 for the water/sewer allocation tracking tool is \$15,500 for a total cost of \$27,600.

The cost of these services may be paid from the following budget amendment requested to transfer \$9,108 funds from Fund 5600 to the Water Master Plan Update PW 10-10 and \$9,246 from Fund 6110 and \$9,246 from Fund 6060 to pay for the Wastewater and Recycled Water Master Plan updates of the IWRMP:

Staff requests the following budget Amendment:


Increase Transfer Out	5600-9900-990-9010	\$ 9,108
	6110-9900-990-9010	\$ 9,246
	6060-9900-990-9010	\$ 9,246
Increase Transfer In	5690-9900-393-0000	\$ 9,108
	6090-9900-393-0000	\$18,492
Increase Appropriation	5690-8000-420-8600, PW 10-10	\$ 9,108
	6090-8000-420-8600, WW 15-08	\$18,492

**ATTACHMENTS:**

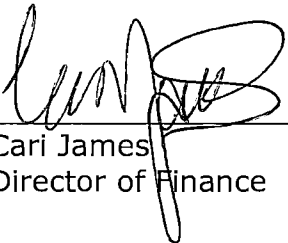
- A. Resolution Approving Amendment No. 2 and No. 3 with EKI Environment & Water, Inc., for the Integrated Water Resources Master Plan Update PW 10-10 and WW 15-08 and a Related Budget Amendment
- B. Amendment No. 2 to Agreement with EKI for Hydraulic Modeling Evaluations and IWRMP Revisions to Include CMD Cantonment at the Former Sharpe Depot PW 10-10 and WW 15-08
- C. Amendment No. 3 to Agreement with EKI for Tracking Tool Development for Water and Sewer Allocations PW 10-10 and WW 15-08

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING**  
**APPROVE AMENDMENT NO. 2 AND NO. 3 WITH EKI FOR IWRMP PW 10-10**  
**& WW 15-08 AND A RELATED BUDGET AMENDMENT**

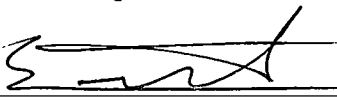
**APPROVALS:**

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

2/1/18  
\_\_\_\_\_  
Date

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

2/1/18  
\_\_\_\_\_  
Date

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

2-6-18  
\_\_\_\_\_  
Date

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

2-6-18  
\_\_\_\_\_  
Date

**RESOLUTION NO. 18 - \_\_\_\_\_**

**A RESOLUTION APPROVING AMENDMENTS WITH EKI FOR THE INTEGRATED WATER RESOURCE MASTER PLAN UPDATE PW 10-10 AND WW 15-08 AND A RELATED BUDGET AMENDMENT:**

- 1. AMENDMENT NO. 2 FOR HYDRAULIC MODELING EVALUATIONS AND IWRMP REVISIONS TO INCLUDE CMD CANTONMENT AT THE FORMER SHARPE ARMY DEPOT**
- 2. AMENDMENT NO. 3 FOR TRACKING TOOL DEVELOPMENT FOR WATER AND SEWER ALLOCATIONS**

**WHEREAS**, a comprehensive update to the City's water, sewer and recycled water master plan documents is needed to forecast and update water and sewer demand projections, address changes in regulatory requirements, population and growth projections, proposed land use, climate change and other factors; and

**WHEREAS**, collectively, these documents are known as the Integrated Water Resources Master Plan (IWRMP), which will be a component of the City's General Plan, to be used as the basis for regulatory compliance documents, and to support utility operations, budget, rate studies, land use planning and development fees; and

**WHEREAS**, in May 2016, the City approved an agreement with EKI Environment & Water, Inc. (EKI) to prepare the IWRMP, and EKI has completed the draft water and sewer master plans and the draft recycled water master plan is in progress; and

**WHEREAS**, the California Military Department (CMD) has recently submitted projected uses for their cantonment at the former Sharpe Depot; and

**WHEREAS**, EKI has requested a budget amendment to revise the hydraulic modeling evaluations and IWRMP revisions to include the new projected water demands and sewer flows to include the CMD cantonment at the former Sharpe Depot, and this work is proposed to be done under Amendment No. 2 to the agreement with EKI for a cost of \$12,100; and

**WHEREAS**, the City has a need for a tool to compile and track water and sewer allocations on a parcel basis, and for capacity allocated to developers through developer agreements or infrastructure financing agreements; and

**WHEREAS**, at the request of staff, EKI has provided a proposal to develop a Tracking Tool, and this work is proposed to be done under Amendment No. 3 to the agreement with EKI for the IWRMP for a cost of \$15,500; and

**WHEREAS**, the total cost of \$27,600 for these services may be paid through a budget amendment to transfer \$9,108 funds from Fund 562 to the Water Master Plan Update PW 10-10 and \$9,246 from Fund 608 and \$9,246 from Fund 6060 to pay for the Wastewater and Recycled Water Master Plan updates of the IWRMP.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of Lathrop hereby approves EKI Amendment No. 2 to include the CMD's cantonment at the former Sharpe Army Depot, for a cost of \$12,100, and Amendment No. 3 to develop a tracking tool needed to compile and track the City's water and wastewater allocations on a parcel level for a cost of \$15,500, for a total cost increase of \$27,600 to the 2016 Agreement with EKI to prepare the IWRMP PW 10-10 and WW 15-08; and

**BE IT FURTHER RESOLVED**; the \$27,600 total cost for these services may be paid from the following budget amendment requested to transfer \$9,108 funds from Fund 562 to the Water Master Plan Update PW 10-10 and \$9,246 from Fund 608 and \$9,246 from Fund 6060 to pay for the Wastewater and Recycled Water Master Plan updates of the IWRMP:

Staff requests the following budget Amendment:

Increase Transfer Out	5600-9900-990-9010	\$ 9,108
	6110-9900-990-9010	\$ 9,246
	6060-9900-990-9010	\$ 9,246
Increase Transfer In	5690-9900-393-0000	\$ 9,108
	6090-9900-393-0000	\$18,492
Increase Appropriation	5690-8000-420-8600, PW 10-10	\$ 9,108
	6090-8000-420-8600, WW 15-08	\$18,492

The foregoing resolution was passed and adopted this 12th day of February 2018, 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

**AMENDMENT NO. 2**

**AGREEMENT FOR CONSULTING SERVICES  
BETWEEN THE CITY OF LATHROP  
AND EKI ENVIRONMENT & WATER, INC.  
TO PREPARE FOR HYDRAULIC MODELING EVALUATIONS FOR  
THE  
INTEGRATED WATER RESOURCE MASTER PLAN  
PW 10-10 AND WW 15-08**

This Contract Amendment (hereinafter "AMENDMENT") to the agreement between **EKI Environment & Water, Inc. (EKI)** and the City of Lathrop dated May 2, 2016, (hereinafter "AGREEMENT") dated for convenience this February 12, 2018, is by and between **EKI**, ("CONSULTANT") and the CITY OF LATHROP, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, CONSULTANT is specially trained, experienced and competent for the Hydraulic Modeling Evaluations required by this agreement; and

**WHEREAS**, on May 2, 2016 City Council approved AGREEMENT for EKI for the Integrated Water Resources Master Plan Update funded by two CIP's PW 10-10 and WW 15-08 for a sum not to exceed \$750,000 to CONSULTANT; and

**WHEREAS**, on January 12, 2018 Amendment No. 1 was issued to prepare the Wastewater Flow Monitoring Study not to exceed \$49,500 and was ratified by City Council on January 29, 2018; and

**WHEREAS**, CONSULTANT provided a scope of work not to exceed \$12,100 for the Hydraulic Modeling Evaluation for Amendment No. 2;

**NOW, THEREFORE**, CONSULTANT and CITY agree as follows;

**AMENDMENT No. 2 to AGREEMENT**

- (1) **Scope of Service.** Section (1) of the AGREEMENT for Consulting is hereby amended as follows:

CONSULTANT agrees to perform additional services in conformance with the scope of work and fee dated January 15, 2018 submitted by the CONSULTANT, attached hereto as Exhibit "A".

The aforementioned work is in addition to the scope of work in the original AGREEMENT dated May 2, 2016 for the Integrated Water Resources Master Plan Update. The scope of work is hereby amended by adding Exhibit "A".



CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
**EKI ENVIRONMENT & WATER, INC.**

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

**(2) Compensation. Section (2) of the Agreement for Consulting Services is hereby amended as follows:**

City hereby agrees to pay CONSULTANT a sum not to exceed \$811,600 (\$750,000 for the original AGREEMENT, \$49,500 for AMENDMENT No. 1, \$12,100 for Amendment No. 2) on a time and material basis as detailed in Exhibit "A". CONSULTANT shall be paid within thirty (30) days of receipt of billings containing all information contained in Paragraph 5 of the original AGREEMENT. Compensation for any task must be equal to or less than the percentage of task complete. In no event shall CONSULTANT be entitled to compensation for work not included in the original scope of work or this AMENDMENT unless a written change order or authorization describing the extra work and payment terms has been executed by CITY'S Authorized Representative prior to the commencement of the work.

**(3) Effective Date and Term**

The effective date of AMENDMENT No. 2 is February 12, 2018, and shall terminate no later than June 30, 2019. All other terms of the original AGREEMENT shall remain in full force and effect.

**(4) Applicability To Original Consultant Agreement**

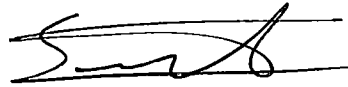
All terms and conditions set forth in the AGREEMENT dated May 2, 2016 are still in effect and are incorporated by reference herein and said AGREEMENT is incorporated by reference herein.

**(5) Signatures**

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

**CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
EKI ENVIRONMENT & WATER, INC.**

Approved as to Form: City of Lathrop



2-6-18

Salvador Navarrete  
City Attorney

Date

Recommended for Approval: City of Lathrop

Greg Gibson  
Senior Civil Engineer

Date

Approved By:

City of Lathrop  
390 Towne Centre Drive,  
Lathrop, CA 95330

Stephen J. Salvatore  
City Manager

Date

CONSULTANT:

**Erler & Kalinowski, Inc.**  
**1870 Ogden Drive**  
**Burlingame, CA 94010-5306**

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

Business License # \_\_\_\_\_

Signature

Date

(Print Name and Title)

15 January 2018

Greg Gibson, P.E.  
Senior Civil Engineer  
City of Lathrop Department of Public Works  
390 Towne Centre Drive  
Lathrop, CA 95330

**Subject: Proposal for Hydraulic Modeling Evaluations and IWRMP Revisions to Include the California Military Department's Cantonment at the Former Sharpe Depot**  
City of Lathrop  
(EKI B8-013)

Dear Mr. Gibson,

EKI Environment & Water, Inc. (EKI; formerly known as Erler & Kalinowski, Inc.) is pleased to submit this proposal for a hydraulic modeling evaluations and revisions to the Integrated Water Resources Master Plan (IWRMP) to account for projected water demands and wastewater flows from the California Military Department's (CMD's) cantonment at the former Sharpe Army Depot (Depot).

## BACKGROUND

The Depot is comprised of a 724-acre facility south of Roth Road with current public services provided by the US Army. The City is currently in discussions with CMD to connect service to their cantonment at the Depot and accommodate their future plans to expand use of the property. This potential connection was not evaluated in the draft Water System Master Plan (WSMP) and Wastewater System Master Plan (WWSMP), components of the IWRMP prepared by EKI in January 2018.

The City has requested EKI evaluate alternatives to provide water and wastewater services to CMD at the Depot in a revised IWRMP, based on water demand and wastewater flow projections provided by CMD on 8 January 2018. This proposal presents EKI's scope of work to complete the hydraulic modeling tasks and update the IWRMP.

## PROPOSED SCOPE OF WORK

### Task 1 – Water System Modeling Evaluation and WSMP Update

The proposed scope of work for water system evaluation includes the following:

- Review water demand projections provided by CMD;
- Allocate CMD projected water demands and fire flow requirements to modeling nodes;

Formerly known as Erler & Kalinowski, Inc.

- Perform hydraulic modeling of the City's water system with CMD's water demand for existing and future scenarios;
- Evaluate the modeling results including modeled system pressures to verify adequacy of City's water system to supply CMD's projected water demands;
- Evaluate the City's potable water storage and pumping requirements to supply CMD's projected water demands;
- Recommend capital improvements to accommodate CMD's water demand, if needed;
- Revise the WSMP text, figures, and tables to include the CMD's future water demands, storage and pumping requirements, and results of the hydraulic modeling evaluation.

### **Task 2 – Wastewater System Modeling Evaluation and WWSMP Update**

The proposed scope of work for wastewater system evaluation includes the following:

- Review wastewater flow projections provided by CMD;
- Allocate CMD projected wastewater flow to modeling modes;
- Identify two conveyance alternatives to convey CMD flows to the Manteca Water Quality Control Facility and the Lathrop Consolidated Treatment Facility, respectively;
- Georeference and add infrastructure to the hydraulic model, if needed;
- Perform hydraulic modeling of the City's wastewater system with CMD's wastewater flow for existing and future scenarios;
- Evaluate the modeling results including pipe and pump station capacities to verify adequacy of City's wastewater system to convey CMD's projected wastewater flows;
- Recommend conveyance alternative and capital improvements to accommodate CMD's wastewater flow, if needed; and
- Revise the WWSMP text, figures, and tables to include the CMD's future wastewater flow and results of the hydraulic modeling evaluation.

### **COMPENSATION**

We propose that compensation for consulting services by EKI be on a time and expense reimbursement basis in accordance with our current Schedule of Charges, dated 1 January 2018 (Attachment A). Based on the Scope of Work described above, we propose a total budget of \$11,200, as shown by task in Table 1.

**Table 1. Proposed Cost by Tasks**

Task	Description	Task Total
1	Water System Modeling Evaluation and IWRMP Update	\$4,900
2	Wastewater System Modeling Evaluation and IWRMP Update	\$7,200
<b>Total Estimated Budget</b>		<b>\$12,100</b>

**PROJECT SCHEDULE**

EKI is available to initiate work upon receiving authorization from the City. EKI anticipates that the above scope of work can be completed within approximately six (6) weeks upon receiving authorization.

**TERMS AND CONDITIONS**

Except as specifically modified above, all other terms of our 2 May 2016 Agreement shall remain in full force and effect. If this proposal meets with your approval, please send us an Agreement Amendment to review and execute.

City of Lathrop  
Proposal for Hydraulic Model Evaluation and IWRMP Revision to  
Include the California Military Department's Cantonment at the  
Former Sharpe Depot  
15 January 2018  
Page 4 of 4



We are excited about the opportunity to work with you on this project. Please call if you have any questions or wish to discuss this proposal in greater detail.

Very truly yours,

EKI Environment & Water, Inc.

A handwritten signature in black ink that reads 'Stephen A. Tarantino'.

Stephen A. Tarantino, P.E.  
Vice President / Principal-in-Charge

AUTHORIZATION

City of Lathrop  
(CLIENT)

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**ATTACHMENT A**

Schedule of Charges dated 1 January 2018

**Client/Address: City of Lathrop**  
 Greg Gibson, P.E.  
 390 Towne Centre Drive  
 Lathrop, CA 95330



**Proposal/Agreement Date: 15 January 2018**

**EKI Project # B8-013**

**SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC. <sup>1</sup>**

**1 January 2018**

<u>Personnel Classification</u>	<u>Hourly Rate</u>
Officer and Chief Engineer-Scientist	280
Principal Engineer-Scientist	270
Supervising I, Engineer-Scientist	260
Supervising II, Engineer-Scientist	250
Senior I, Engineer-Scientist	238
Senior II, Engineer-Scientist	225
Associate I, Engineer-Scientist	213
Associate II, Engineer-Scientist	199
Engineer-Scientist, Grade 1	185
Engineer-Scientist, Grade 2	175
Engineer-Scientist, Grade 3	160
Engineer-Scientist, Grade 4	140
Engineer-Scientist, Grade 5	124
Engineer-Scientist, Grade 6	109
Technician	100
Senior GIS Analyst	128
CADD Operator / GIS Analyst	113
Senior Administrative Assistant	125
Administrative Assistant	99
Secretary	82

**Direct Expenses**

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus ten percent (10%) for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- c. Rented vehicles, local public transportation and taxis, travel and subsistence.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD Computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.

<sup>1</sup> Formerly known as Erler & Kalinowski, Inc.



**AMENDMENT NO. 3**

**AGREEMENT FOR CONSULTING SERVICES  
 BETWEEN THE CITY OF LATHROP  
 AND EKI ENVIRONMENT & WATER, INC.  
 TO ASSIST WITH PREPARING A TRACKING TOOL  
 FOR THE  
 INTEGRATED WATER RESOURCE MASTER PLAN  
 PW 10-10 AND WW 15-08**

This Contract Amendment (hereinafter "AMENDMENT") to the agreement between **EKI Environment & Water, Inc. (EKI)** and the City of Lathrop dated May 2, 2016, (hereinafter "AGREEMENT") dated for convenience this February 12, 2018, is by and between **EKI**, ("CONSULTANT") and the CITY OF LATHROP, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, CONSULTANT is specially trained, experienced and competent to assist the City to prepare a Tracking tool to compile and track the City's historical water and wastewater capacity allocations on a parcel level required by this agreement; and

**WHEREAS**, on May 2, 2016 City Council approved AGREEMENT for EKI for the Integrated Water Resources Master Plan Update funded by two CIP's PW 10-10 and WW 15-08 for a sum not to exceed \$750,000 to CONSULTANT; and

**WHEREAS**, on January 12, 2018 Amendment No. 1 was issued to prepare the Wastewater Flow Monitoring Study not to exceed \$49,500 and was ratified by City Council on January 29, 2018; and

**WHEREAS**, Amendment No. 2 is being issued for the Hydraulic Modeling Evaluation not to exceed \$12,100; and

**WHEREAS**, CONSULTANT provided a scope of work not to exceed \$15,500 for Amendment No. 3 to assist the City to prepare a Tracking tool to compile and track the City's historical water and wastewater capacity allocations on a parcel level ;

**NOW, THEREFORE**, CONSULTANT and CITY agree as follows;

**AMENDMENT No. 3 to AGREEMENT**

- (1) **Scope of Service.** Section (1) of the AGREEMENT for Consulting is hereby amended as follows:

**CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
EKI ENVIRONMENT & WATER, INC.**

CONSULTANT agrees to perform additional services in conformance with the scope of work and fee dated January 23, 2018 submitted by the CONSULTANT, attached hereto as Exhibit "A".

The aforementioned work is in addition to the scope of work in the original AGREEMENT dated May 2, 2016 for the Integrated Water Resources Master Plan Update. The scope of work is hereby amended by adding Exhibit "A". CONSULTANT agrees to diligently perform these services in accordance with the upmost standards of its profession and the CITY'S satisfaction.

**(2) Compensation. Section (2) of the Agreement for Consulting Services is hereby amended as follows:**

City hereby agrees to pay CONSULTANT a sum not to exceed \$827,100 (\$750,000 for the original AGREEMENT, \$49,500 for AMENDMENT No. 1, \$12,100 for Amendment No. 2, \$15,500 for Amendment No. 3) on a time and material basis as detailed in Exhibit "A". CONSULTANT shall be paid within thirty (30) days of receipt of billings containing all information contained in Paragraph 5 of the original AGREEMENT. Compensation for any task must be equal to or less than the percentage of task complete. In no event shall CONSULTANT be entitled to compensation for work not included in the original scope of work or this AMENDMENT unless a written change order or authorization describing the extra work and payment terms has been executed by CITY'S Authorized Representative prior to the commencement of the work.

**(3) Effective Date and Term**

The effective date of AMENDMENT No. 3 is February 12, 2018, and shall terminate no later than June 30, 2019. All other terms of the original AGREEMENT shall remain in full force and effect.

**(4) Applicability To Original Consultant Agreement**

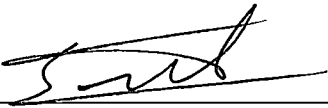
All terms and conditions set forth in the AGREEMENT dated May 2, 2016 are still in effect and are incorporated by reference herein and said AGREEMENT is incorporated by reference herein.

**(5) Signatures**

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

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
EKI ENVIRONMENT & WATER, INC.

Approved as to Form: City of Lathrop

 2-6-18  
\_\_\_\_\_  
Salvador Navarrete Date  
City Attorney

Recommended for Approval: City of Lathrop

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

Approved By: City of Lathrop  
390 Towne Centre Drive,  
Lathrop, CA 95330

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

CONSULTANT: **Erler & Kalinowski, Inc.**  
**1870 Ogden Drive**  
**Burlingame, CA 94010-5306**

Fed ID # \_\_\_\_\_  
Business License # \_\_\_\_\_

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

\_\_\_\_\_  
(Print Name and Title)



577 Airport Blvd. Suite 500  
 Burlingame, CA 94010  
 (650) 292-9100  
 ekiconsult.com

23 January 2018

Greg Gibson, P.E.  
 Senior Civil Engineer  
 City of Lathrop Department of Public Works  
 390 Towne Centre Drive  
 Lathrop, CA 95330

**Subject: Proposal for Tracking Tool Development**  
 City of Lathrop  
 (EKI B8-019)

Dear Mr. Gibson,

EKI Environment & Water, Inc. (EKI; formerly known as Erler & Kalinowski, Inc.) is pleased to submit this proposal for consulting services to assist the City of Lathrop (City) with preparing a Tracking Tool to compile and track the City's historical water and wastewater capacity allocations on a parcel level.

## BACKGROUND

The City has requested EKI assist in preparing a Tracking Tool that will allow the City to track parcel-level allocations for water capacity, Manteca Water Quality Control Facility (MWQCF) and Consolidated Treatment Facility (CTF) sewer treatment capacity, recycled water storage capacity, and recycled water disposal capacity and compare these parcel-level allocations against total capacities allocated to each major developer. Currently the City maintains allocation information in a variety of separate tracking sheets, including an Interceptor Service Unit (ISU) tracking sheet, an Equivalent Capacity Units (ECU) tracking sheet, and water and sewer CFF capacity tracking sheets. The Tracking Tool is intended to serve as a single repository for all the City allocation data.

Leveraging the work done as part of the IWRMP, EKI will develop a Tracking Tool, in the form of an excel spreadsheet and a parcel GIS shapefile. The City will be able to view available allocation data for each individual parcel and query groups of parcels by developer, tract, or other attribute to compare against the capacities allocated to each developer through development agreements or financing agreements. EKI will work with the City to compile all available sources of allocation data and to develop user-friendly summary reports.

This proposal presents EKI's scope of work to develop the Tracking Tool.

Formerly known as Erler & Kalinowski, Inc.

Oakland, CA (510) 560-4822 • Larkspur, CA (415) 464-9245 • Sacramento, CA (916) 905-2388  
 El Segundo, CA (310) 857-1600 • Centennial, CO (303) 796-0556 • Salem, NH (603) 378-2793

## **PROPOSED SCOPE OF WORK**

The proposed scope of work for this project includes the following tasks:

### Meeting with City Staff

EKI will meet with the City staff at the start of the project to agree upon the Tracking Tool contents, functionality, and summary report formats. The meeting will be used to develop a list of source data and to assign responsible parties and deadlines for City staff to provide the data to EKl.

### Data Gathering and Review

EKI will track and review allocation and capacity data received from the City. EKl will format the data such that it can be efficiently imported into the Tracking Tool. As EKl begins to compile the data into the Tracking Tool, EKl will identify data gaps and work with the City to fill these gaps.

### Tracking Tool Development

EKI will develop the Tracking Tool by compiling each of the data sources into a single excel-based database. EKl intends to build upon the database that EKl prepared for the City that lists the water demands and sewers flows used in the IWRMP and historical water use by parcel. This parcel-level database will be linked to a parcel shapefile in the City's geodatabase. The excel workbook will be password protected, and, where applicable, data validation criteria will be used to ensure that the database cannot be inadvertently modified or updated erroneously.

EKI will develop summary report formats that can be used to summarize allocations by developer or development area to compare against capacity allocations included in the City's development or financing agreements.

### User Guide

EKI will prepare a brief Tracking Tool User Guide that summarizes each of the fields in the database and includes instructions for updating the Tracking Tool in the future.

## **COMPENSATION**

We propose that compensation for consulting services by EKl be on a time and expense reimbursement basis in accordance with our current Schedule of Charges, dated 1 January 2018 (Attachment A). Based on the Scope of Work described above, we propose a total budget of \$15,500, as shown in Table 1.

## **PROJECT SCHEDULE**

EKI is available to initiate work upon receiving authorization from the City. EKl anticipates that the above scope of work can be completed within approximately one month upon receiving all data from the City.

**TERMS AND CONDITIONS**

Except as specifically modified above, all other terms of our 2 May 2016 Agreement shall remain in full force and effect. If this proposal meets with your approval, please send us an Agreement Amendment to review and execute.

We are excited about the opportunity to work with you on this project. Please call if you have any questions or wish to discuss this proposal in greater detail.

Very truly yours,

EKI Environment & Water, Inc.



Stephen A. Tarantino, P.E.  
Vice President / Principal-in-Charge

**AUTHORIZATION**

City of Lathrop  
(CLIENT)

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**ATTACHMENT A**

Schedule of Charges dated 1 January 2018

**Client/Address: City of Lathrop**  
 Greg Gibson, P.E.  
 390 Towne Centre Drive  
 Lathrop, CA 95330



**Proposal/Agreement Date: 23 January 2018**

**EKI Project # B8-019**

**SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.<sup>1</sup>**

**1 January 2018**

<u>Personnel Classification</u>	<u>Hourly Rate</u>
Officer and Chief Engineer-Scientist	280
Principal Engineer-Scientist	270
Supervising I, Engineer-Scientist	260
Supervising II, Engineer-Scientist	250
Senior I, Engineer-Scientist	238
Senior II, Engineer-Scientist	225
Associate I, Engineer-Scientist	213
Associate II, Engineer-Scientist	199
Engineer-Scientist, Grade 1	185
Engineer-Scientist, Grade 2	175
Engineer-Scientist, Grade 3	160
Engineer-Scientist, Grade 4	140
Engineer-Scientist, Grade 5	124
Engineer-Scientist, Grade 6	109
Technician	100
Senior GIS Analyst	128
CADD Operator / GIS Analyst	113
Senior Administrative Assistant	125
Administrative Assistant	99
Secretary	82

**Direct Expenses**

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus ten percent (10%) for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- c. Rented vehicles, local public transportation and taxis, travel and subsistence.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD Computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.

<sup>1</sup> Formerly known as Erler & Kalinowski, Inc.



**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING**

**ITEM: APPROVE TASK ORDER NO. 5 WITH INTERWEST CONSULTING GROUP FOR PROFESSIONAL BUILDING DIVISION SERVICES AND RELATED BUDGET AMENDMENT**

**RECOMMENDATION: Adopt a Resolution Approving Task Order No. 5 with Interwest Consulting Group to Provide Professional Building Division Plan Check Services and Related Budget Amendment**

---

**SUMMARY:**

Staff is requesting that Council approve Task Order No. 5 for additional plan check services by Interwest on a time and material basis not to exceed \$200,000. Task Order No. 5 will expire on June 30, 2019 and will be paid in FY 17/18 and FY 18/19. The cost of providing these services will be charged to developers for plan check services. Developers will pay an initial fee based on estimated construction cost that covers a maximum of three review cycles. Most plans are approved within three plan review cycles, however, those that require additional review, will be charged an additional hourly rate by the City, and paid to Interwest.

**BACKGROUND:**

On July 18, 2016 City Council approved a Master Agreement and Task Orders No. 1 and No. 2 with Interwest Consulting Group (Interwest). Additionally, City Council approved Task Order 3 on April 17, 2017. Task Order No. 4 was issued on January 18, 2018 to provide plan check services for the Public Works Department. The Master Agreement with Interwest allows staff to issue task orders when building activity increases and there is a need to increase plan review services beyond current staffing levels. The ability to use the services of outside consultants makes it possible maintain sufficient levels of permanent staff without having to resort to layoffs if construction slows down.

Under the current Master Agreement, Interwest is paid 65% of the plan check fees collected by the City for projects they review. Interwest currently handles all of River Islands plan checks and complex structural plan check for major commercial and industrial developments like the Tesla expansion as well as residential projects city-wide. Developers have been satisfied with the services rendered.

**REASON FOR RECOMMENDATION:**

In order to address continued construction activity, staff recommends that City Council approve Task Order No. 5 with Interwest to provide plan check services. The proposed Task Order No. 5 will be fully funded by by plan check fees collected from development. Cost for plan check services will only be paid if the revenue is received.

**FISCAL IMPACT:**

The plan review services for Task Order No. 5 will be fully funded from plan check fees collected from developers. Currently the budget has \$53,000 therefore, a budget amendment is required for an additional \$147,000 is needed to cover Interwest total contract cost.

Staff requests the following budget Amendment:

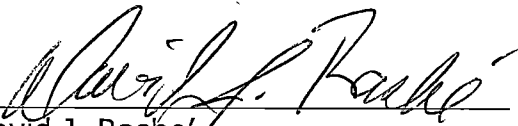
Increase Revenue	
1010-50-30-341-02-08	\$ 30,769.00
1010-50-30-341-02-11	\$ 30,769.00
1010-50-30-341-02-13	\$ 30,769.00
1010-50-30-341-02-02	\$133,847.00

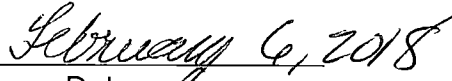
Increase Appropriations	
1010-50-30-420-01-02	\$ 20,000.00
1010-50-30-420-01-03	\$ 20,000.00
1010-50-30-420-01-04	\$ 20,000.00
1010-50-30-420-01-00	\$ 87,000.00


**ATTACHMENTS:**

- A. Resolution approving Task Order No. 5 with Interwest Consulting Group to Provide Plan Check Services in the Building Division.
- B. Task Order No. 5 for Plan Check Services in the Building Division.


**APPROVALS:**

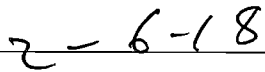
  
\_\_\_\_\_  
David J. Rashe  
Chief Building Official Consultant

  
\_\_\_\_\_  
Date

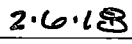
  
\_\_\_\_\_  
Cari James  
Director of Finance

  
\_\_\_\_\_  
Date

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

  
\_\_\_\_\_  
Date

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

  
\_\_\_\_\_  
Date

**RESOLUTION NO. 18-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
APPROVING TASK ORDER NO. 5 WITH INTERWEST CONSULTING GROUP TO  
PROVIDE PROFESSIONAL BUILDING DIVISION PLAN CHECK SERVICES  
AND RELATED BUDGET AMENDMENT**

**WHEREAS**, the City requires contract professional services to keep pace with ongoing development; and

**WHEREAS**, City Council approved a Master Agreement with Interwest Consulting Group for professional services in July 2016 along with Task Orders No. 1 and No. 2; and

**WHEREAS**, City Council approved Task Order No. 3 on April 17, 2017 for additional Building Division Plan Check Services; and

**WHEREAS**, on January 18, 2018 Task Order No. 4 was issued to provide Plan Check Services for the Public Works Department; and

**WHEREAS**, additional Plan Check Services are required on a time and material basis not to exceed \$200,000;

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby approve Task Order No. 5 for Building Division Plan Check Services with Interwest Consulting Group and the following Budget Amendment:

Staff requests the following budget Amendment:

**Increase Revenue**

1010-50-30-341-02-08	\$ 30,769.00
1010-50-30-341-02-11	\$ 30,769.00
1010-50-30-341-02-13	\$ 30,769.00
1010-50-30-341-02-02	\$133,847.00

**Increase Appropriations**

1010-50-30-420-01-02	\$ 20,000.00
1010-50-30-420-01-03	\$ 20,000.00
1010-50-30-420-01-04	\$ 20,000.00
1010-50-30-420-01-00	\$ 87,000.00

The foregoing resolution was passed and adopted this 12th day of February, 2018, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
SONNY DHALIWAL, MAYOR

ATTEST:

APPROVED AS TO FORM:

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

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

**CITY OF LATHROP  
TASK ORDER NO. 5**

**PURSUANT TO MASTER CONSULTING AGREEMENT DATED  
JULY 18, 2016 WITH INTERWEST CONSULTING GROUP TO PROVIDE  
PROFESSIONAL PLAN CHECK SERVICES IN THE BUILDING DIVISION**

**THIS TASK ORDER NO. 5**, dated for convenience this **12th day of February 2018** is by and made and entered into by and between **Interwest Consulting Group** (“CONSULTANT”) and the CITY OF LATHROP, a California municipal corporation (“CITY”);

**RECITALS:**

**WHEREAS**, on July 18, 2016, CONSULTANT entered into a Master Agreement and Task Order No. 1 and No. 2 (“AGREEMENT”) with the CITY, by which the CONSULTANT has agreed to provide **Building Division Professional Plan Check Services**; and

**WHEREAS**, on April 17<sup>th</sup> City Council approved Task Order No. 3 to provide additional Building Division Professional Plan Check Services; and

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to perform Building Division Professional Plan Check Services, which are required by this agreement; and

**WHEREAS**, on January 18, 2018 the City issued Task Order No. 4 for Plan Check Services to the Public Works Department; and

**WHEREAS**, CONSULTANT submitted a scope of work dated January 31, 2018 to provide plan check services to the Building Division not to exceed \$200,000; and

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

**WHEREAS**, CONSULTANT is willing to render such Building Division Professional Plan Check Services, as hereinafter defined, on the following terms and conditions;

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

**AGREEMENT**

CITY OF LATHROP – Task Order No. 5 with Interwest Consulting Group Professional Plan Check Services in the Building Division

(1) **Incorporation Of Master Agreement**

This Task Order No. 5 hereby incorporates by reference all terms and conditions set forth in the Master Agreement for Consulting Services for this project, unless specifically modified by this Task Order.

(2) **Scope of Service**

CONSULTANT agrees to perform Building Division Professional Services in accordance with the scope of work and fee proposal attached hereto as Exhibit "A" to this Task Order.

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

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

The effective date of this Task Order No. 5 is February 12, 2018, and it shall terminate no later than June 30, 2019.

(4) **Compensation**

CITY hereby agrees to pay CONSULTANT hourly rates and other charges not to exceed \$200,000 for the Building Division Professional Plan Check Services. CONSULTANT shall be paid any uncontested sum due and payable within thirty (30) days of receipt of billings containing all information pursuant to Paragraph 5 below. Compensation for any task must be equal to or less than the percentage of task complete. In no event shall CONSULTANT be entitled to compensation for work not included in Exhibit "A", unless a written change order or authorization describing the extra work and payment terms has been executed by CITY's authorized representative prior to the commencement of the work.

(5) **Notice to Proceed**

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

CITY OF LATHROP – Task Order No. 5 with Interwest Consulting Group Professional  
Plan Check Services in the Building Division

(6) **Signatures**


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



CITY OF LATHROP – Task Order No. 5 with Interwest Consulting Group Professional Plan Check Services in the Building Division

Approved as to Form:

City of Lathrop  
City Attorney

  
\_\_\_\_\_  
Salvador Navarrete

2-6-18

\_\_\_\_\_  
Date

Recommended for Approval:

Chief Building Official Consultant

\_\_\_\_\_  
David J. Rashe' Date

Accepted By:

Reso No. \_\_\_\_\_

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

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

CONSULTANT:

**Interwest Consulting Group**  
**Ron Beehler, SE**  
**Regional Manager**  
**1613 Santa Clara Drive, Suite 100**  
**Roseville, CA 95661**  
**Phone: (916) 204-1070**  
Fed ID # \_\_\_\_\_  
Bus License # \_\_\_\_\_

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

\_\_\_\_\_  
(Print Name and title)



January 31, 2018

David Rashe  
 Building Official  
 Lathrop City Hall  
 390 Towne Centre Drive  
 Lathrop, CA 95330

**RE: Proposal to Provide Plan Review, Building Inspection and Permit Technician Services**

Dear Mr. Rashe,

Interwest Consulting Group Company, is pleased to submit our proposal to provide Building Inspection, Permit Technician and Plan Review Services to the City of Lathrop, as needed, to comply with State laws. We understand with the improving economy and recent changes in State Law, the City of Lathrop is seeking the services of building and safety consulting firms to address accessibility, peak work load demands and to maintain timely services. We understand the City is seeking consulting firms to provide professional services for the plan review of commercial and residential structures to verify compliance with the most current adopted versions of the California Building Standards Code, Lathrop City Ordinances, and relevant State and Federal Laws. We further understand that services may include coordination between City agencies, designers, and builders in the community

All proposed services will be directed from our local Roseville office. The team members will be carefully screened and selected specifically for their unique experience, licenses, certifications and proposed significant contribution to the City. Of special note is the high degree of work experience and familiarity with building department policies and procedures gained thru experience providing services similar to those being requested.

We view the key elements to serving the City of Lathrop as follows:

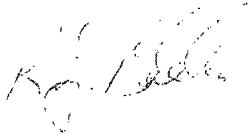
- ✓ Providing **qualified and experienced staff** to perform professional building permit processing, inspection and plan check services.
- ✓ **Providing qualified and experienced staff** to provide plan reviews particularly Certified Accessibility Specialists and Licensed Structural Engineers.
- ✓ Providing a **high level of customer service** for internal and external customers.
- ✓ Balancing the needs of the community by providing as needed services to address peak workload demands, in order to maintain reasonable response times for department services.

Interwest Consulting Group Company, provides building plan review, building permit processing and inspection services to many communities throughout California and presently provides these services to the City of Clovis, City of Modesto, City of Manteca, City of Tracy, City of Turlock, City of Sonora, Fresno County and many more central and northern California communities.

Will Crew, CBO (209) 552-1070 [wcrew@interwestgrp.com](mailto:wcrew@interwestgrp.com) will be the main point of contact for all services

Please call me at 916.204.3178 if you have any questions related to this proposal or would like to discuss any of the services provided by Interwest Consulting Group.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Beehler".

**Ron Beehler, SE, CBO**  
Regional Manager  
Building Safety Services

## INTRODUCTION

Interwest Consulting Group has been in business just over 13 years and currently employs over 260 employees spanning a multitude of disciplines, roles and job placements to municipalities within code enforcement, building and safety and public works departments throughout California. We work hard to keep it simple. Our sole job is to eliminate as much red tape and municipal hassles as possible. We specialize in delivering services to you on time—thoroughly managed and completed by the best in the business.

We specialize in tailoring staffing and services to fit client needs. When work levels are high, we increase staffing to meet the demand. When work slows down, we can fade into the background without compromising service. Our services can quickly grow to provide an entire team of experts on a project or satisfy a client need with a single individual. We can also draw upon our many other professionals located within offices throughout California if required.

We offer top personnel with extensive experience. All are seasoned jurisdictional staffs who understand the procedures, policies and deadlines necessary to keep governments running smoothly. We work strictly for city and county municipalities thus avoiding any conflict of interest. Since we work so closely with our clients, we know successful customer service is best delivered by people who shine in their professions. All of our staff offers exceptional experience and long-standing relationships within the industry.

## SCOPE OF SERVICES

We understand the City is looking for a consultant who can provide an experienced team to provide as needed plan review, permit technician and building inspection services. Our personnel will seamlessly integrate and coordinate with the City departments and provide uninterrupted, efficient, and cost effective building department services to the public.

Interwest Consulting Group has a proven track record providing these same services to jurisdictions and has the resources to remain flexible with experienced staff that is available to provide the services immediately to the City of Lathrop.

The proposed team is comprised of highly experienced, customer-service oriented professionals who have successfully served many client jurisdictions. We view our role and mission is to provide the following:

- ✓ *A team of professionals with high-level experience and skills in successful management of building department services, staff with a **customer service focus** and thorough knowledge of building department policies and procedures, and promoting cooperation and partnership with other City departments and outside agencies.*
- ✓ *Licensed Plan Review Engineers and/or ICC certified Plans Examiners for thorough and timely plan reviews to ensure compliance to all Building Codes and City and State laws and requirements.*
- ✓ *Licensed Structural Engineers who have extensive experience with large and complex projects.*
- ✓ *CASp Certified Staff who are intimately familiar with the regulatory requirements related to ensuring buildings comply with the latest accessibility guidelines and requirements.*
- ✓ *Certified Inspector(s) with broad experience in jurisdictional procedures and the highest commitment to customer service.*
- ✓ *Services in a **cost-effective manner** that remains within budget constraints.*
- ✓ *Provide pick up and delivery of all plans to and from the City at **no cost to the City***

**COMPENSATION**

For complete plan review services for projects reviewed in our offices, we propose a fee equal to 65% of the plan review fees based on your adopted fee schedule. Plan review services will include an initial first review and two back check reviews of the plans. Any additional plan review services required beyond the third review will be billed at our hourly rates listed within the Schedule of Hourly Billing Rates shown below.

For in-house services, we propose utilizing the hourly rates listed within the Schedule of Hourly Billing Rates for the specific classification utilized for services. We are willing to negotiate a mutually acceptable fee for large projects and special projects on a case-by-case basis.

For structural only and other partial reviews such as foundation only, preliminary reviews or other, we propose to negotiate a mutually agreeable fixed fee based on the specific services requested, or provide services on an hourly basis using the rates listed in our Schedule of Hourly Billing Rates shown below.

**SCHEDULE BILLING RATES**

<b>CLASSIFICATION</b>	<b>HOURLY BILLING RATE</b>
Licensed Structural Engineer.....	\$ 125
Senior Plans Examiner .....	\$ 95
CASp.....	\$ 90
Building Inspector.....	\$ 88
Permit Technician.....	\$ 62
Code Enforcement Officer.....	\$ 90

Other:

- Expedited Plan Review\* .....150% of the the Plan Review Fee for the specific project.  
*Expedite services utilize turn-around times of one half the agreed upon times for non-expedite projects.*
- Inspection/Permit Technician Overtime.....150% of Above Listed Hourly Rates
- Miscellaneous charges will include:
- Mileage within the City for Inspections\*\*.....Current IRS Rate

\*Fee may be subject to negotiation depending on the complexity of the project.

\*\*Milage will not be charged should the City provide a vehicle

The City of Lathrop agrees to provide the following: office cubical, computer and a desk phone for Interwest staff assigned to the City office.

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**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING**

**ITEM:** **AGREEMENTS WITH WGR SOUTHWEST, INC. TO PROVIDE COMPLIANCE SUPPORT SERVICES FOR THE CITY'S STORM WATER DISCHARGE PERMIT SD 14-10 AND A RELATED BUDGET AMENDMENT**

**RECOMMENDATION:** **Adopt a Resolution Approving Agreements with WGR Southwest, Inc., for Permit Compliance and Construction Project Plan Review and Inspection Support Services for the Phase II MS4 Storm Water Discharge Permit SD 14-10 and a Related Budget Amendment**

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**SUMMARY:**

Approval of agreements with WGR Southwest, Inc. (WGR) is requested to provide continued support services to manage and implement the City's Phase II MS4 storm water discharge permit compliance program (SD 14-10). Staff requests that City Council approve a professional services agreement with WGR to provide ongoing compliance support for the Phase II Small MS4 General Permit for a cost of \$59,468 to be paid from funds collected by the City from the six storm water maintenance districts. Staff also requests approval of an agreement with WGR to provide construction project plan review and inspection support services for storm water discharge permit compliance related to new development. The cost for the development review and inspection services under the agreement with WGR is \$40,300 and is collected from development plan check and inspection fees for storm water permit compliance.

**BACKGROUND:**

The current Phase II Small MS4 General Permit was adopted by the State Water Resources Control Board on February 5, 2013 and became effective on July 1, 2013. The Permit has many components and the City is required to implement these components in stages over the five year implementation period of the Permit.

WGR has provided storm water permit compliance support to the City since May 31, 2007. The current agreement with WGR will terminate on April 3, 2018, and at the request of staff, WGR has provided a cost proposal not to exceed \$59,468 for continued management and implementation of the Phase II MS4 Permit compliance program through June 30, 2019. The proposal provided by WGR includes a scope of work and cost to extend the agreement commencing on June 30, 2019 for up to two additional one year periods not to exceed June 30, 2021.

**CITY MANAGER'S REPORT** **PAGE 2**  
**FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING**  
**AGREEMENTS WITH WGR SOUTHWEST, INC. TO PROVIDE COMPLIANCE**  
**SUPPORT FOR THE CITY'S STORM WATER DISCHARGE PERMIT**

These activities include:

- Providing education and outreach
- Developing a public involvement and participation strategy
- Developing and implementing illicit discharge detection and elimination procedures
- Developing a Construction Runoff Control Program
- Updating and maintaining Pollution Prevention and Good Housekeeping for City facilities
- Assisting with the Post-Construction Storm Water Management Program
- Assisting with the Regional Water Quality Monitoring Plan
- Provide storm water program management, assessment and reporting
- Preparation of an annual report

In addition, WGR has provided a proposal for plan review and inspection services for the storm water discharge permit compliance tasks related to new development. The cost for these services is estimated to be \$40,300 based on the current volume of construction projects.

**REASON FOR RECOMMENDATION:**

Approval of these two agreements with WGR will allow the City to remain in compliance with the Phase II Small MS4 General Permit.

**FISCAL IMPACT:**

Funds approved in the City's budget for storm water discharge permit compliance for the current and 2018/2019 FY are insufficient to authorize these agreements and will need to be supplemented by allocating storm water maintenance funds and plan check/inspection fees to the Storm Water Discharge Permit Regulatory Compliance Program SD 14-10 through the following budget amendment;

Staff Requests the following budget amendment:

Increase Appropriations		
2500-50-21-420-01-00	\$	9,911.00
2510-50-20-420-01-00	\$	9,911.00
2560-50-61-420-01-00	\$	9,912.00
2570-50-63-420-01-00	\$	9,912.00
2640-50-68-420-01-00	\$	9,911.00
2390-50-66-420-01-00	\$	9,911.00



**CITY MANAGER'S REPORT** **PAGE 3**  
**FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING**  
**AGREEMENTS WITH WGR SOUTHWEST, INC. TO PROVIDE COMPLIANCE**  
**SUPPORT FOR THE CITY'S STORM WATER DISCHARGE PERMIT**

Increase Revenue	
1010-50-01-341-01-01	\$ 6,045.00
1010-50-01-341-02-02	\$ 40,300.00
Increase Appropriations	
1010-50-04-420-01-00	\$ 40,300.00

**ATTACHMENTS:**

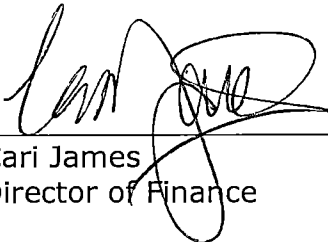
- A. Resolution Approving Agreements with WGR Southwest, Inc., for Permit Compliance and Construction Project Plan Review and Inspection Support Services for the Phase II MS4 Storm Water Discharge Permit
- B. Agreement with WGR Southwest, Inc. to Provide Compliance Support for the City's Phase II MS4 Storm Water Discharge Permit
- C. Agreement with WGR Southwest, Inc. to Provide Construction Project Review and Inspection Support Services for the City's Phase II MS4 Storm Water Discharge Permit

**CITY MANAGER'S REPORT** **PAGE 4**  
**FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING**  
**AGREEMENTS WITH WGR SOUTHWEST, INC. TO PROVIDE COMPLIANCE**  
**SUPPORT FOR THE CITY'S STORM WATER DISCHARGE PERMIT**

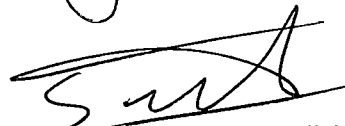
**APPROVALS:**

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

02/06/18  
Date

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

2/6/18  
Date

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

2-6-18  
Date

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

2.6.18  
Date

**RESOLUTION NO. 18-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
APPROVING AGREEMENTS WITH WGR SOUTHWEST, INC. FOR PERMIT  
COMPLIANCE AND CONSTRUCTION PROJECT PLAN REVIEW AND  
INSPECTION SUPPORT SERVICES FOR THE PHASE II MS4 STORM WATER  
DISCHARGE PERMIT**

**WHEREAS**, the current Phase II Small MS4 General Permit for storm water discharge was adopted by the State Water Resources Control Board (SWRCB) on February 5, 2013 and became effective on July 1, 2013; and

**WHEREAS**, WGR Southwest Inc., (WGR) has provided storm water permit compliance support to the City since May 31, 2007, and are uniquely familiar with the City's storm water programs and their implementation; and

**WHEREAS**, the current agreement with WGR will terminate on April 3, 2018, and at the request of staff, WGR has provided a proposal for continued management and implementation of the Phase II MS4 Permit compliance program through June 30, 2019 for a cost not to exceed \$59,468; and

**WHEREAS**, in addition, WGR has provided a proposal for plan review and inspection services for the storm water discharge permit compliance tasks related to new development for a cost not to exceed \$43,900 based on the current volume of construction projects; and

**WHEREAS**, funds approved in the City's budget for storm water discharge permit compliance for the current and 2018/2019 FY are insufficient to authorize these agreements and will need to be supplemented by allocating storm water maintenance funds and plan check/inspection fees to the Storm Water Discharge Permit Regulatory Compliance Program SD 14-10 through the following budget amendment;

Staff requests the following budget amendment:

Increase Appropriations	
2500-50-21-420-01-00	\$ 9,911.00
2510-50-20-420-01-00	\$ 9,911.00
2560-50-61-420-01-00	\$ 9,912.00
2570-50-63-420-01-00	\$ 9,912.00
2640-50-68-420-01-00	\$ 9,911.00
2390-50-66-420-01-00	\$ 9,911.00

Increase Revenue	
1010-50-01-341-01-01	\$ 6,045.00
1010-50-01-341-02-02	\$ 40,300.00
Increase Appropriations	
1010-50-04-420-01-00	\$ 40,300.00

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby approve a professional services agreement with WGR to provide ongoing compliance support for the Phase II Small MS4 General Permit for a cost of \$59,468 to be paid from funds collected by the City from the six storm water maintenance districts allocated to the City's Storm Water Discharge Regulatory Compliance Program SD 14-10 in accordance with the following budget amendment; and

**BE IT FURTHER RESOLVED**, approval of an agreement with WGR to provide construction project plan review and inspection support services for storm water discharge permit compliance related to new development. The cost for the development review and inspection services under the agreement with WGR is \$40,300 and is collected from development plan check and inspection fees for storm water permit compliance (SD 14-140) in accordance with the following budget amendment.

The foregoing resolution was passed and adopted this 12th day of February 2018, 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

**AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES  
BETWEEN THE CITY OF LATHROP AND WGR SOUTHWEST, INC.  
TO PROVIDE COMPLIANCE SUPPORT FOR THE CITY'S STORM  
WATER DISCHARGE PERMIT**

**THIS AGREEMENT**, dated for convenience this 4th day of April, 2018, is by and between WGR Southwest, Inc. ("CONSULTANT") and the CITY OF LATHROP, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, CITY Staff requires specialized consulting services to maintain compliance with its Storm Water Discharge Permit; and

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to perform Storm Water Discharge Permit Compliance Support 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 Storm Water Discharge Permit Compliance 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 Compliance Support 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 agrees to diligently perform these services in accordance with the upmost standards of its profession and to CITY's satisfaction.

**(2) Compensation.**

CITY hereby agrees to pay CONSULTANT a sum not to exceed **\$59,468** for the 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.

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

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

The effective date of this Agreement is April 4, 2018, and it shall terminate no later than June 30, 2019. City may renew the Agreement commencing on July 1, 2019 for up to two additional one year periods not to exceed June 30, 2021. City shall give CONSULTANT thirty (30) days written notice of City's intention to renew this agreement. If agreement is renewed, agreement amount shall be adjusted annually on July 1 as follows:

Contract Period	Annual Total
07/01/19 – 06/30/20	\$49,902
07/01/20 – 06/30/21	\$54,863

**(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'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.

**(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, without requiring the City to process a reason or explanation

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

for its request.

The services shall be performed by, or under the direct supervision, of CONSULTANT's Authorized Representative: John M. Teravskis. CONSULTANT shall not replace its Authorized Representative without the prior written approval by the CITY.

**(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. 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.



**CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.**

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 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.

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

- (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 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

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

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;

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

(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.

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

**(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. 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.

**(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

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

Lathrop, CA 95330

MAIN: (209) 941-7430

FAX: (209) 941-7449

To Consultant: **WGR Southwest, Inc.**  
**11780 N Hwy 99**  
**Lodi, CA 95240**

Phone: **(209) 334-5363**

Fax: **(209) 334-5374**

**(16) Miscellaneous**

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

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

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.
- (n) **Venue.** In the event that suit is brought by either party hereunder, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of San Joaquin or in the United States District Court for the Eastern District of California.
- (o) **Recovery of Costs.** The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs, including reasonable attorney's fees, incurred or expended in connection with such action against the non-prevailing party.

**(17) Notice to Proceed**

Prior to commencing work under this agreement, CONSULTANT shall receive a

**CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.**

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 – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.**

Approved as to Form:

City of Lathrop  
City Attorney



Salvador Navarrete

2-6-18

Date

Recommended for Approval:

City of Lathrop

\_\_\_\_\_  
Tim McCoy  
Director of Public Works

Date

Accepted By:  
Reso No:

City of Lathrop, City Manager  
390 Towne Centre Drive  
Lathrop, CA 95330

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

Date

CONSULTANT:

WGR Southwest, Inc.  
11780 N Hwy 99  
Lodi, CA 95240

Fed ID # 33-0717621

Business License # 13-2103

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Print Name and Title)



January 29, 2018

Mr. Gregory W. Gibson  
 City of Lathrop  
 390 Towne Center Dr.  
 Lathrop, CA 95330

RE: Proposal for the Outsourced Compliance Staff Support.

Dear Mr. Gibson,

WGR Southwest, Inc. (WGR) is pleased to provide you with this proposal to outsource the City's staff level position who will be responsible for the management and implementation of the Phase II MS4 Permit compliance program. WGR believes it makes financial and organizational sense for the City to consider outsourcing this position as the City does for other staff positions. We believe that the advantages of outsourcing include the following:

- We propose using a team of experienced professionals rather than a single employee. WGR would actually use various members of its staff to fulfill the outsourced staff position. Even as an environmental consultant, we have different individuals with different strengths. We would select the appropriate person for each task. However, to the extent possible, we would attempt to use the same person (a Compliance Technician) in reoccurring roles in order to maintain consistency and to build relationships with their City of Lathrop contacts.
- Another advantage is that you will only need to use WGR when it is necessary. Once the storm water compliance program has been developed and matures, it may not be necessary to keep the same level of staff resource to manage the program. As a consultant, we can be cut back on hours much easier than reducing a full time City employee to part time.
- Our company carries professional liability insurance. Although we hope it never happens and will work hard to avoid it, if one of our staff makes a mistake that results in non-compliance and fines are levied against the City, or if our storm water construction inspector has a vehicle accident at a construction site, we have insurance policies to help protect the City from liability.
- Other advantages include that our staff are well connected with other municipalities and can leverage collaborative or other cost saving and time saving opportunities. Our firm has a good reputation and working relationship with the Water Board which helps us be able to know who to ask about Permit questions.

11780 N. Hwy. 99 • Lodi, CA 95240 • (209) 334-5363 • Fax (209) 334-5374  
 Los Alamitos, CA • Lodi, CA

This proposal is organized into the following sections:

- Section A: Internal Storm Water Coordinator*
- Section B: Estimated Budget Proposal*

**SECTION A: Internal Storm Water Coordinator**

WGR is proposing to provide a Compliance Technician (who is a junior level staff person working at the lower hourly rate requested by the City) to continue to fill this internal Storm Water Coordinator staff position. WGR would be responsible to provide all of the Phase II MS4 Permit knowledge and direction to this staff resource and to prioritize his assigned tasks and daily and weekly workload. This will be accomplished through weekly oversight by a WGR Senior Compliance Specialist. The City would be responsible to provide the WGR Compliance Technician with City information, maps, contacts, internal files and documents, and other resources to necessary to enable the staff person to effectively communicate with other City staff and access City facilities and files pertinent to the execution of the Permit-required activities. WGR would provide a laptop and vehicle for the assigned WGR staff person to use for City-related business. The City has suggested that we provide a cost estimate to fill this position for a one-year period through June 2019. WGR has provided options for extending the contract an additional two years.

WGR can provide support for the following general support tasks on an as-needed basis. The number of hours are *estimated* based on the level of supported needed by the City during the first two years of the permit term. ***The actual degree of involvement from City staff may increase or decrease the actual WGR expense in this area.***

The following are the hourly rates for the above-described personnel. These rates are valid through July 1, 2019.

Senior Compliance Specialist / QSD	\$145/hour
Compliance Specialist / QSP	\$105/hour
Compliance Technician	\$72/hour
Project related mileage	\$0.56/mile

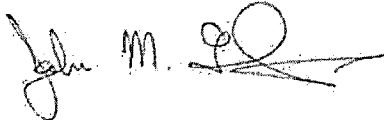
<b>E.16</b>	<b>ANNUAL REPORTING PROGRAM (Due October 15<sup>th</sup> annually)</b>	<b>\$2,900</b>
<b>E.16.a</b>	Senior Compliance specialist 20 hours (Assumes assistance from City staff and departments in the compilation and provision of supporting data and information.)	

**SECTION B: Estimated Budget Proposal**

Please find included with this proposal **Attachment A** which provides a line item cost estimate to provide a Compliance Technician, weekly oversight by a Senior Compliance Specialist and additional Compliance Support for likely future needs through the end of June 2019 with two optional contract extensions.

We thank you for this additional opportunity to serve you. We believe that outsourcing this position will save the City costs, relieve some of the storm water-related workload of other City staff personnel, and improve the quality of the storm water compliance program. If I can answer any questions concerning our proposal or the MS4 permit requirements, please do not hesitate to call me or to schedule a meeting to discuss the proposed scope of work.

Respectfully submitted,  
**WGR Southwest, Inc.**

A handwritten signature in black ink, appearing to read "John M. Teravskis", with a stylized flourish at the end.

John M. Teravskis, CPESC, QSD/QSP, QISP, ToR  
Senior Compliance Specialist and  
Operations Manager for Northern California

Estimated Budget for Phase II MS4 Program Management

January 29, 2018

	Rate	April 4, 2018 - June 30, 2019		July 1, 2019 - June 30, 2020		July 1, 2020 - June 30, 2021	
		Quantity for the 15-month period	Sub-total	Quantity for the 1st 12-month extension period	Sub-total	Quantity for the 2nd 12-month extension period	Sub-total
Senior Compliance Specialist (Oversight)	\$145 /hour	114	\$16,530	52	\$7,540	52	\$8,294
Compliance Technician	\$72 /hour	552	\$39,744	544	\$39,168	544	\$43,085
Project-related mileage (estimate)	\$0.56 /mile	525	\$294	525	\$294	525	\$294
Annual Report SMARTS	\$145 /hour	20	\$2,900	20	\$2,900	20	\$3,190
			<b>\$59,468</b>		<b>\$49,902</b>	10% increase on labor rates	<b>\$54,863</b>

Notes:

- 1) WGR will not charge labor or mileage for commuting between Lodi and Lathrop for normal scheduled business hours. Commuting for emergency response after hours will be charged.
  - 2) Mileage is only charged for WGR's vehicle when it is used to perform project-related activities.
  - 3) WGR will equip the Compliance Technician with a laptop computer. The City will provide an office space and other logistics related to the project-related activities.
  - 4) Initial year cost estimate is based on a Compliance Technician working two 8-hour workdays over 35 weeks\* and a Senior Compliance Specialist performing oversight at 2 hours per week for the 57 weeks.
  - 5) Optional extension year cost estimates are based on a Compliance Technician working two 8-hour workdays over 34 weeks\* and a Senior Compliance Specialist performing oversight at 1 hour per week for the 52 weeks.
  - 6) As and when acceptable and approved by the City, WGR may exchange a more senior level person for the Compliance Technician at a higher rate but working less hours for a given period.
- \* It is assumed that the Compliance Technician will perform monthly construction site compliance inspections (estimated 24 hours a month) as part of their duties under another contracted agreement.

**AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES  
BETWEEN THE CITY OF LATHROP AND WGR SOUTHWEST, INC.  
TO PROVIDE STORM WATER POLLUTION PREVENTION PLAN,  
EROSION AND SEDIMENT CONTROL PLAN, AND TO POST  
CONSTRUCTION SUBMITTAL REVIEWS RELATED TO STORM  
WATER PERMIT COMPLIANCE**

**THIS AGREEMENT**, dated for convenience this 12th day of February 2018, is by and between WGR Southwest, Inc. ("CONSULTANT") and the CITY OF LATHROP, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, CITY Staff requires specialized consulting services to provide storm water pollution prevention plan (SWPPP), erosion and sediment control plan (ESCP) and post construction submittal reviews related to storm water discharge permit compliance; and

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to perform such SWPPP, ESCP and post construction submittal review, which are required by this agreement; and

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

**WHEREAS**, CONSULTANT is willing to perform SWPP and ESCP related to post construction submittal review related to storm water discharge permit compliance, which are required by this agreement 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 SWPPP and ESCP related to post construction submittal reviews in accordance with the scope of work and fee proposal provided by CONSULTANT, attached hereto as Exhibit "A" and incorporated herein by reference. CONSULTANT agrees to diligently perform these services in accordance with the upmost standards of its profession and to CITY's satisfaction.

**(2) Compensation.**

CITY hereby agrees to pay CONSULTANT on a time and expense reimbursement not to exceed up to a sum not to exceed **\$40,300** for the Services set forth in Exhibit "A".

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

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.

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

The effective date of this Agreement is February 12, 2018, and it shall terminate no later than June 30, 2019.

**(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'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.

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

**(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, without requiring the City to process a reason or explanation for its request.

The services shall be performed by, or under the direct supervision, of CONSULTANT's Authorized Representative: John M. Teravskis. CONSULTANT shall not replace its Authorized Representative without the prior written approval by the CITY.

**(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. 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.



**CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.**

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 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.

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

- (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 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.

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

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:

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

- (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.

**CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.**

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. 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.

**(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.

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

**(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:           **WGR Southwest, Inc.**  
                                  **11780 N Hwy 99**  
                                  **Lodi, CA 95240**

Phone:                   **(209) 334-5363**  
Fax:                       **(209) 334-5374**

**(16) Miscellaneous**

- (a) Consent. Whenever in this Agreement the approval or consent of a party is required, such approval or consent shall be in writing and shall be executed by a person having the express authority to grant such approval or consent.
- (b) Controlling Law. The parties agree that this Agreement shall be governed and construed by and in accordance with the Laws of the State of California.
- (c) Definitions. The definitions and terms are as defined in these specifications.

**CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.**

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

CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.

- (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.
- (n) Venue. In the event that suit is brought by either party hereunder, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of San Joaquin or in the United States District Court for the Eastern District of California.
- (o) Recovery of Costs. The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs, including reasonable attorney's fees, incurred or expended in connection with such action against the non-prevailing party.

**(17) Notice to Proceed**

Prior to commencing work under this agreement, 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**

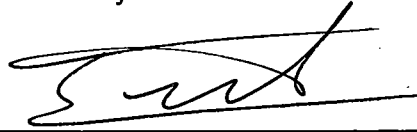
The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY. This agreement shall inure to the benefit of and be binding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



**CITY OF LATHROP – CONSULTING SERVICES AGREEMENT  
WGR SOUTHWEST, INC.**

Approved as to Form:

City of Lathrop  
City Attorney



2.6.18

\_\_\_\_\_  
Salvador Navarrete

\_\_\_\_\_  
Date

Recommended for Approval:

City of Lathrop

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

\_\_\_\_\_  
Date

Accepted By:  
Reso No:

City of Lathrop, City Manager  
390 Towne Centre Drive  
Lathrop, CA 95330

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

\_\_\_\_\_  
Date

CONSULTANT:

WGR Southwest, Inc.  
11780 N Hwy 99  
Lodi, CA 95240

Fed ID # 33-0717621

Business License # 13-2103

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Print Name and Title)



January 29, 2018

Mr. Gregory W. Gibson  
 City of Lathrop  
 390 Towne Center Dr.  
 Lathrop, CA 95330

RE: Construction Project Review and Inspection Support

Dear Mr. Gibson,

WGR Southwest, Inc. (WGR) is pleased to provide you with this proposal for construction project Storm Water Pollution Prevention Plan (SWPPP), Erosion and Sediment Control Plan (ESCP), post-construction submittal reviews and monthly construction site compliance inspections.

The number of reviews and inspections are *estimated* based on the level of supported indicated by the City and current volume of active construction projects.

SWPPP or ESCP Review for Compliance with City & State Requirements	\$385/review	Based on previous utilization, WGR assumes 18 reviews (\$6,930)
Project-specific Post-Construction Submittal Review for Compliance with City & State Requirements	\$385/review	Based on previous utilization, WGR assumes 12 reviews (\$4,620)
Monthly Construction Inspections (First time inspection of a CGP-permitted project)	\$175/location (estimated 10 locations)	WGR assumes 10 first time inspections through June 2019 (\$1,750)
Monthly Construction Inspections (Subsequent inspection of a CGP-permitted project or any inspection of a non-CGP permitted project that is required to be inspected per the City's MS4 permit)	\$120/inspection (estimated 15 monthly inspections)	WGR assumes 225 subsequent inspections through June 2019 (\$27,000)

We thank you for this additional opportunity to serve you. If I can answer any questions concerning our proposal or the MS4 permit requirements, please do not hesitate to call me or to schedule a meeting to discuss the proposed scope of work.

Respectfully submitted,  
**WGR Southwest, Inc.**

John M. Teravskis, CPESC, QSD/QSP, QISP, ToR  
 Senior Compliance Specialist and  
 Operations Manager for Northern California

11780 N. Hwy. 99 • Lodi, CA 95240 • (209) 334-5363 • Fax (209) 334-5374  
 Los Alamos, CA • Lodi, CA

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING**

**ITEM: ACCEPT SEWER FORCE MAIN CONSTRUCTED BY  
KNIFE RIVER CONSTRUCTION AT 11800 S. HARLAN  
ROAD**

**RECOMMENDATION: Adopt a Resolution Accepting the Off-Site Sewer  
Force Main Constructed by Knife River Construction  
in Conjunction with the LN Real Estate LLC for the I-  
5 Logistics Project at 11800 S. Harlan Road**

---

**SUMMARY:**

LN Real Estate LLC, the developer for the I-5 Logistics project located at 11800 S. Harlan Road, has contracted with Knife River Construction to construct a 7,460 linear feet 6 inch diameter sewer force main on Harlan Road to accommodate their needs as well as future flows. Knife River Construction has completed construction of the sewer force main in accordance with their encroachment permit, EP 15-10 as shown on the 11800 South Harlan Road Force Main plans dated March 18, 2014 by Kier & Wright Civil Engineers and Surveyors, Inc. The sewer force main was inspected by City staff and has been deemed complete and ready for acceptance as part of this construction project.

Knife River Construction confirmed it has been paid in full for the off-site work and has paid all supplier and subcontractors on this project. Staff therefore recommends that the City Council accept these improvements and authorize City staff to release the performance and the labor and material bonds for Knife River Construction in the amount of \$816,000 in association with the encroachment permit and file a Notice of Completion with the San Joaquin County Clerk.

**BACKGROUND:**

On January 22, 2014, the City's Planning Commission approved the developer's site plan for the development of the I-5 Logistics Center project by Resolution No. 14-1. The project site is located at 11800 S. Harlan Road. A condition of the project was to construct an off-site sewer force main from the project site to the Stonebridge subdivision collection system. The sewer main was sized to accommodate the ultimate flows from the surrounding areas. The facilities as shown on the 11800 South Harlan Road Force Main plans dated March 18, 2014 by Kier & Wright Civil Engineers and Surveyors, Inc. Staff has inspected the improvements and confirmed that they were completed in a satisfactory manner.

**RECOMMENDATION:**

Since the developer has completed its obligation to construct the sewer facility, staff requests that the City Council accept the sewer improvements and authorize staff to release the performance bond and the labor and materials bond for Knife River Construction in association with the encroachment permit.

**COUNCIL GOALS ADVANCED BY THIS AGENDA ITEM:**

This agenda item promotes Economic Growth by accepting infrastructure improvements for public use.

**FISCAL IMPACT:**

The City's maintenance costs for the new sewer force main are expected to be negligible.

**ATTACHMENT:**

- A. Resolution Accepting Sewer Force Main Improvements Installed in Conjunction with the I-5 Logistics Center Project by LN Real Estate LLC
- B. GASB Report
- C. Notice of Completion

**RESOLUTION 18-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
ACCEPTING THE OFF-SITE SEWER FORCE MAIN CONSTRUCTED BY KNIFE  
RIVER CONSTRUCTION IN CONJUNCTION WITH THE LN REAL ESTATE LLC  
FOR THE I-5 LOGISTICS PROJECT AT 11800 S. HARLAN ROAD**

**WHEREAS**, on January 22, 2014, the City's Planning Commission approved the developer's site plan for the development of the I-5 Logistics Center project by Resolution No. 14-1; and

**WHEREAS**, a condition of the project was to construct an off-site sewer force main from the project site to the Stonebridge subdivision collection system; and

**WHEREAS**, LN Real Estate LLC, the developer for the I-5 Logistics project, has contracted with Knife River Construction to construct the sewer force main on Harlan Road to accommodate them and future flows; and

**WHEREAS**, the facilities as shown on the 11800 South Harlan Road Force Main plans dated March 18, 2014 by Kier & Wright Civil Engineers and Surveyors, Inc.; and

**WHEREAS**, the improvements have been inspected by City staff and have been deemed complete and ready for acceptance; and

**WHEREAS**, Staff recommends Council accept the sanitary sewer force main improvements for maintenance and authorize City staff to release the performance and the labor and material bonds for Knife River Construction in the amount of \$816,000 in association with the encroachment permit, EP 15-10.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby accepts the 7,460 linear foot, 6 inch diameter sewer force main improvements installed in conjunction with the I-5 Logistics Center project by LN Real Estate LLC as shown on the 11800 South Harlan Road Force Main plans dated March 18, 2018 by Kier & Wright Civil Engineers and Surveyors, Inc.; and

**BE IT FURTHER RESOLVED**, that City staff is authorized to release the performance and labor and material bonds in associate with the encroachment permit and file a Notice of Completion with the San Joaquin County Clerk.

The foregoing resolution was passed and adopted this 12th day of February 2018, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

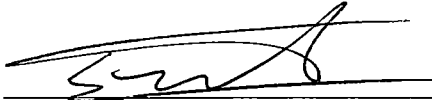
ABSTAIN:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

CITY OF LATHROP  
PROJECT ACCEPTANCE  
(GASB 34 REPORT)

ATTACHMENT <sup>09</sup> B <sup>09</sup>

Project: I-5 Logistics Sewer Force Main  
Date: 2-05-2018

Item	Unit	QTY	Unit Cost	
			Unit Price	Ext. Price
6" Plastic Pipe (Sewer Force Main)	LF	7460	\$ 75.00	\$ 559,500.00

RECORDING REQUESTED BY

CITY OF LATHROP

AND WHEN RECORDED MAIL TO

NAME City of Lathrop  
City Clerk  
STREET 390 Towne Centre Drive  
ADDRESS Lathrop, CA 95330  
CITY & STATE ZIP

**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 California

(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: Sewer Force Main 6" in diameter and 7,460 Linear Feet constructed under EP 15-10 and as shown on the 11800 South Harlan Road Force Main Plans dated March 18, 2014 by Kier & Wright Civil Engineer and Surveyor, Inc. and connects into the gravity storm drain system in Stonebridge Lane and Rosewood Street.

4. That on the 12th day of February, 2018 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:

Knife River Construction.

6. That the name and address of the transferor is:

NAME STREET AND NO. CITY STATE

Knife River Construction P. O. Box 6098 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:

Sewer Force Main 6" in diameter and 7,460 Linear Feet constructed under EP 15-10 and as shown on the 11800 South Harlan Road Force Main Plans dated March 18, 2014 by Kier & Wright Civil Engineer and Surveyor, Inc. and connects into the gravity storm drain system in Stonebridge Lane and Rosewood Street.

By: \_\_\_\_\_  
City Manager

That the undersigned has knowledge of the contents herein and states under penalty of perjury that the foregoing is true and correct.

By: \_\_\_\_\_  
City Clerk



**CERTIFICATE OF ACCEPTANCE**

This is to certify that the work described in the NOTICE OF COMPLETION dated **February 12, 2018 from 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 **February 12, 2018**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By \_\_\_\_\_

City Manager

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**CITY MANAGER REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING****ITEM: APPROVE DFIA 18-01 FOR 865 E. ROTH ROAD****RECOMMENDATION: Adopt a Resolution Approving Deferred Frontage Improvement Agreement (DFIA) 18-01 with Sukhchain Gill to Defer Frontage Improvements on Roth Road**

---

**SUMMARY:**

Sukhchain Gill, the developer of the Sunrise Trucking Parking Lot Development (Sunrise Trucking), is required to construct street frontage improvements along 865 E. Roth Road as a condition of a Settlement Agreement between the City of Lathrop and Sukhchain Gill dated November 12, 2014. The Settlement Agreement specifies the frontage improvements shall be deferred with a Deferred Frontage Improvement Agreement (DFIA). The determination of when street frontage improvements will be required of the developer is at the discretion of the City Engineer.

Staff recommends adopting a Resolution approving DFIA 18-01 with Sukhchain Gill for 865 E. Roth Rd.

**BACKGROUND:**

On May 29, 2014 the San Joaquin County Planning Commission approved Use Permit No. PA-1300007 for the Sunrise Trucking Parking Lot Development project with certain Conditions of Approval that required Sukhchain Gill to construct street frontage improvements along 865 E. Roth Road. The City and Sukhchain Gill entered into a Settlement Agreement, see attachment B, on November 12, 2014 to ensure the project provides for full mitigation of traffic and other impacts to the City including frontage improvements. The Settlement Agreement states the frontage improvements shall be deferred with a DFIA. The improvements are deferred until they coincide with future improvements on adjacent properties along Harlan Road. The mitigation fees and property for Roth Road have been paid and the property has been dedicated.

The DFIA which encompasses the street frontage improvements required by Use Permit No. PA-1300007 and the subsequent Settlement Agreement. Sukhchain Gill provide the City with a Performance Bond has agreed to the terms of the DFIA.

**REASON FOR RECOMMENDATION:**

Street frontage improvements are required to be constructed along 865 E. Roth Road as a condition of Use Permit No. PA-1300007 and a subsequent Settlement Agreement. Approving DFIA 18-01 will ensure the street improvements are built when determined by the City Engineer to be needed.

**CITY MANAGER REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING  
ADOPT A RESOLUTION APPROVING DEFERRED FRONTAGE IMPROVEMENT  
AGREEMENT (DFIA) 18-01 WITH SUKHCHAIN GILL**

**COUNCIL GOALS ADVANCED BY THIS AGENDA ITEM:**

This agenda item promotes Economic Development and Public Safety by ensuring the construction of street frontage improvements on Roth Road.

**FISCAL IMPACT:**


Currently there fiscal impact when the frontage improvements are complete on Roth Road there will be future maintenance fees.

**ATTACHMENTS:**

- A. Resolution Approving DFIA 18-01
- B. DFIA 18-01

**CITY MANAGER REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING  
ADOPT A RESOLUTION APPROVING DEFERRED FRONTAGE IMPROVEMENT  
AGREEMENT (DFIA) 18-01 WITH SUKHCHAIN GILL**

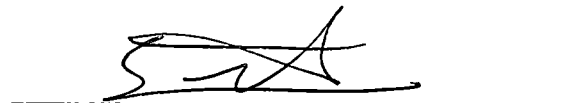
**APPROVALS:**

  
\_\_\_\_\_  
Jay M. Davidson  
Principal Engineer

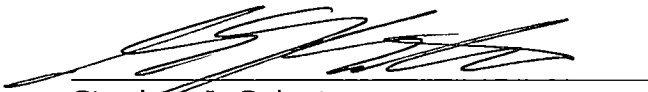
2/7/18  
Date

*RSchmidt for*  
\_\_\_\_\_  
Glenn Gebhardt  
City Engineer

2/7/18  
Date

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

2-8-18  
Date

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

2.7.18  
Date

**RESOLUTION NO. 18 - \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
APPROVING DEFERRED FRONTAGE IMPROVEMENT AGREEMENT  
(DFIA) 18-01 WITH SUKHCHAIN GILL**

**WHEREAS**, Sukhchain Gill sought Use Permit No. PA-1300007 from San Joaquin County to develop the project known as Sunrise Trucking Parking Lot Development ("Sunrise Trucking") including truck and trailer parking to be built in two phases; and

**WHEREAS**, the application for Use Permit No. PA-1300007 was approved by the San Joaquin Planning Commission on May 29, 2014 for Sukhchain Gill with certain Conditions of Approval that required Sukhchain Gill to construct street frontage improvements along 865 E. Roth Road; and

**WHEREAS**, the City and Sukhchain Gill entered into a Settlement Agreement on November 12, 2014 to ensure the project provide for full mitigation of traffic and other impacts to the City including frontage improvements; and

**WHEREAS**, the Settlement Agreement states the frontage improvements shall be deferred with a DFIA. The improvements are deferred until they coincide with future improvements on adjacent properties along Harlan Road; and

**WHEREAS**, Sukhchain Gill has agreed to the terms of DFIA 18-01 which includes the street frontage improvements required by Use Permit PA-1300007; and

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby approves Deferred Frontage Improvement Agreement 18-01 with Sukhchain Gill.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February 2018, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

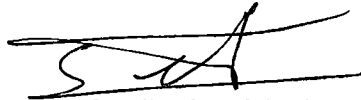
ABSENT:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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

After recording, return to  
City of Lathrop  
City Clerk  
390 Towne Centre Drive  
Lathrop, CA 95330

~~DFIA 17-01~~  
18-01

**DEFERRED FRONTAGE IMPROVEMENT AGREEMENT FOR STREET  
IMPROVEMENTS 865 E. ROTH RD (APN 193-320-16)**

THIS AGREEMENT, dated this ~~6<sup>th</sup>~~ <sup>12<sup>TH</sup></sup> day of ~~March, 2017~~ <sup>FEBRUARY, 2018</sup>, by and between the CITY OF LATHROP, a political subdivision of the State of California, hereinafter referred to as "CITY," and Sukhchain Gill, hereinafter referred to as "OWNER".

**WITNESSETH**

WHEREAS, OWNER sought Use Permit No. PA-1300007 from San Joaquin County to develop the project known as Sunrise Trucking-Parking Lot Development ("Sunrise Trucking") including truck and trailer parking to be built in two phases;

WHEREAS, the application for Use Permit No. PA-1300007 was approved by the San Joaquin Planning Commission on May 29, 2014 for OWNER, with certain Conditions of Approval that required OWNER to construct street frontage improvements along 865 E. Roth Road; and

WHEREAS, CITY and OWNER entered into a Settlement Agreement on November 12, 2014 to ensure the project provide for full mitigation of traffic and other impacts to the City including frontage improvements, and

WHEREAS, CITY and OWNER hereto mutually desire to defer the construction of the frontage improvements to a later date as determined by the CITY.



NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. OWNER represents and warrants that he/she is the fee title owner of the real property described in Exhibit "A" attached hereto and herein incorporated by this reference. OWNER acknowledges that the development of the real property is subject to the Settlement Agreement between CITY and OWNER attached hereto in Exhibit "B" and incorporated by this reference. The parties hereto agree that the actual construction of the frontage improvements identified in provisions No. 3 and No. 5 of the Settlement Agreement may be delayed as provided herein. Failure to provide for the construction of the aforementioned frontage improvements shall constitute not only a breach of the Settlement Agreement, but also a breach of this Agreement for which additional legal remedies may be pursued.
2. OWNER agrees to provide the design and construction of certain frontage improvements along the frontage on said real property at the sole cost and expense of OWNER and at the time detailed in Section 3 below. Said frontage improvements shall be consistent with the standards set forth by the City of Lathrop Standards and Specifications for a thirty-two (32) foot wide street section along 865 E. Roth Road. Said frontage improvements shall include but not be limited to those listed in Exhibit "C" (Engineer's Estimate for Improvements), attached hereto and herein incorporated by this reference.
3. Determination of when the required improvements are to be constructed shall be within the sole discretion of the City Engineer for the CITY (hereinafter "City Engineer"), subject to the terms of this Agreement. Upon written notification by the CITY to proceed, OWNER shall engage a Civil Engineer, licensed in the State of California, to design and prepare construction drawings for the required improvements. The design of said improvements shall be in accordance with the latest City of Lathrop Design and Construction Standards in effect at the time of approval of the improvement plans. The improvement plans shall be submitted to the City Engineer for approval within ninety (90) days of written notification from CITY and construction shall commence within ninety (90) days after approval of the construction drawings.
4. The City Engineer may choose to have the CITY or other interested parties perform the design engineering and construction of these improvements as an alternate to paragraph 3 above.

If the CITY or other interested parties perform the design and construction work, OWNER will reimburse the CITY within 30 days of written notification of the CITY's request for reimbursement for all costs of the design and construction of these improvements. The cost of these improvements shall be the actual design and construction costs. The construction costs are estimated in Exhibit "C" (Engineer's Estimate for Improvements). The construction costs shall be adjusted by the Engineering Construction Cost Index, as published by the *Engineering News Record*.

5. In any event, if there is a default of Paragraph 3 or 4 above by OWNER, the CITY may proceed to cause said construction to be performed and charge the entire cost and expense to the OWNER, including interest thereon at the maximum legal rate from the date of written notice of said cost and expense, until paid.

6. This agreement is intended to run with the land described in Exhibit "A" and is binding on the heirs, successors and assignees of OWNER and the benefit is to run to the successors and assignees of CITY. Any costs incurred by CITY in its performance under Paragraphs 3, 4 or 5 of this agreement shall constitute a lien upon the property described in Exhibit "A".

7. OWNER shall include in any sales agreement or transfer of any interest in any part or the whole of the property which is covered by this Deferred Improvement Agreement, the requirement that the Buyer/Transferee assume the responsibilities set forth in this Agreement, as to the property and agrees to be subject to the terms and conditions herein, as an heir, successor or assignee of OWNER. OWNER shall require the Buyer/Transferee to sign an acknowledged and notarized statement substantially in the following form:

8. "Buyer/Transferee hereby acknowledges and assumes all responsibility for the construction of frontage improvements related to the property for which Buyer/Transferee is acquiring an interest, in accordance with the terms and conditions of Agreement DFIA 17-01 between the City of Lathrop and Sukhchain Gill recorded as part of the Official Records of San Joaquin County.

9. Miscellaneous Provisions:

- 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 this Agreement.
- 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 that 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 as described herein and all documents which may, from time to time, be referred to in any duly executed amendment hereto are by such reference incorporated in the Agreement and shall be deemed to be part of this Agreement.
- g. Integration. This Agreement and any amendments hereto between the parties constitute the entire agreement between the parties concerning the deferral of the frontage improvements. There are no other prior oral or written agreements between the parties that are not incorporated in this Agreement regarding the timing of such frontage improvements.
- 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. Time is 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.

- k. 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.

10. In the event that there are any changes to the law that make any part of this Agreement invalid, that portion of the Agreement shall be severed from the Agreement and the remaining portions of the Agreement shall remain in full force and effect.

11. In the event of any controversy, claim or dispute relating to this instrument or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on  
the date first written above.

ATTEST: Teresa Vargas  
City Clerk of and for the City  
of Lathrop, State of California

CITY OF LATHROP, a  
political subdivision of  
the State of California

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


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

APPROVED AS TO FORM:

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

PROPERTY OWNER

Sukhchain Gill,

By:   
Sukhchain Gill



# ACKNOWLEDGMENT

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

State of California  
County of San Joaquin

On February 09, 2017 before me, Richard M. Kinsall, Notary Public  
(insert name and title of the officer)

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

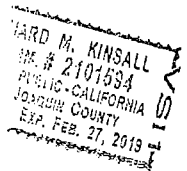
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Richard M. Kinsall (Seal)

P



DFIA ~~17-01~~ 18-01  
865 E. Roth Road  
APN 193-320-16

EXHIBIT "A"  
LEGAL DESCRIPTION

(See Attached)

**LEGAL DESCRIPTION**

**EXHIBIT "A"**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA OF THE, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Parcel B as shown on that Parcel Map filed for record February 17, 1983 in Book 11 of Parcel Maps, at Page 167, San Joaquin County Records.

APN: 193-320-16





DFIA ~~17-01~~ 18-01  
865 E. Roth Road  
APN 193-320-16

EXHIBIT "B"  
SETTLEMENT AGREEMENT

(See Attached)

**SETTLEMENT AGREEMENT BETWEEN THE CITY OF LATHROP AND  
SUKHCHAIN GILL REGARDING SUNRISE TRUCKING**

This Settlement Agreement is between the City of Lathrop ("City") and Real Party in Interest Sukhchain Gill ("Gill"), City and Gill are sometimes referenced hereinafter collectively as "Parties." The effective date of this Agreement shall be the date when the last party executes this Agreement ("Effective Date").

In the interest of promoting harmonious relations between the Parties and to avoid the uncertainty, inconvenience, and expensive litigation, the City and Gill, in settlement of the City's appeal of San Joaquin Planning Commission of Use Permit No. PA-1300007 approved May 29, 2014 ("Use Permit"), agree as follows:

**RECITALS**

A. Whereas, Gill sought and was granted a Use Permit to develop the project known as Sunrise Trucking-Parking Lot Development ("Sunrise Trucking") including truck and trailer parking to be built in two phases;

B. Whereas, pursuant to said Use Permit, Phase 1 includes parking for 32 tractor-trailers and 11 trailers, the construction of a 49 square-foot restroom building and a 60 square-foot guard shack. Phase 2, with building permits to be issued within three years, to include the additional parking of 51 tractor-trailer and 21 trailers; located on the north side of Roth Road approximately one-half mile west of Airport Way, north of and adjacent to the City of Lathrop ("Project"); and

C. Whereas, the project site is located at 865 E. Roth Road, San Joaquin County Assessor's Parcel Number 193-320-16, French Camp, CA ("Subject Property"); and

D. Whereas, Gill would like to acquire an encroachment permit from the City of Lathrop to build improvements required by the County of San Joaquin as a condition of approval ("Encroachment Permit"); and

E. Whereas, the City requires that the project provide full mitigation for traffic and other impacts to the City;

Now, therefore, Parties further agree as follows:

1. **Gill to Pay I-5 Roth Road Mitigation Fee to City.** Gill shall pay an I-5/Roth Road Mitigation Fee of \$47,450. Said fee is present value escalated at 3% per year until paid. I-5/Roth Road Interchange fee shall be due and must be paid prior to the issuance of the Encroachment Permit from the City of Lathrop.

2. **Gill to Dedicate Land to City.** In addition to those road improvements required by San Joaquin County for its approval of the Use Permit, Gill shall be required to dedicate land

for a 32 foot wide right of way and an additional 10 foot wide utility easement along the entire frontage of the Subject Property along East Roth Road ("Dedication"). Such Dedication must be made prior to City's issuance of Encroachment Permit.

3. **Gill Shall Build Commercial Driveway.** Project shall be connected to Roth Road through a commercial driveway built in accordance with City's standards.

4. **Gill Will Reconstruct Existing Pavement Adding Turning Radius Improvements.** Gill will reconstruct existing pavement along the frontage of the Subject Property from the centerline to the Subject Property, and construct extended pavement truck turning radius required for incoming and outgoing trucks.

5. **Gill Will Sign Deferred Frontage Improvement Agreement (DFIA).** Gill will sign a DFIA and guarantee full street improvements (curb, gutter, sidewalk, widening of pavement to gutter lip, street lights and storm drainage) along the Roth Road frontage of Subject Property prior to the issuance of Encroachment Permit by the City.

6. **Project Will Retain Storm Drain Water On-Site.** Project will retain storm drain water on-site at all times during and after construction of Project improvements.

7. **Project Will Not Receive Municipal Potable Water Nor Municipal Sanitary Sewer Utility Service Prior to Annexation to City.** Project will not receive potable water nor sanitary sewer utility service from the City of Lathrop until such time as the site annexes into the City, installs any necessary infrastructure improvements and pays appropriate connection fees.

8. **City Dismissal of Appeal.** The City agrees to file a written dismissal of its Appeal dated June 09, 2014, filed with San Joaquin County Community Development Department, within 5 business days of the Effective Date of this Agreement. Parties agree, however, that the City has the right to an injunctive order and other appropriate court order(s) necessary to stop all development of Sunrise Trucking and other activities under the Use Permit if Gill or a successor in interest attempt to develop Project without fulfilling the requirement herein.

9. **Gill agrees to obtain an Encroachment Permit.** Gill agrees to file and pursue an application for an Encroachment Permit with the City of Lathrop prior to engaging in any work within the City's right of way.

10. **Remedies Cumulative.** No remedy or election of remedies provided for in the agreement shall be deemed exclusive, but shall be cumulative with all other remedies at law in equity. Each remedy shall be construed to give the fullest effect allowed by law.

11. **Applicable Law.** This agreement shall be governed by, and construed and enforced in accordance with the laws of the State of California.

12. **Signator's Warranty.** Each party warrants to each other he or she is individually authorized and competent to enter into this agreement in the capacity indicated by his or her signature and agrees to be bound by this agreement as of the day and year first mentioned above upon the execution of this agreement by each other party.

13. **Release.** Each Party acknowledges that he, she, or it understands that the releases contained in this Agreement are essential and material requirements hereof and that the other Parties would not have entered into the Agreement absent the releases contained herein. Each Party represents and warrants that no releasing Party has purported to convey, transfer or assign any right, title or interest in any released matter to any other person or entity and that the foregoing constitutes a full and complete release of the released matters. Excepting the obligations imposed by this Agreement each Party also understands that this release shall apply to all unknown or unanticipated results of the transactions and occurrences described above with respect to the obligations and matters included within the claims released herein, as well as those that are known and anticipated. Each Party has been afforded the opportunity to consult with, and did consult with, legal counsel prior to signing this release and each Party executes such release voluntarily, with the intention of fully and finally extinguishing all released matters.

14. **Notice.** All written notices or demands of any kind that any Party hereto may be required or may desire to deliver to any other Party hereto in connection with this Agreement shall be served (as an alternative to personal service) by (1) email, with receipt of such email confirmed by the recipient, or (2) by overnight mail service, with postage thereon fully prepaid as follows:

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

To Gill: Sukhchain Gill  
865 East Roth Road  
French Camp, CA 95231

15. **Attorneys' Fees and Costs.** Should City be required to initiate legal proceedings to enforce any term under this agreement, City shall have a right to recover its attorney's fees and cost from Gill.

16. **Warranty and Indemnity.** Each Party hereto warrants that he, she or it has not, prior to the execution of this Agreement, assigned to any other person or entity any of the claims being settled, released, and/or waived by the terms of this Agreement. If any person or entity not

a Party to this Agreement hereafter makes any claim against a Party hereto, and such claim arises as a result of any assignment of the rights of any Party hereto prior to the execution of this Agreement, then such Party through whom that third Party's claim is made agrees to hold harmless and indemnify the other Parties to this Agreement against any and all losses, costs, expenses, attorneys' fees, obligations or other liability arising out of or relating to any such claims asserted by any such third party as a result of such assignment prior to the execution of this Agreement.

17. **Construction.** This Agreement shall not be construed more strictly against one Party than against the other by virtue of the fact that the Agreement may have been drafted or prepared by counsel for one of the Parties, it being recognized that all Parties to this Agreement have contributed substantially and materially to the preparation of this Agreement.

18. **Assignment, Transfer and Notice.** Gill may transfer all or any portion of its Rights and Obligations under the Agreement as to such portion of the Project Property (the "Transferred Property") to any person, entity or organization acquiring an interest or estate in such Transferred Property, including, without limitation, purchasers or ground lessees of lots, parcel or facilities on such portion of the Project Site (a "Transferee"). Provided, however, Gill shall not be relieved of any obligations herein unless expressly relieved by City Council in writing.

19. **Independent Advice.** The Parties each acknowledge that they have consulted with their counsel as they deemed necessary in connection with the negotiation, execution and delivery of this Agreement.

20. **Binding Effect.** This Agreement shall be binding upon the Parties' legal representatives, agents, past, present and future employees, shareholders, affiliates, parent corporations, subsidiaries, directors, officers, assigns and successors.

21. **Enforcement of Agreement.** Should it become necessary for any Party to this Agreement to commence a legal proceeding for the purpose of enforcing the terms of this Agreement, the prevailing Party shall be entitled to recover its attorneys' fees and costs in connection with that action, and the Parties stipulate that the Superior Court of San Joaquin County shall retain jurisdiction to enforce the terms of this Agreement.

22. **Execution in Counterparts.** This Agreement may be executed and delivered in two or more counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts together shall constitute but one and the same instrument and Agreement. It is further agreed that scanned and emailed and/or facsimile copies of executed signature pages may be assembled and that each and every one of the same shall be given the force and effect of an original signature.

23. **Recordation and Further Assurances.** Parties hereto agree to and will cooperate fully with each other in the performance of this Agreement, and will execute such additional agreements, documents or instruments as may reasonably be required to carry out the intent of the Parties and to Record a copy of this Settlement Agreement on the chain of title of the Subject Property through the San Joaquin County Recorder's Office.

24. **Severability of Provisions.** In the event that any provision of this Agreement should be held to be void, voidable, or unenforceable, the remaining portions shall remain in full force and effect.

25. **Time is of the Essence.** Time is of the essence in the performance of the obligations required by this Agreement.

26. **No Waiver.** No waiver of any obligations under this Agreement will be enforceable or admissible unless set forth in a writing signed by the Party against which enforcement or admission is sought. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted shall apply solely to the specific instance expressly stated.

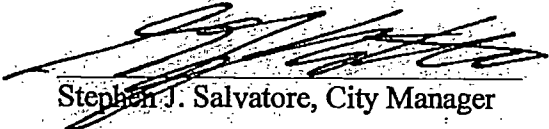
27. **Entire Agreement; Terms Read and Understood.** The undersigned have read all of the foregoing Agreement. This Agreement constitutes the entire agreement of the Parties, and it supersedes all other verbal or written agreements, representations and promises, including Memo dated January 14, 2014, written to San Joaquin County Community development department. The Parties fully understand all of the terms hereof, and represent that they enter into this Agreement of their own will and not due to any representation, commitment, promise, pressure, or duress from any other Party.

The Parties have duly authorized and caused this Agreement to be executed as follows:

The undersigned parties represent that they have read and understand the terms of this settlement and that they are authorized to execute this Settlement Agreement on behalf of their principals.

For City of Lathrop:

For Real Party in Interest:

  
Stephen J. Salvatore, City Manager

  
Sukhchain Gill

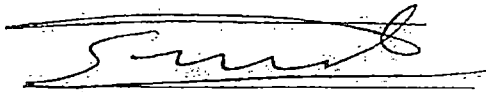
Date

11-12-14

Date

11/7/14

APPROVED AS TO FORM



Salvador V. Navarrete  
Attorney for City of Lathrop

11.12.14  
Date



EXHIBIT "C"  
ENGINEER'S ESTIMATE FOR IMPROVEMENTS

(See Attached)

SUNRISE TRUCKING, 865 E. ROTH ROAD, LATHROP CA

ENGINEER'S ESTIMATE FOR STREET AND UTILITY IMPROVEMENTS

Bid Item	Description	Quantities	Units	Unit Price	Total Price
1	Curb & Gutter per City standard detail R-7A	135	LF	\$13.50	\$1,822.50
2	Sidewalk per City standard detail R-7A (5'x135')	675	SF	\$4.50	\$3,037.50
3	Commercial driveway per City standard detail R-13 (attached)	1	EA	\$2,500.00	\$2,500.00
4	34.5-feet of Asphalt Concrete paving (6-inches AC over 10" AB) across the entire frontage (42-feet of new paving north of existing edge of pavement minus 7.5-feet to make room for the curb, gutter and sidewalk)	4,625	SF	\$4.50	\$20,812.50
5	18-inch RCP Storm Drain Pipe along entire frontage	135	LF	\$44.00	\$5,940.00
6	Storm Drain Manhole	1	EA	\$3,000.00	\$3,000.00
7	Storm Drain Catch Basin	1	EA	\$2,100.00	\$2,100.00
8	Fire Hydrant	1	EA	\$3,500.00	\$3,500.00
9	8-inch Sanitary Sewer Pipe along the entire frontage	135	LF	\$26.00	\$3,510.00
10	Sanitary Sewer Manhole	1	EA	\$2,500.00	\$2,500.00
11	Streetlight Electrolier	1	LF	\$5,000.00	\$5,000.00
12	Joint Trench	135	LF	\$125.00	\$16,875.00
13	Street Striping	135	LF	\$5.00	\$675.00
14	Mobilization	1	LS	\$7,000	\$7,000.00
	<b><u>Subtotal</u></b>				<b>\$78,272.50</b>
	Contract Administration 5%				\$3,913.63
	Design @ 10%				\$7,827.25
	Inspection @ 5%				\$3,913.63
	<b><u>Subtotal</u></b>				<b>\$93,927.00</b>
	25% Contingency				\$23,481.75
	Total Project Cost				<b>\$117,408.75</b>
	Use				<b>\$117,500.00</b>

Note: The above quantities are, per the precise plan line, for a full frontage 69.5' half-street ROW section.

By: Tony Singh, Sr. Project Manager

Date: 09/29/2015

Street Frontage: 135 L.F.

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING**

**ITEM:** **PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME FUNDING ALLOCATIONS FOR FY 2018/2019**

**RECOMMENDATION:** **Council to Consider the Following:**  
**1. Hold a Public Hearing; and**  
**2. Adopt Resolution Recommending the Allocation of the CDBG and HOME Funds for FY 2018/2019**

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**SUMMARY:**

Each year the City of Lathrop (City) receives an allocation of Community Development Block Grant (CDBG) funds and an allocation of HOME Investment Partnership Act (HOME) funds. Both programs are federally funded and provided by the U.S. Housing and Urban Development Department (HUD), and administered by San Joaquin County, under the Urban Cooperative Agreement between San Joaquin County and the cities of Escalon, Lathrop, Manteca, Ripon, and Tracy.

Recently, the County has developed new set of funding guidelines to better meet the needs of the community and meet requirements set forth by HUD. The following are important highlights that were in effect:

- Multi-entitlement agencies must apply directly to San Joaquin County for both County and City funding.
- The minimum public service grant request for local organizations should be at least \$5,000.00.
- The minimum for capital improvement and facilities is \$150,000 minimum.
- Cities will be recommending the allocation of funds to the County and HUD. Cities are not the approval authority.

This fiscal year 2018/2019, City of Lathrop is expected to receive approximately \$78,164 in new Federal CDBG funds and \$19,970 in HOME funds. Before CDBG and HOME funds can be allocated, the City Council must conduct a public hearing to consider requests for these funds. Through a published legal advertisement promoting the availability of CDBG and HOME funds, staff solicited applications for these funds.

Based on the current allocation of CDBG funds and HOME funds, the process for allocating these funds to identified local activities, is a three step process, as outlined below:

- STEP 1. Allocate the service organization funds (15% of total CDBG funds.)
- STEP 2. Allocate 85% of CDBG funds to eligible capital facility projects.
- STEP 3. Allocate HOME funds to an eligible program administered by the County.

**FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING  
PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME  
FUNDING ALLOCATIONS FOR FISCAL YEAR 2018/2019**

Staff recommends that the City Council consider the information given at the public hearing and during the staff presentation, and make a recommendation for allocating the 2017/2018 fiscal years CDBG funds and HOME funds. Thereafter, all projects must go through a screening process by the San Joaquin County Community Development staff to verify eligibility under HUD regulations.

**BACKGROUND:**

**STEP 1: Allocate funds to Service Organizations**

Multi-agency Organizations:

The City of Lathrop, in accordance with the Urban Cooperative Agreement with San Joaquin County, will make recommendations to allocate \$11,724 (15% of the total \$78,164 CDBG funds) for public services:

Multi-agency Organization such as Meals on Wheels, Emergency Food Bank, Second Harvest and San Joaquin Fair Housing, GECAC have applied directly to the County for both County and City funding. Since the City is required to contribute a proportionate share to each organization, Staff recommends \$6,724 be proportionally allocated as follows:

Multi-Agency Organizations	Allocation
San Joaquin Fair Housing	\$ 1,000.00
Second Harvest Food Bank	\$ 2,500.00
Emergency Stockton Food Bank (MFM)	\$ 1,000.00
Human Services Agency (Meals on Wheel)	\$ 1,000.00
Give Every Child a Chance	\$ 1,224.00
<b>Total Allocations</b>	<b>\$ 6,724.00</b>

Although the funds allocated by the City of Lathrop for each multi-agency organization seems minimal, the cumulative allocations from both County and Cities can still add up to a substantial fund closer to the total requested amounts from each organization, as shown in the following table:

MULTI-AGENCY FUNDING REQUESTS RECEIVED BY SAN JOAQUIN COUNTY FOR FY 2018-19										
Allocation Requests	18/19 Request	17/18	18/19 Request	17/18	18/19 Request	17/18	18/19 Request	17/18	18/19 Request	17/18
	Mobile Farmers Market		Fair Housing		Second Harvest		Meals on Wheels		GECAC	
County	\$15,000.00	\$5,000.00	\$25,511.00	\$20,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$2,247.00	\$10,000.00
Escalon	\$3,000.00	\$1,500.00	\$1,000.00	\$ 500.00	\$2,000.00	\$5,000.00	\$4,000.00	\$4,250.00	\$0.00	\$0.00
Lathrop	\$3,000.00	\$1,500.00	\$1,000.00	\$ 1,000.00	\$5,000.00	\$2,500.00	\$2,000.00	\$1,724.00	\$5,110.00	\$5,000.00
Manteca	\$4,000.00	\$4,000.00	\$10,000.00	\$ 8,176.00	\$10,000.00	\$8,176.00	\$8,000.00	\$8,000.00	\$13,210.00	\$8,176.00
Ripon	\$3,000.00	\$1,654.00	\$1,000.00	\$ 1,120.00	\$0.00	\$2,677.00	\$2,000.00	\$1,142.00	\$0.00	\$0.00
Tracy	\$3,000.00	\$1,758.00	\$0.00	\$ 5,000.00	\$10,000.00	\$1,758.00	\$2,000.00	\$1,758.00	\$0.00	\$0.00
<b>Totals</b>	<b>\$33,000.00</b>	<b>\$15,412.00</b>	<b>\$38,511.00</b>	<b>\$35,796.00</b>	<b>\$10,000.00</b>	<b>\$30,111.00</b>	<b>\$15,000.00</b>	<b>\$26,874.00</b>	<b>\$27,367.00</b>	<b>\$23,176.00</b>

Local Organizations:

For FY 2018-19, the City has received two applications from local organizations.

**1. City of Lathrop Youth Activity Assistance Prog. FY 18/19 \$5,000**

The City of Lathrop Parks & Recreation Department provides recreational programs and activities. The requested funds 18/19 are to be used for the Youth Scholarship Program to assist families who meet the household income established by HUD to receive assistance for their children (through age 18) to participate in recreation services and activities. The funds help low income youth participate in recreational activities offered through the Parks & Recreation Kid's Programs. Each child is eligible to receive \$250 annually and only 50% of the program fees can come from the Youth Activity Assistance Program. The services include: before and after school programs, day camp, sports, and classes.

**2. Boys & Girls Club of Manteca/Lathrop FY 18/19 \$5,000**

The Lathrop Boys & Girls Club operates an after-school program at Lathrop Elementary School. The requested funds will be used to purchase various supplies and materials for the ongoing recreational, social, and educational activities, including homework assistances (Power Hour) activities and a portion of the salary and benefit costs. The Lathrop Club site has a membership reaching a capacity of approximately 40 children coming from low to very low income families. The Lathrop Club offers the following programs to youth on a daily basis: Health & Life Skills, the Arts, Character & Leadership Development, and Sports, Fitness & Recreation.

The annual budget of the Boys and Girls Club is \$475,000 a year. Out of this, \$72,260 is budgeted to the Lathrop Club site. Funding comes from a number of sources including government, company and foundation grants, special events fundraising, corporate donations, individual donations and membership fees. The Boys and Girls Club has been operating in Lathrop for 19 years. They requested yearly CDBG funding for operational services for the first nine years. They did not request funding last year. With ongoing construction activities at Lathrop Elementary School, they were moved to three different locations last year. This school year, they have been provided a permanent location on campus. They applied to Lathrop for CDBG funding as a local agency. They are not requesting CDBG funding from any other city this year, so they did not apply with the County as a multi-agency.

Due to the new funding guidelines that required a \$5,000 minimum grant for local organizations, and Lathrop's limited CDBG funds, we would have been in a difficult situation only being able to support one out of the two local applications received.

However, County has granted Lathrop an additional \$5,000 allocation from its sources to allow consideration of both organizations. With these considerations, Staff recommends allocating \$5,000.00 to each of the above qualified local organizations.

**STEP TWO: Eligible Capital Facility Project**

According to HUD requirements, the City of Lathrop may use 85% of the CDBG allocation for eligible capital facility projects and administration. As mentioned earlier in this report, the "area of benefit" would have to be within the service area that meets the 51% Low/Moderate Income requirement as identified by the US Census Tract/Block. However, most of the City's census tracts exceed this threshold.

After careful review and consideration, Staff will not be recommending any CIP projects for consideration the coming fiscal year as there are no CIP project that is within the "area of benefit" as required by HUD.

**STEP THREE: Home Funds**

The estimated HOME funds are \$19,970. In the past, the Single-Family Rehabilitation Loan Program has been discontinued so the City has been recommending HOME Fund allotments to a first time homebuyer down-payment assistance program. Both programs are administered through San Joaquin County. However, the County has recently reactivated the rehabilitation loan program and will start reviewing applications for the program. The City now has the option to allocate the funds to the housing rehabilitation program.

**RECOMMENDATION:**

Staff recommends that the City Council consider the information given at the public hearing and during the staff presentation, and make a recommendation for allocating the 2017/2018 fiscal year CDBG and HOME program funds as follow:

- Step 1: Allocations be distributed as indicated on the Service Organizations Allotment Summary on Attachment 2:
- Step 2: Staff will not be recommending any CIP projects for CDBG due to lack of projects that meet CDBG eligibility for CIP Projects.
- Step 3: Allocate all HOME funds to the City Housing Rehabilitation Loan Program administered by the County.

**CITY MANAGER'S REPORT** **PAGE 5**  
**FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING**  
**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME**  
**FUNDING ALLOCATIONS FOR FISCAL YEAR 2018/2019**

**FISCAL IMPACT:**

Staff time to review the applications, prepare this report, presentation and monitor and manage this program. Recent changes to the County's disbursement process required the City to set up a separate account to accommodate the County's new CDBG reimbursement program. The funds required will be charged to the county and will be received by the City prior to the reimbursement of the submitted expenditure. The proposed budget is an amount not to exceed \$5,000.

For the City of Lathrop Youth Activity Assistance Program, a \$2,500.00 allotment is already projected on the FY 2018-19 budget. However, in order to reflect the full \$5,000 allotment, staff is requesting the following budget amendments for FY 2018/19:

<u>Increase Revenues</u>	
2700-30-01-333-0102	\$2,500.00
 <u>Increase Transfer Out</u>	
2700-9900-990-9010	\$2,500.00
 <u>Increase Transfer In</u>	
1010-9900-393-0000	\$2,500.00

Staff is also requesting the following budget amendment for the Boys and Girls Club of Lathrop and Manteca:

<u>Increase Revenues</u>	
2650-2010-333-0100	\$5,000.00
 <u>Increase Appropriations</u>	
2650-2010-440-4200	\$5,000.00

**GOALS ADVANCED BY THIS AGENDA:**

The proposed Resolution promotes Public Safety by providing funding for those in need of assistance and support.

**ATTACHMENTS:**

1. Resolution Recommending the Allocation of the Community Development Block Grant and Home Investment Program Funds for FY 2018/2019.
2. Service Organizations Allotment Summary

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2018 REGULAR CITY COUNCIL MEETING**  
**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER CDBG AND HOME**  
**FUNDING ALLOCATIONS FOR FISCAL YEAR 2018/2019**

**APPROVALS:**

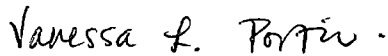


Rebecca Schmidt  
Director of Community Development

2-1-18

Date

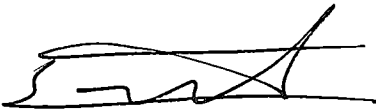
for



Cari James  
Director of Finance

2-1-18

Date



Salvador Navarrete  
City Attorney

2-1-18

Date



Stephen J. Salvatore  
City Manager

2-5-18

Date



**RESOLUTION NO. 18-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
RECOMMENDING THE ALLOCATION OF THE COMMUNITY DEVELOPMENT  
BLOCK GRANT AND HOME INVESTMENT PROGRAM FUNDS FOR FISCAL  
YEAR 2018/2019**

**WHEREAS**, it is estimated that the City will receive allocation of \$78,164 and \$19,970 respectively for Community Development Block Grant (CDBG) and the HOME Investment Program (HOME) from the United States Department of Housing and Urban Development (HUD) for Fiscal Year (FY) 2018-2019; and

**WHEREAS**, the City of Lathrop has properly published a 30 day public notice of availability of funds for the programs in accordance with HUD regulations; and

**WHEREAS**, the City Council has determined in accordance with the California Environmental Quality Act, Article 18, Section 15273, that this item is categorically exempt because CEQA does not apply to the establishment or modification of HUD funding programs to public agencies which are to meet community needs; and

**WHEREAS**, the City Council conducted a public hearing on February 12, 2018 to consider applications for CDBG and HOME Funds for FY 2018-2019 and has considered the information given at the public hearing and during the staff presentation and determines that the allocations represent the community needs in Lathrop; and

**WHEREAS**, the recipients receiving CDBG funding are required to enter into an agreement with the City to ensure that funds are spent in accordance with HUD regulations;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop, does hereby recommend the following service agencies and allocated amounts for funding in the 2018/2019 fiscal year for the CDBG program

**SERVICE ORGANIZATION ALLOCATIONS**

<u>Organization</u>	<u>Allocation</u>
San Joaquin Fair Housing	\$ 1,000.00
Second Harvest Food Bank	\$ 2,500.00
Emergency Stockton Food Bank (MFM)	\$ 1,000.00
Human Services Agency (Meals on Wheel)	\$ 1,000.00
Give Every Child a Chance (GECAC)	\$ 1,224.00
City of Lathrop Activity Assistance Program	\$ 5,000.00
Boys & Girls Club of Manteca & Lathrop	\$ 5,000.00
Total Allocation	<u>\$ 16,724.00</u>

**BE IT FURTHER RESOLVED** that a budget amendment for FY 2018-2019 is required as follows:

For the City of Lathrop Youth Activity Assistance Program:

<u>Increase Revenues</u>	
2700-30-01-333-0102	\$2,500.00

<u>Increase Transfer Out</u>	
2700-9900-990-9010	\$2,500.00

<u>Increase Transfer In</u>	
1010-9900-393-0000	\$2,500.00

For the Boys and Girls Club of Lathrop and Manteca:

<u>Increase Revenues</u>	
2650-2010-333-0100	\$5,000.00

<u>Increase Appropriations</u>	
2650-2010-440-4200	\$5,000.00

**BE IT FURTHER RESOLVED** that the City will not be recommending any capital improvement projects for CDBG consideration for FY 2018-2019; and

**BE IT FURTHER RESOLVED** that the City does hereby recommend allocating the \$19,970 HOME Program funds to the Rehabilitation Loan Program.

**PASSED AND ADOPTED** this 12<sup>h</sup> day of February 2018, by the following vote:

AYES:

NOES:

ABSENT:

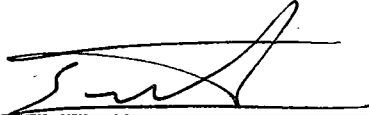
ABSTAIN:

\_\_\_\_\_  
SONNY DHALIWAL, MAYOR

**ATTEST:**

**APPROVED AS TO FORM:**

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

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

**SERVICE ORGANIZATIONS ALLOTMENT SUMMARY**

<b>Organization</b>	<b>Proposed Use of Funds</b>	<b>Requested Amounts for FY 18/19</b>	<b>Recommended Allotment for FY 18-19</b>
<b>Fair Housing</b>	The San Joaquin Fair Housing Board processes housing discrimination complaints and provides housing information to the public. San Joaquin Fair Housing is allocated \$1,000 automatically	\$1,000	\$1,000
<b>Second Harvest</b>	The mission of the Second Harvest Food Bank is to solicit, pick-up, and warehouse food items and related products that are donated by food processors, farmers, food distributors, or supermarkets. The food bank operates three hunger relief programs in the City of Lathrop: Food Assistance Program, Senior Brown Bag, and Food 4 Thought.	\$5,000	\$2,500
<b>Emergency Stockton Food Bank Mobile Farmer's Market</b>	The Stockton Emergency Food Bank operates from its onsite food pantry as well as its 12 satellite food pantries and 58 Mobile Farmer's Market (MFM) sites throughout the county.	\$3,000	\$1,000
<b>Human Services Agency, Meals on Wheels</b>	The Home Delivered Meals Program provides free nutritious meals, nutrition education, and nutrition risk screening to seniors who are homebound by reason of illness or disability, or who are otherwise isolated.	\$2,000	\$1,000
<b>Give Every Child a Chance (GECAC)</b>	GECAC is a literacy based mentor/tutoring program, which provides tutoring/homework supplies and nutritional snacks to students.	\$5,110	\$1,224
<b>City of Lathrop Youth Activity Assistance Program</b>	The program provides financial assistance to children from low-income families to give them an opportunity to participate in recreation programs and activities.	\$5,000	\$5,000
<b>Boys &amp; Girls Club of Lathrop &amp; Manteca</b>	The Boys & Girls Club of Manteca strives to provide a safe place to learn and grow for all young people, especially those from disadvantaged circumstances.	\$5,000	\$5,000
<b>TOTAL FUNDS REQUESTED</b>			<b>\$16,724</b>

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018, CITY COUNCIL REGULAR MEETING**

**ITEM:** PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER AN ORDINANCE TO ADD CHAPTER 3.25 ENTITLED "SOUTH LATHROP SPECIFIC PLAN CAPITAL FACILITY FEES" TO TITLE 3, "REVENUE AND FINANCE" OF THE LATHROP MUNICIPAL CODE

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

1. Hold a Public Hearing; and
2. Consider an Ordinance to add Chapter 3.25 entitled "South Lathrop Specific Plan Capital Facility Fees" to Title 3, "Revenue and Finance" of the Lathrop Municipal Code

**SUMMARY:**

Capital Facility Fees (CFFs) are necessary to provide a source of revenue by which new development within the City will contribute a fair and proportionate share of the cost of providing infrastructure and community facilities. The types of projects that are funded through CFFs include major street/road construction, freeway interchange improvements, water tanks, pump stations, new parks, new public buildings, and others. This item provides Council the opportunity to add a chapter to the Lathrop Municipal Code to establish Capital Facility Fees for the South Lathrop Specific Plan (SLSP) area.

Staff recommends that the City Council conduct a public hearing, consider all information and public testimony and, if determined to be appropriate, introduce the ordinance approving the South Lathrop Specific Plan Capital Facility Fee.

**BACKGROUND:**

CFFs collect funds from new development to fund needed capital improvements throughout the City reasonably related to projected community growth.

On August 3, 2015, the City Council approved entitlements for the South Lathrop Specific Plan area. The Development Agreement between the City and the developer of the South Lathrop Specific Plan requires that Lathrop's CFF Program be updated in order to establish fees for this area. The primary objective is to expand the CFFs to include new development planned in the SLSP area to ensure that new development in SLSP pays its fair share of the cost of providing needed public infrastructure.

**CITY MANAGER'S REPORT** **Page 2**  
**FEBRUARY 12, 2018, CITY COUNCIL REGULAR MEETING**  
**ORDINANCE TO ADD CHAPTER 3.25 ENTITLED "SOUTH LATHROP SPECIFIC**  
**PLAN CAPITAL FACILITY FEES" TO TITLE 3, "REVENUE AND FINANCE"**

The South Lathrop Specific Plan covers a 315-acre development in the southeast portion of the City, included as Attachment "B". The project is located south of State Route 120, north and west of the Union Pacific Railroad, and east of the San Joaquin River. The SLSP consists of mainly employment-generating land uses. Approximately 246 acres are zoned for Limited Industrial development and 10 acres are zoned for Commercial Office development. The remaining 59 acres include open space, public and quasi-public lands, the San Joaquin River, and roadways.

On June 7, 2017, the City retained Goodwin Consulting Group to prepare the South Lathrop Specific Plan Capital Facility Fees Study ("Nexus Study"), included as Attachment "C", to identify relevant costs associated with the South Lathrop Specific Plan area. The table below summarizes the fees calculated in the report. A 3.0% administration fee is included to pay for the administrative duties associated with the fee program.

**SLSP CFF Summary**

Facility Type	Total Estimated Cost	Funding From Other Developments <sup>1</sup>	SLSP CFD Funding	SLSP Fees
Transportation	\$65,805,000	\$52,744,379	\$5,552,405	\$7,508,216
Water	\$3,320,158	\$2,324,158	\$0	\$996,000
Storm Drainage	\$1,720,875	\$1,146,875	\$0	\$574,000
<b>Total</b>	<b>\$70,846,033</b>	<b>\$56,215,412</b>	<b>\$5,552,405</b>	<b>\$9,078,216</b>

1. Other developments may include Lathrop Gateway Specific Plan, McKinley Corridor, Crossroads, and others.

*Sources: MacKay & Somps; H2O Urban Solutions; Fehr and Peers*

The State of California Mitigation Fee Act (also known as "AB 1600," Government Code sections 66000, et seq.), identifies the required findings which must be made by the City in any action establishing, increasing, or imposing a development impact fee as a condition of approval of a development project. In general, when the City is able to make the findings required by the Mitigation Fee Act, the City has established a "Nexus" between the impacts of the development project and the costs associated with the construction of public facilities to mitigate the impacts.

The findings required by the Mitigation Fee Act documented in the Nexus Study include the following:

- Identify the purpose of the fee.
- Identify the use to which the fee is to be put.

**CITY MANAGER'S REPORT** **Page 3**  
**FEBRUARY 12, 2018, CITY COUNCIL REGULAR MEETING**  
**ORDINANCE TO ADD CHAPTER 3.25 ENTITLED "SOUTH LATHROP SPECIFIC**  
**PLAN CAPITAL FACILITY FEES" TO TITLE 3, "REVENUE AND FINANCE"**

- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.
- Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

Development in the City will create a need for additional public facilities as well as expansion of existing facilities to serve future residents and employees. The SLSP CFF program will provide funding for public facilities in accordance with the policies and goals set forth by the City. As required pursuant to the Mitigation Fee Act, the SLSP Fees calculated in this Fee Study meets the nexus requirements of the law, as outlined below.

**Purpose of the fees.**

The purpose of the SLSP Fees is to provide funding for the infrastructure and facilities identified in this Fee Study.

**Use of fee.**

SLSP Fee revenue will be used to fund future development's fair share of the cost of infrastructure and facilities that have been identified by the City as necessary to serve new development in the SLSP area.

**Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.**

New non-residential development will generate additional demand for the infrastructure and facilities identified in this Fee Study. The facilities, infrastructure improvements, and capacity enhancements included in this Fee Study will ensure that the City will maintain the desired level of service standards that are identified for the facility categories included in this Fee Study.

**Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.**

Fee revenue collected from the SLSP area will fund the facilities included in this Fee Study. These facilities will serve development in the SLSP area and the estimated fees are a fair-share cost allocation based on the impact that future development will have on these facilities and improvements. Fee accounts for the SLSP area will be established to ensure that fee revenue is applied to the infrastructure and facilities for which it is collected.

**Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.**

A reasonable relationship between the amount of each SLSP Fee and the cost of the public facility, or portion thereof, is established in this Fee Study through the use of cost allocation factors to estimate the demand for a facility or, the impact that a land use will have on a facility. For example, the cost allocation for the Transportation Fee is based on the number trips generated for each specific land use. The trip generation rates, which differ between land use categories, measure each land use's impact on facilities and infrastructure. As a result, each land use category or development type is allocated its fair share of the cost based on its impact, as identified by its cost allocation factor.

By assigning the demand for infrastructure and facilities based on the cost allocation factors for each land use and quantifying that demand in the calculation of the SLSP Fees, a reasonable relationship is established between the amount of the fee and the cost of the facilities attributable to the different types of non-residential development in the SLSP area. The developer of SLSP has reviewed the Nexus Study and fully supports establishing the SLSP CFFs.

**REASON FOR RECOMMENDATION:**

The primary objective is to expand the CFFs to include new development planned in the SLSP area to ensure that new development in SLSP pays its fair share of the cost of providing needed public infrastructure.

**FISCAL IMPACT:**

The SLSP CFF Study analyzed \$70.8 million worth of planned facilities throughout the City and determined SLSP's fair share is \$9.1 million. Funding from other sources, totaling \$56.2 million, reduces the net amount that will be funded with SLSP Fee revenue to approximately \$9.1 million. This fee allows the City to collect \$9.1 million from SLSP for public infrastructure.

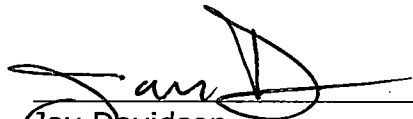
**ATTACHMENTS:**

- A. Ordinance adding Chapter 3.25 Entitled "south Lathrop Specific Plan Capital Facility Fees" to Title 3, "Revenue and Finance" of the Lathrop Municipal Code
- B. South Lathrop Specific Plan Boundary Area Map
- C. South Lathrop Specific Plan Capital Facilities Fee Study (Nexus Study) by Goodwin Consulting Group, dated February 2018.




**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2018, CITY COUNCIL REGULAR MEETING**  
**ORDINANCE TO ADD CHAPTER 3.25 ENTITLED "SOUTH LATHROP SPECIFIC**  
**PLAN CAPITAL FACILITY FEES" TO TITLE 3, "REVENUE AND FINANCE"**

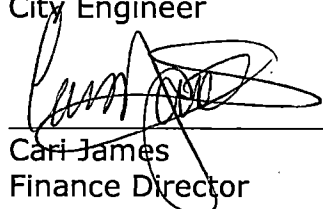
**APPROVALS:**

  
\_\_\_\_\_  
Jay Davidson  
Principal Engineer

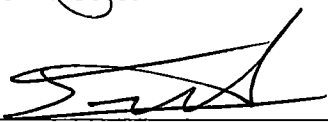
2/6/18  
Date

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


2/6/18  
Date

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

2/7/18  
Date

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

2-7-18  
Date

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

2.7.18  
Date

**ORDINANCE NO.**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP ADDING CHAPTER 3.25 ENTITLED "SOUTH LATHROP SPECIFIC PLAN CAPITAL FACILITY FEES" TO TITLE 3, "REVENUE AND FINANCE" OF THE LATHROP MUNICIPAL CODE**

**WHEREAS**, on June 7, 2017, the City Council approved Task Order No.6 with Goodwin Consulting Group, (GCG) which, among other tasks, included the preparation of the South Lathrop Specific Plan (SLSP) Capital Facilities Fee Study to support the City's potential adoption of the South Lathrop Specific Plan Capital Facility Fee Program; and

**WHEREAS**, GCG prepared the South Lathrop Specific Plan Capital Facility Fee Study ("Nexus Study") dated February 5, 2018; and

**WHEREAS**, the Nexus Study of February 5, 2018 has been reviewed and considered by the City Council and by reference is hereby entered into the public record; and

**WHEREAS**, a notice of the public hearing on this Ordinance was published in the Manteca Bulletin on February 1<sup>st</sup> & 6<sup>th</sup>, 2018; and

**WHEREAS**, the findings required by the State of California Mitigation Fee Act (also known as "AB 1600," Government Code sections 66000, et seq.) are made by Council with this action as contained in the administrative record and hereby incorporated by reference herein; and

**WHEREAS**, the fees imposed by the City pursuant to this ordinance can be amended by resolution; and

**WHEREAS**, the City Council did use its independent judgment and considered all of said reports including but not limited to the Nexus Study, recommendations and other evidence in the administrative record, all of which is hereby incorporated by reference herein;

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

**SECTION 1. APPROVAL OF NEXUS STUDY AND FINDINGS.** The City Council of the City of Lathrop does hereby approve the South Lathrop Specific Plan Capital Facilities Fees, dated February 6, 2018 attached as Attachment "C" to the City Council Staff Report of February 12, 2018 and incorporated herein by this reference and Council hereby adds the SLSP Capital Facilities Fees to the Capital Facility Fee Program based on findings required by the State of California Mitigation Fee Act (also known as "AB 1600," Government Code sections 66000, et seq.), specifically Council hereby makes all of the following findings:

1. The purpose of the SLSP Fees is to provide funding for the infrastructure and facilities identified in this Nexus Study. Pursuant to the Lathrop Municipal Code Section 3.20.040 collected fees may be used for no other purpose.
2. The geographic area in which the fees will be imposed is SLSP study area, located south of State Route 120, north and west of the Union Pacific Railroad, and east of the San Joaquin River, as illustrated in Attachment "B" boundary map to the City Council Staff Report of February 12, 2018 and incorporated herein by this reference.
3. The estimated fair and proportionate share of the cost of SLSP's contribution to providing infrastructure and community facilities within the City are contained in the SLSP Capital Facilities Nexus Study.
4. There is a reasonable relationship between the type of development projects on which the fee is imposed and the uses of the fees. The Fee revenue collected from the SLSP area will fund the facilities included in this Nexus Study. These facilities will serve development in the SLSP area and the estimated fees are a fair-share cost allocation based on the impact that future development will have on these facilities and improvements.
5. There is a reasonable relationship between the amount of each SLSP CFF and the cost of the public facility, or portion thereof, is established in this Nexus Study through the use of cost allocation factors to estimate the demand for a facility or, the impact that a land use will have on a facility. For example, the cost allocation for the Transportation Fee is based on the number trips generated for each specific land use. The trip generation rates, which differ between land use categories, measure each land use's impact on facilities and infrastructure. As a result, each land use category or development type is allocated its fair share of the cost based on its impact, as identified by its cost allocation factor.

By assigning the demand for infrastructure and facilities based on the cost allocation factors for each land use and quantifying that demand in the calculation of the SLSP CFF, a reasonable relationship is established between the amount of the fee and the cost of the facilities attributable to the different types of non-residential development in the SLSP area.

**SECTION 2. APPROVAL OF FEE.** The City Council of the City of Lathrop, based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, hereby establishes the South Lathrop Specific Plan Capital Facility Fee as detailed in the South Lathrop Specific Plan (SLSP) Capital Facilities Fee Study by Goodwin Consulting Group, dated February 6, 2018, as Attachment "C" to the City Council Staff Report of February 12, 2018 and incorporated herein by this reference.

The City Council may, following the procedures set forth in Chapter 3.20 of the Municipal Code, take future action by resolution to revise to these fees. These fees shall be in addition to, all other fees imposed by the City including, but not limited to, the Municipal Services Facilities Fee and San Joaquin County fees, such as the San Joaquin County Regional Transportation Impact Fee (RTIF) and the County Capital Facilities Fee. Additionally, pursuant to the SLSP Mitigation Monitoring and Reporting Program, SLSP project proponents shall participate in the City's agriculture mitigation program and the San Joaquin Multi-Species Habitat Conservation and Open Space Plan by paying the per-acre fees for the loss of important farmland as well as to mitigate for habitat impacts to covered special status species. This SLSP CFF shall be collected and administered in the manner set forth in Chapter 3.20 of the Municipal Code. These fees shall be effective sixty (60) days after the adoption of this Ordinance.

**SECTION 3. ADDITION TO THE MUNICIPAL CODE.** Chapter 3.25 is added to Title 3, "Revenue and Finance" of the Lathrop Municipal Code to read as follows:

**Chapter 3.25: SOUTH LATHROP SPECIFIC PLAN CAPITAL FACILITY FEES**

Section 3.25.010. TITLE. This Chapter shall be known as the "South Lathrop Specific Plan Capital Facility Fees" regulation of the City of Lathrop.

Section 3.25.020. PURPOSE. This chapter is adopted to impose the South Lathrop Specific Plan Capital Facility Fees ("SLSP CFF") to ensure that new development within the South Lathrop Specific Plan pays its proportionate share of providing infrastructure, community facilities and the provision of services. This SLSP CFF, in combination with other sources of funding, will mitigate the impacts as a result of the South Lathrop Specific Plan Area development.

Section 3.25.030. Establishment of Fees. The South Lathrop Specific Plan Capital Facility Fees are initially established as detailed in the South Lathrop Specific Plan (SLSP) Capital Facilities Fee Study by Goodwin Consulting Group dated February 6, 2018. The SLSP CFF may be amended from time to time by resolution consistent and with Lathrop Municipal Code 3.20.

**SECTION 4. PUBLICATION.** Within fifteen (15) days after its final passage, the City Clerk shall cause this ordinance to be published in full accordance with Section 36933 of the Government Code.

The foregoing Ordinance was introduced on the 12<sup>th</sup> of February, 2018 and adopted this \_\_\_ day of \_\_\_\_\_, 2018 by the following vote:

AYES:

NOES:

ABSENT:

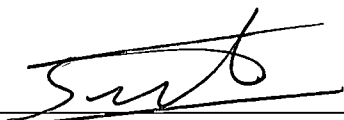
ABSTAIN:

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

**ATTEST:**

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

**APPROVED AS TO FORM:**

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



**GCG**

GOODWIN CONSULTING GROUP

**CITY OF LATHROP**

**SOUTH LATHROP SPECIFIC PLAN (SLSP)  
CAPITAL FACILITIES FEE STUDY**

**February 6, 2018**

**CITY OF LATHROP  
SOUTH LATHROP SPECIFIC PLAN (SLSP)  
CAPITAL FACILITIES FEE STUDY**

**TABLE OF CONTENTS**

<u>Section</u>	<u>Page</u>
<b>Executive Summary</b> .....	<b>i</b>
<b>I. Introduction</b> .....	<b>1</b>
<b>II. Land Uses</b> .....	<b>4</b>
<b>III. Fee Methodology</b> .....	<b>6</b>
<b>IV. Capital Facilities and Costs</b> .....	<b>9</b>
<b>V. Transportation Fee</b> .....	<b>11</b>
<b>VI. Water System Fee</b> .....	<b>14</b>
<b>VII. Storm Drainage Fee</b> .....	<b>17</b>
<b>VIII. Fee Summary</b> .....	<b>20</b>
<b>IX. Nexus Findings</b> .....	<b>20</b>
<b>X. Fee Program Administration</b> .....	<b>23</b>

**Maps**

Exhibit 1 – SLSP Project Site .....	2
Exhibit 2 – SLSP Land Use .....	5

**Appendix**

- Appendix A – Capital Facilities Cost Allocations
- Appendix B – Detailed Facilities Costs



***EXECUTIVE SUMMARY***

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The South Lathrop Specific Plan area (the “SLSP”) is a 315 acre development in the southeast portion of the City. The project is located south of State Route 120, north and west of the Union Pacific Railroad, and east of the San Joaquin River. The SLSP consists of mainly employment-generating land uses. Approximately 246 acres are zoned for Light Industrial and Warehouse development and 10 acres are zoned for Commercial Office development. The remaining 59 acres include open space, public and quasi-public land, the San Joaquin River, and roadways.

The City retained Goodwin Consulting Group to assist it in establishing a fee program for the SLSP area through the adoption by the City Council of this SLSP Capital Facilities Fee Study (“Fee Study”). This Fee Study is compliant with the requirements set forth in the Mitigation Fee Act, also known as AB 1600, and ensures that a rational nexus exists between the SLSP Fees and the cost or portion of the cost of capital facilities attributable to future development in the SLSP area.

**FACILITIES AND COSTS INCLUDED IN THE FEE PROGRAM**

Various capital facilities will be required for the SLSP area. Facilities and cost estimates have been prepared by the City and its consultants and are presented in this Fee Study. Table ES-1 summarizes these facilities and their costs. The gross cost of the planned facilities contained in this Fee Study is \$70.8 million. Funding from other sources, totaling \$56.2 million, reduces the net amount that will be funded with SLSP Fee revenue to approximately \$9.1 million.

**Table ES-1 – Facilities Costs**

<b>Facility Type</b>	<b>Total Estimated Cost</b>	<b>Funding From Other Developments<sup>1</sup></b>	<b>SLSP CFD Funding</b>	<b>SLSP Fees</b>
Transportation	\$65,805,000	\$52,744,379	\$5,552,405	\$7,508,216
Water	\$3,320,158	\$2,324,158	\$0	\$996,000
Storm Drainage	\$1,720,875	\$1,146,875	\$0	\$574,000
<b>Total</b>	<b>\$70,846,033</b>	<b>\$56,215,412</b>	<b>\$5,552,405</b>	<b>\$9,078,216</b>

1. Other developments may include Lathrop Gateway Specific Plan, McKinley Corridor, Crossroads, and others.

Source: MacKay & Somps; H2O Urban Solutions; Fehr and Peers

## **TRANSPORTATION FACILITIES**

Transportation facilities for SLSP include construction of interchanges at SR 120 and Yosemite Avenue and at I-5 and Lathrop Road. Transportation facilities also include roadway, intersection, and railroad crossing improvements for Yosemite and McKinley Avenues, and Airport Way. The total cost of the facilities is \$65.8 million. Based on its traffic model, the City's traffic consultant determined that SLSP's share of the total cost is \$13.1 million. The remainder, \$52.7 million, is allocated to the Lathrop Gateway Specific Plan (LGSP) area, McKinley Corridor, Crossroads, and other Lathrop developments.

Of the \$13.1 million allocated to SLSP, the project developer plans to finance approximately \$5.6 million through a future community facilities district bond issue. The remaining SLSP share of the cost, \$7.5 million, will be funded through SLSP Transportation Fees.

## **WATER SYSTEM FACILITIES**

Water system facilities include a 1.0 MG storage tank and booster pump station for Well 21. The total cost of these improvements is approximately \$3.3 million. The City staff determined that 30% of the total cost of the water system facilities is attributable to future SLSP development. As a result, SLSP's fair share of the total cost is \$1.0 million and will be funded through the SLSP Water System Fees.

## **STORM DRAINAGE FACILITIES**

Storm drainage facilities include construction of the South Lathrop Outfall. The total cost of the facility is \$1.7 million. The City's engineering consultant estimates that the total cost of the facility should be equally split between three development areas - SLSP, LGSP, and the McKinley Corridor development. SLSP's 33.3% share of the total cost is \$574,000 and will be funded through SLSP Storm Drainage Fees.

**FEE SCHEDULE**

The table below summarizes the fees calculated in this report. A 3.0% administration fee is included to pay for the administrative duties associated with the fee program.

**Table ES-2  
Fee Summary**

<b>Land Use</b>	<b>Unit</b>	<b>Transportation Fee</b>	<b>Water Fee</b>	<b>Storm Drainage Fee</b>	<b>City Admin Fee (3.0%)</b>	<b>Total</b>
<i>per 1,000 Bldg. Square Feet</i>						
<b>Commercial Office</b>	<b>KSF</b>	<b>\$15,631</b>	<b>\$988</b>	<b>\$380</b>	<b>\$510</b>	<b>\$17,508</b>
<b>Light Industrial</b>	<b>KSF</b>	<b>\$4,516</b>	<b>\$467</b>	<b>\$129</b>	<b>\$153</b>	<b>\$5,266</b>
<b>Warehouse</b>	<b>KSF</b>	<b>\$466</b>	<b>\$133</b>	<b>\$129</b>	<b>\$22</b>	<b>\$750</b>

**LATHROP CITYWIDE AND SAN JOAQUIN COUNTYWIDE FEES**

The SLSP Fees calculated in this Fee Study, if adopted by the City Council, will be added to the City’s Capital Facilities Fee (CFF) program. In addition to the SLSP Fees shown in this Fee Study, the SLSP area will also be subject to other Lathrop citywide impact fees in the CFF program. One such citywide fee is the Municipal Service Facilities fee that funds various municipal buildings and facilities. City staff have reviewed the assumptions and the calculation of the Municipal Service Facilities fee and have determined that the SLSP development will not affect the calculation of the fee or change the existing fee rates for this citywide fee.

SLSP will also be subject to San Joaquin County fees, such as the San Joaquin County Regional Transportation Impact Fee (RTIF) and the County Capital Facilities Fee. Additionally, pursuant to the SLSP Mitigation Monitoring and Reporting Program, SLSP project proponents shall participate in the City’s agriculture mitigation program and the San Joaquin Multi-Species Habitat Conservation and Open Space Plan by paying the per-acre fees for the loss of important farmland as well as to mitigate for habitat impacts to covered special status species.

**FEE ADJUSTMENTS**

The SLSP Fees may be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (federal grants), revised costs, or changes in the land use plan. In addition to such adjustments, the SLSP Fees will be inflated each year by a predetermined construction cost index selected by the City.

## ***I. INTRODUCTION***

---

### **BACKGROUND**

The South Lathrop Specific Plan area is a 315 acre development in the southeast portion of the City. Specifically, the project is located south of State Route 120, north and west of the Union Pacific Railroad, and east of the San Joaquin River. Exhibit 1 on the following page identifies the location of the project within the City. The SLSP consists of mainly employment-generating land uses. Approximately 246.4 acres are zoned for Light Industrial and Warehouse development and 10 acres are zoned Commercial Office. The remaining 59 acres includes open space, public and quasi-public lands, the San Joaquin River, and roadways.

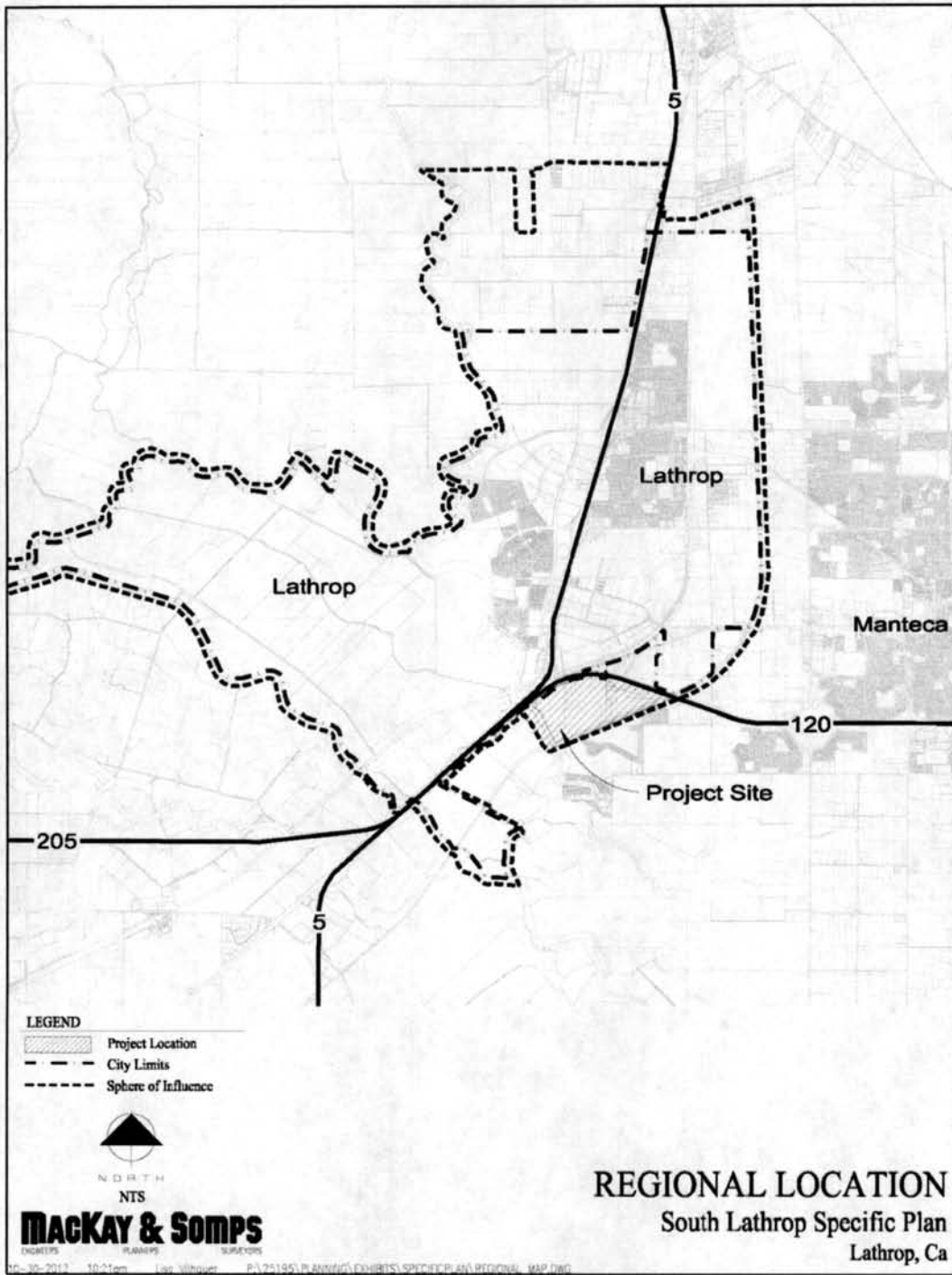
### **FEES INCLUDED IN SLSP CAPITAL FACILITIES FEE STUDY**

The SLSP Capital Facilities Fee Study includes fees that are specific to the land uses in SLSP area. The fees in the Fee Study relate to the following categories:

- Transportation Facilities
- Water System Facilities
- Storm Drainage Facilities
- Administration Fee (3.0% of other fee rates)

These fees will be referred to in this Fee Study as the “SLSP Fees”. In addition to the SLSP Fees listed above, the SLSP development will also be subject to certain City of Lathrop citywide CFF fees and San Joaquin County countywide fees.

**Exhibit 1 – SLSP Project Site**



## **MITIGATION FEE ACT (AB 1600)**

The Mitigation Fee Act, commonly known as Assembly Bill (AB) 1600, was enacted by the State of California in 1987 and created Section 66000 et. seq. of the Government Code. AB 1600 requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of approval for a development project:

1. Identify the purpose of the fee
2. Identify the use to which the fee will be put
3. Determine how there is a reasonable relationship between:
  - A. The fee's use and the type of development project on which the fee is imposed
  - B. The need for the public facility and the type of development project on which the fee is imposed
  - C. The amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed

The purpose of this Fee Study is to demonstrate that the fees calculated herein comply with the Mitigation Fee Act. The assumptions, methodologies, facility standards, costs, and cost allocation factors that were used to establish the nexus between the fees and the development on which the fees will be levied are summarized in subsequent chapters of this report.

## **ORGANIZATION OF REPORT**

The remainder of this report has been organized into the following chapters:

Chapter II	Identifies the land uses, acres, and square footage assumptions included in the Fee Study
Chapter III	Provides an explanation of the fee methodology used to calculate the fees in the this Fee Study
Chapter IV	Summarizes the capital facilities and costs in the fee program
Chapters V-VII	Provide the details of the fee calculations for transportation, water system, and storm drainage fees
Chapter VIII	Provides a summary of the SLSP Fees calculated in this Fee Study
Chapter IX	Discusses the nexus findings for the SLSP Fees
Chapter X	Addresses implementation of the fee program, future fee adjustments, and administrative duties required by the fee law

## II. LAND USES

The SLSP area includes approximately 315 acres. The majority of the acreage, about 246.4 acres, is planned for Limited Industrial land uses. This land use category will allow for a large range of development types, including warehouse/distribution, light industrial, manufacturing, office, retail sales and services, R&D, recreation vehicle sales, and equipment and machinery sales and repair services, to name just a few. The Limited Industrial zoning category allows for floor area ratios (FAR) ranging from 0.15 to 0.65. The maximum estimated building square footage for the Limited Industrial land in SLSP is 4,213,918.

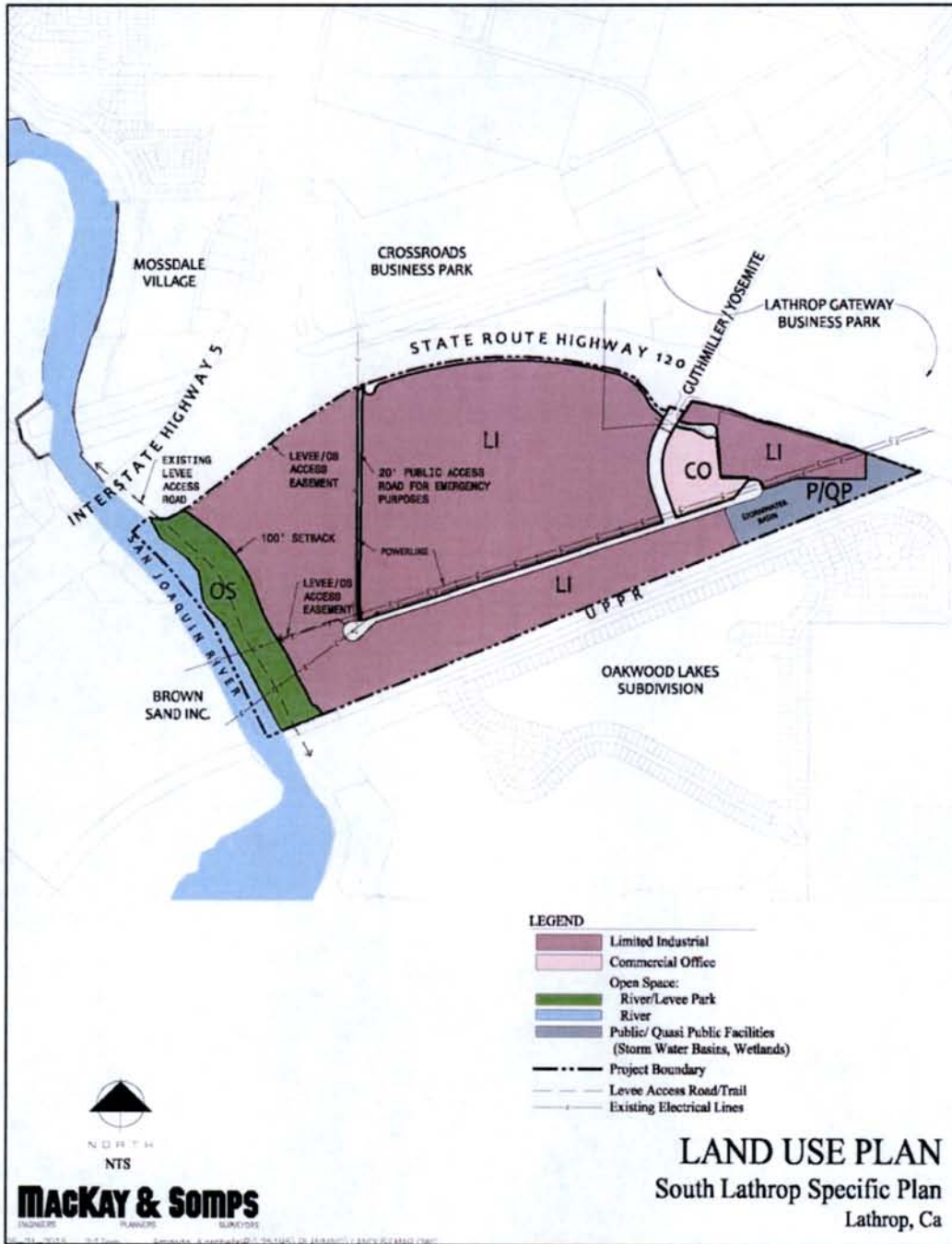
The SLSP also includes 10 acres of Commercial Office property situated close to the SR 120 corridor and will provide for local and regional serving office and commercial uses, including financial institutions, administrative support centers, restaurants, and hotel/motels. Although the 0.30 FAR could allow for 130,000 square feet, the EIR anticipated that a more likely size would be 75,000 square feet of building space, and so that is the building space used in this Fee Study.

The Open Space land use designation includes about 31.5 acres of San Joaquin River frontage that extends to the centerline of the river. This area includes trails that will connect to the City's trail system. The Public/Quasi-Public Facilities land use consists of 11.6 acres of land that is planned for storm water and recycled water basins. Lastly, 15.5 acres are set aside for existing and future roads. Table 2-1 summarizes the land uses, acres, and building square feet and Exhibit 2 on the following page shows the location of the land uses in the SLSP area.

**Table 2-1 – Land Use Summary**

<u>Land Use</u>	<u>Average</u>		
	<u>FAR</u>	<u>Acres</u>	<u>Sq. Ft.</u>
Commercial Office	0.30	10.0	75,000
Light Industrial	0.39	63.1	1,079,759
Warehouse	0.39	183.3	3,134,159
<b>Subtotal</b>		<b>256.4</b>	<b>4,288,918</b>
<u>Open Space</u>		<u>Acres</u>	
River/Levee Park		21.0	
River		10.5	
Public/Quasi Public		11.6	
Existing and Future Major Roads		15.5	
<b>Subtotal</b>		<b>58.6</b>	
<b>Total</b>		<b>315.0</b>	

Exhibit 2 – SLSP Land Uses





### **III. FEE METHODOLOGY**

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When impact fees are calculated, an analysis must be presented in enough detail to demonstrate that a logical and thorough consideration was applied in the process of determining how the fees relate to the impacts from new development. Various findings pursuant to the impact fee statute must be made to ensure that a reasonable relationship exists between the fee amount and the impact caused by development on which the fee will be levied. Following is a discussion of the method used in this Fee Study to allocate facilities costs to development and determine the fees in the fee program.

#### **FEE METHODOLOGY**

The plan-based fee methodology is used in this Fee Study. This methodology is used for facilities that must be designed based on future demand projections within a geographic location. Typically, a formal plan such as a specific plan, facilities needs assessment, or master plan identifies and supports the level of facilities required to serve the plan area. This plan would typically consider the existing facilities already in place and determine what additional facilities would be necessary to accommodate new development. For example, the need for transportation-related improvements depends specifically on the projected number of trips that must be accommodated on specific roadways. An analysis of existing facilities, geographic constraints, and current levels of service must be completed in order to identify the future facility needs. This information is analyzed in conjunction with a projection of the amount and location of future development in the plan area to determine the adequacy of existing facilities and the demand for new improvements that will be required. Depending on the level of existing facilities, the plan-based fee methodology may allocate planned facilities costs to either future development only or to future and existing development. The steps to calculate a fee under the plan-based fee methodology include the following:

- Step 1** Identify existing facilities and estimate future demand for facilities at build out of the plan area
- Step 2** Determine facilities needed to serve anticipated growth in the plan area
- Step 3** Estimate the gross cost of facilities needed to serve the future development in the plan area

- Step 4** Subtract the gross cost of any facilities included in the facilities plan that will cure an existing deficiency in service or will serve other development areas
- Step 5** Subtract revenues available from alternative funding sources, if any, to identify a net facilities cost that will be allocated to future development.
- Step 6** Select cost allocation factors (e.g., trips generated, gallons per day, C-values) that will be used to allocate facility costs on a proportional impact basis; apply cost allocation factors to each of the land use categories based on their relative service demand or impact on each type of facility
- Step 7** Estimate the total impact from future development by multiplying the total number of units/acres/square feet for each respective land use by its cost allocation factor. Sum the total cost allocation factors for each land use category
- Step 8** Determine the percentage distribution of the cost allocation factors for each land use category by dividing the total of the cost allocation factors for each land use category by the total of all cost allocation factors for all land use categories
- Step 9** Multiply the percent distribution for each land use category, as determined in Step 8, by the total facilities cost to determine the portion of the facility cost that is allocated to each land use category
- Step 10** Divide the facilities cost that is allocated to each land use category, as determined in Step 9, by the number of units, in the case of SLSP Fees, per 1,000 square feet of building space, to determine the facilities fees

## **COST ALLOCATION FACTORS**

Cost allocation factors are used to allocate facilities costs to different land uses based on each land use's specific impact on that facility. These factors establish the nexus in the Fee Mitigation Act that requires that the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed is reasonably related. Cost allocation factors, if chosen correctly, will represent a reasonable and relatively proportionate impact that different land uses will have on a facility.

For example, trip generation rates are typically used as cost allocation factors for transportation facilities because they accurately measure the impact of different types of development on a transportation system. A fast food restaurant, for example, attracts many customers throughout a normal day. On the other hand, a coin operated laundry mat will attract much fewer customers in a day than a fast food restaurant. Therefore the trip generation rate of a fast food restaurant is much higher than a laundry mat's trip generation rate. As a result, the fast food restaurant's transportation fee will be much higher than the laundry mat's fee. Table 3-1 below shows the cost allocation factors used in this Fee Study to allocate costs and calculate the SLSP Fees.

**Table 3-1 – Cost Allocation Factors**

<b>Land Use</b>	<b>Transportation (per KSF)</b>	<b>Water (per Acre)</b>	<b>Storm Drainage (per Acre)</b>
	<i>Adjusted</i>		
	<u><i>PM Peak Hr Trips</i></u>	<u><i>GPD</i></u>	<u><i>C-Value</i></u>
Commercial Office	3.36	1,300	0.90
Light Industrial	0.97	1,400	0.70
Warehouse	0.10	400	0.70

*Source: SLSP DEIR; EKI Environment and Water; City of Lathrop*

#### ***IV. CAPITAL FACILITIES AND COSTS***

Table 4-1 below summarizes the facilities costs for transportation, water system, and storm drainage facilities planned for SLSP.

**Table 4-1 – Facilities Costs**

<b>Facility Type</b>	<b>Total Estimated Cost</b>	<b>Funding From Other Developments<sup>1</sup></b>	<b>SLSP CFD Funding</b>	<b>SLSP Fees</b>
Transportation	\$65,805,000	\$52,744,379	\$5,552,405	\$7,508,216
Water	\$3,320,158	\$2,324,158	\$0	\$996,000
Storm Drainage	\$1,720,875	\$1,146,875	\$0	\$574,000
<b>Total</b>	<b>\$70,846,033</b>	<b>\$56,215,412</b>	<b>\$5,552,405</b>	<b>\$9,078,216</b>

1. Other developments may include Lathrop Gateway Specific Plan, McKinley Corridor, Crossroads, and others.

#### **TRANSPORTATION FACILITIES**

Transportation facilities for SLSP include construction of interchanges at SR 120 and Yosemite Avenue and at I-5 and Lathrop Road. Transportation facilities also include roadway, intersection, and railroad crossing improvements for Yosemite and McKinley Avenues, and Airport Way. The total cost of the facilities is \$65.8 million, as shown in Table B-1 in Appendix B. Based on its traffic model, the City’s traffic consultant determined that SLSP’s share of the total cost is \$13.1 million. The remainder, \$52.7 million, is allocated to the Lathrop Gateway Specific Plan area, McKinley Corridor, Crossroads, and other Lathrop developments.

Of the \$13.1 million allocated to SLSP, the project developer plans to finance approximately \$5.6 million through a future community facilities district bond issue. The remaining SLSP share of the cost, \$7.5 million, will be funded through SLSP Transportation Fees.

#### **WATER SYSTEM FACILITIES**

Water system facilities include a 1.0 MG storage tank and booster pump station for Well 21. The total cost of these improvements is approximately \$3.3 million, as shown in Table B-2 in Appendix B. The City’s water system consultant determined that 62% of the total cost of the water system facilities would be attributable to future SLSP development if the industrial properties built out as 100% light industrial. However, the EIR anticipated that 75% of the

industrial properties would be built as warehousing, which requires much less water. This analysis follows the EIR assumption that 75% of the industrial properties will be built as warehousing, so the total anticipated impact on the need for a water tank is much less. As a result, SLSP's fair share of the total cost is reduced to 30%, resulting in an allocated cost of \$1.0 million, which will be funded through SLSP Water Fees.

#### **STORM DRAINAGE FACILITIES**

Storm drainage facilities include construction of the South Lathrop Outfall. The total cost of the facility is \$1.7 million, as shown in Table B-3 in Appendix B. The City's engineering consultant determined that the total cost of the facility should be equally split between three development areas - SLSP, LGSP, and the McKinley Corridor. SLSP 33.3% share of the total cost is \$574,000 and will be funded through the SLSP Storm Drainage Fees.

## ***V. TRANSPORTATION FEE***

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This section of the report identifies the facilities, costs, and the fee rates required to fund the transportation facilities in the SLSP area.

### **FACILITIES AND COSTS**

The transportation facilities for SLSP are identified in Table B-1 in Appendix B. The facilities include the SR120/Yosemite interchange (\$25.3 million); the I-5/Lathrop Road interchange (\$20.0 million); road widening and improvements to five segments of Yosemite Avenue and one segment each of McKinley Avenue and Airport Way; construction/improvements of four intersections on Yosemite Avenue and two on McKinley Avenue; improvements to railroad crossings on Yosemite and McKinley Avenues; and improvements to SR 120 ramps at Airport Way.

The total cost of SLSP transportation facilities is approximately \$65.8 million. The City's traffic consultant, Fehr and Peers, conducted a traffic analysis that determined SLSP's fair share, based on trip generation, is approximately 19.8% of the total cost, or \$13.1 million. The remaining \$52.7 million cost is allocated to LGSP, McKinley Corridor, the Crossroads development, and other developments in Lathrop.

The developer of SLSP plans to fund approximately \$5.6 million of the \$13.1 million transportation costs through a future community facilities district bond issue. The remaining \$7.5 million cost will be funded through the SLSP fee program.

Several intersections in Manteca were identified in the EIR as being impacted by SLSP. The City has an agreement with Manteca that rather than charge one another's developers for impacts, the cities will consider the impacts to be equal and fund each's own improvements. However, one problem with this solution is that Lathrop will end up with unfunded improvements that would otherwise have been funded by Manteca developers. In the spirit of the Lathrop/Manteca agreement, Lathrop and the SLSP developer have agreed to collect the impact costs for intersections in Manteca and spend those funds on Lathrop improvements to avoid a gap in funding due to not receiving money from the Manteca developers.

### **COST ALLOCATION FACTORS**

The \$7.5 million in transportation facilities costs is allocated to the Commercial Office, Light

Industrial, and Warehouse land uses in SLSP. Table A-1 in Appendix A shows this allocation is based on the PM Peak Hour trip generation factors shown in Table 5-1. These allocation factors, that measure the amount of trips generated for a given land use, establish a reasonable relationship, or nexus, between the cost of the transportation facilities that is attributable to each of the land uses and the amount of the Transportation Fees, as determined in this Fee Study.

**Table 5-1**  
**Transportation Cost Allocation Factors**

<b>Land Use</b>	<b>Unit</b>	<b>Transportation</b>
		<i>Adjusted PM Peak Hr Trips</i>
<b>Commercial Office</b>	<b>KSF</b>	<b>3.36</b>
<b>Light Industrial</b>	<b>KSF</b>	<b>0.97</b>
<b>Warehouse</b>	<b>KSF</b>	<b>0.10</b>

**TRANSPORTATION FEE**

Table A-1 in Appendix A shows the calculation of Transportation Fee and Table 5-2 below summarizes the fee rates for the land use categories in SLSP. The Transportation Fee rates in Table 5-2 are per 1,000 square feet of building space.

**Table 5-2**  
**Transportation Fees**

<b>Land Use</b>	<b>Unit</b>	<b>Transportation Fee</b>
<b>Commercial Office</b>	<b>KSF</b>	<b>\$15,631</b>
<b>Light Industrial</b>	<b>KSF</b>	<b>\$4,516</b>
<b>Warehouse</b>	<b>KSF</b>	<b>\$466</b>

**TRANSPORTATION FEE REVENUE ESTIMATE**

The total estimated Transportation Fee revenue at build out of the SLSP area is shown in Table 5-3.

**Table 5-3**  
**Transportation Fee Revenue**

	<b>Bldg SF</b>	<b>Transportation Fee</b>	<b>Fee Revenue</b>
<b><u>Land Use</u></b>		<i><u>Per KSF</u></i>	<i><u>Per KSF</u></i>
Commercial Office	75,000	\$15,631	<b>\$1,172,288</b>
Light Industrial	1,079,759	\$4,516	<b>\$4,876,635</b>
Warehouse	3,134,159	\$466	<b>\$1,459,294</b>
<b>Total</b>	<b>4,288,918</b>		<b>\$7,508,216</b>



## ***VI. WATER SYSTEM FEE***

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This section of the report identifies the facilities, costs, and the fee rates required to fund the water system facilities in the SLSP area.

### **FACILITIES AND COSTS**

The water system facilities for SLSP are identified in Table B-2 in Appendix B. The facilities include a 1.0 million gallon storage tank (\$1.2 million) and a booster pump station for Well 21 (\$1.3 million). The total cost of the facilities including a 15% markup for contingency and a 16% markup for soft costs, is approximately \$3.3 million.

The City's water system consultant determined that 62% of the total cost of the water system facilities would be attributable to future SLSP development if the industrial properties built out as 100% light industrial space. However, the EIR anticipated that 75% of the industrial properties would be built as warehousing, which requires much less water. This analysis follows the EIR assumption that 75% of the industrial properties will be built as warehousing, so the total anticipated impact on the need for a water tank is much less. As a result, SLSP's fair share of the total cost is reduced to 30%, resulting in an allocated cost of \$1.0 million, which will be funded through SLSP Water Fees. The remainder of the \$3.3 million cost will be funded by other developments in the City.

### **COST ALLOCATION FACTORS**

The \$1.0 million facilities cost is allocated to the Commercial Office, Light Industrial, and Warehouse land uses in Table A-2 in Appendix A. The cost allocation factors used to allocate the facilities costs to the land use categories are based on average water usage factors from the City's Integrated Water Resources Master Plan. These water usage factors are shown in Table 6-1 on the following page. Water usage factors, that measure the amount of water used for a given land use, establish a reasonable relationship, or nexus, between the cost of the facilities attributable to each of the land uses and the amount of the Water Fees, as determined in this Fee Study.

**Table 6-1**  
**Water System Cost Allocation Factors**

<b>Land Use</b>	<b>Unit</b>	<b>Water</b>
		<u><i>GPD</i></u>
<b>Commercial Office</b>	Acre	<b>1,300</b>
<b>Light Industrial</b>	Acre	<b>1,400</b>
<b>Warehouse</b>	Acre	<b>400</b>

**WATER SYSTEM FEE**

Table A-2 in Appendix A shows the calculation of Water System Fee and Table 6-2 below summarizes the fee rates for the land use categories in SLSP. The Water System Fee rates in Table 6-2 are per 1,000 square feet of building space.

**Table 6-2**  
**Water System Fees**

<b>Land Use</b>	<b>Unit</b>	<b>Water Fee</b>
<b>Commercial Office</b>	KSF	<b>\$988</b>
<b>Light Industrial</b>	KSF	<b>\$467</b>
<b>Warehouse</b>	KSF	<b>\$133</b>

**WATER SYSTEM FEE REVENUE ESTIMATE**

The total estimated Water System Fee revenue at build out of the SLSP area is shown in Table 6-3.

**Table 6-3**  
**Water System Fee Revenues**

	<b>Bldg SF</b>	<b>Water Fee</b>	<b>Fee Revenue</b>
<b><u>Land Use</u></b>		<b><u>Per KSF</u></b>	<b><u>Per KSF</u></b>
Commercial Office	75,000	\$988	<b>\$74,117</b>
Light Industrial	1,079,759	\$467	<b>\$503,946</b>
Warehouse	3,134,159	\$133	<b>\$417,937</b>
<b>Total</b>	<b>4,288,918</b>		<b>\$996,000</b>

## ***VII. STORM DRAINAGE FEE***

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This section of the report identifies the facilities, costs, and the fee rates required to fund the storm drainage facilities in the SLSP area.

### **FACILITIES AND COSTS**

The South Lathrop Specific Plan states that storm runoff from the SLSP area is anticipated to discharge to the San Joaquin River through a new outfall located near the southwest corner of the SLSP area. The proposed South Lathrop outfall facility will be a regional facility that will also serve the LGSP and McKinley Corridor developments in addition to the SLSP area.

The storm drainage facilities for SLSP are identified in Table B-3 in Appendix B. The facilities include construction of the outfall facility, 1,200 feet of pipeline, and other related appurtenances. The total cost of facilities is approximately \$1.7 million. City staff and its engineering consultants estimate that the total cost of the outfall facility should be allocated equally to the three developments that will benefit from this facility, namely SLSP, LGSP, and the McKinley Corridor. Therefore, SLSP's share of the total cost is \$574,000 and will be funded with SLSP Storm Drainage Fees. The remaining \$1.1 million cost is allocated to future development in LGSP and the McKinley Corridor.

### **COST ALLOCATION FACTORS**

The \$574,000 storm drainage facilities cost is allocated to the Commercial Office, Light Industrial, and Warehouse land uses in SLSP. The \$574,000 cost is allocated in Table A-3 in Appendix A to the land use categories based on the City's C-value factors shown in Table 7-1 on the following page. C-value factors, that measure the amount of water runoff for a given land use, establish a reasonable relationship, or nexus, between the cost of the storm drainage facilities that is attributable to each of the land uses and the amount of the Storm Drainage Fees, as determined in this Fee Study.

**Table 7-1**  
**Storm Drainage Cost Allocation Factors**

<b>Land Use</b>	<b>Unit</b>	<b>Storm Drainage</b>
		<u><i>C-Value</i></u>
<b>Commercial Office</b>	Acre	<b>0.9</b>
<b>Light Industrial</b>	Acre	<b>0.7</b>
<b>Warehouse</b>	Acre	<b>0.7</b>

**STORM DRAINAGE FEES**

Table A-3 in Appendix A shows the calculation of Storm Drainage Fee and Table 7-2 below summarizes the fee rates for the land use categories in SLSP. The Storm Drainage Fee rates in Table 7-2 are per 1,000 square feet of building space.

**Table 7-2**  
**Storm Drainage Fees**

<b>Land Use</b>	<b>Unit</b>	<b>Storm Drainage Fee</b>
<b>Commercial Office</b>	<b>KSF</b>	<b>\$380</b>
<b>Light Industrial</b>	<b>KSF</b>	<b>\$129</b>
<b>Warehouse</b>	<b>KSF</b>	<b>\$129</b>

**STORM DRAINAGE FEE REVENUE ESTIMATE**

The total estimated Storm Drainage Fee revenue at build out of the SLSP area is shown below in Table 7-3.

**Table 7-3**  
**Storm Drainage Fee Revenues**

	<b>Bldg SF</b>	<b>Storm Drainage Fee</b>	<b>Fee Revenue</b>
<b><u>Land Use</u></b>		<b><u>Per KSF</u></b>	<b><u>Per KSF</u></b>
Commercial Office	75,000	\$380	<b>\$28,466</b>
Light Industrial	1,079,759	\$129	<b>\$139,786</b>
Warehouse	3,134,159	\$129	<b>\$405,748</b>
<b>Total</b>	<b>4,288,918</b>		<b>\$574,000</b>

**VIII. FEE SUMMARY**

The table below summarizes the fees calculated in this report. A 3.0% administration fee is also included to pay for the administrative duties associated with the fee program.

**Table 8-1 -- Fee Summary**

Land Use	Unit	Transportation Fee	Water Fee	Storm Drainage Fee	City Admin Fee (3.0%)	Total
<i>per 1,000 Bldg. Square Feet</i>						
Commercial Office	KSF	\$15,631	\$988	\$380	\$510	\$17,508
Light Industrial	KSF	\$4,516	\$467	\$129	\$153	\$5,266
Warehouse	KSF	\$466	\$133	\$129	\$22	\$750

**LATHROP CITYWIDE AND SAN JOAQUIN COUNTYWIDE FEES**

The SLSP Fees calculated in this Fee Study, if adopted by the City Council, will be added to the City’s Capital Facilities Fee program. In addition to the SLSP Fees shown in this Fee Study, the SLSP area will also be subject to other Lathrop citywide impact fees in the CFF program. One such citywide fee is the Municipal Service Facilities fee that funds various municipal buildings and facilities. City staff have reviewed the assumptions and the calculation of the Municipal Service Facilities fee and have determined that the SLSP development will not affect the calculation of the fee or change the existing fee rates for this citywide fee.

SLSP will also be subject to San Joaquin County fees, such as the San Joaquin County Regional RTIF and the County Capital Facilities Fee. Additionally, pursuant to the SLSP Mitigation Monitoring and Reporting Program, SLSP project proponents shall participate in the City’s agriculture mitigation program and the San Joaquin Multi-Species Habitat Conservation and Open Space Plan by paying the per-acre fees for the loss of important farmland as well as to mitigate for habitat impacts to covered special status species.

## ***IX. NEXUS FINDINGS***

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Development in the City will create a need for additional public facilities as well as expansion of existing facilities to serve future residents and employees. The SLSP CFF program will provide funding for public facilities in accordance with the policies and goals set forth by the City. As required pursuant to the Mitigation Fee Act, the SLSP Fees calculated in this Fee Study meets the nexus requirements of the law, as outlined below.

### **NEXUS TEST**

#### **Purpose of the Fees**

The purpose of the SLSP Fees is to provide funding for the infrastructure and facilities identified in this Fee Study.

#### **Use of Fee**

SLSP Fee revenue will be used to fund future development's fair share of the cost of infrastructure and facilities that have been identified by the City as necessary to serve new development in the SLSP area.

#### **Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.**

New non-residential development will generate additional demand for the infrastructure and facilities identified in this Fee Study. The facilities, infrastructure improvements, and capacity enhancements included in this Fee Study will ensure that the City will maintain the desired level of service standards that are identified for the facility categories included in this Fee Study.

#### **Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.**

Fee revenue collected from the SLSP area will fund the facilities included in this Fee Study. These facilities will serve development in the SLSP area and the estimated fees are a fair-share cost allocation based on the impact that future development will have on these facilities and improvements. Fee accounts for the SLSP area will be established to ensure that fee revenue is applied to the infrastructure and facilities for which it is collected.



**Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.**

A reasonable relationship between the amount of each SLSP Fee and the cost of the public facility, or portion thereof, is established in this Fee Study through the use of cost allocation factors to estimate the demand for a facility or, the impact that a land use will have on a facility. For example, the cost allocation for the Transportation Fee is based on the number trips generated for each specific land use. The trip generation rates, which differ between land use categories, measure each land use's impact on facilities and infrastructure. As a result, each land use category or development type is allocated its fair share of the cost based on its impact, as identified by its cost allocation factor.

By assigning the demand for infrastructure and facilities based on the cost allocation factors for each land use and quantifying that demand in the calculation of the SLSP Fees, a reasonable relationship is established between the amount of the fee and the cost of the facilities attributable to the different types of non-residential development in the SLSP area.

## ***X. FEE PROGRAM ADMINISTRATION***

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### **FEE IMPLEMENTATION**

According to the California Government Code, prior to levying a new fee or increasing an existing fee, a public agency must hold at least one open and public meeting. At least 10 days prior to this meeting, the agency must make data on facility costs and funding sources available to the public. Notice of the time and place of the meeting, and a general explanation of the matter, are to be published in accordance with Section 6062a of the Government Code, which states that publication of notice shall be posted over a 10-day period in a newspaper regularly published once a week or more. Two publications, with at least five days intervening between the dates of the first and last publication, not counting such publication dates, are sufficient. The Fee Study and fees established herein will be adopted through a City ordinance and resolution. Once the fee program is adopted by the Lathrop City Council, it shall become effective no sooner than sixty days after the final legislative action.

### **FEE ADJUSTMENTS**

The SLSP Fees will be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (i.e., state or federal grants), revised costs, or changes in land use. In addition to such adjustments, each year the SLSP Fees will be adjusted by the change in a construction cost index selected by the City over the prior twelve-month period.

### **ANNUAL ADMINISTRATIVE DUTIES**

The Government Code requires a public agency to report, every year and every fifth year, certain financial information regarding their impact fees. Within 180 days after the last day of each fiscal year the public agency must make the following information available for the past fiscal year:

- (a) A brief description of the type of fee in the account or fund
- (b) The amount of fee revenue
- (c) The beginning and ending balance of the account or fund
- (d) The amount of fee revenue collected and interest earned
- (e) An identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the total percentage of the cost of public improvement that was funded with fees

- (f) An identification of an approximate date by which time construction on the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement
- (g) A description of each interfund transfer or loan made from the account or fund, when it will be repaid and at what interest rate
- (h) The amount of any refunds made once it is determined that sufficient monies have been collected to fund all projects

The public agency must make this information available for public review and must also present it at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public.

#### **FIFTH-YEAR ADMINISTRATIVE DUTIES**

For the fifth year following the first deposit into the fee account and every five years thereafter, the public agency must make the following findings with respect to any remaining funds in the fee accounts:

- (a) Identify the purpose to which the fee is to be put
- (b) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged
- (c) Identify all sources and amounts of funding anticipated to complete financing incomplete improvements
- (d) Designate the approximate dates on which funding is expected to be deposited into the appropriate accounts or funds

As with the annual report, the five-year report must be made public within 180 days after the end of the public agency's fiscal year and must be reviewed at the next regularly scheduled public meeting. The public agency must make these findings; otherwise the law states that the City must refund the fee revenue to the then current owners of the development project.

# ***APPENDIX A***

## ***Capital Facilities Cost Allocations***

**Table A - 1  
Transportation Facilities Cost Allocation**

	Bldg SF	PM Peak Hour Trip Rate	Percent Adjustment For Internal Trips	Adjusted PM Peak Trips Per KSF	Total New Trips	Percent Allocation	Cost Allocation	Transportation Fee
<b>Cost:</b>	<b>\$7,508,216</b> <sup>/1</sup>							
<b>Land Use</b>	<b><i>Bldg SF</i></b>	<b><i>Per KSF</i></b>		<b><i>Per KSF</i></b>				<b><i>Per KSF</i></b>
Commercial Office	75,000	3.73	10%	3.36	252	15.6%	\$1,172,288	<b>\$15,631</b>
Light Industrial	1,079,759	0.97	0%	0.97	1,047	65.0%	\$4,876,635	<b>\$4,516</b>
Warehouse	3,134,159	0.10	0%	0.10	313	19.4%	\$1,459,294	<b>\$466</b>
<b>Total</b>	<b>4,288,918</b>				<b>1,613</b>	<b>100.0%</b>	<b>\$7,508,216</b>	

<sup>/1</sup> Transportation fees are calculated based on the assumption that a future SLSP CFD will fund approximately \$5.6 million of SLSP's \$13.1 million share of the transportation facilities improvements.

Source: Fehr and Peers; DEIR - South Lathrop Specific Plan; Goodwin Consulting Group

**Table A - 2**  
**Water Facilities Cost Allocation**

	Bldg SF	Acres	Avg Gallons Per Day Per Acre	Total Gallons	Percent Allocation	Cost Allocation	Water System Fee
<b>Cost: \$996,000</b>							
<u>Land Use</u>							<u>Per KSF</u>
Commercial Office	75,000	10.0	1300	13,000	7.4%	\$74,117	<b>\$988</b>
Light Industrial	1,079,759	63.1	1400	88,391	50.6%	\$503,946	<b>\$467</b>
Warehouse	3,134,159	183.3	400	73,305	42.0%	\$417,937	<b>\$133</b>
<b>Total</b>	<b>4,288,918</b>	<b>256.4</b>		<b>174,697</b>	<b>100.0%</b>	<b>\$996,000</b>	

Source: SLSP; H2O Urban Solutions; EKI Environment and Water

**Table A - 3**  
**Storm Drainage Facilities Cost Allocation**

	Bldg SF	Acres	C-Value Per Acre	Total C-Value	Percent Allocation	Cost Allocation	Storm Drainage Fee
<b>Cost:</b>		<b>\$574,000</b>					
<b><u>Land Use</u></b>							<b><u>Per KSF</u></b>
Commercial Office	75,000	10.0	0.90	9.00	5.0%	\$28,466	<b>\$380</b>
Light Industrial	1,079,759	63.1	0.70	44.20	24.4%	\$139,786	<b>\$129</b>
Warehouse	3,134,159	183.3	0.70	128.28	70.7%	\$405,748	<b>\$129</b>
<b>Total</b>	<b>4,288,918</b>	<b>256.4</b>		<b>181.48</b>	<b>100.0%</b>	<b>\$574,000</b>	

Source: SLSP; MacKay and Somps; City of Lathrop

## ***APPENDIX B***

### ***Detailed Facilities Costs***



**Table B-1 - Revised Dated October 24 2017  
South Lathrop Capital Facilities Fee (CFF) Study**

Improvement	Cost Estimate	SLSF	LGBPSP	MC	Crossroads	Other Lathrop	Through Trips
<b>Total Interchange</b>	<b>38,125</b>	<b>16,394</b>	<b>16,331</b>	<b>478</b>	<b>2,334</b>	<b>68</b>	<b>2,520</b>
		43.00%	42.84%	1.25%	6.12%	0.18%	6.61%
		46.04%	45.87%	1.34%	6.56%	0.19%	
Phase 1 SR 120 / Yosemite							
Phase 1 Improvement (50% of SLSF)	\$ 4,000,000	\$ 1,841,763.80	\$ 1,834,686.14	\$ 53,700.32	\$ 262,210.36	\$ 7,639.38	
		46.04%	45.87%	1.34%	6.56%	0.19%	
Phase 2 SR 120 / Yosemite							
Phase 2 Improvement (100% of SLSF)	\$ 2,300,000	\$ 1,059,014.18	\$ 1,054,944.53	\$ 30,877.69	\$ 150,770.96	\$ 4,392.64	
		46.04%	45.87%	1.34%	6.56%	0.19%	
2 (100% of relocate all WB ramps)	\$ 19,000,000	\$ 8,748,378.04	\$ 8,714,759.16	\$ 255,076.53	\$ 1,245,459.23	\$ 36,287.04	
		46.04%	45.87%	1.34%	6.56%	0.19%	
<b>Total Interchange</b>	<b>54,378</b>	<b>830</b>	<b>1,045</b>	<b>151</b>	<b>516</b>	<b>37,119</b>	<b>14,717</b>
		1.53%	1.92%	0.28%	0.95%	68.26%	27.06%
		2.09%	2.63%	0.38%	1.30%	93.59%	
3 I-5 / Lathrop Road Full Interchange (61% of \$33,000,000 = \$20,000,000)	\$ 20,000,000	\$ 418,547.19	\$ 526,966.04	\$ 76,145.33	\$ 260,205.24	\$ 18,718,136.20	
		2.09%	2.63%	0.38%	1.30%	93.59%	
4 Yosemite Avenue - Segment 1 SR 120 to Yosemite Court Improvement Cost (100%)	\$ 1,014,000	\$ 77,942.11	\$ 755,112.69	\$ 24,764.52	\$ 109,000.38	\$ 47,180.29	
		7.78%	74.47%	2.44%	10.75%	4.65%	
	10,809	1,318	4,187	646	2,549	905	1,205
		12.19%	38.74%	5.98%	23.58%	8.37%	11.14%
5 Yosemite Avenue - Segment 2 Yosemite Court to D'Arcy Parkway Improvement Cost (100%)	\$ 1,449,000	\$ 198,842.42	\$ 631,679.21	\$ 97,459.94	\$ 384,559.43	\$ 136,459.00	
		13.72%	43.59%	6.73%	26.54%	9.42%	
	9,235	1,193	3,962	689	1,396	791	1,205
		12.92%	42.90%	7.46%	15.12%	8.56%	13.04%
6 Yosemite Avenue - Segment 3 D'Arcy Parkway to McKinley Avenue Improvement Cost (100%)	\$ 1,392,000	\$ 206,793.60	\$ 686,769.69	\$ 119,430.67	\$ 241,981.45	\$ 137,024.59	
		14.86%	49.34%	8.58%	17.38%	9.84%	
	15,671	1,054	7,341	1,258	1,093	1,678	3,248
		6.73%	46.84%	8.03%	6.97%	10.70%	20.72%
		8.48%	59.09%	10.13%	8.80%	13.50%	
7 Yosemite Avenue - Segment 4 McKinley Avenue to UPRR Tracks Improvement Cost (100%)	\$ 1,180,000	\$ 100,110.27	\$ 697,257.62	\$ 119,486.46	\$ 103,814.55	\$ 159,331.11	
		100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	18,102	18,102	-	-	-	-	-
		100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8 Yosemite Avenue - Segment 5 SR 120 to SISP Street A Improvement Cost (\$550,000) Developer Constructed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	43,828	1,709	36,947	543	2,390	1,120	1,120
		7.29%	157.64%	2.32%	10.20%	3.78%	5.78%
		4.00%	86.51%	1.27%	5.60%	2.62%	
9 Yosemite Avenue - Intersection 1 Yosemite Avenue / Yosemite Court Improvement Cost (100%)	\$ 600,000	\$ 24,009.27	\$ 519,058.27	\$ 7,628.46	\$ 33,576.45	\$ 15,727.55	
		4.00%	86.51%	1.27%	5.60%	2.62%	
	20,044	2,511	8,149	1,335	3,945	1,695	2,409
		12.53%	40.66%	6.66%	19.68%	8.46%	12.02%
		14.24%	46.21%	7.57%	22.37%	9.61%	
10 Yosemite Avenue - Intersection 2 Yosemite Avenue / D'Arcy Parkway Improvement Cost (100%)	\$ 375,000	\$ 53,395.24	\$ 173,284.66	\$ 28,388.15	\$ 83,888.57	\$ 36,043.38	
		14.24%	46.21%	7.57%	22.37%	9.61%	
	24,906	2,247	11,303	1,947	2,489	2,468	4,452
		9.02%	45.38%	7.82%	9.99%	9.91%	17.88%
		10.99%	55.26%	9.52%	12.17%	12.07%	
11 Yosemite Avenue - Intersection 3 Yosemite Avenue / McKinley Avenue Improvement Cost (100%)	\$ 675,000	\$ 74,152.98	\$ 373,008.95	\$ 64,252.71	\$ 82,139.19	\$ 81,446.17	
		10.99%	55.26%	9.52%	12.17%	12.07%	
	26,380	26,380	-	-	-	-	-
		100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12 Yosemite Avenue - Intersection 4 Yosemite Avenue / SISP Street A Improvement Cost (\$375,000) Developer Constructed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	15,671	1,054	7,341	1,258	1,093	1,678	3,248
		4.00%	29.47%	5.05%	4.39%	6.74%	13.04%
		8.48%	59.09%	10.13%	8.80%	13.50%	
13 Yosemite Avenue At-Grade UPRR Crossing Improvement Cost (100%)	\$ 600,000	\$ 50,903.53	\$ 354,537.77	\$ 60,755.83	\$ 52,787.06	\$ 81,015.82	
		8.48%	59.09%	10.13%	8.80%	13.50%	
	11,110	4	7,899	1,731	284	316	876
		0.04%	71.10%	15.58%	2.56%	2.84%	7.88%
		0.04%	77.18%	16.91%	2.78%	3.09%	
14 McKinley Avenue - Segment 1 Yosemite Avenue to UPRR Crossing Improvement Cost (100%)	\$ 1,000,000	\$ 390.85	\$ 771,838.97	\$ 169,142.08	\$ 27,750.64	\$ 30,877.47	
		0.04%	77.18%	16.91%	2.78%	3.09%	
	11,110	4	7,899	1,731	284	316	876
		0.04%	71.10%	15.58%	2.56%	2.84%	7.88%
		0.04%	77.18%	16.91%	2.78%	3.09%	
15 McKinley Avenue At-Grade UPRR Crossing Improvement Cost (100%)	\$ 600,000	\$ 284.51	\$ 463,103.38	\$ 101,485.25	\$ 16,650.38	\$ 18,526.48	
		0.04%	77.18%	16.91%	2.78%	3.09%	
	59,156	20	90	80	124	32,376	26,466
		0.03%	0.15%	0.14%	0.21%	54.73%	44.74%
		0.06%	0.28%	0.24%	0.38%	99.04%	
16 Lathrop Road / McKinley Avenue Improvement Cost (100%)	\$ 500,000	\$ 305.90	\$ 1,376.57	\$ 1,223.62	\$ 1,896.60	\$ 495,197.31	
		0.06%	0.28%	0.24%	0.38%	99.04%	
	62,387	168	2,529	5,850	716	29,683	23,441
		0.27%	4.05%	9.38%	1.15%	47.58%	37.57%
		0.43%	6.49%	15.02%	1.84%	76.27%	
17 Louise Avenue / McKinley Avenue Improvement Cost (100%)	\$ 600,000	\$ 2,588.20	\$ 38,961.64	\$ 90,124.79	\$ 11,030.66	\$ 457,294.72	
		0.43%	6.49%	15.02%	1.84%	76.27%	
	53,035	699	1,468	308	162	2,763	47,640
		1.32%	2.77%	0.57%	0.31%	5.21%	89.83%
		8.17%	17.16%	3.53%	1.89%	32.30%	556,929.72
18 <sup>1</sup> Airport Way / Daniels Street Improvement Cost (100%)	\$ 620,000	\$ 8,171.58	\$ 17,160.65	\$ 3,539.91	\$ 1,893.84	\$ 32,304.29	\$ 556,929.72
		1.32%	2.77%	0.57%	0.31%	5.21%	89.83%
		8.17%	17.16%	3.53%	1.89%	32.30%	556,929.72
19 <sup>1</sup> Airport Way / WB SR 120 Ramps Improvement Cost (30%)	\$ 4,950,000	\$ 97,969.53	\$ 205,739.89	\$ 42,440.14	\$ 13,256.91	\$ 377,376.80	\$ 4,213,216.73
		1.98%	4.16%	0.86%	0.27%	7.62%	85.12%
		9.79%	20.56%	4.24%	1.94%	3.83%	42.41%
		1.96%	4.12%	0.85%	0.39%	7.69%	84.99%
20 <sup>1</sup> Airport Way / EB SR 120 Ramps Improvement Cost (30%)	\$ 4,950,000	\$ 97,107.45	\$ 203,929.47	\$ 42,066.68	\$ 19,242.95	\$ 380,463.88	\$ 4,207,189.57
		1.96%	4.12%	0.85%	0.39%	7.69%	84.99%
		9.79%	20.56%	4.24%	1.94%	3.83%	42.41%
		1.96%	4.12%	0.85%	0.39%	7.69%	84.99%

Footnote 1 - Although mitigation funds will be measured by the cost to mitigate the intersections listed above, the City may use those funds to improve intersections in Lath

Please note that these locations that are in the LGBPSP MMRP are not included in Table 1: a) Harlan Rd/Lathrop Rd; b) 5th St/Lathrop Rd; c) I-5/Louise Ave Interchange; and d) Howland Rd/Louise Ave

These four (4) locations will be added in a supplemental Table to be provided to the City of Lathrop

	SLSF	LGBPSP	MC	Crossroads	Other Lathrop
<b>Totals with Phase 1 Improvements at SR 120 / Yosemite Interchange</b>	<b>\$ 44,505,000</b>	<b>\$ 3,253,228</b>	<b>\$ 8,254,472</b>	<b>\$ 1,102,035</b>	<b>\$ 1,705,885</b>
		7.31%	18.55%	2.48%	3.83%
					47.66%
<b>Totals with Phase 2 Improvements at SR 120 / Yosemite Interchange</b>	<b>\$ 46,805,000</b>	<b>\$ 4,312,243</b>	<b>\$ 9,309,416</b>	<b>\$ 1,132,913</b>	<b>\$ 1,856,656</b>
		9.69%	20.92%	2.55%	4.17%
					47.67%
<b>Totals with Ultimate Improvements at SR 120 / Yosemite</b>	<b>\$ 65,805,000</b>	<b>\$ 13,060,621</b>	<b>\$ 18,024,175</b>	<b>\$ 1,387,989</b>	<b>\$ 3,102,155</b>
		19.85%	27.39%	2.11%	4.71%
					32.30%

**Table B - 2**  
**Water Facilities Cost**

Well 21 Phase 2B Improvements	Quantity	Unit Cost	Total Estimated Cost
<b>1 MG Storage Tank &amp; Foundation</b>	1	\$1,200,000	\$1,200,000
<b>Booster Pump Station</b>			
Mechanical Improvements			
Pump	4	\$20,000	\$80,000
Motor	4	\$10,000	\$40,000
Cans	4	\$12,500	\$50,000
Piping and Fittings	1	\$120,000	\$120,000
Valves	12	\$3,000	\$36,000
Instrumentation	1	\$15,000	\$15,000
Seals	4	\$4,000	\$16,000
Pedestals	4	\$15,000	\$60,000
Concrete Pad	1	\$30,000	\$30,000
Shade Structure	1	\$30,000	\$30,000
Electrical Improvements			
Starters (VFD)	4	\$20,000	\$80,000
MCC	1	\$250,000	\$250,000
Modify Switchgear	1	\$150,000	\$150,000
Transformer	1	\$50,000	\$50,000
Genset	1	\$250,000	\$250,000
Conductors and Conduits	1	\$30,000	\$30,000
<b>Subtotal Construction Costs</b>			<b>\$2,487,000</b>
Contingency		15.0%	\$373,050
<b>Total Construction Costs</b>			<b>\$2,860,050</b>
<b>Soft Costs</b>			
Engineering, DDW Permitting		8.0%	\$228,804
Construction Management		8.0%	\$228,804
O&M Plan for DDW Permitting			\$2,500
<b>Total Soft Costs</b>			<b>\$460,108</b>
<b>Total Project Costs</b>			<b>\$3,320,158</b>

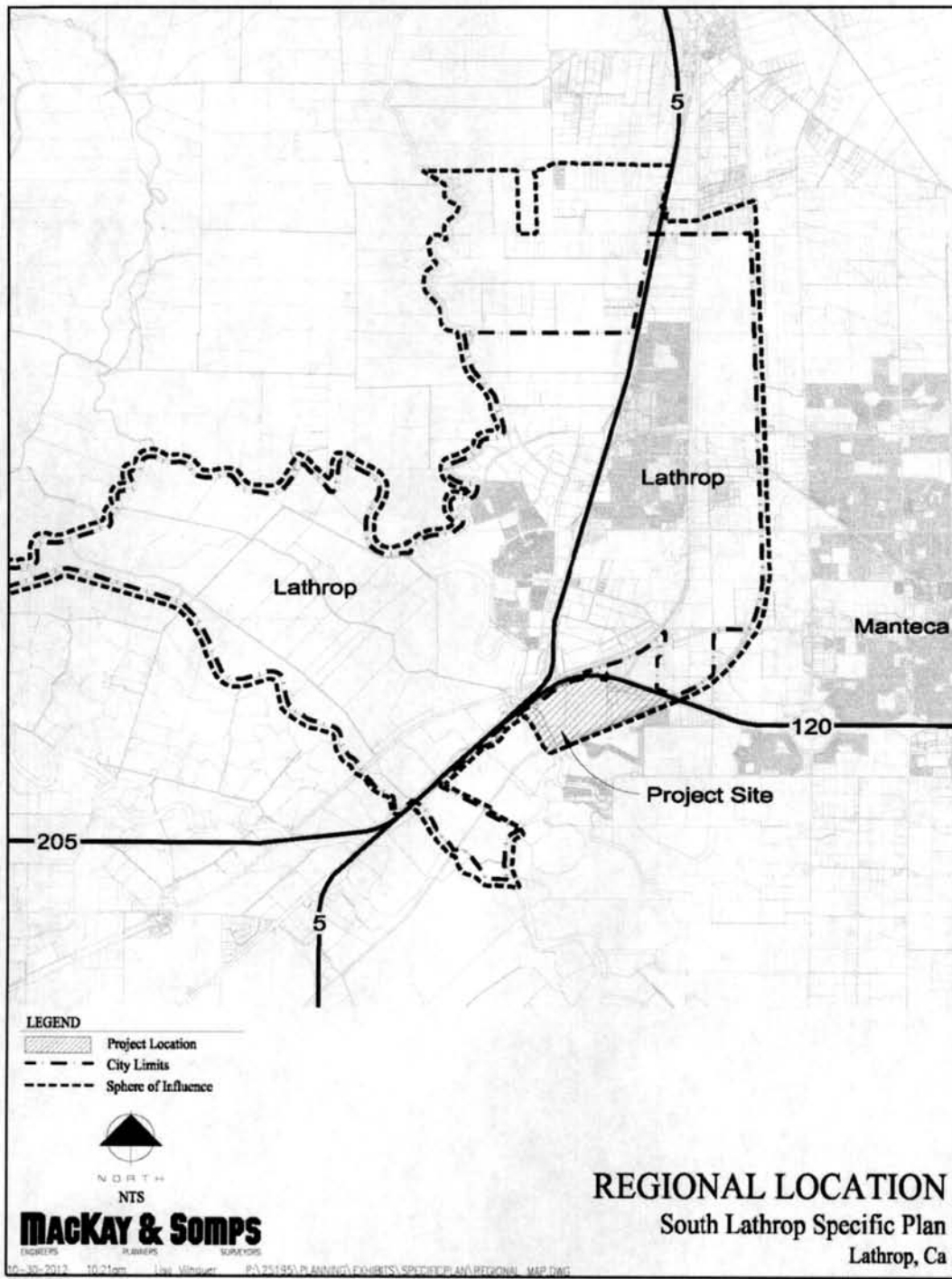
Source: MacKay & Somps; H2O Urban Solutions

**Table B - 3**  
**Storm Drainage Facilities Cost**

<b>South Lathrop Outfall</b>				<b>Unit</b>	<b>Total</b>
<b>Facilities Description</b>	<b>Unit</b>	<b>Quantity</b>	<b>Cost</b>	<b>Estimated</b>	<b>Cost</b>
Site Clearing	Each	1	\$10,000		\$10,000
Excavation/Backfill/Hauling/Final Grading	CY	4,200	\$10		\$42,000
Sheet Piles PCZ36 x 35 ft	LF	140	\$1,500		\$210,000
Dewatering	Each	1	\$50,000		\$50,000
Silt Curtain	LF	140	\$100		\$14,000
Concrete Pad and Thrust Blocks	CY	20	\$800		\$16,000
Storm Outfall Structure	CY	75	\$1,000		\$75,000
36' Butterfly Valve in Valve Box	Each	6	\$28,000		\$168,000
8" Vent Pipe Galvanized Steel	Each	6	\$2,000		\$12,000
36" Tideflex Check Valves	Each	2	\$18,000		\$36,000
36" Sch 30 Steel Pipe plus Fittings	LF	1,200	\$300		\$360,000
Steel Pipe Manifold	Each	1	\$3,000		\$3,000
18' - 24" Rip Rap Material and Installation	CY	900	\$300		\$270,000
10" Minus Rip Rap Material and Installation	CY	150	\$200		\$30,000
Armorex Matt L-70	SF	1,250	\$15		\$18,750
Railings, Fence, and Bollards	Each	1	\$4,000		\$4,000
Contractor Startup	Lump Sum				\$5,000
<b>Subtotal Construction Costs</b>					<b>\$1,323,750</b>
Contingency				10.0%	\$132,375
<b>Total Construction Costs</b>					<b>\$1,456,125</b>
<b>Soft Costs</b>				20.0%	<b>\$264,750</b>
<b>Total Project Costs</b>					<b>\$1,720,875</b>

Source: MacKay & Somps

**Exhibit 1 – SLSP Project Site**



**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING**

**ITEM:** PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER AN AMENDMENT TO TITLE 10, CHAPTER 10.24, SECTION 10.24.030 OF THE LATHROP MUNICIPAL CODE TO ADD A NO PARKING AREA ON LATHROP ROAD

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

1. Hold a Public Hearing; and
2. Introduction and First Reading of an Ordinance Amendment to Title 10, Chapter 10.24, Section 10.24.030 of the Lathrop Municipal Code to Add a No Parking Area on Lathrop Road Beginning at the Westerly Right-of-Way of Interstate 5 and Proceeding Approximately 8,300' East on Both Sides of Lathrop Road to the Eastern City Limits

**SUMMARY:**

Recent Capital Improvement Projects (CIP) have modified the alignment and cross section of Lathrop Road between Interstate 5 and the eastern City limits. As a result of those projects, staff has identified a potential modification to the City's designated No Parking areas. This proposed modification is consistent with the intended and planned use of Lathrop Road.

Staff requests City Council consider an amendment to the Lathrop Municipal Code (LMC), Title 10, Chapter 10.24, Section 10.24.030, to add the following street sections:

Lathrop Road – Both Sides

Beginning at the west right-of-way of Interstate 5, thence running easterly to the eastern city limit line, a distance of 8,300 feet, more or less.

**BACKGROUND:**

Lathrop Road is a major four (4) lane arterial connecting Interstate 5 to State Route 99, and experiences nearly 14,350 vehicle trips per day. In June 2016 City Council approved a precise plan line that complies with the City's general plan documenting City Council's preferred cross section on Lathrop Road between Harlan Road and 5<sup>th</sup> Street/Woodfield Drive. The preferred cross section accomplishes the goals of the project by increasing pedestrian and bicycle safety, reducing congestion, and improving connectivity to parks, businesses, and schools.

**CITY MANAGER'S REPORT  
 FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING  
 AMENDMENT TO NO PARKING AREAS**

Staff requests that the City Council consider amending the No Parking areas on Lathrop Road in the Lathrop Municipal Code (LMC), Section 10.24.030 as follows:

<b>Street</b>	<b>Side</b>	<b>Location</b>
Lathrop Road	Both	Beginning at the centerline of Manthey Road then westerly to the centerline of Golden Valley Parkway.
Lathrop Road	Both	<del>Beginning at the westerly right-of-way of Interstate 5, thence running easterly to the centerline of Harlan Road, a distance of 600 feet, more or less.</del>
Lathrop Road	North	<del>Beginning at the westerly right-of-way of the Union Pacific Railroad, thence running westerly to the western property line of Woodfield Park, a distance of 2,050 feet, more or less.</del>
<b>Lathrop Road</b>	<b>Both</b>	<b>Beginning at the west right-of-way of Interstate 5, thence running easterly to the eastern city limit line, a distance of 8,300 feet, more or less</b>

**REASON FOR RECOMMENDATION:**

The proposed ordinance amendment would meet the needs of the traveling public and is consistent with the intended and planned use of Lathrop Road.

**COUNCIL GOALS ADVANCED BY THIS AGENDA ITEM:**

This agenda item promotes Public Safety by providing roadway improvements on a major arterial roadway within the City of Lathrop.

**FISCAL IMPACT:**

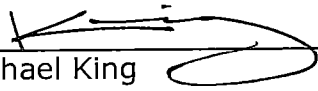
None.

**ATTACHMENTS:**

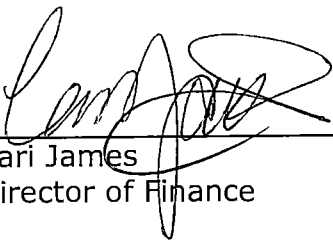
- A. Ordinance Amending Lathrop Municipal Code 10.24.030 (Parking)
- B. Exhibit – Lathrop Road

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING  
AMENDMENT TO NO PARKING AREAS**

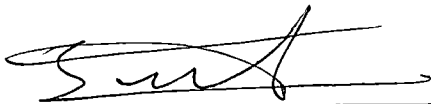
**APPROVALS:**

  
\_\_\_\_\_  
Michael King  
Senior Civil Engineer


2-1-18  
Date

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

2/1/18  
Date

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

1-31-18  
Date

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

2-5-18  
Date

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP  
AMENDING TITLE 10, CHAPTER 10.24, SECTION 10.24.030 OF THE  
LATHROP MUNICIPAL CODE TO MODIFY A NO PARKING ZONE ON LATHROP  
ROAD BEGINNING AT THE WESTERLY RIGHT-OF-WAY OF INTERSTATE 5  
AND PROCEEDING APPROXIMATELY 8,300' EAST ON BOTH SIDES OF  
LATHROP ROAD TO THE EASTERN CITY LIMITS**

**WHEREAS**, staff has identified a potential modification to the City's designated No Parking areas; and

**WHEREAS**, the proposed ordinance amendment would meet the needs of the traveling public and is consistent with the intended and planned use of Lathrop Road; and

**WHEREAS**, California Vehicle Code Section 22507 and Chapter 10.24 of the Lathrop Municipal Code authorize the City Council to create parking zones with specific time limits in the City of Lathrop;

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

Section 1:

Section 10.24.030 is amended as follows:

<b>Street</b>	<b>Side</b>	<b>Location</b>
Lathrop Road	Both	Beginning at the centerline of Manthey Road then westerly to the centerline of Golden Valley Parkway.
Lathrop Road	Both	Beginning at the westerly right-of-way of Interstate 5, thence running easterly to the centerline of Harlan Road, a distance of 600 feet, more or less.
Lathrop Road	North	Beginning at the westerly right-of-way of the Union Pacific Railroad, thence running westerly to the western property line of Woodfield Park, a distance of 2,050 feet, more or less.
<b>Lathrop Road</b>	<b>Both</b>	<b>Beginning at the west right-of-way of Interstate 5, thence running easterly to the eastern city limit line, a distance of 8,300 feet, more or less</b>

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



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

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

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

The foregoing Ordinance was introduced the 12th day of February and adopted this 12th day of March, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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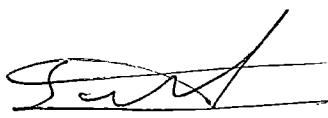
Sonny Dhaliwal, Mayor

**ATTEST:**

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Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**





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Salvador Navarrete, City Attorney



**LEGEND**

-  Existing No Parking per L.M.C Section 10.24.030
-  Proposed No Parking

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**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING****ITEM: BIENNIAL BUDGET FISCAL YEAR (FY) 2018 – 2019  
MID-YEAR REPORT****RECOMMENDATION: Adopt a Resolution Accepting the Biennial Budget  
FY 2018 – 2019 Mid-Year Report; Grade Step Table;  
and Staffing Requests**

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**SUMMARY:**

As part of the Biennial Budget process approved by Council in June 2017, a mid-cycle review is conducted on the first year's programmed allocations (Year 1 or FY 2018). The financial review as of December 31, 2017 provides a mid-year budget update to the City Council for the current fiscal year. Analysis of the revenues collected and all expenditures through December 31, 2017 measures the budget's adherence to the Adopted Budget. The primary focus of the report is on the General Fund, which accounts for a majority of the City's basic administrative operations.

Staff recommends that the City Council:

- 1) Amend Year 1 (FY 2018) of the Adopted Biennial Budget for various funds and various projects as identified in Attachment B.
- 2) Amend the City's Grade Step Table in Attachment C for:
  - a. Revised minimum wage to comply with State mandated standards for eligible classifications.
  - b. Miscellaneous technical corrections to reflect Council approved actions or clarification on existing classifications.
- 3) Approve Job Descriptions for new positions:
  - a. New classification of Senior Construction Manager, Attachment D.

**BACKGROUND:**

As part of the Biennial Budget process approved by Council in June 2017, a mid-cycle review is conducted on the first year's programmed allocations (Year 1 or FY 2018). The Mid-Year Budget Report as of December 31, 2017 provides a mid-year budget update to the City Council for the current fiscal year. Analysis of the revenues collected and all expenditures through December 31, 2017 measures the budget's adherence to the Adopted Budget. In limited instances, budget actions are recommended in this report to address unforeseen events at the time the budget document was produced and adopted.

The Mid-Year Budget Report for FY 2018 is presented in two categories:

- **General Fund Mid-Year Status:** provides an overview of the general fund revenue, expenditures, and fund balance performance compared to the fiscal plan.
- **Mid-Year Requests:** summarizes staff's recommendations to amend the fiscal plan to address program needs or perform technical adjustments.

**General Fund Mid-Year Status**

Most of the City's administrative expenditures are supported by the General Fund. After six months' experience in Year 1 of the Biennial Budget, overall, the General Fund is tracking within budgeted levels and is anticipated to end the year as projected.

**Revenues:**

Overall, staff is projecting General Fund revenues will finish the year at \$23.2 million as projected in the Amended Biennial Budget approved by Council. Current revenue trends in Property Tax and Sales Tax seem favorable and will be evaluated at the end of Year 1 (FY 2018) to recommend adjustments to our projections if needed.

**Expenditures:**

General Fund expenditures are trending below the amended budget level. The reductions are primarily the result of salary savings from vacant positions and projects yet to be started.

**GF Reserves/Fund Balance:**

The City's General Fund Reserve provides some flexibility to address one-time priority programs, smooth out economic swings, buffer the loss of state and federal revenues, and temporarily support City operations in the event of a catastrophic event (such as an earthquake or fire). At Year-End for FY 2017, staff reported a General Fund Reserves balance of \$6.9 million. Staff is projecting a General Fund Reserves balance of \$7.5 million at the end of FY 2018.

**Mid-Year Requests**

As part of the Biennial Budget process approved by Council in June 2017, a mid-cycle review is conducted on the first year's programmed allocations (Year 1 or FY 2018). The Mid-Year Budget Report includes budget amendments reflecting changes to revenues and expenses in the first six months of Year 1 (FY 2018). Adjustments to the fiscal plan are grouped by Staffing; Program/Project Requests; and Technical Adjustments as follows:

Staffing

Due to recent unforeseen vacancies and the constant search of workflow efficiencies, departments have had the opportunity to review their staffing needs and recommend the following actions:

- Fund one (1) Senior Construction Manager: Oversight of Capital Improvement Projects is a vital function for the success of each City project. The Public Works Department has determined the need for a skilled and knowledgeable worker to meet the growing construction compliance requirements from State and Federal regulations. The position requested will be classified at Grade 81 position in the Grade Step Table. In FY 2018, this position will be funded from salary savings from the vacant Public Works Director position. The annual cost of this position is approximately \$178 thousand. When the Public Works Director position is filled, a budget amendment will be needed to fund the position.
- Fund one (1) Administrative Assistant I/II: The City Attorney's Office is requesting an Administrative Assistant I/II position to assist with the increasing number of Public Records Act (PRA) requests and additional administrative duties.
- Reclass one (1) Budget Analyst I/II (Confidential) to Management Analyst I/II (Confidential): Historically, both positions were used interchangeably. After a thorough review of the job classification for both positions, it has been determined that both positions are essentially performing the same duties and residing under the same salary step (Grade 56 and 60). For those reasons, the Finance Department is requesting the reclass in the confidential series of one (1) Budget Analyst to Management Analyst. In addition, this action will establish uniformity within the paraprofessional positions in the City having all filled positions at the Management Analyst level. Upon approval, the Budget Analyst I/II (including the Confidential series) title will be removed from the Grade Step Table.
- Redirect 0.5 FTE and reclass Executive Assistant to Administrative Assistant I/II: This vacant position is currently approved to support the City Clerk and Human Resources departments. However, due to the high service demands in the City Clerk's Office, 0.5 FTE has been redirected to this department. Additionally, it is recommended to reclass the vacant Executive Assistant position to an Administrative Assistant I/II position to better align the department's clerical tasks.

Program/Project Requests

The following program/project requests require additional funding to address a specific need:

- Back-Up Server and Network Tower (Information Technology - \$24,000): The Information Technology Department requests an appropriation increase of \$13 thousand to cover the purchase of a back-up server to support the City's need for document storage of digital files. The server was purchased as an emergency measure to prevent any digital storage failures. Additionally, funding for a network tower located near the Flying J premises is requested in the amount of \$11 thousand to enhance our network reach with the newly annexed area.

- Booster Pumps (Parks and Recreation - \$75,000): During a recent maintenance inspection, it was recommended for three (3) booster pumps to be installed to reduce brown patches and allow for adequate water pressure to flow through the parks' irrigation system. The parks needing booster pumps are The Green, The Commons, and Crescent Park. Each booster pump is estimated at \$25 thousand (\$75 thousand for all three (3) locations).

<b>GENERAL FUND MID-YEAR REQUESTS SUMMARY</b>			
<i>(in millions)</i>	<b>FY 2018 Amended</b>	<b>FY 2018 Mid-Year</b>	<b>FY 2019 Adopted</b>
Revenue	23.2	23.2	18.8
Expenditures	22.7	22.8	19.0
Fund Balance	7.5	7.4	7.4

Technical Adjustments

These actions are recommended to align the budget levels with previously approved Council actions or fix inadvertent oversights from the approved Adopted budget as follows:

- Grade Step Table: Accept the City's salary schedule for existing classifications and miscellaneous adjustments as follows:
  - o Minimum Wage: With the State's mandated minimum wage increased to \$11 per hour effective January 1, 2018, impacted positions have been redirected to Grade 17 to comply with this requirement.
  - o Senior Recreation Leader (Part-Time): The position title has been moved to Grade 24 to align the position with the full-time classification as approved by Council. The part-time position is vacant with no fiscal impact in the current budget report.
  - o Geography Information Systems (GIS) Specialist II: The position title has been added to Grade 57 to align with Council's approved action. This position is unfunded with no fiscal impact in the current budget report.
  - o Projects and Program Manager: The position's title will be adjusted to Project Manager to maximize the scope of responsibilities and allow for flexibility among departments hiring for this position. There are no changes recommended to the current grade level for this position (Grade 76).

**REASON FOR RECOMMENDATION:**

The Mid-Year Budget Report provides an opportunity to make adjustments in order to be in alignment with the budget forecast.

**COUNCIL GOALS ADVANCED BY THIS AGENDA ITEM:**

The Mid-Year Budget Report adheres to the established City Council's goal to achieve long-term financial solvency.



**FISCAL IMPACT:**

The Mid-Year Budget Report provides the City Council a periodic update on the City's Biennial Budget FY 2017/18 & 2018/19. There are no fiscal impacts associated with the recommended staffing requests due to existing salary savings from vacant positions. Program requests totaling \$99 thousand are recommended to be funded from General Fund Reserves.

**ATTACHMENTS:**

- A. A Resolution of the City Council of the City of Lathrop Approving the Mid-Year Budget Report for Year 1 of the Biennial Budget 2017/18 and 2018/19 and Related Staffing Requests
- B. Recommended Amendments for Year 1 of the Biennial Budget FY2017/18 and 2018/19
- C. Grade Step Table, Effective 1/1/2018
- D. Job Description: Senior Construction Manager

**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING**

**APPROVALS:**

Vanessa R. Portillo.  
Vanessa L. Portillo  
Deputy Finance Director

2.5.2018  
Date

[Signature]  
Cari James  
Director of Finance

2/6/18  
Date

[Signature]  
Salvador Navarrete  
City Attorney

2-5-18  
Date

[Signature]  
Stephen Salvatore  
City Manager

2.6.18  
Date

**RESOLUTION NO. 18-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP  
APPROVING THE MID-YEAR BUDGET REPORT FOR YEAR 1 OF THE  
BIENNIAL BUDGET 2017/18 AND 2018/19 AND RELATED STAFFING  
REQUESTS**

**WHEREAS**, the City Council of the City of Lathrop adopted the Biennial Budget for Fiscal Year 2017/18 and 2018/19 on June 13, 2017 by Resolution No. 17-4249; and

**WHEREAS**, Staff proposes amendments to expenditures to more accurately project estimates for activity in the General Fund; and

**WHEREAS**, the proposed Mid-Year Report recommends using General Fund Unassigned Fund Balance to support the equipment purchases in Information Technology and Parks and Recreation departments in the amount of \$84,000; and

**WHEREAS**, the proposed Mid-Year Report recommends the following staffing actions:

- Fund one (1) Senior Construction Manager in support of the Public Works Department;
- Fund one (1) Administrative Assistant in support of the City Attorney's Department;
- Reclass one (1) Budget Analyst I/II (Confidential) to Management Analyst I/II (Confidential) in the Finance Department;
- Redirect 0.5 FTE and reclass vacant Executive Assistant position to Administrative Assistant I/II in support of the City Clerk's Department.

**WHEREAS**, the proposed Mid-Year Report recommends approving the Grade Step Table including various technical adjustments and supplemental Job Descriptions; and

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby approve the Mid-Year Budget Report for Year 1 of the Biennial Budget 2017/18 and 2018/19.

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2018, 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  
RECOMMENDED AMENDMENTS FOR YEAR 1 OF THE BIENNIAL BUDGET  
FY2017/18 & 2018/19**

Department		Revenue Adjustments	Expense Adjustments
<b>GENERAL FUND (1010)</b>			
<i>Information Technology</i>	<b>Backup Server (1010-15-20-450-38-00)</b> This action adjust the equipment fund to support the purchase of a back-up server for document storage.		\$ 13,000
	<b>Network Tower (1010-15-20-450-38-00)</b> This action adjust the equipment fund to support funding for a network tower located near Flying J premises.		\$ 11,000
<i>Parks and Recreation</i>	<b>Booster Pumps (1010-50-80-450-38-00)</b> This action adjust the equipment fund to install booster pumps at three (3) City parks to reduce brown patches and allow for adequate water pressure.		\$ 75,000
<b>GENERAL FUND (1010) TOTAL</b>		<b>\$ -</b>	<b>\$ 99,000</b>

**CITY OF LATHROP  
GRADE-STEP TABLE**

**ATTACHMENT C**

*\*FOR REFERENCE USE ONLY*

*Eff. 01/01/2018*

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
<b>NON-PUBLIC EMPLOYEES' RETIREMENT SYSTEM (NON-PERS) SCHEDULE</b>								
17	RECREATION LEADER	Unrep	hourly	\$11.1274	\$11.6838	\$12.2680	\$12.8814	\$13.5254
			bi-weekly	890.19	934.70	981.44	1,030.51	1,082.03
			monthly	1,929	2,025	2,126	2,233	2,344
			annual	23,145	24,302	25,517	26,793	28,133
18			hourly	\$11.4056	\$11.9759	\$12.5747	\$13.2034	\$13.8636
			bi-weekly	912.45	958.07	1,005.97	1,056.27	1,109.09
			monthly	1,977	2,076	2,180	2,289	2,403
			annual	23,724	24,910	26,155	27,463	28,836
19			hourly	\$11.6908	\$12.2753	\$12.8891	\$13.5336	\$14.2102
			bi-weekly	935.26	982.03	1,031.13	1,082.68	1,136.82
			monthly	2,026	2,128	2,234	2,346	2,463
			annual	24,317	25,533	26,809	28,150	29,557
20			hourly	\$11.9831	\$12.5823	\$13.2114	\$13.8719	\$14.5655
			bi-weekly	958.65	\$1,006.58	\$1,056.91	\$1,109.75	\$1,165.24
			monthly	2,077	2,181	2,290	2,404	2,525
			annual	24,925	26,171	27,480	28,854	30,296
21	FACILITY SUPERVISOR	Unrep	hourly	\$12.2825	\$12.8966	\$13.5415	\$14.2185	\$14.9295
			bi-weekly	982.60	\$1,031.73	\$1,083.32	\$1,137.48	\$1,194.36
			monthly	2,129	2,235	2,347	2,465	2,588
			annual	25,548	26,825	28,166	29,575	31,053
22			hourly	\$12.5893	\$13.2188	\$13.8797	\$14.5737	\$15.3024
			bi-weekly	1,007.14	\$1,057.50	\$1,110.38	\$1,165.90	\$1,224.19
			monthly	2,182	2,291	2,406	2,526	2,652
			annual	26,186	27,495	28,870	30,313	31,829
23			hourly	\$12.9044	\$13.5496	\$14.2271	\$14.9385	\$15.6854
			bi-weekly	1,032.35	\$1,083.97	\$1,138.17	\$1,195.08	\$1,254.83
			monthly	2,237	2,349	2,466	2,589	2,719
			annual	26,841	28,183	29,592	31,072	32,626
24	SENIOR RECREATION LEADER	Unrep	hourly	\$13.2271	\$13.8885	\$14.5829	\$15.3120	\$16.0776
			bi-weekly	1,058.17	\$1,111.08	\$1,166.63	\$1,224.96	\$1,286.21
			monthly	2,293	2,407	2,528	2,654	2,787
			annual	27,512	28,888	30,332	31,849	33,441
25			hourly	\$13.5578	\$14.2357	\$14.9475	\$15.6948	\$16.4796
			bi-weekly	1,084.62	\$1,138.86	\$1,195.80	\$1,255.59	\$1,318.37
			monthly	2,350	2,468	2,591	2,720	2,856
			annual	28,200	29,610	31,091	32,645	34,278
26			hourly	\$13.8967	\$14.5915	\$15.3211	\$16.0872	\$16.8915
			bi-weekly	1,111.74	\$1,167.32	\$1,225.69	\$1,286.97	\$1,351.32
			monthly	2,409	2,529	2,656	2,788	2,928
			annual	28,905	30,350	31,868	33,461	35,134
27			hourly	\$14.2441	\$14.9563	\$15.7041	\$16.4893	\$17.3138
			bi-weekly	1,139.53	\$1,196.50	\$1,256.33	\$1,319.15	\$1,385.10
			monthly	2,469	2,592	2,722	2,858	3,001
			annual	29,628	31,109	32,665	34,298	36,013
28			hourly	\$14.6001	\$15.3301	\$16.0966	\$16.9014	\$17.7465
			bi-weekly	1,168.01	\$1,226.41	\$1,287.73	\$1,352.12	\$1,419.72
			monthly	2,531	2,657	2,790	2,930	3,076
			annual	30,368	31,887	33,481	35,155	36,913
29			hourly	\$14.9652	\$15.7135	\$16.4991	\$17.3241	\$18.1903
			bi-weekly	1,197.22	\$1,257.08	\$1,319.93	\$1,385.93	\$1,455.22
			monthly	2,594	2,724	2,860	3,003	3,153
			annual	31,128	32,684	34,318	36,034	37,836
30			hourly	\$15.3392	\$16.1062	\$16.9115	\$17.7570	\$18.6449
			bi-weekly	1,227.14	\$1,288.49	\$1,352.92	\$1,420.56	\$1,491.59
			monthly	2,659	2,792	2,931	3,078	3,232
			annual	31,906	33,501	35,176	36,935	38,781

**CITY OF LATHROP  
GRADE-STEP TABLE**

**ATTACHMENT C**

*\*FOR REFERENCE USE ONLY*

*Eff. 01/01/2018*

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
31			hourly	\$15.7227	\$16.5088	\$17.3343	\$18.2010	\$19.1110
			bi-weekly	1,257.82	\$1,320.71	\$1,386.74	\$1,456.08	\$1,528.88
			monthly	2,725	2,862	3,005	3,155	3,313
			annual	32,703	34,338	36,055	37,858	39,751
32	OFFICE ASSISTANT I	Unrep	hourly	\$16.1158	\$16.9216	\$17.7677	\$18.6561	\$19.5889
			bi-weekly	1,289.26	\$1,353.73	\$1,421.41	\$1,492.48	\$1,567.11
			monthly	2,793	2,933	3,080	3,234	3,395
			annual	33,521	35,197	36,957	38,805	40,745
33			hourly	\$16.5186	\$17.3445	\$18.2118	\$19.1223	\$20.0785
			bi-weekly	1,321.49	\$1,387.56	\$1,456.94	\$1,529.79	\$1,606.28
			monthly	2,863	3,006	3,157	3,315	3,480
			annual	34,359	36,077	37,880	39,774	41,763
34			hourly	\$16.9317	\$17.7783	\$18.6672	\$19.6006	\$20.5806
			bi-weekly	1,354.54	\$1,422.26	\$1,493.38	\$1,568.04	\$1,646.45
			monthly	2,935	3,082	3,236	3,397	3,567
			annual	35,218	36,979	38,828	40,769	42,808
35	OFFICE ASSISTANT II	Unrep	hourly	\$17.3551	\$18.2229	\$19.1340	\$20.0907	\$21.0952
			bi-weekly	1,388.41	\$1,457.83	\$1,530.72	\$1,607.26	\$1,687.62
			monthly	3,008	3,159	3,317	3,482	3,657
			annual	36,099	37,904	39,799	41,789	43,878
36			hourly	\$17.7888	\$18.6782	\$19.6122	\$20.5928	\$21.6224
			bi-weekly	1,423.10	\$1,494.26	\$1,568.97	\$1,647.42	\$1,729.79
			monthly	3,083	3,238	3,399	3,569	3,748
			annual	37,001	38,851	40,793	42,833	44,975
37	ANIMAL SERVICES ASSISTANT RECREATION SPECIALIST	Unrep Unrep	hourly	\$18.2335	\$19.1452	\$20.1024	\$21.1076	\$22.1629
			bi-weekly	1,458.68	\$1,531.61	\$1,608.19	\$1,688.60	\$1,773.03
			monthly	3,160	3,318	3,484	3,659	3,842
			annual	37,926	39,822	41,813	43,904	46,099
38	MAINTENANCE WORKER I METER READER SENIOR CENTER REC. COORDINATOR ACCOUNTING SPECIALIST I	Unrep Unrep Unrep Unrep	hourly	\$18.6895	\$19.6240	\$20.6052	\$21.6354	\$22.7172
			bi-weekly	1,495.16	\$1,569.92	\$1,648.41	\$1,730.83	\$1,817.38
			monthly	3,240	3,401	3,572	3,750	3,938
			annual	38,874	40,818	42,859	45,002	47,252
39			hourly	\$19.1566	\$20.1144	\$21.1202	\$22.1762	\$23.2850
			bi-weekly	1,532.53	\$1,609.15	\$1,689.61	\$1,774.09	\$1,862.80
			monthly	3,320	3,487	3,661	3,844	4,036
			annual	39,846	41,838	43,930	46,126	48,433
40	RECREATION COORDINATOR		hourly	\$19.6356	\$20.6174	\$21.6482	\$22.7307	\$23.8672
			bi-weekly	1,570.85	\$1,649.39	\$1,731.86	\$1,818.45	\$1,909.38
			monthly	3,404	3,574	3,752	3,940	4,137
			annual	40,842	42,884	45,028	47,280	49,644
<b>PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) SCHEDULE</b>								
12			hourly	\$10.6457	\$11.1780	\$11.7369	\$12.3237	\$12.9399
			bi-weekly	852	894	939	986	1,035
			monthly	1,845	1,938	2,034	2,136	2,243
			annual	22,143	23,250	24,413	25,633	26,915
13			hourly	\$10.9118	\$11.4574	\$12.0303	\$12.6318	\$13.2634
			bi-weekly	873	917	962	1,011	1,061
			monthly	1,891	1,986	2,085	2,190	2,299
			annual	22,697	23,831	25,023	26,274	27,588
14			hourly	\$11.1848	\$11.7440	\$12.3312	\$12.9478	\$13.5952
			bi-weekly	895	940	986	1,036	1,088
			monthly	1,939	2,036	2,137	2,244	2,357
			annual	23,264	24,428	25,649	26,931	28,278
15	RECREATION LEADER	SEIU	hourly	\$11.4642	\$12.0374	\$12.6393	\$13.2712	\$13.9348
			bi-weekly	917	963	1,011	1,062	1,115
			monthly	1,987	2,086	2,191	2,300	2,415
			annual	23,846	25,038	26,290	27,604	28,984

**CITY OF LATHROP  
GRADE-STEP TABLE**

**ATTACHMENT C**

*\*FOR REFERENCE USE ONLY*

*Eff. 01/01/2018*

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
16			hourly	\$11.7510	\$12.3386	\$12.9555	\$13.6033	\$14.2834
			bi-weekly	940	987	1,036	1,088	1,143
			monthly	2,037	2,139	2,246	2,358	2,476
			annual	24,442	25,664	26,947	28,295	29,710
17			hourly	\$12.0446	\$12.6468	\$13.2792	\$13.9431	\$14.6403
			bi-weekly	964	1,012	1,062	1,115	1,171
			monthly	2,088	2,192	2,302	2,417	2,538
			annual	25,053	26,305	27,621	29,002	30,452
18			hourly	\$12.3458	\$12.9631	\$13.6112	\$14.2918	\$15.0064
			bi-weekly	988	1,037	1,089	1,143	1,201
			monthly	2,140	2,247	2,359	2,477	2,601
			annual	25,679	26,963	28,311	29,727	31,213
19			hourly	\$12.6545	\$13.2872	\$13.9516	\$14.6492	\$15.3816
			bi-weekly	1,012	1,063	1,116	1,172	1,231
			monthly	2,193	2,303	2,418	2,539	2,666
			annual	26,321	27,637	29,019	30,470	31,994
20			hourly	\$12.9708	\$13.6193	\$14.3003	\$15.0153	\$15.7661
			bi-weekly	1,038	1,090	1,144	1,201	1,261
			monthly	2,248	2,361	2,479	2,603	2,733
			annual	26,979	28,328	29,745	31,232	32,793
21	FACILITY SUPERVISOR	SEIU	hourly	\$13.2951	\$13.9599	\$14.6578	\$15.3907	\$16.1603
			bi-weekly	1,064	1,117	1,173	1,231	1,293
			monthly	2,304	2,420	2,541	2,668	2,801
			annual	27,654	29,036	30,488	32,013	33,613
22			hourly	\$13.6270	\$14.3084	\$15.0238	\$15.7750	\$16.5637
			bi-weekly	1,090	1,145	1,202	1,262	1,325
			monthly	2,362	2,480	2,604	2,734	2,871
			annual	28,344	29,761	31,249	32,812	34,453
23			hourly	\$13.9681	\$14.6665	\$15.3998	\$16.1698	\$16.9783
			bi-weekly	1,117	1,173	1,232	1,294	1,358
			monthly	2,421	2,542	2,669	2,803	2,943
			annual	29,054	30,506	32,032	33,633	35,315
24	SENIOR RECREATION LEADER SENIOR FACILITY ATTENDANT	SEIU SEIU	hourly	\$14.3174	\$15.0333	\$15.7849	\$16.5742	\$17.4029
			bi-weekly	1,145	1,203	1,263	1,326	1,392
			monthly	2,482	2,606	2,736	2,873	3,017
			annual	29,780	31,269	32,833	34,474	36,198
25			hourly	\$14.6753	\$15.4091	\$16.1795	\$16.9885	\$17.8379
			bi-weekly	1,174	1,233	1,294	1,359	1,427
			monthly	2,544	2,671	2,804	2,945	3,092
			annual	30,525	32,051	33,653	35,336	37,103
26			hourly	\$15.0422	\$15.7943	\$16.5840	\$17.4132	\$18.2839
			bi-weekly	1,203	1,264	1,327	1,393	1,463
			monthly	2,607	2,738	2,875	3,018	3,169
			annual	31,288	32,852	34,495	36,220	38,030
27			hourly	\$15.4183	\$16.1892	\$16.9987	\$17.8486	\$18.7410
			bi-weekly	1,233	1,295	1,360	1,428	1,499
			monthly	2,673	2,806	2,946	3,094	3,248
			annual	32,070	33,674	35,357	37,125	38,981
28			hourly	\$15.8036	\$16.5938	\$17.4235	\$18.2946	\$19.2094
			bi-weekly	1,264	1,328	1,394	1,464	1,537
			monthly	2,739	2,876	3,020	3,171	3,330
			annual	32,871	34,515	36,241	38,053	39,955
29			hourly	\$16.1988	\$17.0087	\$17.8592	\$18.7521	\$19.6897
			bi-weekly	1,296	1,361	1,429	1,500	1,575
			monthly	2,808	2,948	3,096	3,250	3,413
			annual	33,694	35,378	37,147	39,004	40,955



**CITY OF LATHROP  
GRADE-STEP TABLE**

**ATTACHMENT C**

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*Eff. 01/01/2018*

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
30			hourly	\$16.6037	\$17.4339	\$18.3056	\$19.2209	\$20.1819
			bi-weekly	1,328	1,395	1,464	1,538	1,615
			monthly	2,878	3,022	3,173	3,332	3,498
			annual	34,536	36,262	38,076	39,979	41,978
31			hourly	\$17.0188	\$17.8697	\$18.7632	\$19.7014	\$20.6865
			bi-weekly	1,362	1,430	1,501	1,576	1,655
			monthly	2,950	3,097	3,252	3,415	3,586
			annual	35,399	37,169	39,028	40,979	43,028
32	OFFICE ASSISTANT I	SEIU	hourly	\$17.4443	\$18.3165	\$19.2323	\$20.1940	\$21.2037
			bi-weekly	1,396	1,465	1,539	1,616	1,696
			monthly	3,024	3,175	3,334	3,500	3,675
			annual	36,284	38,098	40,003	42,003	44,104
33			hourly	\$17.8803	\$18.7743	\$19.7130	\$20.6987	\$21.7336
			bi-weekly	1,430	1,502	1,577	1,656	1,739
			monthly	3,099	3,254	3,417	3,588	3,767
			annual	37,191	39,051	41,003	43,053	45,206
34			hourly	\$18.3274	\$19.2438	\$20.2060	\$21.2163	\$22.2771
			bi-weekly	1,466	1,540	1,616	1,697	1,782
			monthly	3,177	3,336	3,502	3,677	3,861
			annual	38,121	40,027	42,028	44,130	46,336
35	OFFICE ASSISTANT II	SEIU	hourly	\$18.7857	\$19.7250	\$20.7112	\$21.7468	\$22.8341
			bi-weekly	1,503	1,578	1,657	1,740	1,827
			monthly	3,256	3,419	3,590	3,769	3,958
			annual	39,074	41,028	43,079	45,233	47,495
36			hourly	\$19.2553	\$20.2181	\$21.2290	\$22.2904	\$23.4049
			bi-weekly	1,540	1,617	1,698	1,783	1,872
			monthly	3,338	3,504	3,680	3,864	4,057
			annual	40,051	42,054	44,156	46,364	48,682
37	ANIMAL SERVICES ASSISTANT RECREATION SPECIALIST	SEIU	hourly	\$19.7364	\$20.7232	\$21.7594	\$22.8474	\$23.9897
			bi-weekly	1,579	1,658	1,741	1,828	1,919
		SEIU	monthly	3,421	3,592	3,772	3,960	4,158
			annual	41,052	43,104	45,260	47,522	49,899
38	MAINTENANCE WORKER I WATER METER READER I SENIOR CENTER RECREATION COORDINATOR ACCOUNTING SPECIALIST I	SEIU	hourly	\$20.2301	\$21.2416	\$22.3037	\$23.4189	\$24.5898
		SEIU	bi-weekly	1,618	1,699	1,784	1,874	1,967
		SEIU	monthly	3,507	3,682	3,866	4,059	4,262
		SEIU	annual	42,079	44,183	46,392	48,711	51,147
39			hourly	\$20.7357	\$21.7725	\$22.8611	\$24.0042	\$25.2044
			bi-weekly	1,659	1,742	1,829	1,920	2,016
			monthly	3,594	3,774	3,963	4,161	4,369
			annual	43,130	45,287	47,551	49,929	52,425
40			hourly	\$21.2542	\$22.3169	\$23.4328	\$24.6044	\$25.8346
			bi-weekly	1,700	1,785	1,875	1,968	2,067
			monthly	3,684	3,868	4,062	4,265	4,478
			annual	44,209	46,419	48,740	51,177	53,736
41	UTILITY OPERATOR I ADMINISTRATIVE ASSISTANT I	SEIU	hourly	\$21.7854	\$22.8747	\$24.0184	\$25.2193	\$26.4803
		SEIU	bi-weekly	1,743	1,830	1,921	2,018	2,118
		SEIU	monthly	3,776	3,965	4,163	4,371	4,590
		SEIU	annual	45,314	47,579	49,958	52,456	55,079
42	WATER METER READER II MAINTENANCE WORKER II ACCOUNTING SPECIALIST II	SEIU	hourly	\$22.3301	\$23.4466	\$24.6189	\$25.8499	\$27.1424
		SEIU	bi-weekly	1,786	1,876	1,970	2,068	2,171
		SEIU	monthly	3,871	4,064	4,267	4,481	4,705
		SEIU	annual	46,447	48,769	51,207	53,768	56,456
43			hourly	\$22.8882	\$24.0326	\$25.2342	\$26.4960	\$27.8208
			bi-weekly	1,831	1,923	2,019	2,120	2,226
			monthly	3,967	4,166	4,374	4,593	4,822
			annual	47,607	49,988	52,487	55,112	57,867

**CITY OF LATHROP  
GRADE-STEP TABLE**

**ATTACHMENT C**

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GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	
44	INFORMATION TECHNOLOGY TECHNICIAN	SEIU	hourly	\$23.4605	\$24.6335	\$25.8652	\$27.1585	\$28.5164	
			bi-weekly	1,877	1,971	2,069	2,173	2,281	
			monthly	4,066	4,270	4,483	4,707	4,943	
			annual	48,798	51,238	53,800	56,490	59,314	
45	UTILITY OPERATOR II RECREATION COORDINATOR ADMINISTRATIVE ASSISTANT II	SEIU	hourly	\$24.0470	\$25.2494	\$26.5118	\$27.8374	\$29.2293	
			bi-weekly	1,924	2,020	2,121	2,227	2,338	
			monthly	4,168	4,377	4,595	4,825	5,066	
			annual	50,018	52,519	55,145	57,902	60,797	
46	ANIMAL SERVICES OFFICER	SEIU	hourly	\$24.6484	\$25.8808	\$27.1749	\$28.5336	\$29.9603	
			bi-weekly	1,972	2,070	2,174	2,283	2,397	
			monthly	4,272	4,486	4,710	4,946	5,193	
			annual	51,269	53,832	56,524	59,350	62,317	
47	PERMIT TECHNICIAN	SEIU	hourly	\$25.2643	\$26.5275	\$27.8539	\$29.2466	\$30.7089	
			bi-weekly	2,021	2,122	2,228	2,340	2,457	
			monthly	4,379	4,598	4,828	5,069	5,323	
			annual	52,550	55,177	57,936	60,833	63,875	
48	SOLID WASTE&RESOURCE CONSERV. COORD. SR. MAINTENANCE WORKER	SEIU	hourly	\$25.8961	\$27.1909	\$28.5505	\$29.9780	\$31.4769	
			bi-weekly	2,072	2,175	2,284	2,398	2,518	
			monthly	4,489	4,713	4,949	5,196	5,456	
			annual	53,864	56,557	59,385	62,354	65,472	
49	ACCOUNTING TECHNICIAN	SEIU	hourly	\$26.5435	\$27.8707	\$29.2642	\$30.7274	\$32.2638	
			bi-weekly	2,123	2,230	2,341	2,458	2,581	
			monthly	4,601	4,831	5,072	5,326	5,592	
			annual	55,210	57,971	60,870	63,913	67,109	
50	ENGINEERING TECHNICIAN I SENIOR ANIMAL SERVICES OFFICER	SEIU	hourly	\$27.2070	\$28.5674	\$29.9957	\$31.4955	\$33.0703	
			bi-weekly	2,177	2,285	2,400	2,520	2,646	
			monthly	4,716	4,952	5,199	5,459	5,732	
			annual	56,591	59,420	62,391	65,511	68,786	
51	SENIOR ADMINISTRATIVE ASSISTANT CRIME & INTELLEGENCE ANALYST	LMCEA	hourly	\$27.8874	\$29.2818	\$30.7459	\$32.2832	\$33.8973	
			bi-weekly	2,231	2,343	2,460	2,583	2,712	
			monthly	4,834	5,076	5,329	5,596	5,876	
			annual	58,006	60,906	63,951	67,149	70,506	
52	BUILDING INSPECTOR I CODE COMPLIANCE OFFICER I ACCOUNTANT I	SEIU	hourly	\$28.5843	\$30.0135	\$31.5142	\$33.0899	\$34.7444	
			bi-weekly	2,287	2,401	2,521	2,647	2,780	
			monthly	4,955	5,202	5,462	5,736	6,022	
			annual	59,455	62,428	65,550	68,827	72,268	
53	CONSTRUCTION INSPECTOR I LEGAL SECRETARY GIS SPECIALIST I	SEIU	hourly	\$29.2991	\$30.7641	\$32.3023	\$33.9174	\$35.6132	
			EXEMPT	bi-weekly	2,344	2,461	2,584	2,713	2,849
			SEIU	monthly	5,079	5,332	5,599	5,879	6,173
			annual	60,942	63,989	67,189	70,548	74,076	
54	ENGINEERING TECHNICIAN II EXECUTIVE ASSISTANT	SEIU	hourly	\$30.0315	\$31.5331	\$33.1097	\$34.7652	\$36.5035	
			LMCEA	bi-weekly	2,403	2,523	2,649	2,781	2,920
			monthly	5,205	5,466	5,739	6,026	6,327	
			annual	62,466	65,589	68,868	72,312	75,927	
55	BUILDING INSPECTOR II BUDGET ANALYST I MANAGEMENT ANALYST I ASSISTANT PLANNER CODE COMPLIANCE OFFICER II SENIOR ACCOUNTING TECHNICIAN	SEIU	hourly	\$30.7823	\$32.3214	\$33.9375	\$35.6344	\$37.4161	
			SEIU	bi-weekly	2,463	2,586	2,715	2,851	2,993
			SEIU	monthly	5,336	5,602	5,882	6,177	6,485
			SEIU	annual	64,027	67,229	70,590	74,119	77,825
			SEIU						
56	ACCOUNTANT II MANAGEMENT ANALYST I (CONFIDENTIAL) BUDGET ANALYST I (CONFIDENTIAL)	SEIU	hourly	\$31.5519	\$33.1295	\$34.7860	\$36.5253	\$38.3515	
			LMCEA	bi-weekly	2,524	2,650	2,783	2,922	3,068
			LMCEA	monthly	5,469	5,742	6,030	6,331	6,648
			annual	65,628	68,909	72,355	75,973	79,771	
57	GIS SPECIALIST II CONSTRUCTION INSPECTOR II LEGAL ASSISTANT PARKS & RECREATION SUPERVISOR	SEIU	hourly	\$32.3406	\$33.9576	\$35.6555	\$37.4383	\$39.3102	
			SEIU	bi-weekly	2,587	2,717	2,852	2,995	3,145
			EXEMPT	monthly	5,606	5,886	6,180	6,489	6,814
			LMCEA	annual	67,268	70,632	74,163	77,872	81,765

**CITY OF LATHROP  
GRADE-STEP TABLE**

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GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
58	BUDGET ANALYST II	SEIU	hourly	\$33,1491	\$34,8066	\$36,5469	\$38,3742	\$40,2929
	SENIOR ENGINEERING TECHNICIAN	SEIU	bi-weekly	2,652	2,785	2,924	3,070	3,223
	JUNIOR ENGINEER	SEIU	monthly	5,746	6,033	6,335	6,652	6,984
	ASSOCIATE PLANNER	SEIU	annual	68,950	72,398	76,018	79,818	83,809
	MANAGEMENT ANALYST II	SEIU						
59	CODE COMPLIANCE OFFICER III	SEIU	hourly	\$33,9779	\$35,6768	\$37,4606	\$39,3337	\$41,3003
	MAINTENANCE SERVICES SUPERVISOR	LMCEA	bi-weekly	2,718	2,854	2,997	3,147	3,304
	CHIEF UTILITY OPERATOR	SEIU	monthly	5,890	6,184	6,493	6,818	7,159
	INFORMATION TECHNOLOGY ANALYST	LMCEA	annual	70,674	74,208	77,918	81,814	85,905
	UTILITY OPERATOR III	SEIU						
60	BUILDING INSPECTOR III	SEIU						
	HUMAN RESOURCES MANAGER	LMCEA	hourly	\$34,8275	\$36,5689	\$38,3973	\$40,3172	\$42,3330
	MANAGEMENT ANALYST II (CONFIDENTIAL)	LMCEA	bi-weekly	2,786	2,926	3,072	3,225	3,387
	BUDGET ANALYST II (CONFIDENTIAL)	LMCEA	monthly	6,037	6,339	6,656	6,988	7,338
	EXECUTIVE ASSISTANT TO THE CITY MANAGER	LMCEA	annual	72,441	76,063	79,866	83,860	88,053
61	UTILITY MAINTENANCE SUPERVISOR	LMCEA	hourly	\$35,6980	\$37,4829	\$39,3570	\$41,3249	\$43,3911
	SENIOR CONSTRUCTION INSPECTOR	LMCEA	bi-weekly	2,856	2,999	3,149	3,306	3,471
	POLICE SERVICES MANAGER	LMCEA	monthly	6,188	6,497	6,822	7,163	7,521
			annual	74,252	77,964	81,863	85,956	90,254
62	WASTEWATER TREATMENT PLANT SUPERVISOR	LMCEA	hourly	\$36,5905	\$38,4200	\$40,3410	\$42,3581	\$44,4760
			bi-weekly	2,927	3,074	3,227	3,389	3,558
			monthly	6,342	6,659	6,992	7,342	7,709
			annual	76,108	79,914	83,909	88,105	92,510
63	SENIOR BUILDING INSPECTOR	SEIU	hourly	\$37,5053	\$39,3806	\$41,3496	\$43,4171	\$45,5879
			bi-weekly	3,000	3,150	3,308	3,473	3,647
			monthly	6,501	6,826	7,167	7,526	7,902
			annual	78,011	81,912	86,007	90,308	94,823
64	PARKS AND RECREATION ADMINISTRATOR	SEIU	hourly	\$38,4428	\$40,3649	\$42,3832	\$44,5023	\$46,7275
	PLANS EXAMINER	SEIU	bi-weekly	3,075	3,229	3,391	3,560	3,738
	ANIMAL SERVICES MANAGER	LMCEA	monthly	6,663	6,997	7,346	7,714	8,099
	ASSISTANT ENGINEER	SEIU	annual	79,961	83,959	88,157	92,565	97,193
65	SENIOR ACCOUNTANT	LMCEA	hourly	\$39,4040	\$41,3742	\$43,4429	\$45,6151	\$47,8958
	BUDGET MANAGER	LMCEA	bi-weekly	3,152	3,310	3,475	3,649	3,832
			monthly	6,830	7,172	7,530	7,907	8,302
			annual	81,960	86,058	90,361	94,879	99,623
66			hourly	\$40,3890	\$42,4085	\$44,5289	\$46,7553	\$49,0931
			bi-weekly	3,231	3,393	3,562	3,740	3,927
			monthly	7,001	7,351	7,718	8,104	8,509
			annual	84,009	88,210	92,620	97,251	102,114
67	SPECIAL DISTRICTS MANAGER	LMCEA	hourly	\$41,3987	\$43,4686	\$45,6421	\$47,9242	\$50,3204
	CODE COMPLIANCE SUPERVISOR	LMCEA	bi-weekly	3,312	3,477	3,651	3,834	4,026
	PROGRAMMER ANALYST	LMCEA	monthly	7,176	7,535	7,911	8,307	8,722
	SENIOR PLANNER	LMCEA	annual	86,109	90,415	94,935	99,682	104,666
	SENIOR MANAGEMENT ANALYST	LMCEA						
68			hourly	\$42,4336	\$44,5553	\$46,7830	\$49,1222	\$51,5783
			bi-weekly	3,395	3,564	3,743	3,930	4,126
			monthly	7,355	7,723	8,109	8,515	8,940
			annual	88,262	92,675	97,309	102,174	107,283
69			hourly	\$43,4946	\$45,6693	\$47,9528	\$50,3504	\$52,8680
			bi-weekly	3,480	3,654	3,836	4,028	4,229
			monthly	7,539	7,916	8,312	8,727	9,164
			annual	90,469	94,992	99,742	104,729	109,965
70	ASSOCIATE ENGINEER	SEIU	hourly	\$44,5820	\$46,8111	\$49,1517	\$51,6092	\$54,1897
			bi-weekly	3,567	3,745	3,932	4,129	4,335
			monthly	7,728	8,114	8,520	8,946	9,393
			annual	92,731	97,367	102,235	107,347	112,715

**CITY OF LATHROP  
GRADE-STEP TABLE**

**ATTACHMENT C**

*\*FOR REFERENCE USE ONLY*

*Eff. 01/01/2018*

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
71	PARKS AND RECREATION SUPERINTENDENT CITY CLERK	LMCEA EXEMPT	hourly	\$45.6967	\$47.9815	\$50.3806	\$52.8996	\$55.5446
			bi-weekly	3,656	3,839	4,030	4,232	4,444
			monthly	7,921	8,317	8,733	9,169	9,628
			annual	95,049	99,802	104,792	110,031	115,533
72	PRINCIPAL PLANNER	LMCEA	hourly	\$46.8390	\$49.1810	\$51.6400	\$54.2220	\$56.9331
			bi-weekly	3,747	3,934	4,131	4,338	4,555
			monthly	8,119	8,525	8,951	9,398	9,868
			annual	97,425	102,296	107,411	112,782	118,421
73	ASSISTANT CHIEF BUILDING OFFICIAL	LMCEA	hourly	\$48.0098	\$50.4103	\$52.9308	\$55.5773	\$58.3562
			bi-weekly	3,841	4,033	4,234	4,446	4,668
			monthly	8,322	8,738	9,175	9,633	10,115
			annual	99,860	104,853	110,096	115,601	121,381
74	SENIOR CIVIL ENGINEER SENIOR ENGINEER	LMCEA	hourly	\$49.2103	\$51.6708	\$54.2544	\$56.9671	\$59.8154
		LMCEA	bi-weekly	3,937	4,134	4,340	4,557	4,785
			monthly	8,530	8,956	9,404	9,874	10,368
			annual	102,357	107,475	112,849	118,492	124,416
75	INFORMATION TECHNOLOGY MANAGER	LMCEA	hourly	\$50.4406	\$52.9626	\$55.6108	\$58.3913	\$61.3109
			bi-weekly	4,035	4,237	4,449	4,671	4,905
			monthly	8,743	9,180	9,639	10,121	10,627
			annual	104,916	110,162	115,670	121,454	127,527
76	PROJECTS AND PROGRAM MANAGER ACCOUNTING MANAGER UTILITIES & STREET MAINTENANCE SUPERINTENDENT PERMIT CENTER MANAGER PARKS PROJECT MANAGER	LMCEA	hourly	\$51.7014	\$54.2865	\$57.0008	\$59.8508	\$62.8434
		LMCEA	bi-weekly	4,136	4,343	4,560	4,788	5,027
		LMCEA	monthly	8,962	9,410	9,880	10,374	10,893
		LMCEA	annual	107,539	112,916	118,562	124,490	130,714
77	CHIEF BUILDNG OFFICIAL ASSISTANT CITY ATTORNEY	LMCEA EXEMPT	hourly	\$52.9938	\$55.6435	\$58.4257	\$61.3469	\$64.4143
			bi-weekly	4,240	4,451	4,674	4,908	5,153
			monthly	9,186	9,645	10,127	10,633	11,165
			annual	110,227	115,738	121,525	127,602	133,982
78	DEPUTY FINANCE DIRECTOR	LMCEA	hourly	\$54.3188	\$57.0347	\$59.8865	\$62.8808	\$66.0248
			bi-weekly	4,346	4,563	4,791	5,030	5,282
			monthly	9,415	9,886	10,380	10,899	11,444
			annual	112,983	118,632	124,564	130,792	137,332
79	ECONOMIC DEVELOPMENT ADMINISTRATOR	LMCEA	hourly	\$55.6768	\$58.4606	\$61.3837	\$64.4529	\$67.6755
			bi-weekly	4,454	4,677	4,911	5,156	5,414
			monthly	9,651	10,133	10,640	11,172	11,730
			annual	115,808	121,598	127,678	134,062	140,765
80	ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR PRINCIPAL ENGINEER CHIEF PLANNING OFFICIAL	LMCEA LMCEA LMCEA	hourly	\$57.0686	\$59.9220	\$62.9181	\$66.0640	\$69.3672
			bi-weekly	4,565	4,794	5,033	5,285	5,549
			monthly	9,892	10,386	10,906	11,451	12,024
			annual	118,703	124,638	130,870	137,413	144,284
81	SENIOR CONSTRUCTION MANAGER <i>(new)</i>		hourly	\$58.4956	\$61.4204	\$64.4914	\$67.7160	\$71.1018
			bi-weekly	4,680	4,914	5,159	5,417	5,688
			monthly	10,139	10,646	11,179	11,737	12,324
			annual	121,671	127,754	134,142	140,849	147,892
82	ASSISTANT PUBLIC WORKS DIRECTOR	LMCEA	hourly	\$59.9578	\$62.9557	\$66.1035	\$69.4086	\$72.8791
			bi-weekly	4,797	5,036	5,288	5,553	5,830
			monthly	10,393	10,912	11,458	12,031	12,632
			annual	124,712	130,948	137,495	144,370	151,588
83	DIRECTOR OF HUMAN RESOURCES DIRECTOR OF PARKS & RECREATION	EXEMPT EXEMPT	hourly	\$61.4568	\$64.5296	\$67.7561	\$71.1439	\$74.7011
			bi-weekly	4,917	5,162	5,420	5,692	5,976
			monthly	10,653	11,185	11,744	12,332	12,948
			annual	127,830	134,222	140,933	147,979	155,378
84			hourly	\$62.9930	\$66.1427	\$69.4498	\$72.9223	\$76.5684
			bi-weekly	5,039	5,291	5,556	5,834	6,125
			monthly	10,919	11,465	12,038	12,640	13,272
			annual	131,025	137,577	144,456	151,678	159,262

**CITY OF LATHROP  
GRADE-STEP TABLE**

**ATTACHMENT C**

*\*FOR REFERENCE USE ONLY*

*Eff. 01/01/2018*

GRADE	CLASSIFICATION	UNIT		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
85	DIRECTOR OF ADMINISTRATIVE SERVICES	EXEMPT	hourly	\$64,5679	\$67,7963	\$71,1861	\$74,7454	\$78,4827
			bi-weekly	5,165	5,424	5,695	5,980	6,279
			monthly	11,192	11,751	12,339	12,956	13,604
			annual	134,301	141,016	148,067	155,470	163,244
86	DIRECTOR OF FINANCE	EXEMPT	hourly	\$66,1820	\$69,4911	\$72,9657	\$76,6139	\$80,4446
			bi-weekly	5,295	5,559	5,837	6,129	6,436
			monthly	11,472	12,045	12,647	13,280	13,944
			annual	137,659	144,541	151,769	159,357	167,325
87	DEPUTY CITY MANAGER/DIRECTOR OF PUBLIC WORKS	EXEMPT	hourly	\$67,8368	\$71,2286	\$74,7901	\$78,5296	\$82,4561
			bi-weekly	5,427	5,698	5,983	6,282	6,596
			monthly	11,758	12,346	12,964	13,612	14,292
			annual	141,101	148,156	155,563	163,342	171,509
88	DIRECTOR OF PUBLIC WORKS DIRECTOR OF COMMUNITY DEVELOPMENT	EXEMPT	hourly	\$69,5326	\$73,0092	\$76,6597	\$80,4927	\$84,5173
		EXEMPT	bi-weekly	5,563	5,841	6,133	6,439	6,761
		EXEMPT	monthly	12,052	12,655	13,288	13,952	14,650
		EXEMPT	annual	144,628	151,859	159,452	167,425	175,796
89	CITY ENGINEER	EXEMPT	hourly	\$71,2711	\$74,8347	\$78,5764	\$82,5052	\$86,6305
			bi-weekly	5,702	5,987	6,286	6,600	6,930
			monthly	12,354	12,971	13,620	14,301	15,016
			annual	148,244	155,656	163,439	171,611	180,191
90			hourly	\$73,0529	\$76,7055	\$80,5408	\$84,5679	\$88,7963
			bi-weekly	5,844	6,136	6,443	6,765	7,104
			monthly	12,663	13,296	13,960	14,658	15,391
			annual	151,950	159,548	167,525	175,901	184,696
91	ASSISTANT CITY MANAGER	EXEMPT	hourly	\$74,8790	\$78,6230	\$82,5541	\$86,6818	\$91,0159
			bi-weekly	5,990	6,290	6,604	6,935	7,281
			monthly	12,979	13,628	14,309	15,025	15,776
			annual	155,748	163,536	171,713	180,298	189,313
<b>CONTRACT</b>								
	CITY ATTORNEY	EXEMPT	annual	\$192,347				
	CITY MANAGER	EXEMPT	annual	\$204,458				

**Changes**

Per Resolution 16-4093, City Council approved the following: (1) 3% COLA effective on July 1 2016, 2017, and 2018; and (2) one-time salary adjustments based on the Compensation Study Recommendations for SEIU & LMCEA positions including: GIS Specialist, Parks & Re Superintendent, Parks & Recreation Supervisor (LMCEA & SEIU) Permit Technician, Police Services Manager, Recreation Coordinator Senior Accounting Technician, Senior Management Analyst, Senior Planner, Senior Recreation Leader.

Per Resolution 16-4093, City Council approved salary adjustments based on the Compensation Study Recommendations for all Department Head positions on the grade step table over the next three fiscal years (effective July 1 2016, 2017, and 2018) as follows: Administrative Services Director, City Clerk, City Engineer, Community Development Director, Finance Director, Parks & Recreation Director, Public Works Director.

**Removed:**

Budget Analyst I/II including Confidential (classification title)

**Added:**

GIS Specialist II (Grade 57)  
Senior Construction Manager (Grade 81)

\* Step calculations in this workbook are formula driven, thus, causing minimal decimal differences when compared to the salaries shown in the financial software, New World System. Also, the Grade Step Table does not reflect special salary arrangements adopted for Y-Rated classifications. To obtain Y-Rated salaries, please contact the Human Resources Department.

## CITY OF LATHROP

## SENIOR CONSTRUCTION MANAGER

*Class specifications are only intended to present a descriptive summary of the range of duties and responsibilities associated with specified positions. Therefore, specifications **may not include all** duties performed by individuals within a classification. In addition, specifications are intended to outline the **minimum** qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.*

**DEFINITION:**

The **Senior Construction Manager** is a manager within the Public Works Department and exercises full responsibility for planning, organizing and directing the work activities of city-wide construction and Capital Improvement Projects (CIP). Under general direction, plans, manages, oversees and directs the operations and staff responsible for construction, inspection and project management.

**DISTINGUISHING CHARACTERISTICS:**

The **Senior Construction Manager** is a management level class responsible for the overall operation of the City's construction and inspection services, including all related work for future, current and planned projects. This classification is distinguished from the next higher class of Public Works Director in that the latter has overall responsibility for administering the responsibilities of the Public Work Department.

**SUPERVISION RECEIVED AND EXERCISED:**

Receives general direction from the Public Works Director, or designee. Exercises direct and indirect supervision over assigned professional, technical and functional construction inspection staff.

**ESSENTIAL FUNCTIONS:** *(include but are not limited to the following)*

- Responsible for the work progress, inspections, repair or alteration work on major projects as it relates to citywide construction and CIP projects including street, parks, gutter, curb, sidewalk, parking lots, water and sewer systems, storm drain construction, underground improvements, lighting systems, landscaping, landscaping irrigation systems and facilities; performs and oversees the final inspection upon completion of projects.
- Accepts responsibility for all construction related activities and services; coordinates activities with City officials, departments, contractors, outside agencies, organizations and the public; provides staff assistance to the Public Works Department as needed; attends City Council and other public meetings as necessary.
- Oversees and participates in the development of the annual budget; participates in the forecast of necessary funds for staffing, materials, services and supplies; administers and monitors the approved Department budget; discusses and resolves budget issues with appropriate staff; implements adjustments as necessary.
- Evaluates and inspects traffic control plans and field traffic control and construction sites for safety, construction schedules, and construction workmanship; responsible for the preparation and updating of Standard Operating Procedures (SOPs).

- Observes, reviews, monitors and documents the work of contractors according to established procedures, including management of all project correspondence (incoming and outgoing oral and written communications, Requests for Proposals, memos, letters, submittals, change orders, contracts, and progress payments).
- Assures projects are constructed in accordance with the approved budget and schedule, plans and specifications; coordinates and manages City sub-contractors and consultants including special inspections for construction projects.
- Develops, implements and maintains departmental goals, objectives, policies and procedures; reviews and evaluates work methods and procedures for improving organizational performance, enhancing services and meeting goals; ensures that goals are achieved.
- Provides responsible and complex staff support to the City Council, City Manager, and Commissions; develops recommendations for policies, laws, ordinances, resolutions, and programs related to construction and inspection activities.
- Oversees the selection, training, supervision and evaluation for all assigned staff; provides and/or coordinates staff training; identifies and resolves staff deficiencies; fulfills discipline procedures; reviews the work of assigned department personnel to ensure compliance with applicable federal, state and local laws, codes and regulations.
- Plans, directs, coordinates and participates in activities related to construction management/inspections and CIP's; assigns work activities and responsibilities to appropriate department personnel; reviews and evaluates work methods and procedures; identifies and resolves problems and/or issues.
- Attends and participates in professional and community meetings; stays current on issues relative to the construction and CIPs; responds to and resolves sensitive and complex community and organizational inquiries, issues and complaints; establishes and maintains a customer service orientation within the Department.
- Establishes positive working relationships with representatives of community organizations, state/local agencies and associations, City management and staff and the public.
- Performs other duties as assigned.

**PHYSICAL, MENTAL AND ENVIRONMENTAL WORKING CONDITIONS:**

Position requires sitting, standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping and making repetitive hand movement in the performance of daily duties. The position also requires both near and far vision when inspecting work and operating assigned equipment. The need to lift, carry and push tools, equipment and supplies weighing 25 pounds or more is also required. Additionally, the incumbent in this outdoor position works in all weather conditions, including wet, hot and cold. The nature of the work also requires the incumbent to climb ladders, use power and noise producing tools and equipment, drive motorized vehicles, work in heavy vehicle traffic conditions and often work with constant interruptions.

Some of these requirements may be accommodated for otherwise qualified individuals requiring and requesting such accommodations.

**QUALIFICATIONS:** *(The following are minimal qualifications necessary for entry into the classification.)*

**Education and/or Experience:**

Any combination of education and experience that has provided the knowledge, skills and abilities necessary for a Senior Construction Manager. A typical way of obtaining the required qualifications is to possess the equivalent of five years of increasingly responsible construction inspection experience in the public right-of-way, and a high school diploma or equivalent, supplemented by specialized coursework in pre-engineering or construction technology.

**License/Certificate:**

Possession of, or ability to obtain, a valid Class C California driver's license.

**KNOWLEDGE/ABILITIES/SKILLS** (The following are a representative sample of the KAS's necessary to perform essential duties of the position.)

**Knowledge of:**

Construction materials such as concrete, asphalt and piping; principles, practices, methods and materials used in public works construction; methods and techniques of supervision, training and motivation; basic principles of mathematics; applicable federal, state and local laws, codes and regulations; methods and techniques of scheduling work assignments; standard office procedures, practices and equipment; modern office practices, methods and equipment, including a computer and applicable software; methods and techniques for record keeping and report preparation and writing; proper English, spelling and grammar; occupational hazards and standard safety practices.

**Ability to:**

Plan, organize, direct and evaluate the work of subordinate staff; make adjustments to standard operating procedures as necessary to improve organizational effectiveness; read, understand and interpret construction plans and specifications; inspect and analyze construction procedures and interpret code violations; perform mathematical calculations quickly and accurately; interpret, explain and apply applicable laws, codes and regulations; read, interpret and record data accurately; organize, prioritize and follow-up on work assignments; work independently and as part of a team; make sound decisions within established guidelines; analyze a complex issue, and develop and implement an appropriate response; follow written and oral directions; observe safety principles and work in a safe manner; communicate clearly and concisely, both orally and in writing; establish and maintain effective working relationships.

**Skill to:**

Operate a variety of tools used in construction inspection; operate an office computer and a variety of word processing and software applications.



**CITY MANAGER’S REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING**

**ITEM: OUT-OF-STATE TRAVEL APPROVAL FOR THE 2018 SAN JOAQUIN COUNTY ONE-VOICE TRIP**

**RECOMMENDATION: Adopt Resolution Authorizing Out-of-State Travel for Up to Two Council Members and the City Manager to Attend the 2018 San Joaquin One Voice Trip to Washington, D.C. from April 15, 2018 to April 19, 2018, and Approving Related Budget Amendment**

**BACKGROUND:**

Over the past several years, City officials have participated in fourteen San Joaquin One Voice visits to Washington D.C., to promote jurisdictional projects and needs. In 2017, Council adopted resolution 17-4192 authorizing two Councilmembers and the City Manager to attend this event. Councilmember Akinjo, Councilmember Dresser, and City Manager Stephen Salvatore represented the City in 2017.

However, in previous years, the Mayor, a Council Member, and the City Manager have participated on the trip. This year, the conference will be from April 15 to April 19, 2018. In order to prevent a quorum from doing City business during the trip, attendees have traditionally been limited to two (2) members of the Council, one of whom may include the Mayor.

City policy requires Council approval for all out-of-state travel. Additionally, during the FY 2012/13 budget process, Council approved to eliminate the One Voice expense from the City Council’s budget. The same was done for subsequent fiscal years. The travel funds were removed from the Council budget with the notion that if Council elected to have one or two City Council Members to attend this years’ One Voice Legislative Event, a budget amendment would be required depending on the selected option.

The City Manager’s travel budget was kept unchanged, therefore, if Council elects to send the City Manager to attend this years’ One Voice Legislative Event, funds are available. If Council Members are interested in attending this trip, the following options are available for consideration.

<b>Options Include</b>		<b>Cost</b>	<b>Budget Amendment</b>
1.)	Send 2 Council Members & City Manager	Approx. \$11,400	Approx. \$7,600
2.)	Send 1 Council Member & City Manager	Approx. \$7,600	Approx. \$3,800
3.)	Send 1 Council Member	Approx. \$3,800	Approx. \$3,800
4.)	Send City Manager	Approx. \$3,800	None
5.)	Do not send representatives of the City in 2018	None	None

**CITY MANAGER'S REPORT  
 FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING  
 2018 ONE-VOICE TRIP OUT-OF-STATE TRAVEL**

This report identifies estimated costs to attend the One Voice visit this year.

**REASON FOR RECOMMENDATION:**

This trip helps to promote regional projects. In addition, the City has benefited with more than \$1,790,000 in federal appropriations from its efforts over the past fourteen (14) years.

**FISCAL IMPACT:**

Depending on tonight's decision by Council, a budget amendment from the General Fund Reserves to the City Council Training and Travel Account (Fund 1010-11-10-435-20-00) will be required to fund Council participants to attend this years' One Voice Legislative Event. The budget amendment amount may vary depending on the option selected by Council.

<b>Options Include</b>		<b>Cost</b>	<b>Budget Amendment</b>
1.)	Send 2 Council Members & City Manager	Approx. \$11,400	Approx. \$7,600
2.)	Send 1 Council Member & City Manager	Approx. \$7,600	Approx. \$3,800
3.)	Send 1 Council Member	Approx. \$3,800	Approx. \$3,800
4.)	Send City Manager	Approx. \$3,800	None
5.)	Do not send representatives of the City in 2018	None	None


**ATTACHMENTS:**

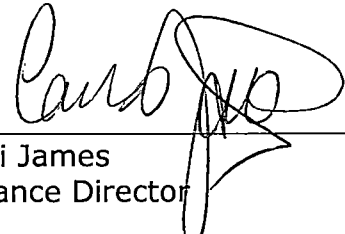
- A. Resolution Authorizing Out-of-State Travel
- B. San Joaquin One Voice 2018 Registration Information
- C. San Joaquin One Voice 2018 Draft Schedule of Events

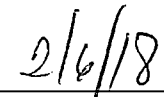
**CITY MANAGER'S REPORT  
FEBRUARY 12, 2018 CITY COUNCIL REGULAR MEETING  
2018 ONE-VOICE TRIP OUT-OF-STATE TRAVEL**

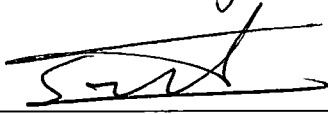
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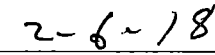
  
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Teresa Vargas  
City Clerk

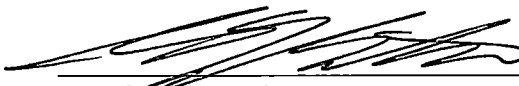
  
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Cari James  
Finance Director

  
\_\_\_\_\_  
Date

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

  
\_\_\_\_\_  
Date

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

  
\_\_\_\_\_  
Date

**RESOLUTION NO. 18-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP AUTHORIZING OUT-OF-STATE TRAVEL FOR UP TO TWO COUNCIL MEMBERS AND THE CITY MANAGER TO ATTEND THE SAN JOAQUIN ONE VOICE TRIP TO WASHINGTON, D.C. FROM APRIL 15, 2018 TO APRIL 19, 2018, AND APPROVING RELATED BUDGET AMENDMENT**

**WHEREAS**, over the past several years, City officials have participated in thirteen San Joaquin One Voice visits to Washington D.C., to promote jurisdictional projects and needs; and

**WHEREAS**, in 2017, Council adopted resolution 17-4192 authorizing two Councilmembers and the City Manager to attend this event; and

**WHEREAS**, Councilmember Akinjo, Councilmember Dresser, and City Manager Stephen Salvatore represented the City in 2017; and

**WHEREAS**, in previous years, the Mayor, a Council Member, and the City Manager have participated on the trip; and

**WHEREAS**, in order to prevent a quorum from doing City business during the trip, attendees have traditionally been limited to two (2) members of the Council, one of whom may include the Mayor; and

**WHEREAS**, during the FY 2012/13 budget process Council approved to eliminate the One Voice expense from the City Council's budget for a savings of \$3,000 for that fiscal year; and

**WHEREAS**, the travel funds for subsequent fiscal years were also removed from the Council budget with the notion that if Council elected to have one or two City Council Members to attend this years' One Voice Legislative Event, a budget amendment request would come back to Council for approval; and

**WHEREAS**, the City Managers travel budget was kept unchanged, therefore, if Council elects to send the City Manager to attend this years' One Voice Legislative Event, funds are available; and

**WHEREAS**, the following options were considered by Council:

<b>Options Include</b>	<b>Cost</b>	<b>Budget Amendment</b>
1.) Send 2 Council Members & City Manager	Approx. \$11,400	Approx. \$7,600
2.) Send 1 Council Member & City Manager	Approx. \$7,600	Approx. \$3,800
3.) Send 1 Council Member	Approx. \$3,800	Approx. \$3,800
4.) Send City Manager	Approx. \$3,800	None
5.) Do not send representatives of the City in 2018	None	None

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop hereby authorizes option #\_\_\_ to have City and Council participant(s) attend this years' One Voice Legislative Event; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop approve the following amendment from the General Fund Reserves to the City Council Training and Travel Account for the corresponding approved option:

Option #	Budget Amendment	Fund Account
1	\$7,600	1010-11-10-435-20-00
2	\$3,800	
3	\$3,800	
4	\$0	
5	\$0	

The foregoing resolution was passed and adopted this 12<sup>th</sup> day of February, 2018, 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:**



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Salvador Navarrete, City Attorney

# ATTACHMENT B

## San Joaquin One Voice®

Trip Date: April 15-19, 2018

The annual San Joaquin One Voice® trip is scheduled for April 15-19, 2018 in Washington, DC. The firm of C.J. Lake, LLC is once again scheduling and facilitating our meetings with our Congressional representatives, various transportation officials, and others from USDOT, housing, education, air quality, and water agencies.

As a reminder, the Call for Projects was circulated in November and **projects are due to SJCOG by February 26, 2018**. The project requests will be brought to the SJCOG Board at their March meeting for consideration and approval. Staff will also be asking the Board to select the regional priority projects for the 2018 program.

### **Accommodations:**

A block of rooms have been reserved at the Washington Court Hotel for April 14-19. SJCOG has negotiated a group rate of \$324 for single occupancy and \$344 for double occupancy. Please use group code "9529" when making your reservation.

The deadline to reserve a room at the group rate is March 14, 2018. You can make a reservation by visiting [www.sjcog.org/onevoice](http://www.sjcog.org/onevoice) and clicking on the link provided or by contacting the hotel directly at 800-321-3010.

*Please Note:* The hotel is often sold out in April. Participants are encouraged to make their reservations as soon as possible.

### **Registration:**

A \$175 registration fee is required for each participant attending the 2018 San Joaquin One Voice® trip. The fee is due by April 2, 2018 and includes the costs of your materials, four breakfasts, and the Wednesday evening reception.

The registration fee for SJCOG Board members (or their elected designee) is waived, however we do ask that everyone complete the attached form. Spouses and guests may participate in breakfasts/receptions on a per-diem basis.

### **Transportation:**

Everyone is responsible for booking their own transportation to and from Washington, DC. SJCOG Board members shall be reimbursed for 50% of their airfare and hotel costs.

### **Cancellation Policy:**

All cancellations after April 6, 2018 are subject to payment for all costs; i.e. meals, copying fees, etc. Substitutions are always accepted.

### **Additional Information:**

A pre-trip planning session will be scheduled in early April (date and time are pending). We will be discussing logistics for the trip and identifying lead speakers and discussing their roles.



# 2018 San Joaquin One Voice® Registration Form

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

Organization: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_

State/Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Cost is **\$175 per person** and includes all continental breakfasts and the Wednesday evening reception. Registration fees apply to each **participant** (spouses and/or guests must pay if they will be participating in any meals) and must be paid by April 2, 2018. The registration fee is waived for SJCOG Board members. Registration fees underwrite the direct costs of the trip.

Amount Enclosed \$ \_\_\_\_\_

## **Please Note:**

The purpose of the San Joaquin One Voice® trip is to seek federal support or funding for projects of broad community-wide benefit and regional significance within San Joaquin County. In order to accomplish this goal, we need to present a unified presence as we meet with Congressional, Legislative, and Departmental representatives to advocate for the regionally significant issues that have been agreed upon during the COG selection process.

We understand many of our public officials do double-duty while in D.C. However, please keep in mind the effectiveness of the scheduled One Voice® meetings rely on participation from our delegates. Please discuss any separate meetings you may be scheduling with our staff so the One Voice® meeting schedule can be modified to insure maximum and comprehensive attendance at all One Voice® meetings.





The dates for the 2018 San Joaquin One Voice® are April 15 - 19, 2018.

Call for Projects	Be a Sponsor!	Registration & Accommodations	2018 Schedule	One Voice Approach	Successes
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