



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

**** A G E N D A ****

REGULAR / SPECIAL JOINT MEETING
Lodi City Council
Industrial Development Authority

Date: July 21, 2010

Time: 7:00 p.m.

For information regarding this Agenda please contact:
Randi Johl, City Clerk, (209) 333-6702

6:55 p.m. Invocation/Call to Civic Responsibility. Invocations may be offered by any of the various religious and non-religious organizations within and around the City of Lodi. Invocations are voluntary offerings of private citizens, to and for the benefit of the Council. The views or beliefs expressed by the Invocation Speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the beliefs or views of any speaker.

***NOTE:** All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.*

C-1 Call to Order / Roll Call – N/A

C-2 Announcement of Closed Session – N/A

C-3 Adjourn to Closed Session – N/A

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action – N/A

A. Call to Order / Roll call

B. Pledge of Allegiance

C. Presentations

C-1 National Night Out Proclamation (PD)

D. Consent Calendar (Reading; Comments by the Public; Council Action)

D-1 Receive Register of Claims in the Amount of \$11,460,624.58 (FIN)

D-2 Approve Minutes (CLK)

- a) June 16, 2010 (Regular Meeting)
- b) June 29, 2010 (Shirtsleeve Session)
- c) July 6, 2010 (Shirtsleeve Session)
- d) July 7, 2010 (Regular Meeting)
- e) July 13, 2010 (Shirtsleeve Session)

Res. D-3 Adopt Resolution Awarding Contract for Asphalt Materials for Fiscal Year 2010/11 to George Reed, Inc., of Lodi (\$27,785) (PW)

Res. D-4 Adopt Resolution Approving Lease Agreement with Head Start Child Development Council, Inc., for the Lodi Look Building (PR)

Res. D-5 Adopt Resolution Approving Task Orders No. 21 and 22 with Treadwell and Rollo, of Oakland, for Southern, South Central/Western, and Northern PCE/TCE Plumes Workplan Preparation and Monitoring (\$446,400) and Appropriating Funds (\$500,000) (PW)

E. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

F. Comments by the City Council Members on Non-Agenda Items

G. Comments by the City Manager on Non-Agenda Items

H. Public Hearings

Res. H-1 Public Hearing to Consider Resolution Adopting Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2010/11, and Ordering the Levy and Collection of Assessments (PW)

Res. H-2 Public Hearing to Consider the Certification of the Final Mitigated Negative Declaration for the Surface Water Treatment Facility (CD)
NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31

Res. H-3 Public Hearing to Consider Adopting Resolution Setting Usage-Based and Flat Water and Wastewater Rates for Residential, Commercial, and Industrial Customers and Tabulate Proposition 218 Protests (PW)

I. Communications

I-1 Monthly Protocol Account Report (CLK)

J. Regular Calendar

J-1 Approve Plans and Specifications and Authorize Advertisement for Bids for Lodi Surface Water Treatment Facility Project (PW)

Res. J-2 Adopt Resolutions of the Lodi City Council and Industrial Development Authority Authorizing the Execution of an Exercise of Powers Agreement and Establishing the Lodi Public Financing Authority (CA)
NOTE: Joint action of the Lodi City Council and Industrial Development Authority

K. Ordinances – None

L. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: National Night Out Proclamation
MEETING DATE: July 21, 2010
PREPARED BY: Captain Gary Benincasa, Interim Chief of Police

RECOMMENDED ACTION: Mayor Katakian to present a proclamation for National Night Out 2010 to be held on Tuesday, August 3, 2010.

BACKGROUND INFORMATION: The City of Lodi Police Department established the Neighborhood Watch Program in 1985. Police officers were specially trained to conduct Neighborhood Watch Meetings to provide crime prevention information and develop partnerships with the community. This year the Department celebrates 25 years of Lodi Neighborhood Watch with over 250 active and organized neighborhoods.

In 1988 Lodi joined the National Association of Town Watch and began taking part in National Night Out. Thousands of communities and hundreds of thousands of citizens participate in National Night Out each year. The City of Lodi has placed in the top 10 participating communities nationwide each year, taking the first place award seven times.

In 2009 the Lodi Police Department was unable to organize the event due to staffing changes, but several neighborhoods participated on their own. They organized block parties and were visited by police personnel and Council Members demonstrating the strength of their commitment. Neighborhood Watch is a critical component in our ability to succeed in addressing crime issues. It is essential that all citizens of Lodi be aware of the importance of crime prevention programs and the impact their individual and group participation can have on reducing crime in Lodi.

This year police staff and volunteers will be organizing National Night Out and participating to the fullest. Staff will be volunteering their time to visit Neighborhood Watch groups on National Night Out to reinforce the importance of the event, and demonstrate our commitment to the partnerships in our community. We anticipate more than 100 Neighborhood Watch groups will take part in the 2010 National Night Out against crime.

FISCAL IMPACT: None

Captain J. P. Badel, Support Services Division Commander

GB/JPB/jb

APPROVED: _____
Konradt Bartlam, Interim City Manager



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Receive Register of Claims through July 1, 2010 in the Total Amount of \$11,460,624.58

MEETING DATE: July 21, 2010

PREPARED BY: Financial Services Manager

RECOMMENDED ACTION: Receive the attached Register of Claims for \$11,460,624.58.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$11,460,624.58 through 07/01/10. Also attached is Payroll in the amount of \$1,271,323.97.

FISCAL IMPACT: n/a

FUNDING AVAILABLE: As per attached report.

Ruby R. Paiste, Financial Services Manager

RRP/rp

Attachments

APPROVED: _____
Konradt Bartlam, Interim City Manager

Accounts Payable
Council Report

Page - 1
Date - 07/06/10

As of Thursday	Fund	Name	Amount
07/01/10	00100	General Fund	1,210,594.13
	00120	Vehicle Replacement Fund	114.18
	00123	Info Systems Replacement Fund	285.93
	00160	Electric Utility Fund	5,344,808.05
	00161	Utility Outlay Reserve Fund	3,727,873.10
	00164	Public Benefits Fund	32,811.82
	00167	Energy Efficiency & CBGP-ARRA	3,150.00
	00170	Waste Water Utility Fund	38,353.36
	00171	Waste Wtr Util-Capital Outlay	327.86
	00172	Waste Water Capital Reserve	35,123.62
	00180	Water Utility Fund	317,677.44
	00181	Water Utility-Capital Outlay	536,451.86
	00210	Library Fund	1,137.13
	00211	Library Capital Account	1,760.37
	00234	Local Law Enforce Block Grant	2,385.02
	00250	LFD-Federal Grants	1,762.98
	00260	Internal Service/Equip Maint	30,108.71
	00270	Employee Benefits	14,448.05
	00300	General Liabilities	529.30
	00310	Worker's Comp Insurance	48,775.19
	00321	Gas Tax	11,832.15
	00325	Measure K Funds	7,128.86
	00339	Prop.1B-Local Streets & Roads	181.14
	00340	Comm Dev Special Rev Fund	1,955.82
	00345	Community Center	4,990.03
	00346	Recreation Fund	2,631.21
	00459	H U D	10,156.27
	00504	L&L Dist Z3-Millsbridge II	1,625.00
	01211	Capital Outlay/General Fund	13.92
	01212	Parks & Rec Capital	6.96
	01218	IMF General Facilities-Adm	1,642.50
	01241	LTF-Pedestrian/Bike	517.50
	01250	Dial-a-Ride/Transportation	61,631.12
	01410	Expendable Trust	7,834.00

Sum			11,460,624.58

Total Sum			11,460,624.58

Council Report for Payroll

Payroll	Pay Per Date	Co	Name	Gross Pay
Regular	06/13/10	00100	General Fund	746,253.39
		00160	Electric Utility Fund	154,272.57
		00164	Public Benefits Fund	5,354.43
		00170	Waste Water Utility Fund	94,123.81
		00180	Water Utility Fund	1,612.94
		00210	Library Fund	30,643.93
		00235	LPD-Public Safety Prog AB 1913	2,459.80
		00260	Internal Service/Equip Maint	21,654.27
		00321	Gas Tax	41,670.73
		00340	Comm Dev Special Rev Fund	22,377.74
		00345	Community Center	24,914.29
		00346	Recreation Fund	71,625.86
		01250	Dial-a-Ride/Transportation	6,889.67
Pay Period Total:				
			Sum	1,223,853.43
Retiree	07/31/10	00100	General Fund	47,470.54
Pay Period Total:				
			Sum	47,470.54



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Minutes
a) June 16, 2010 (Regular Meeting)
b) June 29, 2010 (Shirtsleeve Session)
c) July 6, 2010 (Shirtsleeve Session)
d) July 7, 2010 (Regular Meeting)
e) July 13, 2010 (Shirtsleeve Session)

MEETING DATE: July 21, 2010

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) June 16, 2010 (Regular Meeting)
b) June 29, 2010 (Shirtsleeve Session)
c) July 6, 2010 (Shirtsleeve Session)
d) July 7, 2010 (Regular Meeting)
e) July 13, 2010 (Shirtsleeve Session)

BACKGROUND INFORMATION: Attached are copies of the subject minutes marked Exhibit A through E.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

Attachments

APPROVED: _____
Konradt Bartlam, Interim City Manager

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, JUNE 16, 2010**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of June 16, 2010, was called to order by Mayor Pro Tempore Hitchcock at 6:00 p.m.

Present: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Absent: Mayor Katakian

Also Present: Interim City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

C-2 Announcement of Closed Session

- a) Prospective Acquisition of Real Property for Right-of-Way Acquisitions and Street Easement Deed Dedications from Certain Property Owners Located Within the Lockeford Street and Hutchins Street Widening Project Limits, Lodi, California; the Negotiating Parties are Douglas A. and Susan L. Larsson (APN 041-230-08); Dale E. Werner, Jr. and Susan Lenn (APN 041-230-34); Michael Guddal (APN 041-230-35); Ronald and Rosemary Anderson (APN 042-083-01); UPRR (APN 043-085-17 and APN 043-202-29); Gary D. and Nancy E. Herd (APN 043-090-14); John Graffigna Family LP (APN 043-202-26); Michael German (APN 037-310-39); and Hal M. and Shirley A. Jones (APN 037-310-41)
- b) Government Code Section 54956.9; Actual Litigation; Jeremy Hixson v. City of Lodi and Lodi Unified School District, United States Eastern District Court Case Number 2:10-CV-01128-MCE-GGH
- c) Conference with Dean Gualco, Human Resources Manager (Labor Negotiator), Regarding AFSCME General Services and Maintenance & Operators and Lodi Professional Firefighters Pursuant to Government Code §54957.6

C-3 Adjourn to Closed Session

At 6:00 p.m., Mayor Pro Tempore Hitchcock adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 7:00 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:03 p.m., Mayor Pro Tempore Hitchcock reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

In regard to Items C-2 (a), C-2 (b), and C-2 (c), all items were discussion and negotiating direction only; there was no reportable action.

A. Call to Order / Roll call

The Regular City Council meeting of June 16, 2010, was called to order by Mayor Pro Tempore Hitchcock at 7:03 p.m.

Present: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Absent: Mayor Katzakian

Also Present: Interim City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Pledge of Allegiance

C. Presentations - None

D. Consent Calendar (Reading; Comments by the Public; Council Action)

Council Member Mounce made a motion, second by Council Member Johnson, to approve the following items hereinafter set forth, **except those otherwise noted**, in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

D-1 Receive Register of Claims in the Amount of \$6,054,169.79 (FIN)

Claims were approved in the amount of \$6,054,169.79.

D-2 Approve Minutes (CLK)

The minutes of May 5, 2010 (Regular Meeting), May 19, 2010 (Regular Meeting), May 25, 2010 (Shirtsleeve Session), June 1, 2010 (Shirtsleeve Session), June 2, 2010 (Regular Meeting), and June 8, 2010 (Shirtsleeve Session) were approved as written.

D-3 Approve Specifications and Authorize Advertisement for Bids for 500 Tons of Asphalt Materials for Fiscal Year 2010/11 (PW)

Approved the specifications and authorized advertisement for bids for 500 tons of asphalt materials for fiscal year 2010/11.

D-4 Approve Specifications and Authorize Advertisement for Bids for Traffic Signal Preventive Maintenance and Inspection Program for Fiscal Year 2010/11 (PW)

Approved the specifications and authorized advertisement for bids for traffic signal preventive maintenance and inspection program for fiscal year 2010/11.

D-5 Adopt Resolution Authorizing the City Manager to Execute Task Order No. 2 with Nolte Associates, Inc., of Manteca, to Provide Engineering Services for G-Basin Stormwater Pump Station Design (\$245,165) and Appropriating Funds (\$250,000) (PW)

Adopted Resolution No. 2010-88 authorizing the City Manager to execute Task Order No. 2 with Nolte Associates, Inc., of Manteca, to provide engineering services for G-Basin stormwater pump station design in the amount of \$245,165 and appropriating funds in the amount of \$250,000.

D-6 Adopt Resolution Awarding Contract to FCS Group for OMB A-87 Cost Allocation Plan and Indirect Cost Rate Services for a Five-Year Period (\$77,000) (CM)

Adopted Resolution No. 2010-89 awarding the contract to FCS Group for OMB A-87 Cost

Allocation Plan and indirect cost rate services for a five-year period in the amount of \$77,000.

D-7 Adopt Resolution Approving Five-Year Extension of Contract with LaRue Communications, Inc., of Stockton, for Public Works 800 MHz Radio Transmission Service (\$11,700 Annually) (PW)

Adopted Resolution No. 2010-90 approving five-year extension of contract with LaRue Communications, Inc., of Stockton, for Public Works 800 MHz radio transmission service in the amount of \$11,700 annually.

D-8 Adopt Resolution Approving Contracts for Fiscal Year 2010/11 with United Cerebral Palsy of San Joaquin, Amador, and Calaveras Counties, of Stockton, for Downtown Cleaning (\$46,686) and Transit Facility Cleaning (\$38,456) (PW)

D-9 Adopt Resolution Approving Contract for Fiscal Year 2010/11 with United Cerebral Palsy of San Joaquin, Amador, and Calaveras Counties, of Stockton, for Grounds Maintenance at Hutchins Street Square Community Center (\$27,625.13) (COM)

Items D-8 and D-9 were pulled simultaneously by Council Member Johnson for further discussion.

In response to Council Member Johnson, Public Works Director Wally Sandelin stated staff is looking into other City facilities and options for expanding the services provided by United Cerebral Palsy in light of the good service it provides although it may also be a question for the bargaining groups.

Council Member Johnson made a motion, second by Council Member Mounce, to adopt Resolution No. 2010-97 approving contracts for Fiscal Year 2010/11 with United Cerebral Palsy of San Joaquin, Amador, and Calaveras Counties, of Stockton, for downtown cleaning in the amount of \$46,686 and transit facility cleaning in the amount of \$38,456; and to adopt Resolution No. 2010-98 approving contract for Fiscal Year 2010/11 with United Cerebral Palsy of San Joaquin, Amador, and Calaveras Counties, of Stockton, for grounds maintenance at Hutchins Street Square Community Center in the amount of \$27,625.13.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

D-10 Adopt Resolution Approving One-Year Extension of 2007 Tree Trimming Contract with West Coast Arborists, Inc., of Stockton, for Fiscal Year 2010/11 (\$40,000) (PW)

Adopted Resolution No. 2010-91 approving one-year extension of 2007 tree trimming contract with West Coast Arborists, Inc., of Stockton, for fiscal year 2010/11 in the amount of \$40,000.

D-11 Adopt Resolution Approving One-Year Extension of Fiscal Year 2009/10 Curb, Gutter, and Sidewalk Replacement Contract with Jeff Case Construction Company, of Galt, for Fiscal Year 2010/11 (\$46,570) (PW)

Adopted Resolution No. 2010-92 approving one-year extension of fiscal year 2009/10 curb, gutter, and sidewalk replacement contract with Jeff Case Construction Company, of Galt, for fiscal year 2010/11 in the amount of \$46,570.

- D-12 Adopt Resolution Approving Contract with Lodi Unified School District to Provide After School Staff Support for the Bridge Program at Eight Locations During Fiscal Year 2010/11 (\$336,000) (PR)

Adopted Resolution No. 2010-93 approving contract with Lodi Unified School District to provide after school staff support for the Bridge Program at eight locations during fiscal year 2010/11 in the amount of \$336,000.

- D-13 Adopt Resolution Authorizing Renewal of Support Agreement for Electronic Customer Information Billing System with Vertex Business Services, of Bend, OR, and Grant City Manager Authority to Approve Subsequent Annual Renewals (\$62,456.62) (CM)

Adopted Resolution No. 2010-94 authorizing renewal of support agreement for electronic customer information billing system with Vertex Business Services, of Bend, OR, and granting City Manager authority to approve subsequent annual renewals in the amount of \$62,456.62.

- D-14 Adopt Resolution Authorizing the Issuance of CAL-Card Procurement Cards to City of Lodi Department Heads and Cancel Farmers and Merchants Bank VISA Cards (CM)

This item was pulled for further discussion by Robin Rushing.

In response to Robin Rushing, Deputy City Manager Jordan Ayers stated that the City is receiving a better deal by switching to the Cal-Card because Farmers and Merchants is now outsourcing its credit card function and the Cal-Card provides rebates.

Council Member Johnson made a motion, second by Council Member Mounce, to adopt Resolution No. 2010-99 authorizing the issuance of CAL-Card Procurement Cards to City of Lodi Department Heads and canceling Farmers and Merchants Bank VISA Cards.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

- D-15 Adopt Resolution Authorizing the City Manager to Submit an Application to the California State Department of Housing and Community Development for Funding under the CalHome Program; and to Execute the Standard Agreement, Any Amendments Thereto, and Any Related Documents Necessary to Participate in the CalHome Program (CD)

Adopted Resolution No. 2010-95 authorizing the City Manager to submit an application to the California State Department of Housing and Community Development for funding under the CalHome Program; and to execute the standard agreement, any amendments thereto, and any related documents necessary to participate in the CalHome Program.

- D-16 Accept Memorial Tree and Plaque Donation from Timothy and Mary Spencer in Honor of Joseph Ware Spencer (PR)

Accepted the memorial tree and plaque donation from Timothy and Mary Spencer in honor of Joseph Ware Spencer.

- D-17 Authorize the Mayor, on Behalf of the City Council, to Send a Letter of Opposition to

Senate Bill 625 (Wright) Transient Occupancy Tax Collection (CM)

Authorized the Mayor, on behalf of the City Council, to send a letter of opposition to Senate Bill 625 (Wright) Transient Occupancy Tax Collection.

D-18 Adopt Resolution Ratifying the San Joaquin Council of Governments' Annual Financial Plan for Fiscal Year 2010/11 (PW)

Adopted Resolution No. 2010-96 ratifying the San Joaquin Council of Governments' Annual Financial Plan for Fiscal Year 2010/11.

- E. Comments by the Public on Non-Agenda Items
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Robin Rushing spoke in support of having a medical marijuana dispensary in the City of Lodi.

Alex Aliferis spoke in regard to his concerns about unkempt rental and foreclosure properties.

F. Comments by the City Council Members on Non-Agenda Items

Council Member Hansen provided comments regarding the possible reasons why Proposition 16 failed in the June 2010 Statewide Primary Election.

G. Comments by the City Manager on Non-Agenda Items

Interim City Manager Rad Bartlam commended those involved with the dedication of the Japantown mural on June 12, 2010.

H. Public Hearings - None

I. Communications

I-1 Appointments to the Greater Lodi Area Youth Commission, Library Board of Trustees, and Lodi Arts Commission and Direct City Clerk to Re-Post for One Vacancy on the Planning Commission (CLK)

Council Member Johnson made a motion, second by Council Member Hansen, to make the following appointments and to direct the City Clerk to re-post for one vacancy on the Planning Commission:

APPOINTMENTS:

Greater Lodi Area Youth Commission
(Adult Advisor)

Alison McGregor, Term to expire May 31, 2013

(Student Members)

Jason Larkin, Term to expire May 31, 2011

Derek Schatz, Term to expire May 31, 2011
Ranjot Basram, Term to expire May 31, 2012
Carson Kautz, Term to expire May 31, 2012
Alex Maldonado, Term to expire May 31, 2012
Kelley McConahey, Term to expire May 31, 2012
Allison Schatz, Term to expire May 31, 2012

Library Board of Trustees

George Neely, Term to expire June 30, 2013
Scot F. Martin, Term to expire June 30, 2013

Lodi Arts Commission

Teri Turrentine, Term to expire July 1, 2013
Daesa M. Hoppie, Term to expire July 1, 2013
Maria Magana, Term to expire July 1, 2013

POSTING:

Planning Commission

One Vacancy, Term to expire June 30, 2014

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

I-2 Monthly Protocol Account Report (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, to approve the cumulative Monthly Protocol Account Report through May 31, 2010.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

J. Regular Calendar

J-1 Report to City Council Regarding Elm Street Merchants' and Residents' Concerns on Elm Street (School Street to Sacramento Street) (PW)

Interim City Manager Bartlam provided a brief introduction into the subject matter of the concerns regarding Elm Street.

Public Works Director Wally Sandelin and Interim Police Chief Gary Benincasa provided a presentation regarding the merchant and resident concerns about Elm Street. They specifically discussed the March 2001 approved improvements in the subject area, concerns received from business owners regarding loitering and homelessness, community meeting with merchants and youth, suggestion regarding entirely or partially removing benches, and the decrease in complaints due to the youth and transients relocating elsewhere.

In response to Mayor Pro Tempore Hitchcock, Chief Benincasa stated one possible reason for the youth relocating is that they were offended and did not feel welcome.

In response to Council Member Hansen, Chief Benincasa stated coverage in downtown includes vice patrol four days a week and ten hours a day. He stated there is no coverage every other weekend although auxiliary officers sometimes fill in and there was increased enforcement due to the complaints received about the youth and transient loitering.

In response to Council Member Mounce, Chief Benincasa stated there is some cause and effect in that when a segment relocates it goes from one place to another.

In response to Mayor Pro Tempore Hitchcock, Chief Benincasa stated he is not sure what the exact cause of the bench removal will be as the individuals could go elsewhere or stay and loiter on the sidewalks.

In response to Mayor Pro Tempore Hitchcock, Mr. Sandelin stated bench cleaning was an item that was raised during the community and the impact is minimal.

Greg Soligan spoke in support of removing four benches to see what kind of effect the removal would have on the vagrant loitering. Mr. Soligan offered to remove and relocate the benches at no cost.

In response to Council Member Johnson, Mr. Soligan stated several vagrants loiter near Saigon Grill, the east side alley, Jan's Sweet Treasures, and Merlot and the benches have become a gathering spot for the same.

In response to Council Member Johnson, Mr. Soligan stated there are still complaints about people feeling safe enough to walk from the parking garage to the theater.

In response to Council Member Hansen, Mr. Soligan stated he believes that the removal of the benches will help distribute the vagrant population more evenly.

In response to Council Member Hansen, Mr. Soligan stated staff does have some extra benches available should the Council want to place some near the Salvation Army facility.

Suzanne Houlk spoke in support of removing all the benches, relocating the benches near the Salvation Army location, and also suggested as options placing time limits on the benches and loitering near the liquor store, fixing and enhancing area lights, and using sound systems and web cams.

In response to Council Member Hansen, Ms. Houlk stated she has seen some improvements because the youth that used to loiter are gone and her primary concern is the vagrancy.

In response to Council Member Hansen, Mr. Sandelin stated the larger lights in the area can be fixed and the smaller lights have a design flaw for which Electric Utility is seeking a public benefits grant to replace with LED lights.

In response to Council Member Johnson, Chief Benincasa confirmed that Lawrence Park has been the primary gathering place for the vagrants and stated he is not aware of the City of Boston's program with the combat zone, but he is of the belief that if you build it they will come from other communities as well and the problem will increase.

In response to Council Member Johnson, City Attorney Schwabauer stated everyone has a right

to loiter on public property and they can be cited for public drunkenness or urinating in public; however, they cannot be cited for begging or cursing unless it rises to level of being threatening.

In response to Mayor Pro Tempore Hitchcock, Mr. Schwabauer stated Supreme Court cases typically do not limit loitering around liquor stores that are otherwise public properties but he will research the matter further.

Park Superintendent Steve Dutra stated the parks are experiencing some rise in vandalism and vagrant loitering and staff is working with the Police Department to alleviate some of those concerns.

Robin Rushing spoke in support of playing unattractive music for youth and vagrants in the downtown area through a sound system and providing additional lighting as well.

Amanda Mayer spoke in support of providing additional lighting in the subject area and additional awareness of the security in the parking garage. Mr. Bartlam confirmed the parking garage does have security, and Mr. Schwabauer suggested the business owner use the aggressive pan handling ordinance as a tool.

In response to Council Member Hansen, Officer Ken Slater stated the youth have primarily left the area, there are about eight individual vagrants in the area of whom only one is actually homeless since others have addresses, they are only legally wrong about 2 out every 50 times, he is not sure if they are aware of the complaints received about their loitering, security paid by the theater has helped some, and the security at the garage is present in the evenings only.

In response to Council Member Hansen, Mr. Sandelin stated there may be some connection with vagrants loitering in downtown after they need to be gone from the Salvation Army and staff can look into options for bench relocation near the Salvation Army facility.

In response to Council Member Johnson, Mr. Schwabauer stated there may be some ability to collect police reports regarding complaints received near the liquor store location and affect the store's licensing although it would be difficult to cite the store itself.

In response to Council Member Hansen, Mr. Schwabauer stated he will research the law and the effectiveness of existing ordinances.

Council Member Hansen made a motion, second by Mayor Pro Tempore Hitchcock, to remove four of the eight benches from the area discussed and look into options for relocation near the Salvation Army facility.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

J-2 Authorize Staff to Modify the Lodi Professional Firefighter Association Labor Unit Memorandum of Understanding According to the Signed Tentative Agreement (CM)

Human Resources Manager Dean Gualco provided a brief overview of the proposed modification to the Lodi Professional Firefighter Association's Memorandum of Understanding as outlined in the relevant staff report.

Council Member Mounce made a motion, second by Council Member Hansen, to authorize staff to modify the Lodi Professional Firefighter Association Labor Unit Memorandum of Understanding according to the signed Tentative Agreement.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

J-3 Authorize Staff to Modify Memorandums of Understanding According to Signed Side Agreements for General Services and Maintenance & Operators Bargaining Associations (CM)

Human Resources Manager Dean Gualco provided a brief presentation regarding the proposed modification to the Memorandum of Understanding for General Services and Maintenance and Operators as outlined in the relevant staff report.

Council Member Johnson made a motion, second by Council Member Mounce, to authorize staff to modify Memorandums of Understanding according to signed Side Agreements for General Services and Maintenance & Operators bargaining associations.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

J-4 Adopt Resolution Amending Resolution 2010-69 (Granting Designated Period for Two Years Additional Service Credit) to Exclude the Classification of Park Maintenance Worker II (CM)

Human Resources Manager Dean Gualco provided a brief presentation regarding the proposal to exclude the Park Maintenance Worker II classification from the two years additional service credit program as outlined in the relevant staff report.

Council Member Mounce made a motion, second by Council Member Johnson, to adopt Resolution No. 2010-100 amending Resolution 2010-69 (granting designated period for two years additional service credit) to exclude the classification of Park Maintenance Worker II.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

K. Ordinances

K-1 Adopt Ordinance No. 1831 Entitled, "An Ordinance of the Lodi City Council Authorizing an Amendment to the Contract Between the City Council of the City of Lodi and the Board of

Administration of the California Public Employees' Retirement System" (CLK)

Council Member Johnson made a motion, second by Council Member Mounce, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1831 entitled, "An Ordinance of the Lodi City Council Authorizing an Amendment to the Contract Between the City Council of the City of Lodi and the Board of Administration of the California Public Employees' Retirement System," which was introduced at a regular meeting of the Lodi City Council held May 19, 2010.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

K-2 Adopt Ordinance No. 1832 Entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 15 - Buildings and Construction - Chapter 15.64, 'Development Impact Mitigation Fees,' by Repealing and Reenacting Section 15.64.040 Relating to the Timing of the Collection of Impact Fees During the Period July 1, 2010 Through June 30, 2013" (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1832 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 15 - Buildings and Construction - Chapter 15.64, 'Development Impact Mitigation Fees,' by Repealing and Reenacting Section 15.64.040 Relating to the Timing of the Collection of Impact Fees During the Period July 1, 2010 Through June 30, 2013," which was introduced at a regular meeting of the Lodi City Council held June 2, 2010.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hitchcock

Noes: None

Absent: Mayor Katzakian

L. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 9:00 p.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JUNE 29, 2010**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, June 29, 2010, commencing at 7:02 a.m.

Present: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Hitchcock, and Mayor Katzakian

Absent: Council Member Hansen

Also Present: Interim City Manager Bartlam, City Attorney Schwabauer, and Assistant City Clerk Robison

B. Topic(s)

B-1 Receive Presentation on FY 2010/11 Facility Use Rates for Parks and Recreation and Labor Rates for the Fire Department, Public Works Engineering Division, and Community Development Department (CM)

With the aid of a PowerPoint, Interim City Manager Rad Bartlam introduced the subject matter of facility use rates for Parks and Recreation and labor rate modifications for Fire, Public Works, and Community Development, stating that this matter will come back before Council on July 7 for action. The facility rates for Parks and Recreation were last updated in 2006, and the labor rate model currently being utilized was established last year by Council for Community Development.

In response to Council Member Johnson, Mr. Bartlam stated that the facility fees were constructed by Parks and Recreation, but the hourly rates were based upon the MGT America, Inc. methodology.

Interim Parks and Recreation Director Jim Rodems stated that nine cities were surveyed for facility use fee methods and practices, the best structure was selected which would allow the fees to remain competitive in the local market, and the rate includes a component for facility maintenance. The proposed system changes from three fee categories to two: community groups and residents (i.e. 501(c)3 organizations and individuals with a Lodi mailing address) and non-resident and commercial (i.e. individuals and entities without a Lodi mailing address and for-profit entities regardless of mailing address).

Council Member Johnson suggested amending the language regarding the Lodi mailing address as some addresses are listed as Lodi but are technically outside the City limits. Mr. Rodems and Mr. Bartlam stated that residency is verified with a City utility bill.

Myrna Wetzal pointed out that some Lodi residents have a Woodbridge address, to which Mr. Bartlam responded that the physical address, not a PO Box, is used to determine residency.

In response to Council Member Johnson, Mr. Rodems stated that rates for Hutchins Street Square were adjusted a number of years ago and staff determined that they were still competitive and did not need to be changed at this time.

In response to Mayor Pro Tempore Hitchcock, Mr. Rodems stated that the Grape Bowl fees are changing from a flat rate to an hourly rate because of the reduction in maintenance due to the type of field that is being installed and to move to hourly rentals versus all-day rentals as it is now,

which would also increase the frequency of use.

In response to Council Member Mounce, Mr. Rodems stated that, with regard to the Lodi Unified School District (LUSD) running events, staff did not differentiate between weekday and weekend meets, LUSD is now categorized as a community group, and there is no longer a separate rate. Staff is currently in negotiations with LUSD for the next ten-year joint use agreement, which may be ready for approval by the end of July.

Fire Chief Kevin Donnelly reviewed the Fire Department labor rates, stating that the rates were first implemented in 2005, they were calculated similar to those in Community Development, and since that time plan check was moved into Community Development and the rates were adjusted accordingly. The current proposed model is for full cost recovery and includes administrative overhead.

In response to Mayor Pro Tempore Hitchcock, Chief Donnelly stated that typical fees would be for inspections by captains, engineers, firefighters, and fire marshal, determinations by the Fire Chief, licensing, and fire investigations. Mayor Pro Tempore Hitchcock requested Council be provided with both the prior and proposed cost of services.

In response to Council Member Mounce, Chief Donnelly stated that approximately 25 percent of the services provided by the Fire Department are billable.

Council Member Johnson stated he provided Council with copies of an article from the Sacramento Bee regarding fire departments that are charging for some forms of emergency services and suggested Council discuss this type of approach.

Public Works Director Wally Sandelin reviewed the Public Works Engineering Division labor rates, adding that having this rate would be beneficial when seeking reimbursement for state or federal projects and emergencies. He believed the proposed rates were fair and stated that the department would use them diligently.

Mayor Pro Tempore Hitchcock stated she would like to see how Lodi's rates compare with other cities. Discussion ensued amongst Mayor Pro Tempore Hitchcock, Council Member Johnson, Mayor Katakian, and Mr. Bartlam regarding fees and policies in various communities, reasons for the variety among cities, current economy, and discounted fees.

Mr. Bartlam reviewed the Community Development Building Division and Planning Division labor rates, stating that there are decreases in a majority of the proposed hourly rates for both divisions and that the department is now picking up the full cost of the Community Development Director position due to the fact that the General Plan is complete.

In response to Mayor Pro Tempore Hitchcock, Mr. Bartlam stated that the cost for professional services is folded into the overhead for the past year and into the next; however, the department will no longer be contracting out many of its services as the staffing level is adequate and there is a structural engineer on staff who can handle the technical plans.

Mr. Bartlam stated that at the July 7 Council meeting staff will provide a comparison with adjacent cities and information regarding what types of services are being billed.

In response to Council Member Johnson, Chief Donnelly outlined the different models among agencies regarding cost recovery for emergency services, stating that some departments charge for services such as vehicle accidents, DUIs, and hazardous materials spills and that some bill the insurance company while others bill the individual directly. Council Member Johnson stated that perhaps taxpayers in the community should not be billed for emergency services but those

who reside outside of the community should be. Chief Donnelly stated there is an option to charge those who are not currently paying for the service.

Council Member Mounce stated she would not support charging Lodi citizens for emergency services, but would for those coming into the community.

In response to Myrna Wetzel, Chief Donnelly stated that Lodi is a partner in the State's master mutual aid program and also participates in one locally for emergency response.

Council Member Johnson suggested there be a Shirtsleeve Session to discuss possibilities for charging for emergency response services.

Mr. Bartlam introduced newly appointed Electric Utility Director, Liz Kirkley.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:45 a.m.

ATTEST:

Jennifer M. Robison
Assistant City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 6, 2010**

The July 6, 2010, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, JULY 7, 2010**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of July 7, 2010, was called to order by Mayor Katzakian at 6:23 p.m.

Present: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Katzakian

Absent: Mayor Pro Tempore Hitchcock

Also Present: Interim City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

C-2 Announcement of Closed Session

a) Conference with Dean Gualco, Human Resources Manager (Labor Negotiator), Regarding International Brotherhood of Electrical Workers Pursuant to Government Code §54957.6

b) Threatened Litigation: Government Code §54956.9(b); One Case: Potential Suit by Priscilla McMillen Against City of Lodi Based on Personal Injury

C-3 Adjourn to Closed Session

At 6:23 p.m., Mayor Katzakian adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:47 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Mayor Katzakian reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

In regard to Items C-2 (a) and C-2 (b), both items were negotiating direction only with no reportable action.

A. Call to Order / Roll call

The Regular City Council meeting of July 7, 2010, was called to order by Mayor Katzakian at 7:00 p.m.

Present: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Katzakian

Absent: Mayor Pro Tempore Hitchcock

Also Present: Interim City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Pledge of Allegiance

C. Presentations

C-1 Proclamation Commemorating 100 Years of Electric Utility Service (EUD)

Mayor Katzakian presented a proclamation to Elizabeth Kirkley, Electric Utility Director, commemorating 100 years of electric utility service in the City of Lodi.

C-2 Recreation and Parks Month Proclamation (PR)

Mayor Katzakian presented a proclamation to Recreation Commissioner Larry Long proclaiming the month of July 2010 as "Recreation and Parks Month" in the City of Lodi.

D. Consent Calendar (Reading; Comments by the Public; Council Action)

Council Member Mounce made a motion, second by Council Member Johnson, to approve the following items hereinafter set forth, **except those otherwise noted**, in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Katzakian

Noes: None

Absent: Mayor Pro Tempore Hitchcock

D-1 Receive Register of Claims in the Amount of \$3,591,015.70 (FIN)

Claims were approved in the amount of \$3,591,015.70.

D-2 Approve Minutes (CLK)

The minutes of June 9, 2010 (Special Meeting), June 15, 2010 (Shirtsleeve Session), and June 22, 2010 (Shirtsleeve Session) were approved as written.

D-3 Adopt Resolution Authorizing Annual Purchase of Materials and Services Needed to Maintain the Trojan Ultra Violet Disinfection System at White Slough Water Pollution Control Facility from DC Frost Associates, Inc., of Walnut Creek (\$230,325) (PW)

Adopted Resolution No. 2010-101 authorizing annual purchase of materials and services needed to maintain the Trojan ultra violet disinfection system at White Slough Water Pollution Control Facility from DC Frost Associates, Inc., of Walnut Creek, in the amount of \$230,325.

D-4 Adopt Resolution Authorizing City Manager to Purchase Traffic Signal Standards and Mast Arms for State Route 99/Harney Lane Interim Interchange Improvements (\$45,500) and Appropriating Funds (\$50,000) (PW)

Adopted Resolution No. 2010-102 authorizing City Manager to purchase traffic signal standards and mast arms for State Route 99/Harney Lane interim interchange improvements in the amount of \$45,500 and appropriating funds in the amount of \$50,000.

D-5 Adopt Resolution Awarding Contract for Cable Rejuvenation of 15,920 Feet of Underground Electric Cable in English Oak Subdivision, Phase I, to UtilX, Inc., of Kent, Washington (\$95,226.40) (EUD)

Adopted Resolution No. 2010-103 awarding contract for cable rejuvenation of 15,920 feet of underground electric cable in English Oak Subdivision, Phase I, to UtilX, Inc., of Kent, Washington, in the amount of \$95,226.40.

D-6 Adopt Resolution Awarding Two-Year Contracts for Janitorial Services for City Facilities to Korean Professional Building Maintenance, of Stockton (\$192,514); Advanced Property

Services, of Sacramento (\$52,588); and East Bay Building Services, of San Leandro (\$79,758); and Authorizing City Manager to Execute Contract Changes and Extensions (PW)

Adopted Resolution No. 2010-104 awarding two-year contracts for janitorial services for City facilities to Korean Professional Building Maintenance, of Stockton, in the amount of \$192,514; Advanced Property Services, of Sacramento, in the amount of \$52,588; and East Bay Building Services, of San Leandro, in the amount of \$79,758; and authorizing the City Manager to execute contract changes and extensions.

D-7 Adopt Resolution Awarding Contract for Maintenance of Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, for Fiscal Year 2010/11, to Dominguez Landscape Services, Inc., of Sacramento (\$28,392) (PW)

Adopted Resolution No. 2010-105 awarding contract for maintenance of Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, for fiscal year 2010/11, to Dominguez Landscape Services, Inc., of Sacramento, in the amount of \$28,392.

D-8 Adopt Resolution Approving Three-Year Contract with LaRue Communications, Inc., of Stockton, for City of Lodi Transit 800 MHz Radio Transmission Service (\$6,120 Annually) (PW)

Adopted Resolution No. 2010-106 approving three-year contract with LaRue Communications, Inc., of Stockton, for City of Lodi Transit 800 MHz radio transmission service in the amount of \$6,120 annually.

D-9 Adopt Resolution Authorizing the City Manager to Execute an Agreement with the Boosters of Boys/Girls Sports Organization for Concession Operations for the Term of July 1, 2010 to June 30, 2013 (PR)

Adopted Resolution No. 2010-107 authorizing the City Manager to execute an agreement with the Boosters of Boys/Girls Sports Organization for concession operations for the term of July 1, 2010 to June 30, 2013.

D-10 Adopt Resolution Authorizing Amendment to Lease Agreement with Verizon Wireless for Land Use at 114 North Main Street (CM)

Adopted Resolution No. 2010-108 authorizing amendment to lease agreement with Verizon Wireless for land use at 114 North Main Street.

D-11 Adopt Resolution Authorizing City Manager to Execute an Amendment to the Contract with Greyhound Bus Lines, Inc., Reducing Commission for Ticket Sales (PW)

Adopted Resolution No. 2010-109 authorizing the City Manager to execute an amendment to the contract with Greyhound Bus Lines, Inc., reducing commission for ticket sales.

D-12 Adopt Resolution Authorizing the City Manager or Electric Utility Director to Close Energy Positions in Accordance with the City of Lodi Energy Risk Management Policies and Approval of the Energy Risk Oversight Committee (EUD)

This item was pulled for further discussion by Council Member Mounce.

In response to Council Member Mounce, Interim City Manager Bartlam stated the Energy Risk Oversight Committee is comprised of the City Manager, City Attorney, Electric Utility Director, and

Deputy City Manager.

Council Member Mounce made a motion, second by Council Member Johnson, to adopt Resolution No. 2010-115 authorizing the City Manager or Electric Utility Director to close energy positions in accordance with the City of Lodi Energy Risk Management Policies and Approval of the Energy Risk Oversight Committee.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Katzakian

Noes: None

Absent: Mayor Pro Tempore Hitchcock

D-13 Adopt Resolution Renewing Line of Credit with Farmers and Merchants Bank (\$3,000,000) Through June 30, 2011, at No Cost to the City of Lodi for the Lodi Electric Utility (CM)

Adopted Resolution No. 2010-110 renewing line of credit with Farmers and Merchants Bank in the amount of \$3,000,000 through June 30, 2011, at no cost to the City of Lodi for the Lodi Electric Utility.

D-14 Approve the Proposed Expenditure Program for Lodi's Share of the 2010 Edward Byrne Memorial Justice Assistance Grant (PD)

Approved the proposed expenditure program for Lodi's share of the 2010 Edward Byrne Memorial Justice Assistance Grant.

D-15 Adopt Resolution Regarding City Vote on Property Assessment Ballot for City Property within the Central Delta Water Agency (PW)

Adopted Resolution No. 2010-111 regarding City vote on property assessment ballot for City property within the Central Delta Water Agency.

D-16 Adopt Resolution Initiating Proceedings for the Levy and Collection of Assessments, Resolution Approving the Annual Report, and Resolution Declaring Intention to Levy and Collect Assessments for the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for Fiscal Year 2010/11; and Set Public Hearing for July 21, 2010 (PW)

Adopted Resolution No. 2010-112 initiating proceedings for the levy and collection of assessments, Resolution No. 2010-113 approving the Annual Report, and Resolution No. 2010-114 declaring intention to levy and collect assessments for the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for fiscal year 2010/11; and set public hearing for July 21, 2010.

D-17 Set Public Hearing for July 21, 2010, to Consider the Certification of the Final Mitigated Negative Declaration for the Surface Water Treatment Facility (CD)

Set public hearing for July 21, 2010, to consider the certification of the Final Mitigated Negative Declaration for the Surface Water Treatment Facility.

E. Comments by the Public on Non-Agenda Items
THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES. The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council

indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted. Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

None.

F. Comments by the City Council Members on Non-Agenda Items

Council Member Mounce commended Public Works on its efforts in regard to the Lodi Avenue improvements, requested that Public Works follow up with the transportation concerns received from Mr. Weaver, and commended Deputy City Manager Ayers on his distribution of information regarding the US Communities contracts and services.

Council Member Hansen reported on his attendance at the national conference for American Public Power Association where specific topics of discussion included greenhouse gas emissions, regulation by the Environmental Protection Agency, and the cap and trade policy. Mr. Hansen also discussed the third annual level of service meeting for San Joaquin Council of Governments.

Council Member Johnson reported on his and Mayor Katzakian's meeting with Congressman Jerry McNerney where specific topics of discussion included economic growth, job generation, loss of sales tax, and the housing market decline.

G. Comments by the City Manager on Non-Agenda Items

Interim City Manager Bartlam reminded the City Council and the citizens that the Lodi Cycle Fest will be going through downtown on Sunday, July 11, 2010, and there will be some temporary street closures as a result.

H. Public Hearings

H-1 Cancel Public Hearing to Consider Resolution Adopting Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2010/11, and Ordering the Levy and Collection of Assessments (PW)

Interim City Manager Bartlam stated the public hearing was canceled because the original low bidder for the contract withdrew his bid, the contract was awarded to the next low bidder, and the public hearing will occur on July 21, 2010.

In response to Council Member Johnson, Public Works Director Wally Sandelin stated the bid could have been withdrawn because the business is closing.

I. Communications

I-1 Post for One Vacancy on the Lodi Improvement Committee (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, to direct the City Clerk to post for the following vacancy:

Lodi Improvement Committee
Tim Mustin, Term to expire March 1, 2011

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Katzakian

Noes: None

Absent: Mayor Pro Tempore Hitchcock

J. Regular Calendar

J-1 Adopt Resolution Approving Fiscal Year 2010/11 Facility Use Rates for Parks and Recreation and Labor Rates for the Fire Department, Public Works Engineering Division, and Community Development Department and Authorizing the City Manager to Approve Annual Rate Revisions (CM)

Interim City Manager Bartlam briefly introduced the subject matter of the labor and facility use rates.

Deputy City Manager Jordan Ayers provided a PowerPoint presentation regarding the facility use rates and labor rates for a variety of departments. Specific topics of discussion included general background, Parks and Recreation facility use fees, Fire Department labor rates, Public Works engineering division labor rates, Community Development building division labor rates, and proposed actions regarding the same.

In response to Council Member Mounce, Mr. Bartlam stated he spoke with John Beckman of the Building Industry Association who was primarily focused on the Community Development rates and those are decreasing slightly so Mr. Beckman does not have any concerns with those amounts or the methodology.

In response to Council Member Johnson, Fire Chief Kevin Donnelly stated most fire fees are for inspection services, not all inspections are current, the shortfall is primarily with occupancy inspections which in a perfect world would be conducted by a highly-trained inspector, the Fire Marshal position is vacant and those duties have been shared by others, and staff could look into options for contracting out certain services if so desired by the Council.

Council Member Johnson made a motion, second by Council Member Hansen, to adopt Resolution No. 2010-116 approving fiscal year 2010/11 facility use rates for Parks and Recreation and labor rates for the Fire Department, Public Works Engineering Division, and Community Development Department and authorizing the City Manager to approve annual rate revisions.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Katzakian

Noes: None

Absent: Mayor Pro Tempore Hitchcock

J-2 Adopt Resolution Revising Salary Range for the Position of Electrical Technician (CM)

Human Resources Manager Dean Gualco provided a presentation regarding the proposed resolution revising the salary range for the electrical technician position as detailed in the relevant staff report.

Council Member Hansen made a motion, second by Council Member Johnson, to adopt

Resolution No. 2010-117 revising salary range for the position of Electrical Technician up to 7%.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, and Mayor Katzakian

Noes: Council Member Mounce

Absent: Mayor Pro Tempore Hitchcock

K. Ordinances - None

L. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 7:40 p.m., in memory of former Lodi Mayor Walter Katnich, who passed away on July 1, 2010.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 13, 2010**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, July 13, 2010, commencing at 7:00 a.m.

Present: Council Member Hansen, Council Member Johnson, Council Member Mounce, and Mayor Katzakian

Absent: Mayor Pro Tempore Hitchcock

Also Present: Interim City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Receive Presentation on Insurance Services Office Report Regarding the Building and Safety Division (CD)

Interim City Manager Rad Bartlam briefly introduced the subject matter of the Insurance Services Office (ISO) report regarding the Building and Safety Division.

Building Official Dennis Canright provided a PowerPoint presentation regarding the Community Development Building and Safety overview. Specific topics of discussion included the role of the Building Department, enforcement of State mandated codes, recent natural disasters, earthquakes in Haiti, Mexicali, and Chile, history of seismic events in and around Lodi, ISO building code effectiveness grading schedule program, community classification number, administration of codes, review of building plans, field inspections, commercial permits, residential permits, Lodi classification compared to other communities, benefits of low grade, and overview of the Building Department keeping Lodi safe.

In response to Council Member Hansen, Mr. Canright stated the comparative numbers reflect other communities within the State of California.

In response to Council Member Johnson, Mr. Canright stated there are community benefits across the board for having a 3 rating versus a 7 or 8 rating.

In response to Council Member Mounce, Mr. Canright stated the evaluation is free and ISO comes in every five years or so to do an evaluation.

In response to Council Member Mounce, Mr. Canright stated the new requirement mandates all new residential developments to have sprinklers. He stated sprinklers will be required for renovations if the structure is a complete tear down.

In response to Council Member Hansen, Mr. Canright stated the cost of the sprinklers is approximately \$3,000, which is nominal compared to the cost of saving lives. He stated insurance companies govern codes and want less losses and while there may be water damage from sprinklers the overall cost savings with the sprinklers is greater. Mr. Bartlam stated new requirements generally stem from specific occurrences and the Southern California fires may have contributed to the creation of the new sprinkler requirement.

In response to Council Member Hansen, Mr. Canright stated the grading system is in reverse in that a lower number is better than a larger one.

In response to Council Member Hansen, Mr. Canright stated insurance is primarily based on the location of the structure, although some insurance companies may provide discounts or incentives for sprinklers and other similar safety features.

In response to Council Member Johnson, Mr. Canright stated retrofitting in Lodi is not required unless the hazardous use possibility is increased in a building, supporting walls are knocked down, or occupancy is increased.

In response to Council Member Hansen, Mr. Canright stated the Building Division staff tries to talk with residents in advance to address any concerns that may be arising at a later date with a particular project.

In response to Council Member Hansen, Mr. Canright stated public outreach includes meetings with the Chamber of Commerce, developers, and contractors, as well as the public information that is made available online and at the counter.

In response to Council Member Hansen, Mr. Canright and Mr. Bartlam stated the ISO number for the amount of inspectors the City should have is 10, although the City looks at the overall workload and inspection time needs.

In response to Council Member Hansen, Mr. Canright stated in his experience the developers feel positively about the Building Division performing inspection services previously provided by the Fire Department because of the efficiency and the single point of contact for the entire process.

In response to Council Member Hansen, Mr. Canright stated the Building Division inspections are all up to date.

In response to Council Member Mounce, Mr. Canright stated the Fire Department does not have to perform inspections by appointment only but it may be a time savings to know that someone is home.

In response to Council Member Hansen, Mr. Canright stated there are currently two inspectors and they are performing approximately 15 to 20 inspections a day.

In response to Council Member Hansen, Mr. Canright stated if the Building Division were to fall behind on the inspections there would be an ability to bring in part-time contract persons from a firm to assist with the backlog if so desired.

In response to Mayor Katzakian, Mr. Canright stated the sprinkler requirement is nationally based and the individual states have adopted the requirement as well.

In response to Mayor Katzakian, Mr. Canright stated the City's water infrastructure should not need to be changed for the sprinkler requirement as there is not that much of an impact of the requirement on the City of Lodi.

In response to Mayor Katzakian, Mr. Canright stated in Southern California some insurance companies may take into account sprinklers in the home when providing policies.

In response to Council Member Johnson, Mr. Canright stated the biggest challenge for the Building Division is disabled access for existing buildings.

In response to Council Member Mounce, Mr. Canright stated there are six different options to the cool roof requirement, ventilation is one option, and there are ongoing challenges with that option.

In response to Council Member Johnson, Mr. Canright stated California has a tendency to want to lead in the industry and regulations in the State have increased by over 500% since the 1990s.

In response to Myrna Wetzel, Mr. Canright stated the aisles in commercial buildings are larger due to the disabled access requirements, the proximity of a fire hydrant is irrelevant with respect to the new sprinkler requirement, and an existing building remodel may require sprinklers depending upon the circumstance.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:58 a.m.

ATTEST:

Randi Johl
City Clerk



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Awarding Contract for Asphalt Materials for Fiscal Year 2010/11 to George Reed, Inc., of Lodi (\$27,785)

MEETING DATE: July 21, 2010

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution awarding the contract for asphalt materials for Fiscal Year 2010/11 to George Reed, Inc., of Lodi, in the amount of \$27,785.

The asphalt material purchase is as follows:

Item A.	100 Tons 3/8" Max Medium Type A, PG 64-16	\$5,601
Item B.	400 Tons 1/2" Max Medium Type A, PG 64-10	\$22,184

BACKGROUND INFORMATION: This contract provides asphalt materials for various street maintenance projects carried on throughout the City during the fiscal year.

Specifications for this project were approved on June 16, 2010. Bid packets were mailed out to three vendors. On June 30, 2010, the City received two bids for the asphalt materials (bid tab attached). This year's contract prices decreased by an average of 3.5 percent over last year's prices. The quantities of asphalt will be commensurate to funding available.

FISCAL IMPACT: This budget expense will assist the Streets and Drainage Division in its continuing effort to maintain the City of Lodi's asphalt paving.

FUNDING AVAILABLE: Measure K Fund (325)

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Curt Juran, Street and Drainage Superintendent
FWS/CJ/dsg
Attachment
cc: Curt Juran, Streets and Drainage Superintendent

APPROVED: _____
Konradt Bartlam, Interim City Manager

Bidder	F.O.B. Plant per ton	Tax	Plus Energy Surcharge / Any Additional Costs	Total per ton plus Tax and Any Additional Costs	difference	2009/2010	% increase - decrease for FY 2009/2010
100 TONS (3/8") Max Medium Type A, PG 64-16							
Granite Construction Company	\$60.00	\$5.25	\$0.00	\$65.25	\$6.80	\$58.45	12%
George Reed	\$51.50	\$4.51	\$0.00	\$56.01	\$2.44	\$58.45	-4%
400 TONS (1/2") Max Medium Type A, PG 64-10							
Granite Construction Company	\$58.00	\$5.08	\$0.00	\$63.08	\$5.71	\$57.37	10%
George Reed	\$51.00	\$4.46	\$0.00	\$55.46	\$1.91	\$57.37	-3%

**BID PROPOSAL—ASPHALT MATERIALS
CITY OF LODI, CALIFORNIA
2010/2011**

ITEM 1. 9.5mm (3/8") Max Medium Type A, PG 64-16 or 64-10

Estimated Annual Quantity	F.O.B. Plant 100 Tons
PRICE PER TON:	\$ <u>51.50</u>
TAX:	\$ <u>4.51</u>
ADDITIONAL COSTS (fuel surcharge, energy adjustments, etc., if any)	\$ _____
TOTAL COST PER TON	\$ <u>56.01</u>

***To bid Item 1, you must own or operate an asphalt supply plant.**

ITEM 2. 12.5m (1/2") Max Medium Type A, PG 64-10

Estimated Annual Quantity	F.O.B. Plant 400 Tons
PRICE PER TON:	\$ <u>51.00</u>
TAX:	\$ <u>4.46</u>
ADDITIONAL COSTS (fuel surcharge, energy adjustments ,etc. if any)	\$ _____
TOTAL COST PER TON	\$ <u>55.46</u>

***To bid Item 2, you must own or operate an asphalt supply plant.**

Loads may be six (6), twelve (12) or twenty-five (25) tons.

Plant Location: 17300 E Jahant Rd
(Street address)
Clements, CA 95227
(City, Zip Code)
209-759-3331
(Telephone Number)
209-759-3406
(FAX number)

The following information is requested for those bidding:

Fee for Asphalt Recycling, \$ NC per ton. If No Charge write NC.

DECLARATION OF BIDDER

The undersigned declares that the specifications in the attached Notice Inviting Bids and this Bid Proposal have been examined and submits the above schedule of prices as undersigned's bid. All representations made herein are true and are made under penalty of perjury.

BIDDER'S COMMENTS:

George Reed Inc
Contractor

Date: 6/29, 2010

Delwyn Falk
Authorized Signature

Sales Representative
Title

Corporation
TYPE OF ORGANIZATION
Individual, Partnership, or Corporation

686 E. Lockeford St.
Address
Lodi, CA 95240

(209) 747-0690
Telephone

CITY OF LODI,
A Municipal Corporation

Konradt Bartlam
Interim City Manager

Attest:

Randi Johl
City Clerk

Approved as to Form:

D. Stephen Schwabauer
City Attorney

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE CONTRACT FOR ASPHALT MATERIALS
FOR FISCAL YEAR 2010/11

=====

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on June 30, 2010, for the Asphalt Materials for Fiscal Year 2010/11, described in the specifications therefore approved by the City Council on June 16, 2010; and

WHEREAS, said bids have been checked and tabulated and a report thereof filed with the City Manager as follows:

Bidder	Bid
Granite Construction Company	Item A: \$ 6,525 Item B: \$25,232
George Reed, Inc.	Item A: \$ 5,601 Item B: \$22,184

WHEREAS, staff recommends awarding the contract for the Asphalt Materials for Fiscal Year 2010/11 to the low bidder, George Reed, Inc., of Lodi, California, in the amount of \$27,785.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby award the contract for the Asphalt Materials for Fiscal Year 2010/11 to the low bidder, George Reed, Inc., of Lodi, California, in the amount of \$27,785.

Dated: July 21, 2010

=====

I hereby certify that Resolution No. 2010-_____ was passed and adopted by the Lodi City Council in a regular meeting held July 21, 2010, by the following votes:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Lease Agreement With Head Start Child Development Council, Inc., for the Lodi Look Building

MEETING DATE: July 21, 2010

PREPARED BY: Interim Parks and Recreation Director

RECOMMENDED ACTION: Adopt resolution approving lease agreement with Head Start Child Development Council, Inc., for the Lodi Look Building.

BACKGROUND INFORMATION: The Parks and Recreation Department and Head Start Child Development Council, Inc. have negotiated a three-year agreement for the Head Start program to operate its program at the Lodi Look Building, 221 East Lawrence Street.

Elements of the lease include a three-year term for this 960 square feet building with monthly payments of \$850. The length of the term shall be from August 1, 2010 through July 31, 2012, and is subject to renewal following review and approval by the City Council. Within 45 days of the commencement date, Head Start shall have the right to terminate this Agreement, in the event that Head Start is unable to obtain licensing to operate its program due to a structural or other defect in the premises. All utilities and building maintenance will be the responsibility of Head Start.

The Lodi Look Building is located in the north parking lot of the Grape Bowl, adjoining Lawrence School. It has been vacant the last two years but was used by the Parks and Recreation Department's after-school program until 2008.

FISCAL IMPACT: The terms of the agreement include revenues to the City of Lodi Parks and Recreation Department of \$30,600.

FUNDING AVAILABLE: There will be no General Fund contribution for the operation of this program.

James M. Rodems
Interim Parks and Recreation Director

Prepared by Michael Reese, Recreation Manager

JMRMR:tl

Cc: City Attorney

APPROVED: _____
Konradt Bartlam, Interim City Manager

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of July, 2010 by and between the City of Lodi, a municipal corporation (hereinafter "CITY"), and Head Start Child Development Council, Inc. hereinafter ("Head Start").

WITNESSETH:

1. PREMISES: That for and in consideration of the programming services to be rendered by Head Start, and the covenants to be faithfully kept and performed by Head Start, Head Start does hereby rent from CITY, the premises described as the Lodi Look Building, located in the north parking lot of the Grape Bowl, at 221 East Lawrence Street, Lodi, California and all improvements thereto (the "Premises") for the operation of a Head Start program.

2. TERM: The term of this Agreement shall be for a three-year period beginning on August 1, 2010 ("Commencement Date") and continuing through July 31, 2013, unless otherwise terminated under the terms of this Agreement. This Agreement is subject to renewal following review and approval by the City Council for the City of Lodi. Head Start may terminate the tenancy by giving written notice at least 30 days prior to the intended termination date. CITY may terminate the tenancy by giving written notice as provided by law. Such notices may be given on any date. Notice(s) shall be given in the manner set forth in Paragraph 24 of this Agreement.

Within forty-five (45) days of the Commencement Date, Head Start shall have the right to terminate this Agreement, in the event that Head Start is unable to obtain licensing to operate its program due to a structural or other defect in the Premises. In the event of such termination, rental payments shall be reduced pro-rata and the Premises surrendered to CITY as set forth in Paragraph 17 of this Agreement.

3. RENT: In consideration of this Agreement, Head Start agrees to pay CITY the sum of \$850.00 per month, due and payable by the 1st day of each month, commencing on August 1, 2010. A late charge of \$60.00 may be assessed for any payment more than 10 days past due. Rental payments shall be directed to the City of Lodi, Attn: Parks & Recreation Department, 125 N. Stockton Street, Lodi, California, 95240, for processing and shall be paid without prior notice or demand to Head Start.

4. USE/USE PROHIBITED: The Premises shall be used solely for the purpose of operating a Head Start Program. Head Start shall not use any portion of the Premises for purposes other than those specified herein, and no use shall be made or permitted to be made upon the Premises, nor acts done, which will increase the existing rate of insurance upon the Premises, or cause cancellation of insurance policies covering the Premises. Head Start shall not conduct or permit any sale by auction on the Premises.

5. ORDINANCES AND STATUTES: It is further understood and agreed by Head Start that Head Start must comply with all present and future laws, ordinances, rules, and regulations promulgated by any governmental authority of competent jurisdiction regulating the type of business to be conducted on the Premises during the term of this Agreement and any extension thereof. Head Start shall use and occupy the Premises in a quiet, lawful, and orderly manner. The commencement or pendency of any state or

federal court abatement proceeding affecting the use of the Premises shall, at the option of the CITY, be deemed a breach hereof.

6. SIGNS: All signs and locations of signs must be approved by CITY. All costs associated with the purchase and installation of signs shall be the responsibility of Head Start unless otherwise agreed to by the parties.

7. ABANDONMENT OF PREMISES: Head Start shall not vacate or abandon the Premises at any time during the term hereof, and if Head Start shall abandon or vacate the Premises, or be dispossessed by process of law, or otherwise, any personal Premises belonging to Head Start left upon the Premises shall be deemed to be abandoned, at the option of CITY.

8. IMPROVEMENTS: Any and all improvements made to the Premises during the term hereof shall belong to the CITY.

9. DESTRUCTION OF THE PREMISES: In the event of a partial destruction of the Premises during the term hereof, from any cause, CITY shall forthwith repair the same, provided that such repairs can be made within sixty (60) days under existing governmental laws and regulations, but such partial destruction shall not terminate this Agreement. If such repairs cannot be made within sixty (60) days, CITY, at its option, may make the same within a reasonable time, this Agreement continuing in effect, and in the event that CITY shall not elect to make such repairs which cannot be made within sixty (60) days, this Agreement may be terminated at the option of either party.

In the event that the Premises is destroyed to an extent of not less than one-third of the replacement costs thereof, CITY may elect to terminate this Agreement whether the Premises be injured or not. A total destruction of the Premises shall terminate this Agreement.

In the event of any dispute between CITY and Head Start with respect to the provisions hereof, the matter shall be settled by arbitration in such a manner as the parties may agree upon, or if they cannot agree, in accordance with the rules of the American Arbitration Association. Arbitration will be conducted in Stockton, California, unless otherwise agreed to in writing by the parties.

10. REMEDIES OF CITY ON DEFAULT: In the event of any breach of this Agreement by Head Start, CITY may, at its option, terminate this Agreement enforce all his rights and remedies under this Agreement, including the right to recover the rent as it becomes due under this Agreement. If such breach continues, CITY may, at any time thereafter, elect to terminate this Agreement.

11. RELATIONSHIP OF PARTIES: It is understood and agreed that the relationship between the parties is that of landlord and tenant and not as a party or agent of the other.

12. INSURANCE: Head Start shall carry Worker's Compensation Insurance and observe all laws and regulations applicable to employers in the State of California.

13. BUILDING MAINTENANCE: Building Maintenance (Janitorial Services) shall be the responsibility of Head Start.

14. ASSIGNMENT AND SUBLETTING: Head Start shall not assign this Agreement or sublet any portion of the Premises without prior written consent of the CITY. Any such assignment or subletting without consent shall be void and, at the option of the CITY, may terminate this Agreement.

15. ENTRY AND INSPECTION: Head Start shall permit CITY or CITY's agents to enter upon the Premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same.

16. MAINTENANCE, REPAIRS, and ALTERATIONS OR ADDITIONS: Head Start acknowledges that the Premises are in good order and repair, unless otherwise indicated herein. Head Start shall, at his own expense and at all times, maintain the Premises in good and safe condition, including plate glass, and shall surrender the same, at termination hereof, in as good condition as received, normal wear and tear excepted. Head Start shall be responsible for all repairs required, excepting the roof, exterior walls, structural foundations, and common areas which shall be maintained by CITY. No repairs, alterations or additions to the Premises shall be made without prior written consent of CITY. Prior to the commencement of any substantial repair, improvement, or alteration, Head Start shall give CITY at least two (2) days written notice in order that CITY may post appropriate notices to avoid any liability for liens. Head Start shall not commit any waste upon the Premises or to the real property upon which the Premises are situated, or any nuisance or act which may disturb the quiet enjoyment of CITY.

17. SURRENDER OF PREMISES: Head Start shall, at the termination of the Agreement hereby created, or upon the earlier termination hereof for any reason, or upon the extension of the term herein set forth, quit and surrender the Premises in good order, condition, and repair, reasonable wear and tear and acts of God or fire excepted.

18. FEES: To the extent applicable, Head Start shall pay all license fees, or other fees or taxes, including possessory interest taxes, levied by any governmental agency which may be imposed upon the operations of Head Start conducted upon the Premises.

If any of the above charges are assessed against the Premises, and because of said assessment, the CITY pays the same, the CITY will have the right to, regardless of the validity of any such levy, demand that Head Start repay to CITY all taxes and other assessments so levied against CITY.

19. UTILITIES: Head Start agrees that it shall be responsible for the payment of all utilities, including water, gas, electricity, heat, telephone and other services delivered to the Premises. During the term of this Agreement, and any extension thereof, it is understood and agreed by the parties hereto that Head Start shall be responsible for the installation, maintenance and cost of any telephone lines that are required to operate its business, at no cost to CITY.

20. MECHANIC'S LIEN: Head Start agrees to keep the Premises free from all liens and claims of mechanics, laborers, material suppliers, and others for work done, and material furnished, and Head Start shall not create, or suffer to be created, any lien or encumbrance on the Premises.

21. PUBLIC LIABILITY AND PREMISES DAMAGE INSURANCE: Head Start, at its expense, shall maintain insurance including bodily injury and property damage insuring Head Start and CITY with minimum coverage of \$1,000,000 each occurrence. More particularly described as follows:

Head Start agrees to indemnify and save harmless CITY from and against all claims of whatever nature arising from any act, omission, or negligence of Head Start or Head Start's contractors, licensees, agents, servants, or employees, or arising from any accident, injury, or damage whatsoever caused any person, or to the Premises of any person, occurring during the term thereof, in or about the Premises where such accident, damage, or injury, including death, results, or is claimed to have resulted, from any act or omission on the part of Head Start or Head Start's agents or employees. This indemnity and hold harmless agreement shall include indemnity against all costs and expenses, including attorney's fees incurred in or in connection with any such claim or proceeding brought thereon and the defense thereof.

Head Start agrees to maintain in full force during the term hereof a policy of liability insurance under which Head Start is named as insured, and containing an additional named insured endorsement naming CITY as an additional insured, and under which the insurer agrees to indemnify and hold Head Start and CITY harmless from and against all costs, expenses, and liability arising out of, or based upon, any and all property damage, or damages for personal injuries, including death, sustained in accidents occurring in or about the Premises, where such accident, damage, or injury, including death, results, or is claimed to have resulted, from any act or omission on the part of Head Start, or Head Start's agents or employees. The minimum limits of such insurance shall be \$1,000,000 (One Million Dollars). In addition to the additional named insured endorsement on CITY's policy of insurance, said insurance policy shall be endorsed to include the following language:

"Insurance as is afforded by the endorsement for additional insureds shall apply as primary insurance. Any other insurance maintained by the CITY or its officers and employees shall be excess only and not contributing with the coinsurance afforded by this endorsement."

To the maximum extent permitted by insurance policies which may be owned by CITY or Head Start, CITY and Head Start, for the benefit of each other, waive any and all rights of subrogation which might otherwise exist.

A duplicate or certificate of said liability and property damage insurance policy containing the above-stated required endorsements shall be delivered to CITY within ten (10) days after the issuance and each renewal of said policy. This paragraph, and all other provisions of this Agreement, shall apply and be construed as applying to any sub-tenant of Head Start.

22. ATTORNEY'S FEES: In case suit should be brought for recovery of the Premises, or for any sum due hereunder, or because of any act which may arise out of the possession of the Premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee, the amount of which shall be determined by the court in such suit and added to and become a part of the judgment therein.

23. **WAIVER:** Failure of CITY to insist upon performance of any of the terms or conditions of this Agreement in any one or more instances shall in no event be construed as a waiver or a relinquishment of its right to future performance thereof, and Head Start's obligations to such future performance shall continue in full force and effect.

24. **NOTICES:** Any notice which either party may or is required to give, shall be given by mailing the same, postage prepaid, to Head Start at the premises, or CITY at the address shown below, or at such other places as may be designated by the parties from time to time as provided herein.

CITY:

City of Lodi
James Rodems, Interim Director
Parks & Recreation Department
125 N. Stockton Street
Lodi, CA 95240

HEAD START:

Head Start Child Development Council, Inc.
Gloryanna Rhodes, Executive Director
5361 North Pershing Ave., Ste. A
Stockton, CA 95207

With copy to:

Janice D. Magdich, Deputy City Attorney
Office of the City Attorney
221 West Pine Street
Lodi, CA 95240

Notice by first class mail, postage prepaid, shall be deemed to have been made 3-days from the date of mailing. Notice by over-night delivery or hand-delivery shall be deemed to have been made as of the date of receipt.

25. **HOLDING OVER:** If applicable under this Agreement, any holding over after the expiration of this Agreement, with the consent of CITY, shall be construed as a month-to-month tenancy, otherwise in accordance with the terms hereof, as applicable.

26. **TIME:** Time is of the essence of this Rental Agreement.

27. **HEIR, ASSIGNS, and SUCCESSORS:** This Rental Agreement is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties.

28. **COST OF LIVING INCREASE:** The rent provided for in paragraph 3 shall be adjusted effective upon the first day of the month immediately following the expiration of 12 months from the Commencement Date and upon the expiration of each 12 month period thereafter in accordance with changes in the U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (1982-84=100) for San Francisco-Oakland-San Jose, hereinafter called the "CPI-U". The monthly rent shall be increased to an amount equal to the monthly rent set forth in paragraph 3 multiplied by a fraction the numerator of which is the CPI-U for the third calendar month immediately preceding the adjustment date and the denominator of which is the CPI-U for the third calendar month preceding the commencement of the lease term. Provided, however, in no event shall the monthly rent be less than the amount set forth in paragraph 3.

29. OWNER'S LIABILITY: The term "Owner" as used in this paragraph, shall mean only the owner of the real property that is the subject of this agreement. In the event of any transfer of such title or interest, the Owner named herein (or the grantor in case of any subsequent transfers) shall be relieved of all liability related to Owner's obligations to be performed after such transfer. Provided, however, that any funds in the hands of Owner or Grantor at the time of such transfer shall be delivered to Grantee. Owner's aforesaid obligations shall be binding upon Owner's successors and assigns only during their respective periods of ownership.

30. ACCEPTANCE OF THE PREMISES: Head Start has examined the Premises knows the conditions thereof, and accepts possession thereof in its present condition.

31. CONTRACT: This written agreement constitutes the entire agreement between Head Start and CITY, and no representation or agreement, whether oral or written, unless expressed herein, shall be binding on either Head Start or CITY.

32. GOVERNING LAW: This Agreement shall be construed and governed by California law.

33. AUTHORITY: The signatories to this Agreement represent that each has full right, power, and authority to execute this Agreement on behalf of the entity each purports to represent.

34. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement and understanding of the parties and supersedes all offers, negotiations, and other agreements of any kind. There are no representations or understandings of any kind not set forth herein. Any modification of or amendment to this Agreement must be in writing and executed by both parties.

IN WITNESS WHEREOF, CITY and Head Start have executed this Agreement on the date and year first above written.

"CITY"

"HEAD START"

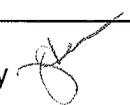
City of Lodi,
a municipal corporation

Head Start Child Development Council, Inc.

By _____
Konradt Bartlam
Interim City Manager

By _____
Gloryanna Rhodes, Executive Director

APPROVED AS TO FORM:
D. STEPHEN SCHWABAUER, City Attorney

By: _____
Janice D. Magdich
Deputy City Attorney 

ATTEST:

By: _____
Randi Johl
City Clerk

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING
THE LEASE AGREEMENT TO HEAD START CHILD
DEVELOPMENT COUNCIL, INC. FOR THE LODI LOOK
BUILDING

=====

WHEREAS, the Parks and Recreation Department and Head Start Child Development Council, Inc. have negotiated a three year agreement for the Head Start program to operate their program at the Lodi Look Building, 221 East Lawrence Street; and

WHEREAS, elements of the lease include a three-year term for this building of 970 square feet with a monthly rental payment of \$850; and

WHEREAS, the length of the term shall be from August 1, 2010 through July 31, 2012, and is subject to renewal following review and approval by the City Council; and

WHEREAS, within forty-five days of the commencement date, Head Start shall have the right to terminate this Agreement, in the event that Head Start is unable to obtain licensing to operate its program due to a structural or other defect in the premises; and

WHEREAS, all utilities and building maintenance will be the responsibility of Head Start; and

BE IT FURTHER RESOLVED that the City Council hereby authorizes the lease agreement between the City of Lodi and Head Start Child Development Council, Inc. for the Lodi Look Building, 221 East Lawrence Street.

Dated: July 21, 2010

=====

I hereby certify that Resolution No. 2010-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 21, 2010, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Task Orders No. 21 and 22 with Treadwell and Rollo, of Oakland, for Southern, South Central/Western, and Northern PCE/TCE Plumes Workplan Preparation and Monitoring (\$446,400) and Appropriating Funds (\$500,000)

MEETING DATE: July 21, 2010

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution approving Task Orders No. 21 and 22 with Treadwell and Rollo, of Oakland, for Southern, South Central/Western, and Northern PCE/TCE Plumes workplan preparation and monitoring in the amount of \$446,400 and appropriating funds in the amount of \$500,000.

BACKGROUND INFORMATION: Staff and our consultants are moving forward on the implementation of Central Plume Interim Remedial Measures, including the construction of two groundwater extraction and nine soil vapor extraction wells and treatment facilities. It is now time to move forward on remediation actions for the Southern, South Central/Western and Northern plumes, the remaining unresolved contamination areas, under the authority of the Central Valley Regional Water Quality Control Board (RWQCB).

Proposed Task Orders No. 21 and 22, attached as Exhibit A, provide for the preparation of two workplans (Southern/South Central/Western and Northern Plumes) for review/approval by the RWQCB, construction of monitoring wells, monitoring and reporting to the RWQCB for up to one year. During the one-year monitoring period, the workplans will be validated and modified as required. Following the validation period, the monitoring and reporting work will be combined with the Central Plume monitoring and reporting work and will be formally bid out.

The goal of the Southern and South Central/Western plume monitoring is to demonstrate the relative stability of the plumes and to establish that active groundwater remediation will not be needed to mitigate groundwater contamination associated with the plumes. Monitored natural attenuation would be accepted by the RWQCB as the remedy if groundwater monitoring validates that the plumes are stable and/or shrinking.

The Northern Plume has not been as extensively studied. The nature of this plume needs to be more extensively defined with respect to its lateral extent, general chemistry and contaminant/depth relationships. Per the Northern Plume Settlement Agreements, the City is responsible for remediation of the groundwater.

APPROVED: _____
Konradt Bartlam, Interim City Manager

Adopt Resolution Approving Task Orders No. 21 and 22 with Treadwell and Rollo, of Oakland, for Southern, South Central/Western, and Northern PCE/TCE Plumes Workplan Preparation and Monitoring (\$446,400) and Appropriating Funds (\$500,000)

July 21, 2010

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Substantial uncertainty remains but should these remedies be accepted by the RWQCB and prove to be successful, the City could realize cost savings roughly estimated to be in the range of \$20 million - \$25 million.

FISCAL IMPACT: Operation and maintenance costs will increase and are funded by PCE/TCE Cleanup funds.

FUNDING AVAILABLE: Requested Appropriation: PCE/TCE Rates (185) – \$500,000

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

FWS/pmf

Attachment



2 July 2010
P09-064

Mr. F. Wally Sandelin
City Hall
Public Works Department
221 West Pine Street
Lodi, California 95240

Subject: Scope, Schedule and Estimated Cost – Tasks 21 and 22
Preparing and Initiating Groundwater Monitoring Programs
for the Southern and South Central/Western Plumes and
Initial Strategy to Address the Northern Plume
Lodi, California

Dear Mr Sandelin:

Treadwell & Rollo, Inc. (Treadwell & Rollo) is pleased to submit this proposal for Tasks 21 and 22 for services related to the groundwater remediation program in Lodi, California. The tasks include: 1) developing and initiating a groundwater monitoring program to address the Southern Plume and the South Central/Western Plume; and 2) developing a strategy to address contamination in the Northern Plume.

SOUTHERN AND SOUTH CENTRAL/WESTERN PLUMES

In recent discussions with representatives of the Central Valley Regional Water Quality Control Board (RWQCB), agreement was reached to prepare a groundwater monitoring program for the Southern and South Central/Western Plumes, with the goal of demonstrating the relative stability of the plumes and to establish that active groundwater remediation will not be needed to mitigate groundwater contamination associated with the plumes. Monitored natural attenuation would be accepted by the RWQCB as the remedy if groundwater monitoring validates that the plumes are stable and/or shrinking. The attached Figure 1 shows the locations of existing wells and approximate isoconcentration contours for the principal chlorinated volatile organic compounds (VOCs) in the Southern and South Central/Western Plume areas.

The Southern Plume area is located in the vicinity of the intersection of Kettleman Lane (Rt 12) and the Union Pacific Railroad tracks, extending from approximately Park Street on the north to just south of Kettleman Lane on the south, and School Street on the west to Stockton Street on the east. Chlorinated volatile organic compounds (VOCs) have been detected at depths up to 90 feet below the ground surface (bgs) in the 14 groundwater monitoring wells in the vicinity of the plume. In 2008, the last year groundwater samples were collected, the major VOCs detected in the plume were PCE, at concentrations up to 740 micrograms per liter ($\mu\text{g/L}$), TCE, at concentrations up to 120 $\mu\text{g/L}$ and 1,1-dichloroethene (1,1-DCE), at concentrations up to 150 $\mu\text{g/L}$. The eastern edge of the plume has not been fully defined and the deepest occurrence of VOCs in the plume has not been determined.

The South Central/Western Plume area is located to the northwest of the Southern Plume and west of the off-site portion of the Central Plume. The plume, which may be composed of two smaller plumes with close source areas along and just south of Lodi Avenue, extends from Lodi Avenue on the north to York Street on the south and from approximately Orange Avenue on the west to Lee Avenue on the east. In 2005 and 2006, VOCs were detected at depths up to 164 feet below the ground surface (bgs) in an investigation comprised of collecting grab groundwater samples from multiple depths in 23 borings.

ENVIRONMENTAL AND GEOTECHNICAL CONSULTANTS

501 14TH STREET, 3RD FLOOR OAKLAND CALIFORNIA 94612 T 510 874 4500 F 510 874 4507 www.treadwellrollo.com

Mr. F Wally Sandelin
City Hall
Public Works Department
2 July 2010
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With the exception of shallow well MW-11 located on the western edge of the plume, there are no existing groundwater monitoring wells in the area of the South Central/Western Plume. The major VOC detected in the plume was PCE, at concentrations up to 550 µg/L in a sample on Sturla Street. The southern boundary of the plume has not been well defined and the deepest occurrence of VOCs has not been determined. The South Central/Western Plume's close proximity to the western edge of the Central Plume has implications in the possible design of remediation approaches for the Central Plume as the potential exists that active groundwater removal in the Central Plume could cause groundwater in the South Central/Western Plume to be pulled into the Central Plume, potentially spreading groundwater contamination from the west to the east in areas currently not contaminated.

The purpose of the monitoring program for the two areas will be to complete the definition of the impacted areas and to monitor the stability of the plumes by regular monitoring, as part of the current city-wide monitoring program. Data collected by the monitoring program will be used to evaluate changes in the extent of the plumes and to determine the adequacy of monitored natural attenuation as the appropriate remedial approach. Tasks described below include performing a preliminary groundwater investigation to evaluate the contaminant chemistry with respect to aquifer depth in the Southern Plume, preparing a groundwater monitoring program plan for City and RWQCB approval, design and installation of monitoring wells, and performing initial rounds of groundwater monitoring for one year on a quarterly or semi-annual basis, as specified in the approved groundwater monitoring plan.

NORTHERN PLUME

The Northern Plume groundwater contamination has not been as extensively studied as the Southern and South Central/Western Plumes. The Northern Plume area is located north of the Lodi Central Plume area and is approximately bound to the north by Turner Road, to the east by Washington Street, to the south by Elm Street and to the west by Church Street. Soil vapor and groundwater investigations have previously been performed in the Northern Plume area by URS Consultants, Henshaw Associates, Geomatrix and others. Chlorinated VOCs have been found in groundwater in the Northern Plume at up to 400 feet bgs. The most prevalent chlorinated VOC was TCE, which has been reported at concentrations up to 210 µg/L. PCE was reported in one sample at 74,000 µg/L, although in all others analyses examined, the highest PCE concentration was 110 µg/L. Other chlorinated VOCs have been reported at lower concentrations and non-chlorinated aromatic VOCs (such as toluene and xylenes) have also been reported at low concentrations. The nature of this plume needs to be more specifically defined with respect to its lateral extent, general chemistry and contaminant/depth relationships. Our recommended approach for addressing this plume is described in Task 22.

SCOPE OF WORK

TASK 21 GROUNDWATER MONITORING PROGRAM, SOUTHERN AND SOUTH CENTRAL/ WESTERN PLUMES

Task 21a Southern Plume Data Collection

The current data for the Southern Plume was collected in April of 2008. To assist us in developing the monitoring program, we propose to collect current and depth specific groundwater chemical data by advancing soil borings for grab groundwater samples and collecting a round of samples from the existing

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wells in the plume area. Prior to sampling, we will prepare a brief technical memorandum explaining our sampling rationale for presentation during a meeting with the RWQCB to obtain their approval.

All previous available groundwater samples used to define this plume were collected at depths less than 90 feet bgs, generally from wells screened from 50 to 90 feet, 55 to 80 feet, or 55 to 75 feet. The highest reported PCE concentration was in well OS-02, screened from 50 to 90 feet. To properly monitor this plume, better definition of the depths of contaminants must be developed. We propose to collect stratigraphic and depth-discrete chemical information by advancing test borings or cone penetration test (CPT) probes in three to four locations, to be determined during initiation of the project. We plan to collect grab groundwater samples by Geoprobe samplers at up to 6 depth intervals to a maximum of 200 feet bgs. The data collected will be used to evaluate monitoring well locations and specifications for the monitoring program.

In addition, we propose to sample all fourteen wells currently present, which were last sampled in 2008, to determine if changes in concentrations of VOCs have occurred over the last 27 months that could impact our assessment of additional monitoring well locations and designs.

Task 21b Prepare Groundwater Monitoring Program Plan

Treadwell & Rollo will prepare a Groundwater Monitoring Program Plan (Plan) for the two plume areas. The Plan will summarize existing knowledge of the plumes, identify data quality objectives and cleanup goals, present the plan of specific wells to monitor, and propose a schedule of initial sampling events. The Plan will also propose additional wells to be installed, including rationale, location, and screened intervals. Appended to the plan will be a Quality Assurance Program Plan (QAPP) and a Sampling and Analysis Plan (SAP).

An initial draft plan will be prepared and submitted to the City for one round of review and comment. After revision to address City comments, the draft plan will be presented to the RWQCB in a meeting and submitted for review and comment, and subsequently revised and finalized for RWQCB approval.

As initial groundwater monitoring proceeds (Task 21e), the monitoring program will be reevaluated and revised, if warranted by the data collected. A final Groundwater Monitoring Program Plan will be prepared for presentation to and approval by the RWQCB. After obtaining approval, the plan will be incorporated into the City's Groundwater Monitoring and Reporting Program.

Task 21c Design Additional Monitoring Wells

Treadwell & Rollo will prepare monitoring well designs and well-installation contracting packages for the proposed additional wells recommended and approved in the Plan. For this proposal, we have assumed the installation of the wells listed below. We expect the number and construction parameters for these wells will be changed during development of the monitoring program.

- Southern Plume Area Three well nests of two-inch diameter wells, each constructed to monitor specific depth intervals. Each well nest is assumed to include 3 to 4 discrete sampling depth intervals, which will be specified in the monitoring plan, based on the preliminary groundwater sampling (Task 21A).

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- South Central/Western Plume Area Four well nests of two-inch diameter wells, each constructed to monitor specific depth intervals. Each well nest will contain 2 to 4 wells, as determined by the chemical depth intervals evaluated in our 2006 study. Preliminary well nest locations are as listed below and shown on Figure 1.
 - 1) on Sturla Street between Hutchins Street and Rose Street, wells screened at 70 to 80 feet bgs, 90 to 100 feet bgs, and 120 to 130 feet bgs
 - 2) at Hutchins Street and Tokay Street, wells screened at 70 to 80 feet bgs, 90 to 100 feet bgs, 120 to 130 feet bgs, and 150 to 160 feet
 - 3) in parking lot of the park at Hutchins Street and Vine Street, wells screened at 90 to 100 feet bgs, 120 to 130 feet bgs, 150 to 160 feet, and 170 to 180 feet;
 - 4) on Lee Avenue south of Sierra (in line with York Street), wells screened at 90 to 100 feet bgs, 120 to 130 feet bgs, 150 to 160 feet, and 170 to 180 feet;

The number, locations and depths of these wells may be changed during preparation of the plan and the installation of the initial wells, based on further review of existing well data and possible groundwater modeling, to meet the data needs and goals of the monitoring program.

Task 21d Install Additional Wells

Treadwell & Rollo will obtain appropriate permits for the wells (encroachment permits, well permits, etc.); notify Underground Services Alert (USA); contract with a private utility locator, a drilling contractor, and an analytical laboratory; and oversee installation of seven to eight well nests, or otherwise as determined during preparation of the Groundwater Monitoring Program Plan. The wells will be installed by sonic drilling technology and continuously logged for stratigraphic conditions. No soil samples will be collected. The wells will be developed after allowing adequate time for concrete to set around the well head. Drill cuttings and water generated by construction and development of the wells will be placed in 55-gallon drums and stored in a location selected by the City, sampled and disposed as appropriate.

Boring logs and well construction logs will be prepared for submittal to the City and the RWQCB. The wells will be surveyed by City GPS and well data up-loaded to the state "Geotracker" web database.

Task 21e Perform Initial Round of Monitoring and Reporting

Groundwater from an estimated 7 existing wells and 24 depth intervals in the 7 new nested wells will be sampled for a period of one year on a quarterly or semi-annual basis. Results will be reviewed with the RWQCB to affirm the monitoring plan approach.

TASK 22 NORTHERN PLUME STRATEGY

The Northern Plume is the least-defined of the Lodi groundwater plumes. Work performed by the potentially responsible parties group included the construction of as many as 20 monitoring wells and approximately 50 borings to collect grab groundwater samples, with that work indicating the presence of VOCs at depths up to 400 ft bgs. The down-gradient extent of the Northern plume is not yet fully defined but is to at least as far south as Elm Street. There is also evidence the plume flows under the eastern portion of the Central Plume, a fact which may impact future groundwater remediation approaches to both plumes. The current condition of existing groundwater monitoring wells in the Northern Plume is not known and these wells will need to be evaluated with respect to location, screened

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intervals and well condition to determine if they would be useful for continued use. As these wells tend to be shallow, their utility in monitoring the overall extent of the Northern Plume is likely minimal.

As part of the City's settlement with LusterCal, LusterCal maintains responsibility for mitigating soil contamination at their site, and the City is responsible for groundwater remediation. Initial discussions with LusterCal representatives have included the possibility of jointly funding a monitoring well near the southern boundary of the LusterCal property, but no progress has been made on that issue.

As the City is the sole responsible party for the mitigation of the Northern Plume groundwater, the following steps for defining the groundwater situation are as follows:

Task 22a Prepare Data Summary

Treadwell & Rollo will prepare a summary document that includes all pertinent work performed to date (including all work at the LusterCal site) on the lateral and vertical extent of the groundwater contamination. This document will provide the basis for determining what additional work may be needed to define the plume, and where permanent groundwater monitoring wells should be located.

Task 22b Groundwater Model Review

Treadwell & Rollo will review the City-wide groundwater model and determine if rerunning the model with current groundwater elevation and chemistry data will significantly improve the summary document. We have assumed that a limited amount of modeling will be performed.

Task 22c Meeting with LusterCal

Treadwell & Rollo will meet with representatives of LusterCal and finalize how they and the City will go forward with cooperatively determining appropriate groundwater monitoring at and in close proximity to their site.

Task 22d Groundwater Monitoring Plan

Treadwell & Rollo will prepare an outline of a groundwater monitoring plan to take to the RWQCB that allows monitoring the Northern Plume in sufficient detail to define its extent and its geographic overlap with the Central Plume. Based on the results of the data and modeling reviews, the plan will also identify additional monitoring wells that should be installed to effectively monitor the plume. Treadwell & Rollo will meet with the RWQCB to present the plan and determine an acceptable monitoring program.

Task 22e Design Additional Monitoring Wells

Treadwell & Rollo will prepare monitoring well designs for the proposed additional wells recommended and approved in the plan. For this proposal, we have assumed the installation of three to five well nests, each with wells screened to sample three to four groundwater horizons up to an expected maximum depth of 400 feet bgs. Not all additional wells may be constructed to this depth. The number and construction parameters for these wells will be determined during development of the monitoring program.

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Task 22f Install Additional Wells

Treadwell & Rollo will obtain appropriate permits for the wells (encroachment permits, well permits, etc.); notify Underground Services Alert (USA); contract with a private utility locator, a drilling contractor, and an analytical laboratory; and oversee installation of the well nests, or otherwise as determined during preparation of the Groundwater Monitoring Program Plan. The wells will be installed by sonic drilling technology and continuously logged for stratigraphic conditions. No soil samples will be collected. The wells will be developed after allowing adequate time for concrete to set around the well head. Drill cuttings and water generated by construction and development of the wells will be placed in 55-gallon drums and stored in a location selected by the City, sampled and disposed as appropriate.

Boring logs and well construction logs will be prepared for submittal to the City and the RWQCB. The wells will be surveyed by City GPS and well data up-loaded to the state "Geotracker" web database.

Task 22g Perform Initial Round of Monitoring and Reporting

Groundwater from the depth intervals in the new nested wells will be sampled for a period of one year on a quarterly or semi-annual basis, as specified in Groundwater Monitoring the at a schedule to be determined. A range of costs are provided below due to the uncertainty of the number and design of the wells.

Whether groundwater remediation is needed for the Northern Plume and how that remediation may impact Central Plume activities can be addressed when monitoring data is collected and evaluated.

DRAFT SCHEDULE

Below we present a draft schedule to assist the City in planning for this work. We can begin work within two weeks of receiving authorization. Our schedule for completion of the tasks will depend partly on the review periods required by the City and RWQCB and how quickly the City wishes to proceed. Allowing for a two-week review period for the City and a 30-day review period for the RWQCB for the Groundwater Monitoring Program Plan and one week each for acceptance of responses to comments, we anticipate the following schedule.

<u>Task</u>	<u>Item Performance/Completion</u> (week after receiving authorization)
21 Groundwater Monitoring Program	
21a Southern Plume Data Collection	
Kickoff meeting with City	Week 2
Present Technical Memorandum to RWQCB	Week 3
Mobilize and Sample Groundwater	Week 5
21b Groundwater Monitoring Program Plan	
Submit Draft Monitoring Plan to City	Week 7
Receive Comments from City	Week 8
Draft Plan Presented/Submitted to RWQCB	Week 9
Receive Comments from RWQCB	Week 14
Response to Comments to RWQCB and Communication	Week 15

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<u>Task</u>	<u>Item Performance/Completion</u> (week after receiving authorization)
21b Groundwater Monitoring Program Plan (continued)	
Submit Final Plan to City	Week 15
Receive Comments from City	Week 15
Submit Final Plan to RWQCB	Week 15
Receive RWQCB Approval	Week 17
21c Design Additional Monitoring Wells	
Prepare well design	Week 15
Submit well designs to City	Week 15
Receive City comments on well designs	Week 17
Select contractors	Week 22
21d Install Additional Monitoring Wells	
Obtain permits, mark locations for USA, private utility locator	Week 22-25
Mobilize, install/develop wells, demobilize	Weeks 26-30
Submit well installation report	Week 32
21e Perform One Year of Monitoring and Reporting	
	Third quarter 2010 through second quarter 2011
22 Northern Plume Strategy	
22a Prepare Data Summary	
Kickoff meeting with City	Week 2
Present Data Summary Document to City	Week 4
22b Groundwater Model Review	
Kickoff meeting with City	Week 2
Present Modeling Results to City	Week 6
22c Meeting with LusterCal	
Meeting	Week 4
22d Groundwater Monitoring Plan	
Submit Draft Outline to City	Week 7
Presented Plan to RWQCB	Week 9
22e Design Additional Monitoring Wells	
Prepare well design	Week 10
Submit well designs to City	Week 10
Receive City comments on well designs	Week 11
Bid out well designs	Week 12
Select contractor	Week 12

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<u>Task</u>	<u>Item Performance/Completion</u> (week after receiving authorization)
22f Install Additional Monitoring Wells	
Obtain permits, mark locations for USA, private utility locator	Week 13
Mobilize, install/develop wells, demobilize	Weeks 14 - 15
Submit well installation report	Week 17

22g Perform One Year of Groundwater Monitoring and Reporting
 Third quarter 2010 through second quarter 2011

Note that the schedule given above is the span of time likely required to complete the work in and not a representation of total labor hours.

ESTIMATED FEES

We propose to perform our services on a time-and-expense, not to exceed basis in accordance with the City of Lodi Master Services Agreement. We estimate our fee to complete all the tasks described in this proposal will be \$326,400 to \$446,400, as detailed below.

Task 21	Groundwater Monitoring Program, Southern and South Central/ Western Plumes	
Task 21a	Southern Plume Data Collection	\$41,200
Task 21b	Prepare Monitoring Program Plan.....	\$11,200
Task 21c	Design Additional Monitoring Wells.....	\$4,500
Task 21d	Install Additional Monitoring Wells Estimated costs	\$125,000 to \$175,000
Task 21e	Perform One Year of Monitoring and Reporting (Based on \$20,000 to \$25,000 per event) Estimated costs of	 <u>\$80,000 to \$100,000</u>
	Subtotal Task 21	<i>\$261,900 to 331,900</i>

Task 22	Northern Plume Strategy	
Task 22a	Prepare Summary Document	\$10,000
Task 22b	Perform Groundwater Modeling	\$10,000 - \$25,000
Task 22c	LusterCal Meeting and Planned Sessions	\$3,000
Task 22d	Prepare Monitoring Plan (includes RWQCB meeting)	\$7,000
Task 22e	Design Additional Monitoring Wells.....	\$4,500
Task 22f	Well Installation Install Additional Monitoring Wells Estimated costs	To be determined

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Task 22g	Perform One Year of Monitoring and Reporting (Based on \$7,500 to \$16,250 per event)	
	Estimated costs of	<u>\$30,000 to 65,000</u>
	Subtotal Task 22	\$64,500 to 114,500
	PROJECT TOTAL	\$326,400 to 446,400

We appreciate the opportunity to present this proposal and look forward to assisting you on this project. If you have any questions, please contact either Grover Buhr at gsbuhr@treadwellrollo.com or (510) 874-4500, extension 529 or Phil Smith at pghsmith@treadwellrollo.com or 415-955-9040.

Sincerely yours,
TREADWELL & ROLLO, INC.



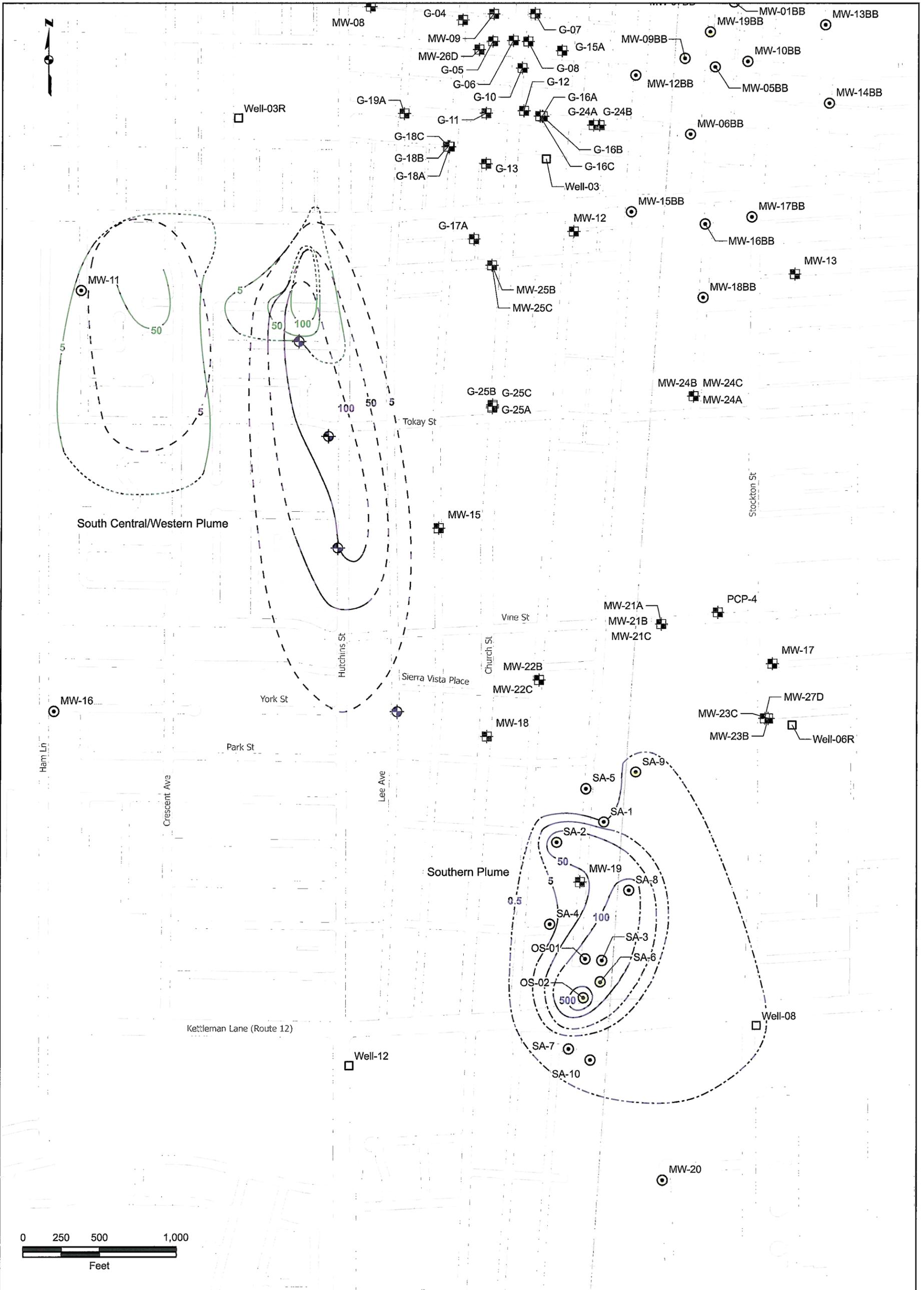
Grover Buhr, PG
Senior Associate



Philip G. Smith, REA II
Vice President

P0906402.OAK

Attachment: Location of Southern and South Central/Western Plume Areas



- Legend**
- Proposed Well
 - Monitoring Well
 - City Water Supply Well
 - Central Plume Monitoring Well
 - Railroad
 - Park
 - Mokelumne River
 - School
- South Western Central PCE Contours**
- Deep PCE Contour, Inferred
 - Deep PCE Contour
 - Shallow PCE Contour, Inferred
 - Shallow PCE Contour
- Southern Plume Contours**
- PCE + TCE + 1,1-DCE**
- Inferred Contour
 - Isoconcentration Contour

CITY OF LODI
Lodi, California

Elements of Proposed Groundwater Monitoring Program, Southern and South Central/Western Plumes

Date 6/29/2010 Project No. 3923.31 Figure 1

Treadwell & Rollo

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
ADDITIONAL TASK ORDERS WITH TREADWELL & ROLLO
FOR SOUTHERN, SOUTH CENTRAL/WESTERN AND
NORTHERN PCE/TCE PLUMES WORKPLAN PREPARATION
AND MONITORING AND FURTHER APPROPRIATING FUNDS

WHEREAS, staff and our consultants are moving forward on the implementation of Central Plume Interim Remedial Measures, including the construction of two groundwater extraction and nine soil vapor extraction wells and treatment facilities, and it is now time to move forward on remediation actions for the Southern, South Central/Western and Northern Plumes; and

WHEREAS, the goal of the Southern and South Central/Western Plume monitoring is to demonstrate the relative stability of the plumes and to establish that active groundwater remediation will not be needed to mitigate groundwater contamination associated with the plumes. Monitored natural attenuation would be accepted by the Central Valley Regional Water Quality Control Board as the remedy if groundwater monitoring validates that the plumes are stable and/or shrinking; and

WHEREAS, the Northern Plume has not been as extensively studied, and the nature of this plume needs to be more extensively defined with respect to its lateral extent, general chemistry and contaminant/depth relationships; and

WHEREAS, proposed Task Orders No. 21 and 22 provide for the preparation of two workplans for review/approval by the RWQCB, construction of monitoring wells, monitoring and reporting to the RWQCB for up to one year; and

WHEREAS, the estimated cost for Task Orders No. 21 and 22 is \$446,400.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize an additional task order in the amount of \$446,400 with Treadwell & Rollo, of Oakland, California, regarding PCE/TCE cleanup; and

BE IT FURTHER RESOLVED that funds in the amount of \$500,000 be appropriated from the PCE/TCE Rates for these task orders.

Dated: July 21, 2010

I hereby certify that Resolution No. 2010-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 21, 2010, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Comments by the City Council Members on non-agenda items



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Public Hearing to Consider Resolution Adopting Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2010/11, and Ordering the Levy and Collection of Assessments

MEETING DATE: July 21, 2010

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Public hearing to consider resolution adopting the Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2010/11, and ordering the levy and collection of assessments.

BACKGROUND INFORMATION: Over the past seven years, the City Council has formed a total of 16 zones of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 (District). There were no annexations in this fiscal year. The scope of maintenance activities funded by the District includes 1) landscape and irrigation, 2) masonry block walls, 3) street parkway trees, and 4) public park areas. The activities and levy amount vary by zone, as described in the attached report, City of Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Annual Engineer's Report (Report) FY 2010/11. The report describes the general nature, location and extent of the improvements to be maintained and an estimate of the costs of the maintenance, operations, and servicing for the improvements. The report includes a diagram for the District showing the area and properties proposed to be assessed; an assessment of the estimated costs of the maintenance, operations and servicing for the improvements; and the net levy upon all assessable lots and/or parcels within the District. The total assessment for the District for FY 2010/11 is \$156,577.88. The assessments range from \$7.58 to \$504.85 per Dwelling Unit Equivalent (DUE). The assessments per DUE vary because the specific improvements maintained in each zone are different. The average assessment per DUE is \$172.52. Although each district varies in cost, the overall cost increased 6.4 percent from last year's overall cost.

Notice of this public hearing was posted in the *Lodi News Sentinel*. Individual notification to the property owners is not required and, therefore, not sent.

The action requested of the City Council is to approve the final report and order the levy and collection of the assessments.

FISCAL IMPACT: Funding for preparation of the report is included in the assessments.

Total District assessment:	\$156,577.88
Assessment range per DUE:	\$7.58 to \$504.85
Average assessment per DUE:	\$172.52

FUNDING AVAILABLE: Not applicable.

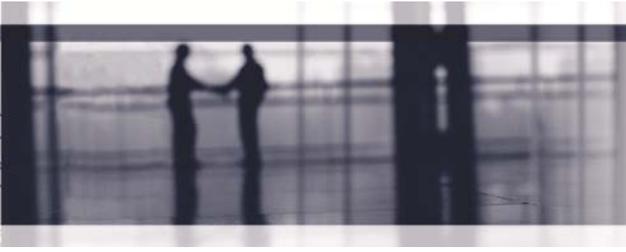
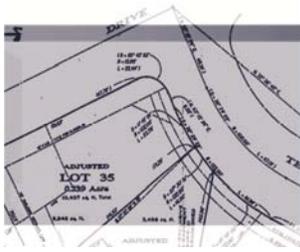
F. Wally Sandelin
Public Works Director

Prepared by Chris Boyer, Junior Engineer
Attachment

cc: City Attorney
Deputy Public Works Director - Utilities

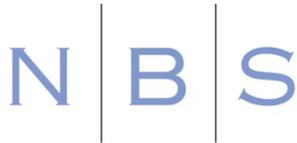
Interim Parks and Recreation Director
NBS

APPROVED: _____
Konradt Bartlam, Interim City Manager



City of Lodi
Lodi Consolidated
Landscape Maintenance District No.
2003-1
Annual Report
Fiscal Year 2010/11

Submitted by



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CITY COUNCIL

Phil Katzakian, Mayor
Susan Hitchcock, Mayor Pro Tempore
Larry D. Hansen, Council Member
Bob Johnson, Council Member
JoAnne Mounce, Council Member

CITY STAFF

Blair King, City Manager
Jordan Ayers, Deputy City Manager
Randi Johl, City Clerk
D. Stephen Schwabauer, City Attorney
Wally Sandelin, Public Works Director
Sharon Welch, Senior Civil Engineer

NBS

Greg Davidson, Client Services Director
David Schroeder, Project Manager
Nick Dayhoff, Analyst

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1. ENGINEER'S LETTER

WHEREAS, on June 2, 2010, the *City Council* ("Council") of the *City of Lodi* ("City"), pursuant to the *Landscaping and Lighting Act of 1972* ("Act"), adopted a resolution initiating proceedings for the levy and collection of assessments for the *Lodi Consolidated Landscape Maintenance District No. 2003-1* ("District"), Fiscal Year 2010/11;

WHEREAS, said resolution ordered NBS Government Finance Group to prepare and file a report, in accordance with §22567 of the Act, concerning the assessment of the estimated costs of operating, maintaining and servicing the improvements within the District for the fiscal year commencing July 1, 2010 and ending June 30, 2011.

NOW THEREFORE, the following assessments are made to finance the operation, maintenance, and servicing of the improvements within the District:

DESCRIPTION	AMOUNT
Zone 1 - Total Assessment	\$18,571.04
Dwelling Unit Equivalents	74
Assessment per Dwelling Unit Equivalent	\$250.96
Zone 2 - Total Assessment	\$30,558.08
Dwelling Unit Equivalents	133
Assessment per Dwelling Unit Equivalent	\$229.76
Zone 3 - Total Assessment	\$7,907.64
Dwelling Unit Equivalents	39
Assessment per Dwelling Unit Equivalent	\$202.76
Zone 4 - Total Assessment	\$7,203.24
Dwelling Unit Equivalents	34
Assessment per Dwelling Unit Equivalent	\$211.86
Zone 5 - Total Assessment	\$45,737.30
Dwelling Unit Equivalents	223
Assessment per Dwelling Unit Equivalent	\$205.10
Zone 6 - Total Assessment	\$30,545.60
Dwelling Unit Equivalents	80
Assessment per Dwelling Unit Equivalent	\$381.82
Zone 7 - Total Assessment	\$682.30
Dwelling Unit Equivalents	5
Assessment per Dwelling Unit Equivalent	\$136.46
Zone 8 - Total Assessment	\$8,610.50
Dwelling Unit Equivalents	17
Assessment per Dwelling Unit Equivalent	\$506.50

(Continued on next page)

DESCRIPTION	AMOUNT
Zone 9 - Total Assessment	\$1,389.96
Dwelling Unit Equivalents	11
Assessment per Dwelling Unit Equivalent	\$126.36
Zone 10 - Total Assessment	\$784.00
Dwelling Unit Equivalents	7
Assessment per Dwelling Unit Equivalent	\$112.00
Zone 11 - Total Assessment	\$1,347.08
Dwelling Unit Equivalents	7
Assessment per Dwelling Unit Equivalent	\$192.44
Zone 12 - Total Assessment	\$896.00
Dwelling Unit Equivalents	8
Assessment per Dwelling Unit Equivalent	\$112.00
Zone 13 - Total Assessment	\$704.72
Dwelling Unit Equivalents	93.104
Assessment per Dwelling Unit Equivalent	\$7.57
Zone 14 - Total Assessment	\$970.02
Dwelling Unit Equivalents	17
Assessment per Dwelling Unit Equivalent	\$57.06
Zone 15 - Total Assessment	\$585.34
Dwelling Unit Equivalents	36.268
Assessment per Dwelling Unit Equivalent	\$16.14
Zone 16 - Total Assessment	\$110.40
Dwelling Unit Equivalents	8.370
Assessment per Dwelling Unit Equivalent	\$13.19

I, the undersigned, respectfully submit this report and, to the best of my knowledge, information and belief, the assessments and assessment diagrams herein have been computed and prepared in accordance with the order of the Council.

F. Wally Sandelin, P.E., Engineer of Work

Date

Seal

2. OVERVIEW

This report describes the District and details the assessments to be levied against the parcels therein for Fiscal Year 2010/11. Such assessments account for all estimated direct & incidental expenses, deficits/surpluses, revenues, and reserves associated with the operation, servicing and maintenance of the improvements.

The word “parcel,” for the purposes of this report, refers to an individual property that has been assigned an Assessor’s Parcel Number by the San Joaquin County Assessor. The San Joaquin County Auditor-Controller uses Assessor’s Parcel Numbers and specific Tax Codes to identify the parcels assessed on the County Tax Roll within special benefit districts.

2.1 District Formation and Annexation History

The District is currently comprised of 16 distinct zones within the City. New zones may be annexed into the District if approved via property owner balloting proceedings.

ZONES 1 AND 2

A report was prepared in 2003 for Zones 1 and 2. Property owner balloting proceedings were conducted, effective for the Fiscal Year 2004/05 assessment. After attaining property owner approval, the City began levying and collecting these assessments on the County Tax Roll in order to provide continuous funding for the related improvements.

ZONES 3 THROUGH 7

In 2004, separate reports were prepared for Zones 3, 4, 5 & 6, and 7. Property owner balloting proceedings were conducted within Zones 3 and 4 for the Fiscal Year 2004/05 assessment and within Zones 5 through 7 for the Fiscal Year 2005/06 assessment. After attaining property owner approval, the City began levying and collecting these assessments on the County Tax Roll in order to provide continuous funding for the related improvements.

ZONES 8 THROUGH 12

A separate report was prepared in 2005 for Zones 8 through 12. Property owner balloting proceedings were conducted for the Fiscal Year 2005/06 assessment. After attaining property owner approval, the City began levying and collecting these assessments on the County Tax Roll in order to provide continuous funding for the related improvements.

ZONE 13

A separate engineer’s report was prepared in 2007 for Zone 13. Property owner balloting proceedings were conducted for the Fiscal Year 2007/08 assessment. After attaining property owner approval, the City began levying and collecting these assessments on the County Tax Roll in order to provide continuous funding for the related improvements.

ZONES 14 THROUGH 16

A separate engineer’s report was prepared in 2008 for Zones 14 through 16. Property owner balloting proceedings were conducted for the Fiscal Year 2008/09 assessment. Property owner approval was attained; the City will begin levying and collecting these assessments on the County Tax Roll in order to provide continuous funding for the related improvements.

2.2 Effect of Proposition 218

On November 5, 1996, California voters approved Proposition 218 (Government Code commencing with Section 53739) by a margin of 56.5% to 43.5%. The provisions of the Proposition, now a part of the California Constitution, add substantive and procedural requirements to assessments, which affect the City of Lodi landscape maintenance assessments.

The Act, Article XIID of the Constitution of the State of California and the Proposition 218 Omnibus Implementation Act are referred to collectively as the "Assessment Law".

3. PLANS AND SPECIFICATIONS

ZONE 1 – ALMONDWOOD ESTATES

Zone 1 is comprised of the Almondwood Estates subdivision; the facilities within Zone 1 that will be operated, serviced and maintained are generally described as follows:

- A. A masonry wall and 13.5' wide landscaping area along the east side of Stockton Street from the project's north boundary to Almond Drive, including the angled corner section at Elgin Avenue, approximately 1220 linear feet.
- B. A masonry wall and 13.5' wide landscaping area along the north side of Almond Drive from the project's east boundary westerly to Stockton Street, including the angled corner sections at Blackbird Place and Stockton Street, approximately 340 linear feet.
- C. Street parkway trees located within the public street within the Zone 1 boundary.
- D. Public park land area of 0.69 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

Zone 1 consists of a 74-lot residential development located in the southeastern portion of the City.

Zone 1 includes 74 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 1 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by the Zone 1 shall be filed with the City and will be incorporated into this report by reference.

ZONE 2 – CENTURY MEADOWS ONE, UNITS 2 & 3

Zone 2 is comprised of Century Meadows One, Units 2 & 3 the facilities within Zone 2 that will be operated, serviced and maintained are generally described as follows:

- A. A masonry wall and 13.5' wide landscaping area along the north side of Harney Lane from the project's east boundary to the west boundary, including the 2 angled corner sections at Poppy Drive, approximately 1200 linear feet.
- B. Street parkway trees located within the public street within the Zone 2 boundary.
- C. Public park land area of 1.24 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

Zone 2 consists of a 133-lot residential development located in the south-central portion of the City.

Zone 2 includes 133 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 2 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 2 shall be filed with the City and will be incorporated into this report by reference.

ZONE 3 – MILLSBRIDGE II

Zone 3 is comprised of Millsbridge II; the facilities within Zone 3 that will be operated, serviced and maintained are generally described as follows:

- A. Street parkway trees located within the public street within the Zone 3 boundary.
- B. Public park land area of 0.30 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per one thousand persons served.

Zone 3 consists of a 39-lot residential development located in the southwestern portion of the City.

Zone 3 includes 39 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for the Zone 3 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 3 shall be filed with the City and will be incorporated into this report by reference.

ZONE 4 – ALMOND NORTH

Zone 4 is comprised of the Almond North subdivision; the facilities within Zone 4 that will be operated, serviced and maintained are generally described as follows:

- A. Street parkway trees located within the public street within the Zone 4 boundary.
- B. Public park land area of 0.32 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per one thousand persons served.

Zone 4 consists of a 28-lot residential development, including 6 potential duplex lots and is located in the southeastern portion of the City.

Zone 4 includes a maximum of 34 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 4 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 4 shall be filed with the City and will be incorporated into this report by reference.

ZONE 5 – LEGACY ESTATES I & II AND KIRST ESTATES

Zone 5 is comprised of Legacy Estates I, Legacy Estates II and Kirst Estates; the facilities within Legacy Estates I of Zone 5 that will be operated, serviced and maintained are generally described as follows:

- A. A masonry wall and 13.5' wide landscaping strip, divided by a 4-foot wide meandering sidewalk, along the north side of Harney Lane at the back of lots 10-24 of Legacy Estates I, approximately 950 linear feet.
- B. Street parkway trees located within the public street within the Zone 5 boundary.
- C. Public park land area of 0.720 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

The improvements within Legacy Estates II of Zone 5 that will be operated, serviced and maintained are generally described as follows:

- A. A masonry wall and 13.5' wide landscaping strip, divided by a 4-foot wide meandering sidewalk, along the west side of Mills Avenue from the project's southern boundary on Mills Avenue to the intersection of Wyndham Way, approximately 590 linear feet.
- B. A masonry wall and 13.5' wide landscaping strip, divided by a 4-foot wide meandering sidewalk, along the north side of Harney Lane at the back of lots 69-77 of Legacy Estates II, approximately 525 linear feet.
- C. Street parkway trees located within the public street within the Zone 5 boundary.
- D. Public park land area of 1.31 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

The facilities within Kirst Estates of Zone 5 that will be operated, serviced and maintained are generally described as follows:

- A. Street parkway trees located within the public street within the Zone 5 boundary.
- B. Public park land area of 0.06 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

Zone 5 consists of a 77-lot-residential development (Legacy Estates I), a 140-lot residential development (Legacy Estates II) and a 6-lot residential development (Kirst Estates) located in the southwestern portion of the City. Each lot benefits equally from the facilities within Zone 5. Zone 5 includes 223 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 5 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 5 shall be filed with the City and will be incorporated into this report by reference.

ZONE 6 – THE VILLAS

Zone 6 is comprised of The Villas subdivision; the facilities within Zone 6 that will be operated serviced and maintained are generally described as follows:

- A. A masonry wall and 8.5' wide landscaping area along the east side of Panzani Way from the project's south boundary to the intersection of Porta Rosa Drive, approximately 120 linear feet.
- B. A masonry wall and 27.5 to 43.0-foot variable width landscaping strip, divided by a 4-foot wide meandering sidewalk, along the north side of Harney Lane from Panzani Way to the frontage road, approximately 425 linear feet.
- C. A masonry wall and 15.0 to 44.0-foot variable width landscaping strip, divided by a 4-foot wide meandering sidewalk, along the west of the frontage road and the east side of San Martino Way from Harney Lane to the project's north boundary, approximately 700 linear feet.
- D. Ten 24-foot wide, common access driveways dispersed throughout the residential area, approximately 1200 linear feet.
- E. Parcel B, between lots 1 and 50, a variable width landscaping strip, approximately 250 linear feet.
- F. Street parkway trees located within the public street within the Zone 6 boundary.
- G. Public park land area of 0.75 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

Zone 6 consists of an 80-lot residential development located in the southeastern portion of the City.

Zone 6 includes 80 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 6 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 6 shall be filed with the City and will be incorporated into this report by reference.

ZONE 7 – WOODLAKE MEADOWS

Zone 7 is comprised of Woodlake Meadow; the facilities within Zone 7 that will be operated, serviced and maintained are generally described as follows:

- A. Public park land area of 0.05 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per one thousand persons served.

Zone 7 consists of a 5-lot residential development located in the northwestern portion of the City.

Zone 7 includes 5 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 7 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 7 shall be filed with the City and will be incorporated into this report by reference.

ZONE 8 – VINTAGE OAKS

Zone 8 is comprised of the Vintage Oaks Subdivision and the adjacent parcel to the north (APN 058-230-05); the facilities within Zone 8 that will be operated, serviced and maintained are generally described as follows:

- A. A masonry wall and 13.5' wide landscaping strip, including a 4-foot wide sidewalk, extending north and south of the future Vintage Oaks Court along the east side of S. Lower Sacramento Road for a total distance of approximately 252 linear feet.
- B. A 9.5' wide landscaping strip in the east half of the Lower Sacramento Road median, west of the Zone 8 boundary.
- C. Street parkway trees located within the public street (Vintage Oaks Court) within the Zone 8 boundary.
- D. Public park land area of 0.15895 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

Zone 8 consists of a 15-lot low-density residential development (Vintage Oaks) and a 2-lot low-density residential development (APN 058-230-05) bounded by DeBenedetti Park (APN 058-230-05) to the North, the Sunnyside Estates development to the South, Ellerth E. Larson Elementary School to the East and Lower Sacramento Road to the West.

Zone 8 includes 17 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 8 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 8 shall be filed with the City and will be incorporated into this report by reference.

ZONE 9 – INTERLAKE SQUARE

Zone 9 is comprised of the Interlake Square Subdivision; the facilities within Zone 9 that will be operated, serviced and maintained are generally described as follows:

- A. Street parkway trees located within the public rights-of-way of School Street and Park Street within the Zone 9 boundary.
- B. Public park land area of 0.10285 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

Zone 9 consists of an 11-lot low-density residential development (Interlake Square) located north of Park Street, generally south of Sierra Vista Place, east of South School Street and generally west of Sacramento Street.

Zone 9 includes 11 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 9 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 9 shall be filed with the City and will be incorporated into this report by reference.

ZONE 10 – LAKESHORE PROPERTIES

Zone 10 is comprised of the Lakeshore Properties subdivision; the facilities within Zone 10 that will be operated, serviced and maintained are generally described as follows:

- A. Public park land area of 0.06545 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per one thousand persons served.

Zone 10 consists of a 7-lot low-density residential development (Lakeshore Properties) located on the southwest corner of the Lakeshore Drive/Tienda Drive intersection within the City.

Zone 10 includes 7 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 10 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 10 shall be filed with the City and will be incorporated into this report by reference.

ZONE 11 – TATE PROPERTY

Zone 11 is comprised of the Tate Property development; the facilities within Zone 11 of the District that will be operated, serviced and maintained are generally described as follows:

- A. A masonry wall and 13.5' wide landscaping strip, divided by a 4-foot wide meandering sidewalk, along the north side of Harney Lane, immediately east of Legacy Way, approximately 140 linear feet.
- B. Street parkway trees located within the public street (Legacy Way) within the Zone 11 boundary.
- C. Public park land area of 0.06545 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

Zone 11 consists of a 7-lot low-density residential development located in the northeast corner of the Harney Lane/Legacy Way intersection within the City.

Zone 11 includes 7 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 11 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 11 shall be filed with the City and will be incorporated into this report by reference.

ZONE 12 – WINCHESTER WOODS

Zone 12 is comprised of the Winchester Woods subdivision; the facilities within Zone 12 that will be operated, serviced and maintained are generally described as follows:

- A. Public park land area of 0.0612 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per one thousand persons served.

Zone 12 consists of an 8-lot medium-density residential development located generally south of Wimbledon Drive, east of The Oaks apartment complex (APN 060-220-29) and west of Winchester Drive in the southeasterly portion of the City.

Zone 12 includes 8 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 12 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 12 shall be filed with the City and will be incorporated into this report by reference.

ZONE 13 – GUILD AVENUE INDUSTRIAL

Zone 13 is comprised of 8 industrial zoned parcels; the facilities within Zone 13 that will be operated, serviced and maintained are generally described as follows:

- A. A traffic signal at the intersection of Highway 12 (Victor Road) and Guild Avenue.
- B. A 15.0 foot irrigated, landscaped strip in a 16.0 foot median in Victor Road (Highway 12) south of the Zone 13 boundary, extending west from the current City limits for a distance of 700 feet.
- C. A 28.5 foot irrigated landscape strip on the north side of Victor Road (Highway 12), extending westerly from the current City limits to 231 feet west of the Guild Avenue intersection centerline and having a total length of 1,485 feet.
- D. Street sweeping along the north and south side of Victor Road (Highway 12) and along the median and curbing from 231 feet west of the Guild Avenue intersection centerline to the current City limits.

Zone 13 consists of 8 industrial parcels located on Guild Avenue, north of Lockeford Street. The benefit from facilities within Zone 13 for each lot has been determined based on an acreage basis.

Zone 13 includes 93.104 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 13 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 13 shall be filed with the City and will be incorporated into this report by reference.

ZONE 14 – LUCA PLACE

Zone 14 is comprised of the Luca Place subdivision; the facilities within Zone 14 that will be operated, serviced, maintained and improved are generally described as follows:

- A. A 6.5-foot irrigated landscape strip in the east half of the Westgate Drive median, west of the Zone 14 boundary.
- B. Street parkway trees located within the public street (Westgate Drive), within the Zone 14 boundary.
- C. Public park land area of 0.13005 acres in size equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

Zone 14 consists of a 17-lot, medium-density, residential development (Luca Place) bounded by Vintner's Square shopping center to the north, east and south and Westgate Drive to the west. Each lot benefits equally from the facilities within Zone 14.

When subdivided, Zone 14 will include 17 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 14 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 14 shall be filed with the City and will be incorporated into this report by reference.

ZONE 15 – GUILD AVENUE INDUSTRIAL

Zone 15 is comprised of 4 industrial zoned parcels; the facilities within Zone 15 that will be operated, serviced, maintained and improved are generally described as follows:

- A. A traffic signal at the intersection of Highway 12 (Victor Road) and Guild Avenue.
- B. A 15.0 foot irrigated, landscaped strip in a 16.0 foot median in Victor Road (Highway 12) south of the Zone 15 boundary, extending west from the current City limits for a distance of 700 feet.
- C. A 28.5 foot irrigated landscape strip on the north side of Victor Road (Highway 12), extending westerly from the current City limits to 231 feet west of the Guild Avenue intersection centerline and having a total length of 1,485 feet.
- D. Street sweeping along the north and south side of Victor Road (Highway 12) and along the median and curbing from 231 feet west of the Guild Avenue intersection centerline to the current City limits.

Zone 15 consists of 4 industrial zoned parcels, 3 located on Guild Avenue, north of Lockeford Street and 1 located on Victor Road, east of Guild Avenue. The benefit from facilities within Zone 15 for each lot has been determined based on an acreage basis.

Zone 15 includes 36.268 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 15 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 15 shall be filed with the City and will be incorporated into this report by reference.

ZONE 16 – WEST KETTLEMAN LANE COMMERCIAL

Zone 16 is comprised of 2 commercial office parcels; the facilities within Zone 16 that will be operated, serviced, maintained and improved are generally described as follows:

- A. A variable width (15 to 18 feet) irrigated, landscaped strip in the segmented median in W. Kettleman Lane (Highway 12) extending west from Ham Lane to Westgate Drive and having a total landscaped area of 36,505 square feet.
- B. A variable width (12 to 20 feet) irrigated landscape strip in the segmented median in Lower Sacramento Road extending south from the north boundary of parcel APN 027-410-06 (2429 W. Kettleman Lane) to the south boundary of APN 058-030-13 (1551 S. Lower Sacramento Road) and having a total landscaped area of 13,490 square feet.

Zone 16 consists of 2 commercial office parcels located on W. Kettleman Lane, west of Lakeshore Drive and east of Mills Avenue. The benefit from facilities within Zone 16 for each lot has been determined based on an acreage and land use basis.

Zone 16 includes 8.37 Dwelling Unit Equivalents.

In compliance with Proposition 218, an Assessment Ballot procedure for Zone 16 was held and ballots were tabulated at a public hearing where the property owners approved the new assessment. As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by Zone 16 shall be filed with the City and will be incorporated into this report by reference.

4. METHOD OF APPORTIONMENT

Pursuant to the Act, the net amounts to be assessed are apportioned by a formula or method that fairly distributes the net amount to be assessed among all parcels in proportion to benefits received from the improvements. The provisions of Article XIII C and XIII D of the California Constitution (Proposition 218) require the agency to separate the general benefit from special benefit, whereas only special benefits may be assessed.

IMPROVEMENT BENEFIT FINDINGS

The assessments outlined in Section 5 of this report are proposed to cover the estimated costs of providing all necessary service, operation, administration, and maintenance for each zone within the District. It has been determined that each assessable parcel within the District receives proportional special benefits from the improvements. The improvements were constructed and installed for the benefit of the parcels within the District in connection with their development; each parcel's relatively similar proximity to the improvements necessitates similar proportionate benefit allocation. Each parcel that receives special benefit from the improvements is assessed.

SPECIAL BENEFITS

The method of apportionment is based on the premise that each of the assessed parcels within the District receives special benefit from the improvements maintained and financed by District assessments. Specifically, the assessments associated with each zone are outlined in Section 5 of this report.

DESCRIPTION OF THE METHOD OF APPORTIONMENT

The District provides operation, service, and maintenance to all the specific local improvements and associated appurtenances located within the public right-of-ways in each of the various zones throughout the District. The annual assessments are based on the historical and estimated cost to operate, to service and to maintain the improvements that provide a special benefit to parcels within the District. The various improvements within each zone are identified and budgeted separately, including all expenditures, deficits, surpluses, revenues and reserves.

The assessments outlined in this section represent the proportionate special benefit to each property within the District and the basis of calculating each parcel's proportionate share of the annual costs associated with the improvements. The costs associated with the maintenance and operation of special benefit improvements shall be collected through annual assessments from each parcel receiving such benefit. The funds collected shall be dispersed and used for only the services and operation provided to the District.

The basis of determining each parcel's special benefit utilizes a weighting formula commonly known as a Dwelling Unit Equivalent (DUE). The developed single-family residential parcel is used as the base-unit for the calculation of assessments and is defined as 1.00 DUE. All other property types are assigned a DUE that reflects their proportional special benefit from the improvements as compared to the single-family residential parcel (weighted comparison).

To determine the DUE for multi-family residential (3 or more units), industrial, commercial or office parcels, a Benefit Unit Factor (BUF) is assigned to each property type. The assigned BUF multiplied by the parcel's specific acreage determines the DUE.

The following table provides a listing of the various land use types and the corresponding BUF used to calculate a parcel's DUE and proportionate benefit:

PROPERTY TYPE	BENEFIT UNIT FACTOR
Single-Family Residential	1.00 per Property
Multi-Family Residential (Duplex)	2.00 per Property
Multi-Family Residential (3 or more units)	5.00 per Acre
Commercial or Office	
For the First 7.5 Acres	5.00 per Acre
For the Next 7.5 Acres	2.50 per Acre
For All Acreage Over 15.0 Acres	1.25 per Acre
Industrial	4.00 per Acre
Exempt	Not Applicable
Other	Case-by-Case

Exempt – Certain parcels, because of use, size, shape, or state of development, may be assigned a zero DUE, which will consequently result in a zero assessment for those parcels for that fiscal year. All parcels having such a zero DUE for the previous fiscal year shall annually be reconsidered to determine if the reason for assigning the zero DUE is still valid for the next fiscal year. Parcels which may be expected to have a zero DUE assigned are typically parcels which are all, or nearly all, publicly landscaped, parcels in public ownership, parcels owned by a public utility company and/or used for public utilities, public parks, public schools, and remainder parcels too small or narrow for reasonable residential or commercial use, unless actually in use.

Area Adjustments – Parcels which have an assessment determined by area and which have a portion of the parcel occupied by public or public utility uses separate from the entitled use and located in easements, prior to the multiplication by the DUE, shall have the area of the parcel adjusted to a usable area to reflect the loss or partial loss of the entitled use in those areas. This reduction shall not apply for normal peripheral and interior lot line public utility easements generally existing over the whole subdivision.

As previously noted, the District is comprised of several distinct zones. These zones encompass specific developments where the parcels receive a direct and special benefit from the operation, service, and maintenance of the related improvements. The basis of benefit and proportionate assessment for all parcels within the District is established by each parcel's calculated DUE and their proportionate share of the improvement costs based on their proportionate DUE within the zone. The method used to calculate the assessment for each zone is as follows:

$$\text{Total Estimated Costs} / \text{Total DUE (Zone)} = \text{Assessment per DUE}$$

$$\text{Assessment per DUE} \times \text{Total DUE per Parcel} = \text{Assessment per Parcel}$$

ASSESSMENT RANGE FORMULA

Any new or increased assessment requires certain noticing and meeting requirements by law. Prior to the passage of Proposition 218, legislative changes in the Article XIID of the Constitution of the State of California defined the definition of “new or increased assessment” to exclude certain conditions. These conditions included “any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed.” This definition and conditions were later confirmed through SB919 (Proposition 218 implementing legislation).

The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustments to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs and assessments. As part of the District’s proposed assessment for Fiscal Year 2003/04, Fiscal Year 2004/05, Fiscal Year 2005/06, Fiscal Year 2007/08 and Fiscal Year 2008/09 balloting of property owners was required, pursuant to Proposition 218. The property owner ballots included an assessment to be approved, as well as the approval of an assessment range formula. Property owners within the District approved the proposed assessment and the assessment range formula.

The assessment range formula shall be applied to all future assessments within the District. Generally, if the proposed annual assessment for the current fiscal year is less than or equal to the maximum assessment (or adjusted maximum assessment), then the proposed annual assessment is not considered an increased assessment. The maximum assessment is equal to the initial Assessment approved by property owners adjusted annually by the following criteria:

1. Beginning in the second fiscal year, and each fiscal year thereafter, the maximum assessment will be recalculated annually.
2. The new adjusted maximum assessment for the year represents the prior year’s maximum assessment adjusted by the greater of:
 - (a) 5%, or
 - (b) The annual increase in the CPI.

Each year the annual increase in the CPI shall be computed. For Fiscal Year 2010/11, the increase in CPI is the percentage difference between the CPI of December 2009 and the CPI for the previous December, as provided and established by the Bureau of Labor Statistics (FY 2010/11 CPI increase is 2.61%). This percentage difference shall then establish the allowed increase based on CPI. The index used shall be all urban consumers for the San Francisco-Oakland-San Jose area. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the Council for determining fluctuations in the cost of living.

If CPI is less than 5%, then the allowable adjustment to the maximum assessment is 5%. If CPI is greater than 5%, then the allowable adjustment to the maximum assessment is based on CPI. The maximum assessment is adjusted annually and is calculated independent of the District’s annual budget and proposed annual assessment. Any proposed annual assessment (rate per DUE) less than or equal to this maximum assessment is not considered an increased assessment, even if the proposed assessment is greater than the assessment applied in the prior fiscal year.

The following table illustrates how the assessment range formula shall be applied:

Example	CPI % Increase	5.00% Increase	Max % Increase Without Re-Balloting	Prior Year Max Rate Per DUE	Increase Per DUE	New Max Rate Per DUE
1	5.25%	5.00%	5.25%	\$403.00	\$21.16	\$424.16
2	3.44%	5.00%	5.00%	\$403.00	\$20.15	\$423.15

For example, if the percentage change in CPI is greater than 5%, as in Example 1, then the percentage adjustment to the maximum assessment will be by CPI. If the percentage change in CPI is less than 5%, as in Example 2, then the percentage adjustment to the maximum assessment will be 5%.

As previously illustrated, the maximum assessment will be recalculated and adjusted annually. However, the Council may reduce or freeze the maximum assessment at any time by amending the annual engineer's report.

Although the maximum assessment will normally increase each year, the actual District assessments may remain virtually unchanged. The maximum assessment adjustment is designed to establish a reasonable limit on District assessments. The maximum assessment calculated each year does not require or facilitate an increase to the annual assessment and neither does it restrict assessments to the adjustment maximum amount. If the budget and assessments for the fiscal year do not require an increase, or the increase is less than the adjusted maximum assessment, then the required budget and assessment may be applied without additional property owner balloting. If the budget and assessments calculated requires an increase greater than the adjusted maximum assessment then the assessment is considered an increased assessment. In order to impose an increased assessment, the Council must comply with the provisions of Proposition 218 (Article XIII D Section 4c of the California Constitution). Proposition 218 requires a public hearing and certain protest procedures including mailed notice of the public hearing and property owner protest balloting. Property owners, through the balloting process, must approve the proposed assessment increase. If the proposed assessment is approved, then a new maximum assessment is established for the District. If the proposed assessment is not approved, the Council may not levy an assessment greater than the adjusted maximum assessment previously established for the District.

5. ESTIMATE OF COSTS

5.1 Definitions

Definitions of maintenance items, words and phrases are shown below:

Fiscal Year – One year period of time beginning July 1 of a given year and ending June 30 of the following year.

Landscape Maintenance Labor – The estimated labor costs of maintaining and servicing the trees, shrubs, turf and ground cover areas within the District.

Maintenance Materials & Supplies – The estimated cost of materials necessary for maintaining, cleaning and servicing the landscaped areas and parklands within the District.

Irrigation Water – The cost of water used for irrigating the landscaping improvements of the District.

Utilities – The cost of electricity used for irrigation within the District.

Equipment Maintenance & Operation – The cost of materials and labor necessary for maintaining, repairing, and operating equipment (includes vehicles, benches, playground equipment, graffiti and litter removal, etc.) used for all aspects of maintenance in the District.

Maintenance Personnel – The estimated cost for personnel to perform maintenance duties within the District.

Contract Maintenance – The estimated cost of performing contracted maintenance within the District.

Consultant – Costs associated with outside consultant fees in order to comply with Assessment Law and placement of assessment onto the San Joaquin County Tax Roll each year.

County Administration – Costs of the County of San Joaquin related to the placement of assessments on the tax roll each year.

Insurance – The estimated costs to provide insurance for District personnel and staff.

Contingencies – An amount of 50% of the maintenance costs may be included to build a Reserve and Contingency Fund. The Act allows the assessments to "...include a reserve which shall not exceed the estimated costs of maintenance and servicing to December 10th of the fiscal year, or whenever the city expects to receive its apportionment of special assessments and tax collections from the county, whichever is later."

Total Dwelling Unit Equivalent – Dwelling Unit Equivalent (DUE) is a numeric value calculated for each parcel based on the parcel's land use. The DUE shown in the District/Zone budget represents the sum total of all parcels' DUE that receive benefit from the improvements. Refer to Section 4 for a more complete description of DUE.

Assessment per DUE – This amount represents the rate being applied to each parcel's individual DUE. The Assessment per Dwelling Unit Equivalent is the result of dividing the total Balance to Levy, by the sum of the District DUEs, for the Fiscal Year. This amount is always rounded down to the nearest even penny for tax bill purposes.

5.2 Zone-Specific Budgets and Reserve Information

ZONE 1 – ALMONDWOOD ESTATES

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$4,254.91
Masonry Block Walls	500.00
Street Trees	1,230.77
Park Maintenance	7,358.31
Total Operation Costs	\$13,343.99
Administration Costs	
Consultant	\$1,767.12
Publication	141.39
City Administration Fee	1,133.83
County Administration Fee	183.76
Total Administration Costs	\$3,226.10
Total Estimated Costs	\$16,570.09
Contribution to Reserves	2,000.00
Rounding Adjustment	0.95
Total Assessment	\$18,571.04
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$39,963.39</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$2,600.00
Contribution to Landscape Reserve	500.00
Estimated Landscape Reserve – June 30, 2011	\$3,100.00
Wall Reserve – June 30, 2010	\$13,500.00
Contribution to Wall Reserve	1,500.00
Estimated Wall Reserve – June 30, 2011	\$15,000.00
Total Estimated Reserve – June 30, 2011	\$18,100.00

ZONE 2 – CENTURY MEADOWS ONE, UNIT 2 & 3

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$5,660.93
Masonry Block Walls	500.00
Street Trees	3,204.25
Park Maintenance	<u>13,225.07</u>
Total Operation Costs	\$22,590.25
Administration Costs	
Consultant	\$2,991.59
Publication	254.12
City Administration Fee	1,919.49
County Administration Fee	<u>301.99</u>
Total Administration Costs	\$5,467.19
Total Estimated Costs	\$28,057.44
Contribution to Reserves	2,500.00
Rounding Adjustment	0.64
Total Assessment	\$30,558.08
<i>Fiscal Year 2010/11 Maximum Assessment</i>	\$54,360.23

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$3,000.00
Contribution to Landscape Reserve	<u>500.00</u>
Estimated Landscape Reserve – June 30, 2011	\$3,500.00
Wall Reserve – June 30, 2010	\$16,000.00
Contribution to Wall Reserve	<u>2,000.00</u>
Estimated Wall Reserve – June 30, 2011	\$18,000.00
Total Estimated Reserve – June 30, 2011	\$21,500.00

ZONE 3 – MILLSBRIDGE II

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$587.04
Street Trees	668.44
Park Maintenance	4,702.00
Total Operation Costs	\$5,957.48
Administration Costs	
Consultant	\$788.94
Publication	74.52
City Administration Fee	506.21
County Administration Fee	80.43
Total Administration Costs	\$1,450.10
Total Estimated Costs	\$7,407.58
Contribution to Reserves	500.00
Rounding Adjustment	0.06
Total Assessment	\$7,907.64
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$16,447.95</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$2,000.00
Contribution to Landscape Reserve	500.00
Estimated Landscape Reserve – June 30, 2011	\$2,500.00
Total Estimated Reserve – June 30, 2011	\$2,500.00

ZONE 4 – ALMOND NORTH

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$1,576.65
Street Trees	445.62
Park Maintenance	<u>3,380.84</u>
Total Operation Costs	\$5,403.11
Administration Costs	
Consultant	\$715.53
Publication	64.96
City Administration Fee	459.10
County Administration Fee	<u>60.37</u>
Total Administration Costs	\$1,299.96
Total Estimated Costs	\$6,703.07
Contribution to Reserves	500.00
Rounding Adjustment	0.17
Total Assessment	\$7,203.24
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$14,716.65</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$1,500.00
Contribution to Landscape Reserve	500.00
Estimated Landscape Reserve – June 30, 2011	\$2,000.00
Total Estimated Reserve – June 30, 2011	\$2,000.00

ZONE 5 – LEGACY ESTATES I & II AND KIRST ESTATES

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$9,085.96
Masonry Block Walls	500.00
Street Trees	4,265.26
Park Maintenance	<u>22,174.37</u>
Total Operation Costs	\$36,025.59
Administration Costs	
Consultant	\$4,770.81
Publication	426.08
City Administration Fee	3,061.08
County Administration Fee	<u>453.05</u>
Total Administration Costs	\$8,711.02
Total Estimated Costs	\$44,736.61
Contribution to Reserves	1,000.00
Rounding Adjustment	<u>0.69</u>
Total Assessment	\$45,737.30
<i>Fiscal Year 2010/11 Maximum Assessment</i>	\$68,733.51

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$3,200.00
Contribution to Landscape Reserve	<u>500.00</u>
Estimated Landscape Reserve – June 30, 2011	\$3,700.00
Wall Reserve – June 30, 2010	\$7,000.00
Contribution to Wall Reserve	<u>500.00</u>
Estimated Wall Reserve – June 30, 2011	\$7,500.00
Total Estimated Reserve – June 30, 2011	\$11,200.00

ZONE 6 – THE VILLAS

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$12,700.37
Masonry Block Walls	800.00
Street Trees	848.81
Park Maintenance	<u>7,954.93</u>
Total Operation Costs	\$22,304.11
Administration Costs	
Consultant	\$2,953.70
Publication	152.85
City Administration Fee	1,895.17
County Administration Fee	<u>240.00</u>
Total Administration Costs	\$5,241.72
Total Estimated Costs	\$27,545.83
Contribution to Reserves	3,000.00
Rounding Adjustment	<u>(0.23)</u>
Total Assessment	\$30,545.60
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$56,176.81</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$3,800.00
Contribution to Landscape Reserve	<u>1,000.00</u>
Estimated Landscape Reserve – June 30, 2011	\$4,800.00
Wall Reserve – June 30, 2010	\$14,100.00
Contribution to Wall Reserve	<u>2,000.00</u>
Estimated Wall Reserve – June 30, 2011	\$16,100.00
Total Estimated Reserve – June 30, 2011	\$20,900.00

ZONE 7 – WOODLAKE MEADOWS

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$49.72
Park Maintenance	497.18
Total Operation Costs	\$546.90
Administration Costs	
Consultant	\$72.43
Publication	9.55
City Administration Fee	46.47
County Administration Fee	6.89
Total Administration Costs	\$135.34
Total Estimated Costs	\$682.24
Contribution to Reserves	0.00
Rounding Adjustment	0.06
Total Assessment	\$682.30
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$1,159.17</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$0.00
Contribution to Landscape Reserve	0.00
Estimated Landscape Reserve – June 30, 2011	\$0.00
Total Estimated Reserve – June 30, 2011	\$0.00

ZONE 8 – VINTAGE OAKS

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$4,823.71
Masonry Block Walls	300.00
Street Trees	244.03
Park Maintenance	<u>1,383.07</u>
Total Operation Costs	\$6,750.81
Administration Costs	
Consultant	\$894.00
Publication	32.48
City Administration Fee	573.61
County Administration Fee	<u>42.71</u>
Total Administration Costs	\$1,542.80
Total Estimated Costs	\$8,293.61
Contribution to Reserves	316.89
Rounding Adjustment	<u>0.00</u>
Total Assessment	\$8,610.50
<i>Fiscal Year 2010/11 Maximum Assessment</i>	\$8,610.65

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$2,090.00
Contribution to Landscape Reserve	<u>66.89</u>
Estimated Landscape Reserve – June 30, 2011	\$2,156.89
Wall Reserve – June 30, 2010	\$1,635.00
Contribution to Wall Reserve	<u>250.00</u>
Estimated Wall Reserve – June 30, 2011	\$1,885.00
Total Estimated Reserve – June 30, 2011	\$4,275.00

ZONE 9 – INTERLAKE SQUARE

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$101.16
Street Trees	116.71
Park Maintenance	894.93
Total Operation Costs	\$1,112.80
Administration Costs	
Consultant	\$147.37
Publication	21.02
City Administration Fee	94.55
County Administration Fee	14.06
Total Administration Costs	\$277.00
Total Estimated Costs	\$1,389.80
Contribution to Reserves	0.00
Rounding Adjustment	0.16
Total Assessment	\$1,389.96
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$2,652.23</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$0.00
Contribution to Landscape Reserve	0.00
Estimated Landscape Reserve – June 30, 2011	\$0.00
Total Estimated Reserve – June 30, 2011	\$0.00

ZONE 10 – LAKESHORE PROPERTIES

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$56.95
Park Maintenance	569.50
Total Operation Costs	\$626.45
Administration Costs	
Consultant	\$82.96
Publication	13.37
City Administration Fee	53.23
County Administration Fee	7.95
Total Administration Costs	\$157.51
Total Estimated Costs	\$783.96
Contribution to Reserves	0.00
Rounding Adjustment	0.04
Total Assessment	\$784.00
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$1,417.28</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$0.00
Contribution to Landscape Reserve	0.00
Estimated Landscape Reserve – June 30, 2011	\$0.00
Total Estimated Reserve – June 30, 2011	\$0.00

ZONE 11 – TATE PROPERTY

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$370.54
Masonry Block Walls	100.00
Street Trees	53.05
Park Maintenance	<u>569.50</u>
Total Operation Costs	\$1,093.09
Administration Costs	
Consultant	\$144.76
Publication	13.37
City Administration Fee	92.88
County Administration Fee	<u>3.00</u>
Total Administration Costs	\$254.01
Total Estimated Costs	\$1,347.10
Contribution to Reserves	0.00
Rounding Adjustment	<u>(0.02)</u>
Total Assessment	\$1,347.08
<i>Fiscal Year 2010/11 Maximum Assessment</i>	\$2,106.47

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$39.00
Contribution to Landscape Reserve	<u>0.00</u>
Estimated Landscape Reserve – June 30, 2011	\$39.00
Wall Reserve – June 30, 2010	\$98.00
Contribution to Wall Reserve	<u>0.00</u>
Estimated Wall Reserve – June 30, 2011	\$98.00
Total Estimated Reserve – June 30, 2011	\$137.00

ZONE 12 – WINCHESTER WOODS

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$65.09
Park Maintenance	650.86
Total Operation Costs	\$715.95
Administration Costs	
Consultant	\$94.81
Publication	15.29
City Administration Fee	60.83
County Administration Fee	9.09
Total Administration Costs	\$180.02
Total Estimated Costs	\$895.97
Contribution to Reserves	0.00
Rounding Adjustment	0.03
Total Assessment	\$896.00
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$1,422.14</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$0.00
Contribution to Landscape Reserve	0.00
Estimated Landscape Reserve – June 30, 2011	\$0.00
Total Estimated Reserve – June 30, 2011	\$0.00

ZONE 13 – GUILD AVENUE INDUSTRIAL

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$368.51
Street Sweeping	17.85
Total Operation Costs	\$386.36
Administration Costs	
Consultant	\$51.17
Publication	177.89
City Administration Fee	32.83
County Administration Fee	7.01
Total Administration Costs	\$268.90
Total Estimated Costs	\$655.26
Contribution to Reserves	50.00
Rounding Adjustment	(0.54)
Total Assessment	\$704.72
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$10,542.49</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$148.00
Contribution to Landscape Reserve	50.00
Estimated Landscape Reserve – June 30, 2011	\$198.00
Total Estimated Reserve – June 30, 2011	\$198.00

ZONE 14 – LUCA PLACE

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$356.90
Total Operation Costs	\$356.90
Administration Costs	
Consultant	\$47.26
Publication	32.48
City Administration Fee	30.33
County Administration Fee	3.00
Total Administration Costs	\$113.07
Total Estimated Costs	\$469.97
Contribution to Reserves	500.00
Rounding Adjustment	0.05
Total Assessment	\$970.02
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$5,509.19</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$1,000.00
Contribution to Landscape Reserve	500.00
Estimated Landscape Reserve – June 30, 2011	\$1,500.00
Total Estimated Reserve – June 30, 2011	\$1,500.00

ZONE 15 – GUILD AVENUE INDUSTRIAL

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$396.76
Street Sweeping	6.95
Total Operation Costs	\$403.71
Administration Costs	
Consultant	\$53.46
Publication	69.30
City Administration Fee	34.30
County Administration Fee	5.98
Total Administration Costs	\$163.04
Total Estimated Costs	\$566.75
Contribution to Reserves	18.62
Rounding Adjustment	(0.03)
Total Assessment	\$585.34
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$4,100.29</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$38.60
Contribution to Landscape Reserve	18.62
Estimated Landscape Reserve – June 30, 2011	\$57.22
Total Estimated Reserve – June 30, 2011	\$57.22

ZONE 16 – WEST KETTLEMAN LANE COMMERCIAL

Fiscal Year 2010/11 Budget

DESCRIPTION	AMOUNT
Operation Costs	
Landscape	\$71.50
Total Operation Costs	\$71.50
Administration Costs	
Consultant	\$9.47
Publication	15.99
City Administration Fee	6.08
County Administration Fee	1.17
Total Administration Costs	\$32.71
Total Estimated Costs	\$104.21
Contribution to Reserves	6.19
Rounding Adjustment	0.00
Total Assessment	\$110.40
<i>Fiscal Year 2010/11 Maximum Assessment</i>	<i>\$343.45</i>

Reserve Information

DESCRIPTION	AMOUNT
Landscape Reserve – June 30, 2010	\$12.19
Contribution to Landscape Reserve	6.19
Estimated Landscape Reserve – June 30, 2011	\$18.38
Total Estimated Reserve – June 30, 2011	\$18.38

6. ASSESSMENT DIAGRAMS

Assessment Diagrams have been submitted to the City Clerk in the format required under the provisions of the Act and are made part of this report.

CITY CLERK
CITY OF LODI

**PROPOSED AMENDED BOUNDARIES
(CENTURY MEADOWS ONE, ZONE 2 ANNEXATION)
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA**

BEING A PORTION OF THE SOUTHWEST
QUARTER OF SECTION 14, T.3N., R.6E., M.D.B.&M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

THOMPSON-HYSELL ENGINEERS
1016 12th STREET MODESTO, CALIFORNIA
NOVEMBER, 2004

DOC # 2003-281218

Recorded in Official Records
Page 1 of 1, Fee: 7.00
Comptroller in Charge
GARY W. FREEMAN, City Clerk
Pursuant to Section 20090, Public Law 107-273



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI, THIS 3 DAY
OF DECEMBER, 2004

Sharon V. Bellet
CITY CLERK OF THE CITY OF LODI

RECORDED THIS DAY OF DECEMBER 2004 AT THE HOUR
OF 11:00 AM IN THE OFFICE OF THE COUNTY CLERK
OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF
THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

Lynn W. Freeman by Christina Manno
COUNTY RECORDER
OF SAN JOAQUIN COUNTY, CALIFORNIA

I, HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES
OF LODI CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1
AND THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF LODI CONSOLIDATED
LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-2, AS SHOWN ON
ATTACHED MAPS AND ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS
BY THE CITY COUNCIL OF THE CITY OF LODI AT A REGULAR MEETING
THEREOF, HELD ON THE 3 DAY OF DECEMBER, 2004, BY
ITS RESOLUTION NO. 2003-1, 2003-2, & 2003-3.

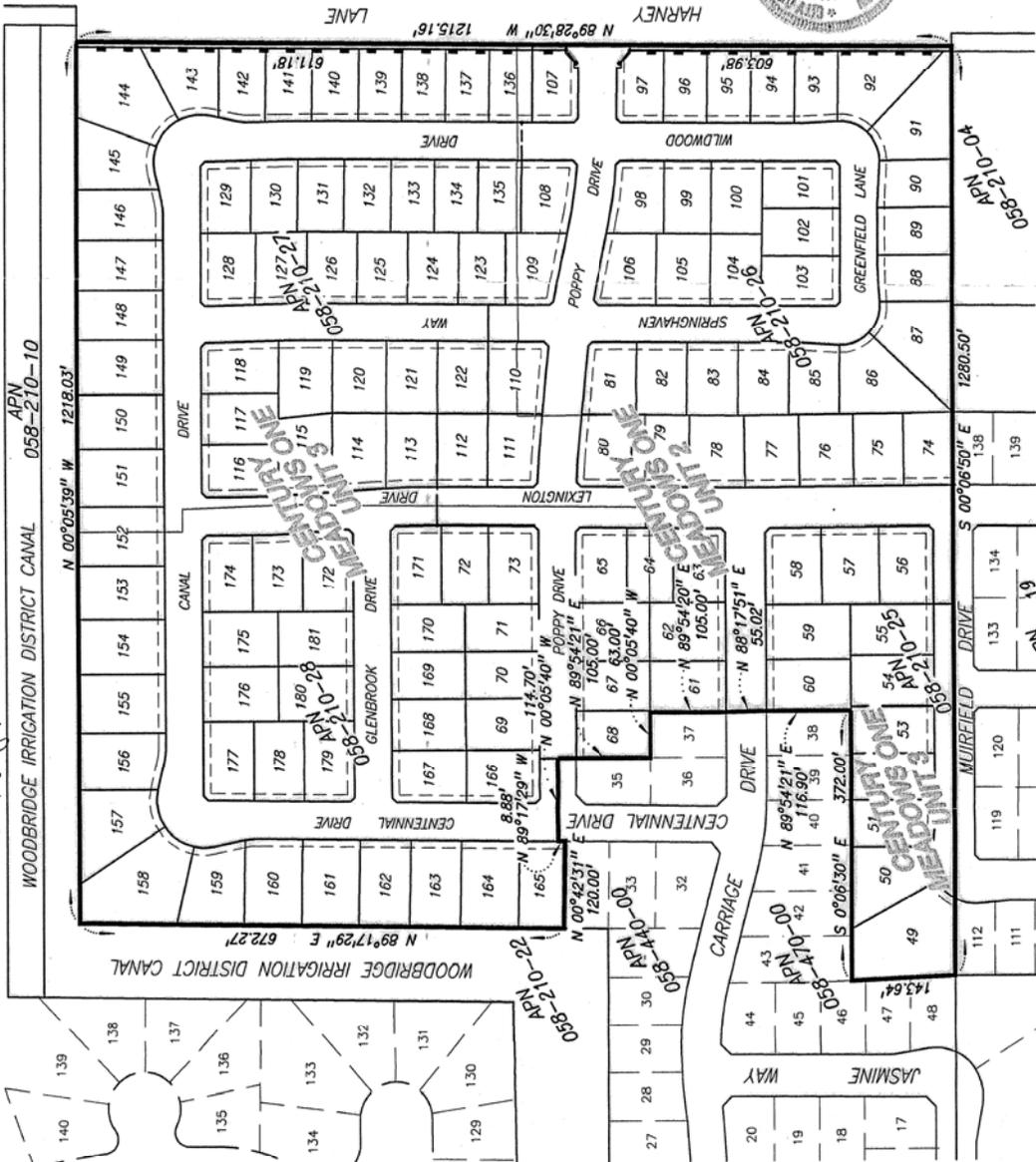
Sharon V. Bellet
CITY CLERK OF THE CITY OF LODI

THE AMENDED BOUNDARY MAP AMENDS THE BOUNDARY MAP FOR CITY OF LODI
CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1
AND THE BOUNDARY MAP FOR CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT NO. 2003-2, AS SHOWN ON ATTACHED
MAPS AND ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS
AT PAGE 105 IN THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY OF
SAN JOAQUIN, STATE OF CALIFORNIA.

LEGEND:
OVERALL DISTRICT BOUNDARY LINE

SCALE: 1" = 100'

When embossed, and printed in purple ink, this is certified to
be a true copy of records of San Joaquin County. DEC - 3 2003
GARY W. FREEMAN Assessor-Recorder-Co. Clerk
By *[Signature]* Deputy



**PROPOSED AMENDED BOUNDARIES
(MILLSBRIDGE II, ZONE 3 ANNEXATION)
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA**

BEING A PORTION OF THE SOUTHWEST
QUARTER OF SECTION 11, T.3N., R.6E., M.D.B.&M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

THOMPSON-HYSELL ENGINEERS
1016 12th STREET
MODESTO, CALIFORNIA
MARCH, 2004

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI, THIS 17th DAY
OF JANUARY, 2004.



Sharon P. Ruff
CITY CLERK OF THE CITY OF LODI

RECORDED THIS 10th DAY OF MARCH, 2004 AT THE HOUR
OF 10:00 AM IN THE OFFICE OF THE COUNTY RECORDER
OF SAN JOAQUIN COUNTY, CALIFORNIA. THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

SAUL W. FAZARONI by Christina Moreno
COUNTY RECORDER
OF SAN JOAQUIN COUNTY, CALIFORNIA

I, HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED
BOUNDARIES OF LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1, CITY OF LODI, SAN JOAQUIN
COUNTY, STATE OF CALIFORNIA, WAS PREPARED AND FILED IN THE
OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN,
STATE OF CALIFORNIA, AT A REGULAR MEETING HELD ON THE
DAY OF MARCH, 2004, BY ITS RESOLUTION NO. 2004-49

Christina Moreno
CITY CLERK OF THE CITY OF LODI

THE AMENDED BOUNDARY MAP AMENDS THE BOUNDARY MAP FOR CITY OF LODI
CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1,
CITY OF LODI, SAN JOAQUIN COUNTY, STATE OF CALIFORNIA PRIOR RECORDED
AT BOOK 4 OF MAPS AND ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS
PAGE 106, IN THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY OF
SAN JOAQUIN, STATE OF CALIFORNIA.

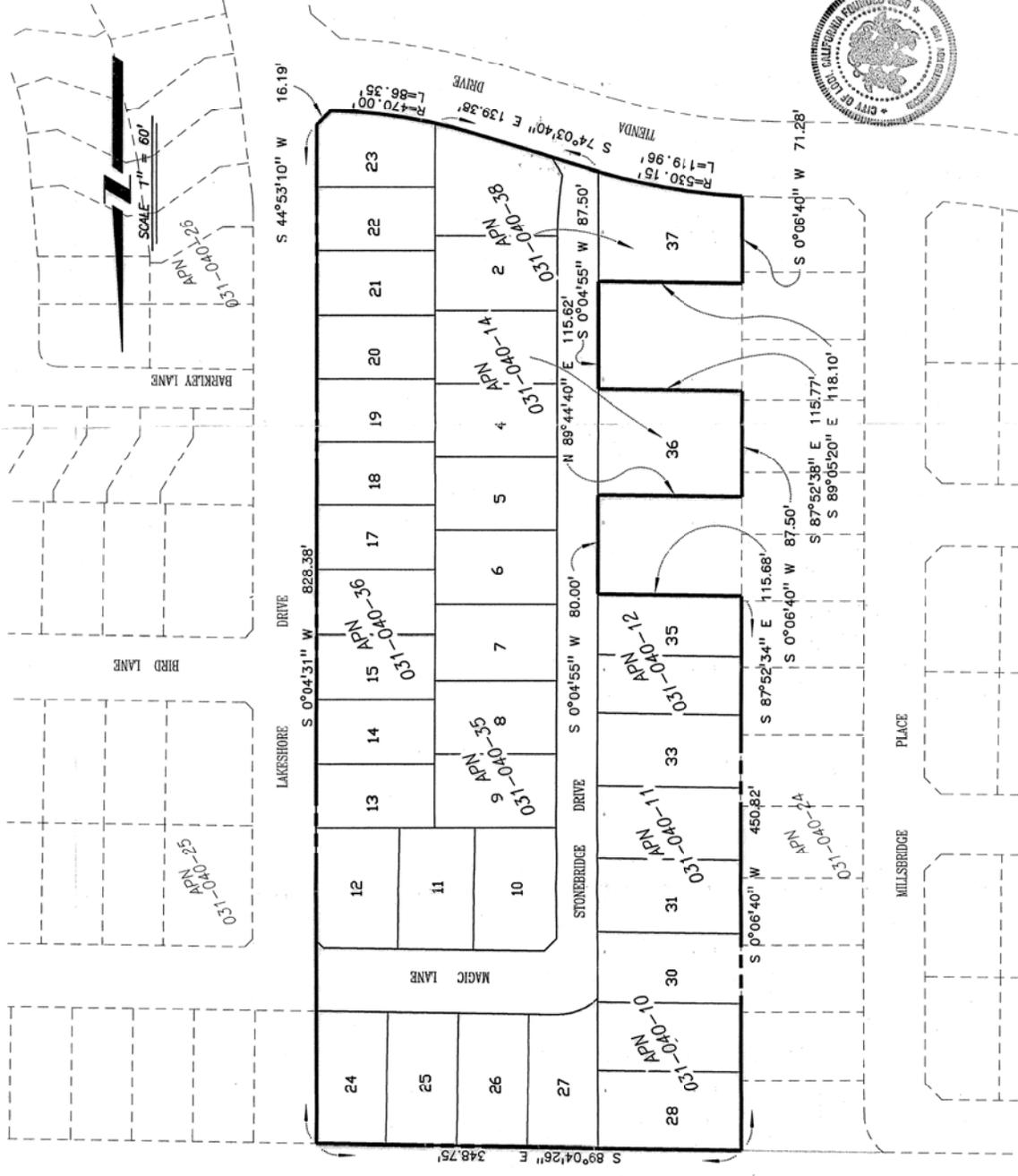
DOC # 2004-056433
03/19/04 02:29 PM 7:00

Recorded in Official Records
County of San Joaquin
Recorder-Recorder/County Clerk
1015 J Street, Suite 201, Lodi, CA 95241



LEGEND

OVERALL DISTRICT BOUNDARY LINE



**PROPOSED AMENDED BOUNDARIES
(ALMOND NORTH, ZONE 4 ANNEXATION)
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA**

BEING A PORTION OF THE SOUTHWEST
QUARTER OF SECTION 14, T.3N., R.6E., M.D.B.&M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

THOMPSON-HYSELL ENGINEERS
1016 12th STREET MODESTO, CALIFORNIA
MARCH, 2004

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI, THIS 17th DAY
OF MARCH, 2004.



Sally B. Burt
CITY CLERK OF THE CITY OF LODI

RECORDED THIS 19th DAY OF MARCH 2004 AT THE HOUR
OF 10:00 AM IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

Garry E. Freeman
COUNTY RECORDER
OF SAN JOAQUIN COUNTY, CALIFORNIA

I, HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED
BOUNDARIES OF LODI CONSOLIDATED LANDSCAPE MAINTENANCE
DISTRICT NO. 2003-1, CITY OF LODI, SAN JOAQUIN
COUNTY, CALIFORNIA, WAS FILED FOR RECORD IN THE OFFICE OF
THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA
ON THE 17th DAY OF MARCH, 2004, BY ITS RESOLUTION NO. 2004-49

Sally B. Burt
CITY CLERK OF THE CITY OF LODI

THE AMENDED BOUNDARY MAP AROUND THE BOUNDARY MAP FOR CITY OF LODI
CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1
CITY OF LODI, SAN JOAQUIN COUNTY, STATE OF CALIFORNIA PRIOR RECORDED
AT BOOK 4 OF MAPS AND ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS
IN FILE NO. 100-100-100-100 OF THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY OF
SAN JOAQUIN, STATE OF CALIFORNIA.

DOC # 2004-056434

83/15/7/10

Page 1 of 1

Recorded in Official Records

County of San Joaquin

Recorder Garry E. Freeman

Notary Public in and for the State of California

My Commission Expires on December 31, 2004



LEGEND:

OVERALL DISTRICT BOUNDARY LINE

SHEET 1 OF 1

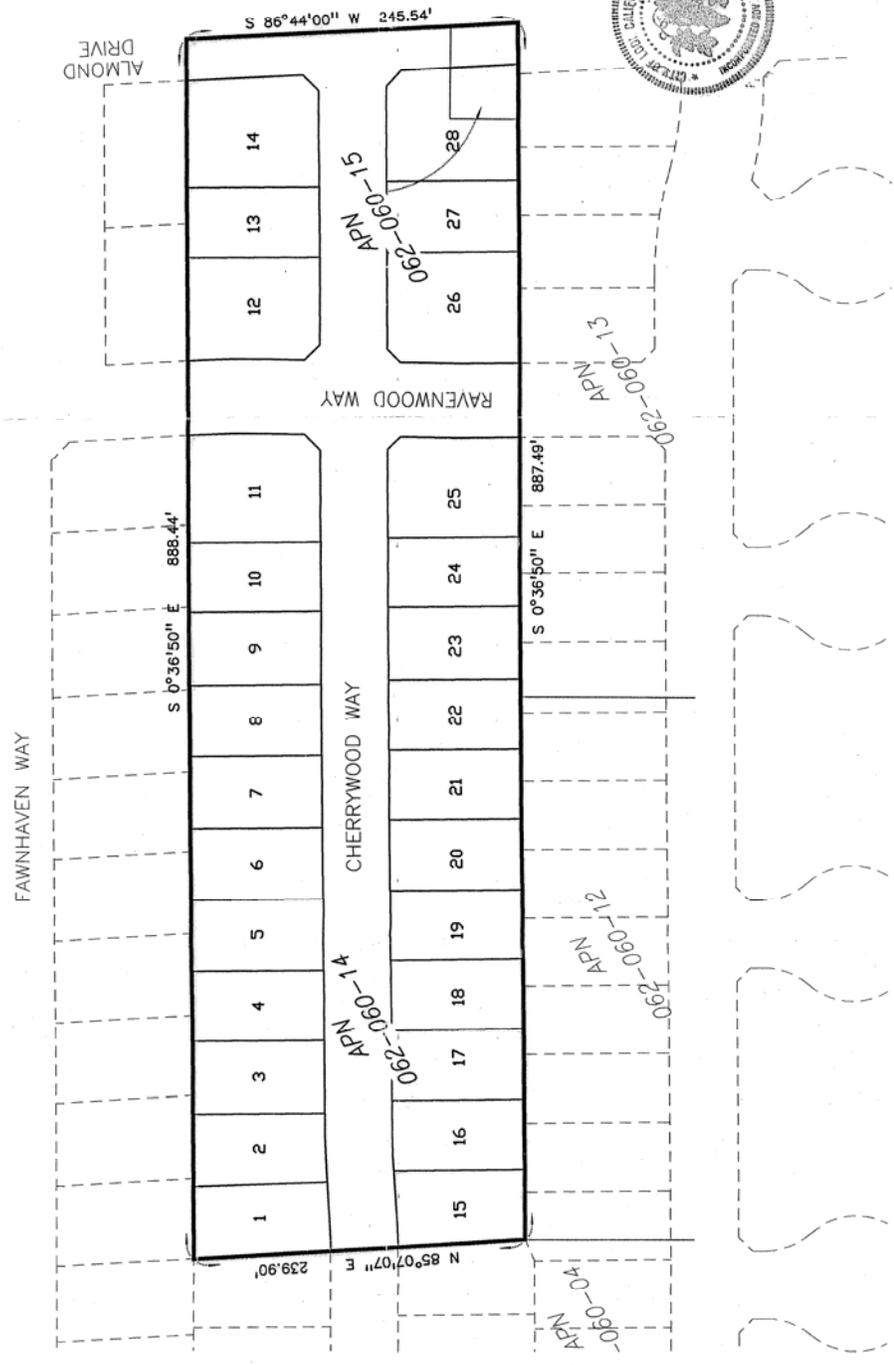
When embossed, and printed in purple ink, this is certified to

MAR 19 2004

ELO

SCALE 1" = 60'

APN 062-060-33



I hereby certify that this is a true copy of the record consisting of _____ pages if the seal of this office is impressed in purple ink.



GARY FREEMAN
Assessor-Recorder-Clerk
San Joaquin County, CA

PROPOSED AMENDED BOUNDARIES
(LEGACY ESTATES I&II AND KIRST ESTATES,
ZONE 5 ANNEXATION)
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA

BEING A PORTION OF THE SOUTHEAST
QUARTER OF SECTION 15, T.3N., R.6E., M.D.B.&M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

THOMPSON-HYSELL ENGINEERS
1016 12th STREET
MODESTO, CALIFORNIA
JUNE, 2004



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI THIS 7 DAY
OF JULY 2004.

Susan D. Beckett
CITY CLERK OF THE CITY OF LODI

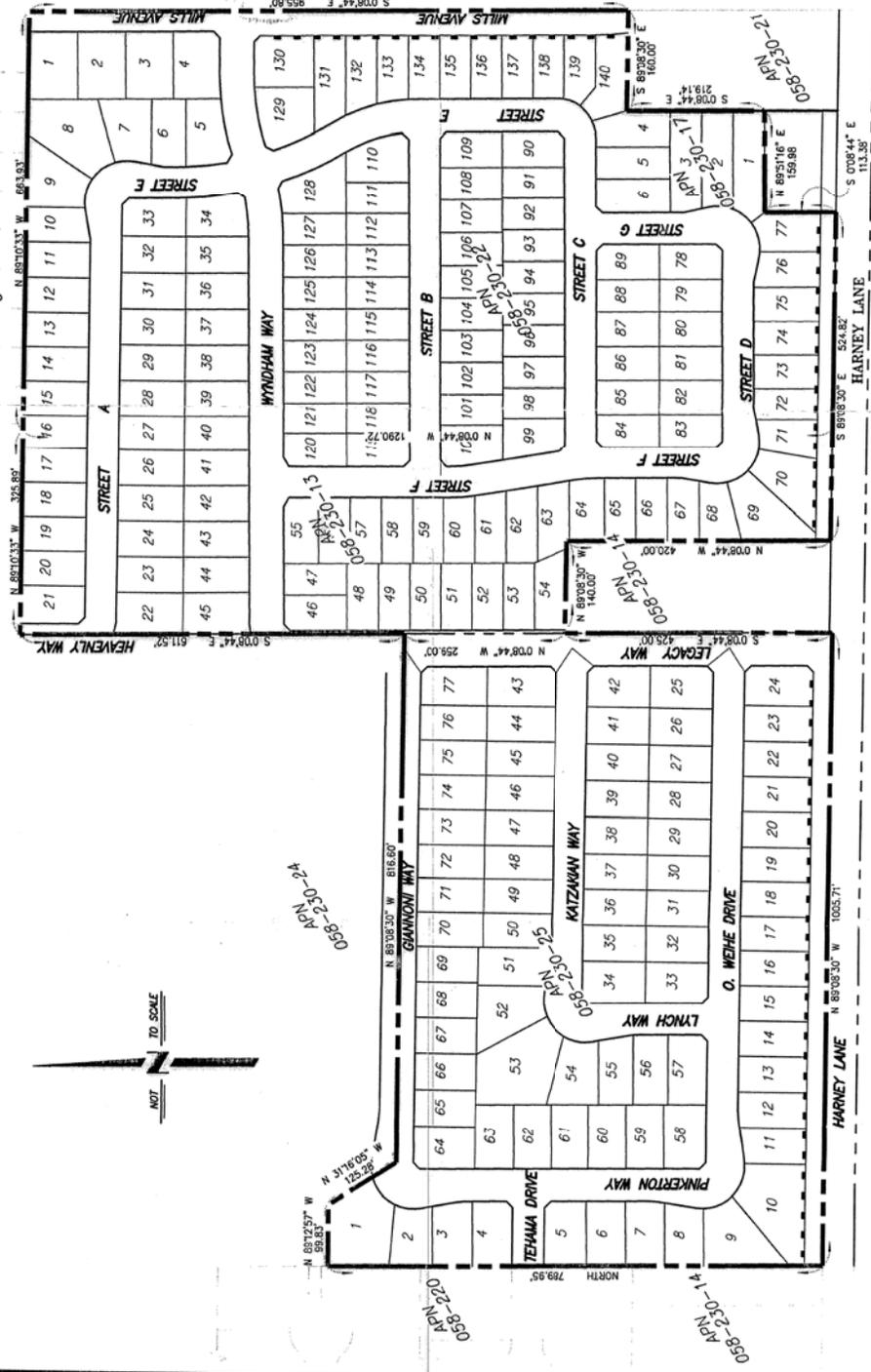
RECORDED THIS 14 DAY OF JULY 2004 AT THE HOUR
OF 10:00 AM IN THE COUNTY CLERK'S OFFICE OF THE
COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

Gary W. Freeman
COUNTY RECORDER
OF SAN JOAQUIN COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF
CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1,
CITY OF LODI, SAN JOAQUIN COUNTY, CALIFORNIA, WAS PREPARED AND
COUNCIL OF THE CITY OF LODI AT A REGULAR MEETING HELD ON THE
DAY OF JULY 7, 2004, BY ITS RESOLUTION NO. 2004-136

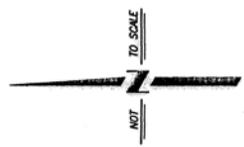
Susan D. Beckett
CITY CLERK OF THE CITY OF LODI

THE AMENDED BOUNDARY MAP AMENDS THE BOUNDARY MAP FOR CITY OF LODI
CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1,
CITY OF LODI, SAN JOAQUIN COUNTY, CALIFORNIA, PREVIOUSLY RECORDED
AT PAGE 105, IN THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY OF
SAN JOAQUIN, STATE OF CALIFORNIA.



LEGEND:
----- OVERALL DISTRICT BOUNDARY LINE

DOC # 2004-155561
Recorded
07/14/2004 12:09 PM P.437.08
Page 1 of 1
County of San Joaquin
Assessor-Recorder-Clerk
Filed by: INDIVIDUAL DOCUMENT



**PROPOSED AMENDED BOUNDARIES
(THE VILLAS, ZONE 6 ANNEXATION)
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA**

BEING A PORTION OF THE SOUTHEAST
QUARTER OF SECTION 13, T.3N., R.6E., M.D.B.&M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

THOMPSON-HYSELL ENGINEERS
1016 12th STREET
JUNE, 2004
MODESTO, CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI, THIS 7 DAY
OF JULY 2004.



Stan B. Bell
CITY CLERK OF THE CITY OF LODI

RECORDED THIS 14 DAY OF JULY 2004 AT THE HOUR
OF 12:00 O'CLOCK P.M. IN BOOK PAGE 27
OF MAP OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF
THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

GARY W. FREEMAN
COUNTY RECORDER
OF SAN JOAQUIN COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED
BOUNDARIES OF THE LODI CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1, CITY OF LODI, SAN JOAQUIN
COUNTY, CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE
CITY OF LODI AT A REGULAR MEETING THEREOF, HELD ON THE
DAY OF JULY, 2004, BY ITS RESOLUTION NO. 2004-136
CITY CLERK OF THE CITY OF LODI

DOC # 2004-155562

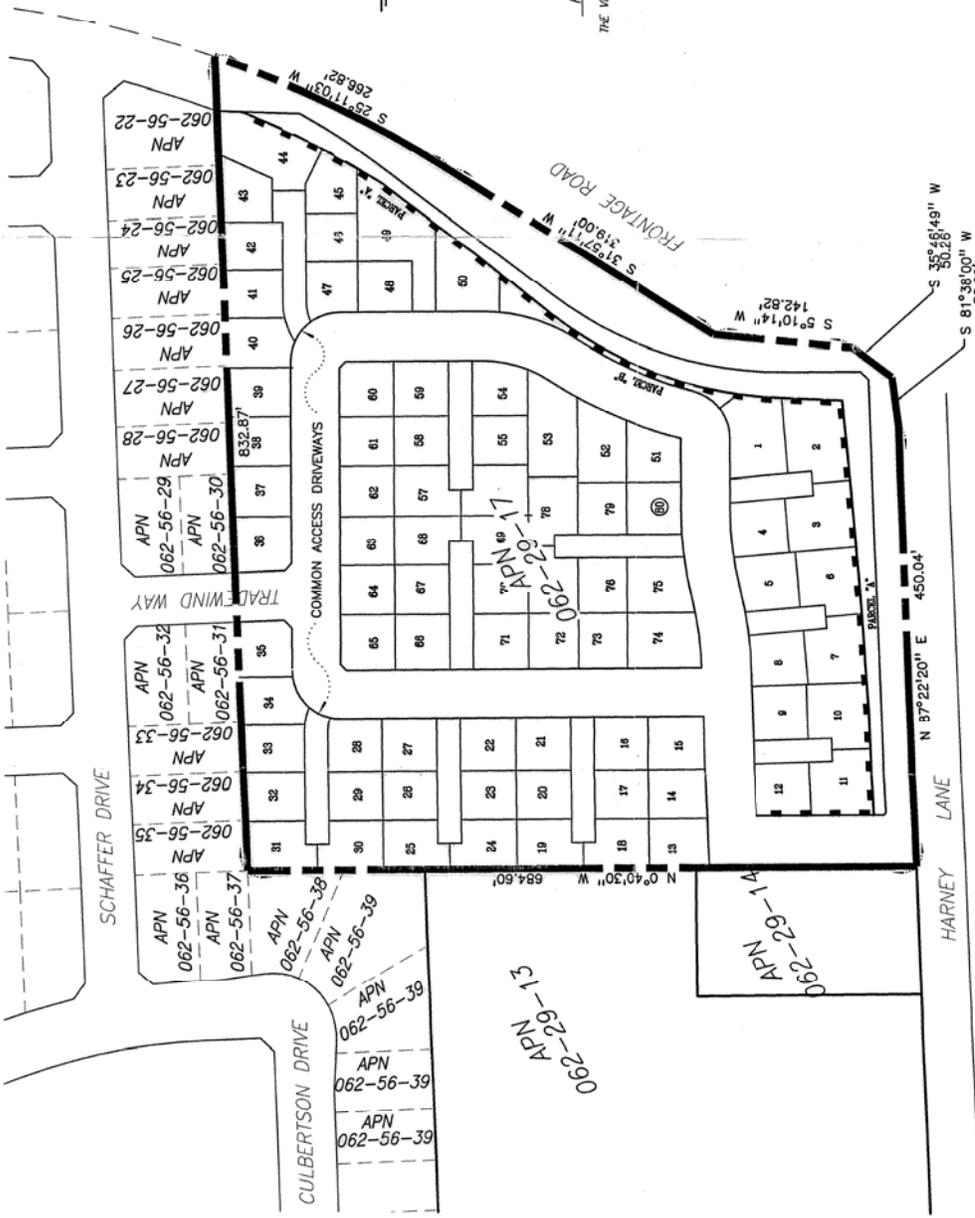
07/14/2004 12:09P Fee:7.80
Recorded in Official Records
County of San Joaquin
Assessor-Recorder-Clerk
MAIL ROOM



LEGEND:

----- OVERALL DISTRICT BOUNDARY LINE

E 07



I hereby certify that this is a true copy of
the record consisting of _____ pages if the
seal of this office is impressed in purple ink.



Gary Freeman
JUL 14 2004
GARY FREEMAN
Assessor-Recorder-Co Clerk
San Joaquin County, CA

058-13
APN

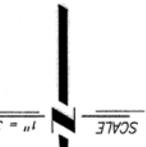
DOC # 2004-260282
12/27/04 09:13P Rec'd
Recorder's Office
County of San Joaquin
Assessor-Gary M. Freeman, Clerk
Paid by Individual on Document

LEGEND

① --- ASSESSMENT DISTRICT BOUNDARY LINE
--- ASSESSMENT DISTRICT PARCEL NUMBER

ASSESSMENT DIAGRAM INDEX

BOOK	PAGE	PARCELS
015	230	09



I hereby certify that this is a true copy of the record consisting of _____ pages if the seal of this office is impressed in purple ink.

GARY FREEMAN
Assessor-Recorder Co. Clerk
San Joaquin County, CA

ASSESSMENT DIAGRAM, ZONE 7
WOODLAKE MEADOW
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF STOCKTON,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA

BEING PORTIONS OF SECTIONS 34,
T.4 N., R.6 E., M.D.B. & M.,
CITY OF STOCKTON,
SAN JOAQUIN COUNTY, CALIFORNIA

THOMPSON-HYSELL ENGINEERS
1016 12th STREET
MODESTO, CALIFORNIA
OCTOBER, 2004

RECORDED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI THIS 15
DAY OF DECEMBER, 2004.

[Signature]
CITY CLERK OF THE CITY OF LODI

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS THIS 16
DAY OF DECEMBER, 2004.

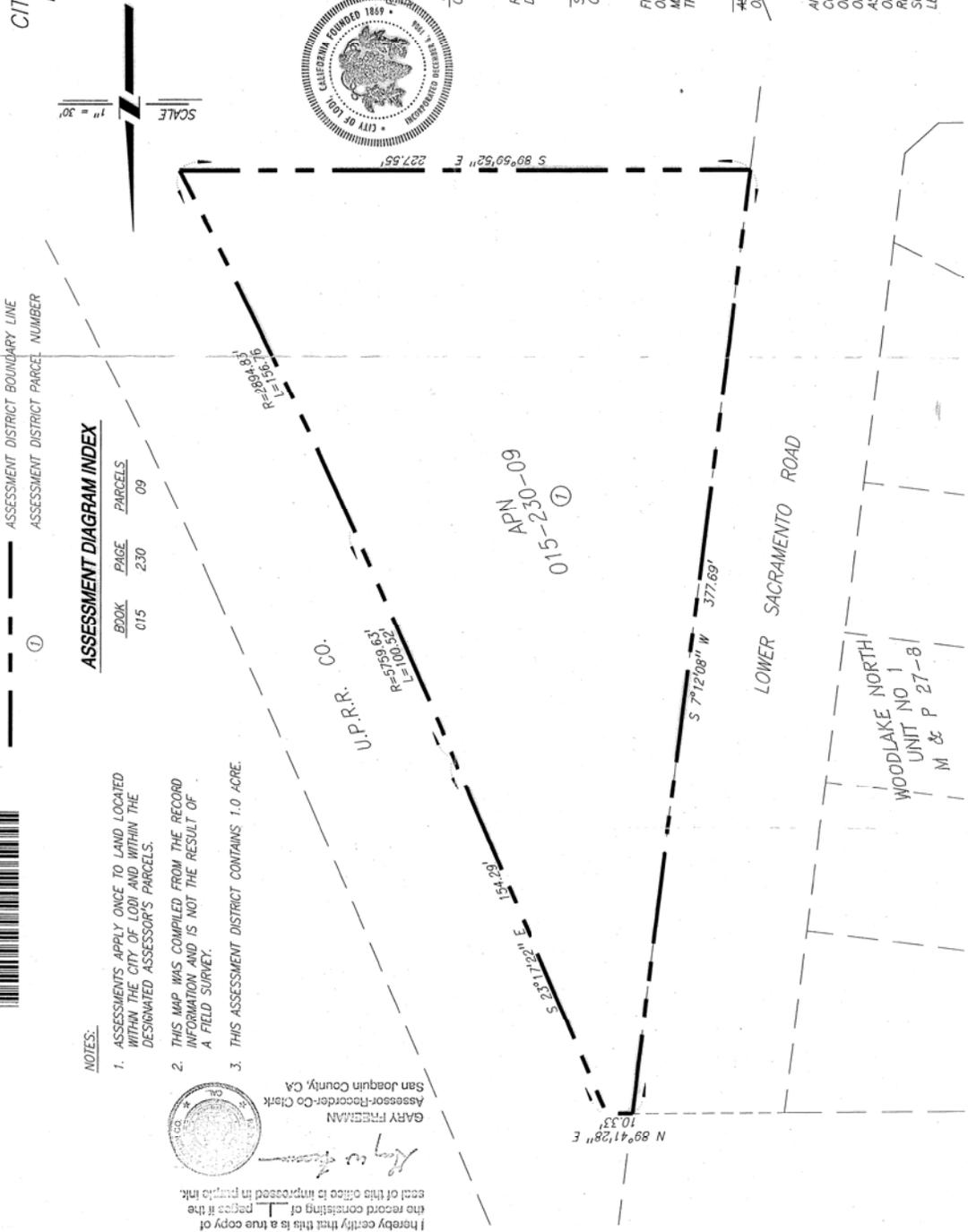
[Signature]
SUPERINTENDENT OF STREETS
OF THE CITY OF LODI

FILED THIS 20th DAY OF December, 2004 AT THE HOUR
OF 9:13 A.M. IN BOOK _____ PAGE 41
MAP OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF
THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

[Signature]
ASSESSOR-RECORDER-GARY M. FREEMAN
OF SAN JOAQUIN COUNTY, CALIFORNIA

AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL OF THE CITY OF LODI,
COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA ON THE PICES AND PARCELS
OF LAND SHOWN ON THE ASSESSMENT DIAGRAM. THE ASSESSMENT WAS LEVIED
ON THE DAY OF DECEMBER, 2004. THE ASSESSMENT DIAGRAM AND THE
ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT
OF STREETS OF THE CITY ON THE 16 DAY OF DECEMBER, 2004.
REFERENCE IS MADE TO THE ASSESSMENT ROLL RECORDED IN THE OFFICE OF THE
SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT
LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

[Signature]
CITY CLERK OF THE CITY OF LODI



APN 60-230-09
015-230-09

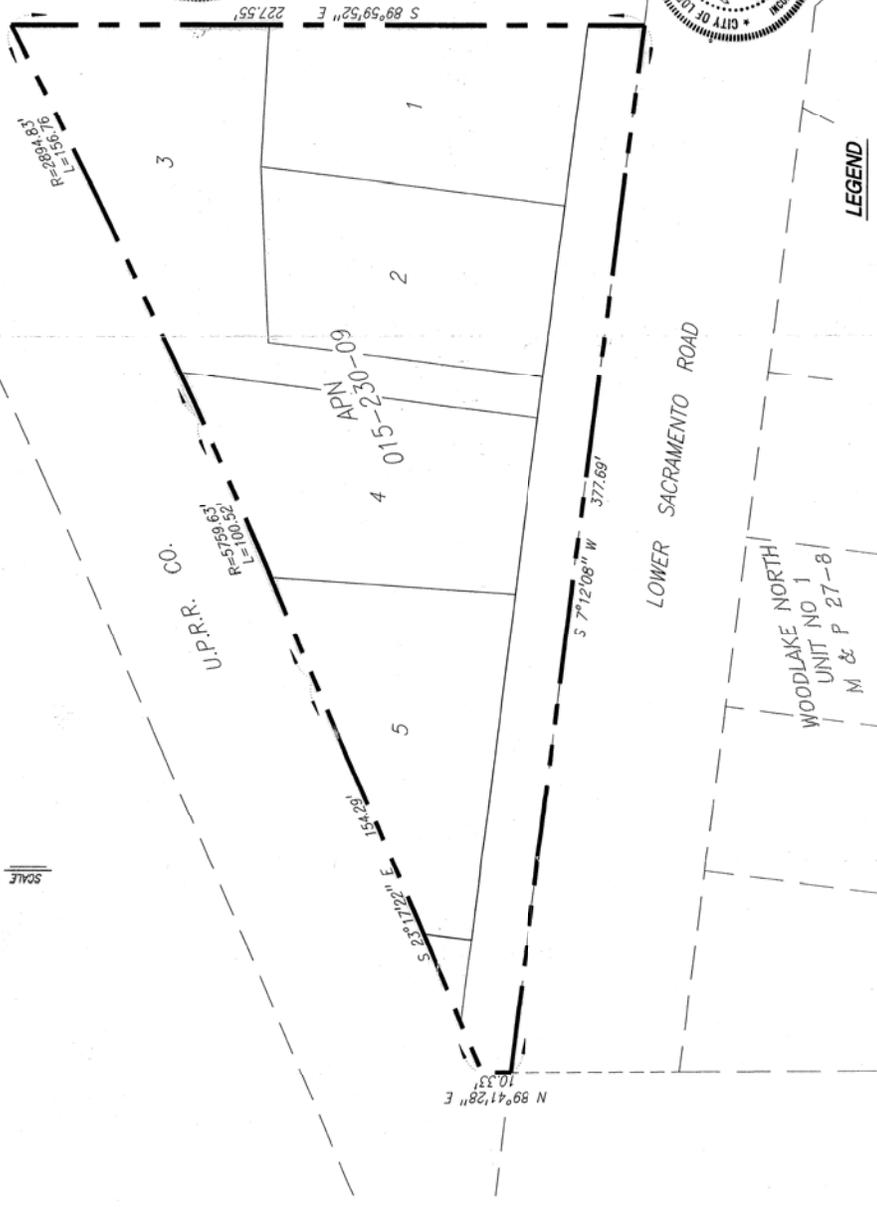
LOWER SACRAMENTO ROAD

WOODLAKE NORTH
UNIT NO. 1
M & P 27-81

I hereby certify that this is a true copy of the record consisting of 1 pages if the seal of this office is impressed in purple ink.



Gary Freeman
 OCT 27 2004
 GARY FREEMAN
 Assessor-Recorder-Co Clerk
 San Joaquin County, CA



LEGEND

--- OVERALL DISTRICT BOUNDARY LINE

DOC # 2004-243970

Recorded in the Public Records

Page 1 of 1

Recorded by GARY W. FREEMAN, Clerk

Paid by SHANE M. DOCUMENT



PROPOSED AMENDED BOUNDARIES
 (WOODLAKE MEADOW ZONE 7 ANNEXATION)
 CITY OF LODI CONSOLIDATED LANDSCAPE
 MAINTENANCE ASSESSMENT DISTRICT
 NO. 2003-1 CITY OF STOCKTON,
 SAN JOAQUIN COUNTY
 STATE OF CALIFORNIA

BEING PORTIONS OF SECTIONS 34,
 T.4 N., R.6 E., M.D.B. & M.,
 CITY OF STOCKTON,
 SAN JOAQUIN COUNTY, CALIFORNIA



THOMPSON-HYSELL ENGINEERS
 1016 12th STREET MODESTO, CALIFORNIA
 OCTOBER, 2004

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI
 THIS 20th DAY OF October, 2004.

Shane M. Document
 CITY CLERK OF THE CITY OF LODI

RECORDED THIS 27th DAY OF October, 2004
 AT THE HOUR OF 1:20 O'CLOCK P.M. IN BOOK 5,
 PAGE 37 OF MAP OF ASSESSMENTS AND COMMUNITY
 FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER
 OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

Gary W. Freeman by Cheryl Moreno
 COUNTY RECORDER
 OF SAN JOAQUIN COUNTY, CALIFORNIA



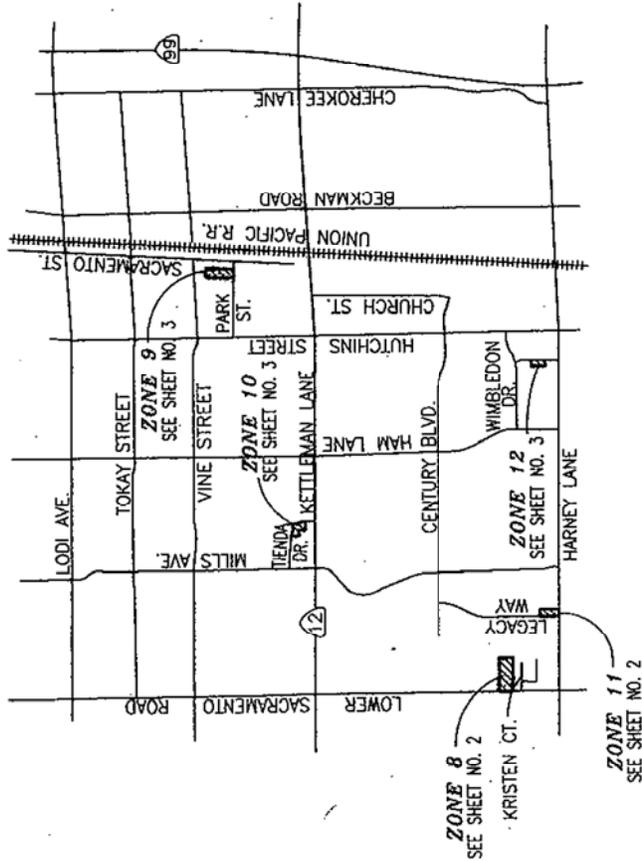
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED
 BOUNDARY OF LODI CONSOLIDATED LANDSCAPE MAINTENANCE
 ASSESSMENT DISTRICT NO. 2003-1, CITY OF LODI, SAN JOAQUIN
 COUNTY, CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE
 CITY OF LODI AT A REGULAR MEETING THEREOF, HELD ON THE 20th
 DAY OF October, 2004, BY ITS RESOLUTION NO 2004-216

Shane M. Document
 CITY CLERK OF THE CITY OF LODI

THE AMENDED BOUNDARY MAP AMENDS THE BOUNDARY MAP FOR
 CITY OF LODI CONSOLIDATED LANDSCAPE MAINTENANCE
 ASSESSMENT DISTRICT NO. 2003-1, CITY OF LODI, SAN JOAQUIN
 COUNTY, STATE OF CALIFORNIA PROH RECORDED AT BOOK 4 OF
 MAPS AND ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS AT
 PAGE 105, IN THE OFFICE OF THE COUNTY RECORDER FOR THE
 COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

AMENDED ASSESSMENT DIAGRAM LODI CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT NO. 2003-1 ZONES 8-12

CITY OF LODI
SAN JOAQUIN
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI THIS 15
DAY OF November 2003.

Sharon J. Blalock
CITY CLERK
CITY OF LODI
SAN JOAQUIN COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN DIAGRAM SHOWING THE PROPOSED ANNETATION INTO THE CITY OF LODI CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT NO. 2003-1, CITY OF LODI, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LODI AT A REGULAR MEETING THEREOF HELD ON THE 14 TH DAY OF October, 2003, BY ITS RESOLUTION NO. 2003-216.

Sharon J. Blalock
CITY CLERK
CITY OF LODI
SAN JOAQUIN COUNTY, CALIFORNIA

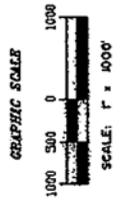
THIS AMENDED ASSESSMENT DIAGRAM WAS ORIGINALLY RECORDED ON OCTOBER 6th 2006, IN BOOK 5, PAGE 68 OF MAPS OF ASSESSMENT DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

FILED THIS 19 DAY OF May 2005, AT THE HOUR OF 10:50 O'CLOCK A.M., IN BOOK 5 AT PAGE 68 OF MAPS OF ASSESSMENT DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.
Maria W. Shalman, by Patricia Cameron
DEPUTY COUNTY RECORDER
COUNTY OF SAN JOAQUIN

NOTE: FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH PARCEL WITHIN THE DISTRICT REFER TO THE COUNTY OF SAN JOAQUIN ASSESSOR'S MAPS.

LEGEND

— ANNETATION BOUNDARY/ BENEFIT ZONE BOUNDARY



DOC # 2005-257277
11/20/03 12:04 PM
Recorded in Official Records
County of San Joaquin
Recorder-Deputy County Clerk
MAY 19 2005 10:50 AM
COUNTY OF SAN JOAQUIN

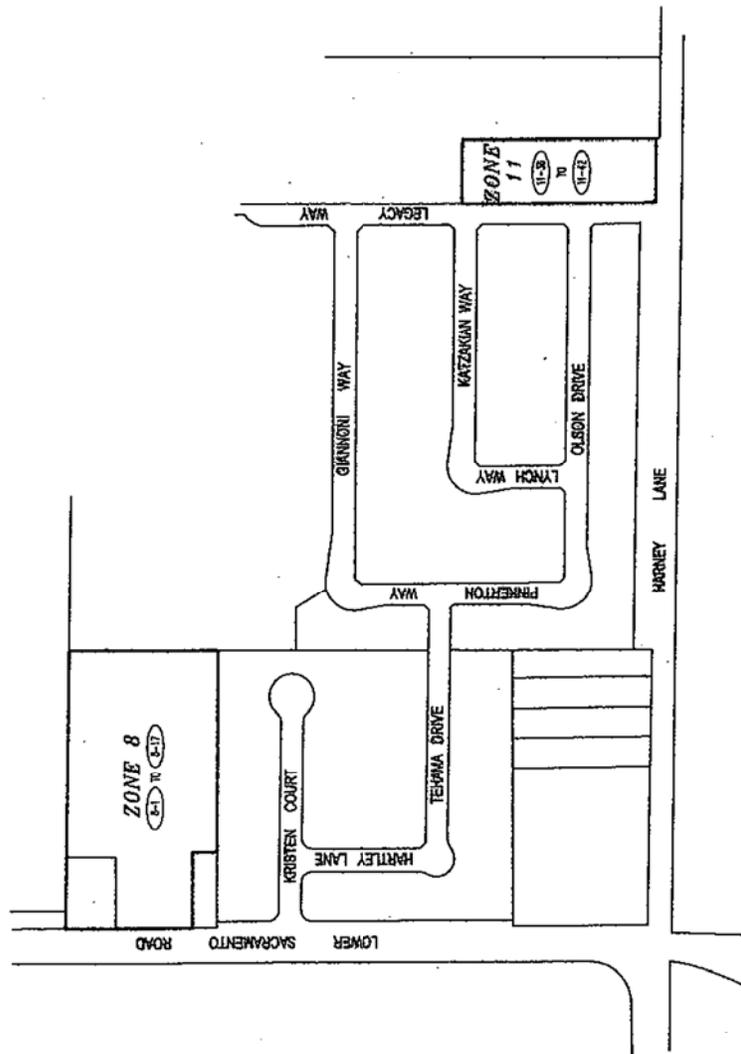
NBS

3266 Highway 78 South, Suite 100
Tennessee, CA 92592
Legal Government Solutions

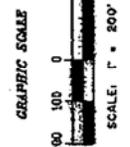
5-78A

AMENDED ASSESSMENT DIAGRAM
LODI CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT NO. 2003-1
ZONES 8-12

CITY OF LODI
 COUNTY OF SAN JOAQUIN
 STATE OF CALIFORNIA



ASSESSMENT ID		APN
Zone	Assessment Number	
8	8-1	POR. OF 088-230-03
8	8-2	POR. OF 088-230-03
8	8-3	POR. OF 088-230-03
8	8-4	POR. OF 088-230-03
8	8-5	POR. OF 088-230-03
8	8-6	POR. OF 088-230-03
8	8-7	POR. OF 088-230-03
8	8-8	POR. OF 088-230-03
8	8-9	POR. OF 088-230-03
8	8-10	POR. OF 088-230-03
8	8-11	POR. OF 088-230-03
8	8-12	POR. OF 088-230-03
8	8-13	POR. OF 088-230-03
8	8-14	POR. OF 088-230-03
8	8-15	POR. OF 088-230-03
8	8-16	POR. OF 088-230-03
8	8-17	POR. OF 088-230-03
8	8-18	POR. OF 088-230-03
8	8-19	POR. OF 088-230-03
8	8-20	POR. OF 088-230-03
8	8-21	POR. OF 088-230-03
8	8-22	POR. OF 088-230-03
11	11-23	POR. OF 088-230-14
11	11-24	POR. OF 088-230-14
11	11-25	POR. OF 088-230-14
11	11-26	POR. OF 088-230-14
11	11-27	POR. OF 088-230-14
11	11-28	POR. OF 088-230-14
11	11-29	POR. OF 088-230-14
11	11-30	POR. OF 088-230-14
11	11-31	POR. OF 088-230-14
11	11-32	POR. OF 088-230-14
11	11-33	POR. OF 088-230-14
11	11-34	POR. OF 088-230-14
11	11-35	POR. OF 088-230-14
11	11-36	POR. OF 088-230-14
11	11-37	POR. OF 088-230-14
11	11-38	POR. OF 088-230-14
11	11-39	POR. OF 088-230-14
11	11-40	POR. OF 088-230-14
11	11-41	POR. OF 088-230-14
11	11-42	POR. OF 088-230-14



LEGEND

- ASSESSMENT DISTRICT BOUNDARY
- PARCEL LINES
- ASSESSMENT NUMBER



NBS

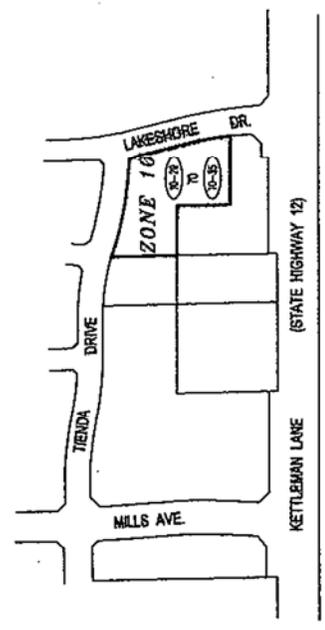
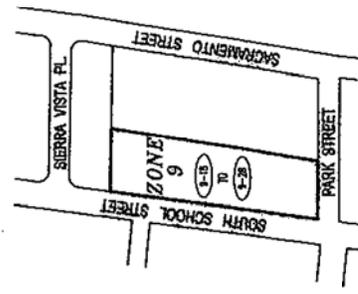
32805 Highway 79 South, Suite 100
 Fremont, CA 94552
 Local Government Solutions

5-78A

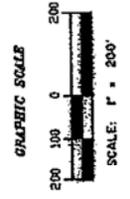
5-78B

AMENDED ASSESSMENT DIAGRAM
LODI CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT NO. 2003-1
ZONES 8-12

CITY OF LODI
COUNTY OF SAN JOAQUIN
STATE OF CALIFORNIA



Zone	Assessment Number	APN
9	9-18	PAR. 06 043 288 07
9	9-19	PAR. 06 043 289 07
9	9-20	PAR. 06 043 290 07
10	10-1	PAR. 06 043 291 07
10	10-2	PAR. 06 043 292 07
10	10-3	PAR. 06 043 293 07
11	11-1	PAR. 06 043 294 07
11	11-2	PAR. 06 043 295 07
11	11-3	PAR. 06 043 296 07
11	11-4	PAR. 06 043 297 07
11	11-5	PAR. 06 043 298 07
11	11-6	PAR. 06 043 299 07
11	11-7	PAR. 06 043 300 07
11	11-8	PAR. 06 043 301 07
11	11-9	PAR. 06 043 302 07
11	11-10	PAR. 06 043 303 07
11	11-11	PAR. 06 043 304 07
11	11-12	PAR. 06 043 305 07
11	11-13	PAR. 06 043 306 07
11	11-14	PAR. 06 043 307 07
11	11-15	PAR. 06 043 308 07
11	11-16	PAR. 06 043 309 07
11	11-17	PAR. 06 043 310 07
11	11-18	PAR. 06 043 311 07
11	11-19	PAR. 06 043 312 07
11	11-20	PAR. 06 043 313 07
11	11-21	PAR. 06 043 314 07
11	11-22	PAR. 06 043 315 07
11	11-23	PAR. 06 043 316 07
11	11-24	PAR. 06 043 317 07
11	11-25	PAR. 06 043 318 07
11	11-26	PAR. 06 043 319 07
11	11-27	PAR. 06 043 320 07
11	11-28	PAR. 06 043 321 07
11	11-29	PAR. 06 043 322 07
11	11-30	PAR. 06 043 323 07
11	11-31	PAR. 06 043 324 07
11	11-32	PAR. 06 043 325 07
11	11-33	PAR. 06 043 326 07
11	11-34	PAR. 06 043 327 07
11	11-35	PAR. 06 043 328 07
11	11-36	PAR. 06 043 329 07
11	11-37	PAR. 06 043 330 07
11	11-38	PAR. 06 043 331 07
11	11-39	PAR. 06 043 332 07
11	11-40	PAR. 06 043 333 07
11	11-41	PAR. 06 043 334 07
11	11-42	PAR. 06 043 335 07
11	11-43	PAR. 06 043 336 07
11	11-44	PAR. 06 043 337 07
11	11-45	PAR. 06 043 338 07
11	11-46	PAR. 06 043 339 07
11	11-47	PAR. 06 043 340 07
11	11-48	PAR. 06 043 341 07
11	11-49	PAR. 06 043 342 07
11	11-50	PAR. 06 043 343 07
11	11-51	PAR. 06 043 344 07
11	11-52	PAR. 06 043 345 07
11	11-53	PAR. 06 043 346 07
11	11-54	PAR. 06 043 347 07
11	11-55	PAR. 06 043 348 07
11	11-56	PAR. 06 043 349 07
11	11-57	PAR. 06 043 350 07
11	11-58	PAR. 06 043 351 07
11	11-59	PAR. 06 043 352 07
11	11-60	PAR. 06 043 353 07
11	11-61	PAR. 06 043 354 07
11	11-62	PAR. 06 043 355 07
11	11-63	PAR. 06 043 356 07
11	11-64	PAR. 06 043 357 07
11	11-65	PAR. 06 043 358 07
11	11-66	PAR. 06 043 359 07
11	11-67	PAR. 06 043 360 07
11	11-68	PAR. 06 043 361 07
11	11-69	PAR. 06 043 362 07
11	11-70	PAR. 06 043 363 07
11	11-71	PAR. 06 043 364 07
11	11-72	PAR. 06 043 365 07
11	11-73	PAR. 06 043 366 07
11	11-74	PAR. 06 043 367 07
11	11-75	PAR. 06 043 368 07
11	11-76	PAR. 06 043 369 07
11	11-77	PAR. 06 043 370 07
11	11-78	PAR. 06 043 371 07
11	11-79	PAR. 06 043 372 07
11	11-80	PAR. 06 043 373 07
11	11-81	PAR. 06 043 374 07
11	11-82	PAR. 06 043 375 07
11	11-83	PAR. 06 043 376 07
11	11-84	PAR. 06 043 377 07
11	11-85	PAR. 06 043 378 07
11	11-86	PAR. 06 043 379 07
11	11-87	PAR. 06 043 380 07
11	11-88	PAR. 06 043 381 07
11	11-89	PAR. 06 043 382 07
11	11-90	PAR. 06 043 383 07
11	11-91	PAR. 06 043 384 07
11	11-92	PAR. 06 043 385 07
11	11-93	PAR. 06 043 386 07
11	11-94	PAR. 06 043 387 07
11	11-95	PAR. 06 043 388 07
11	11-96	PAR. 06 043 389 07
11	11-97	PAR. 06 043 390 07
11	11-98	PAR. 06 043 391 07
11	11-99	PAR. 06 043 392 07
11	11-100	PAR. 06 043 393 07



LEGEND
 — ASSESSMENT DISTRICT BOUNDARY
 — PARCEL LINES
 (Circled numbers) ASSESSMENT NUMBER

NBS

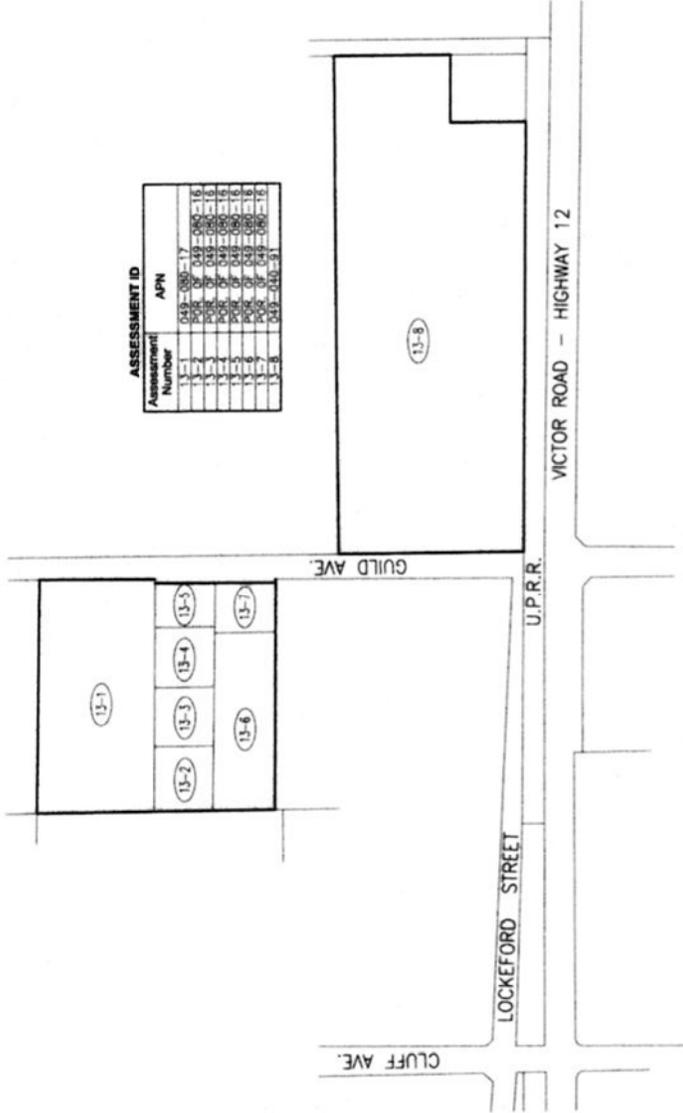
3885 Highway 75, South, Suite 100
 Fremont, CA 94537
 Local Government Solutions

5-78B

5-161

SHEET 1 OF 1

ASSESSMENT DIAGRAM
LODI CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT NO. 2003-1
ZONE 13 - GUILD AVENUE INDUSTRIAL
 CITY OF LODI
 SAN JOAQUIN
 STATE OF CALIFORNIA



ASSESSMENT ID	APN
13-1	049-080-17
13-2	049-080-18
13-3	049-080-19
13-4	049-080-20
13-5	049-080-21
13-6	049-080-22
13-7	049-080-23
13-8	049-080-31

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI THIS 21st DAY OF FEBRUARY, 2003.

Christina M. ...
 CITY CLERK
 CITY OF LODI
 SAN JOAQUIN COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN DIAGRAM SHOWING THE PROPOSED ANNEXATION MAP OF LODI CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT NO. 2003-1, CITY OF LODI, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LODI AT A REGULAR MEETING THEREOF HELD ON THE 19th DAY OF FEBRUARY, 2003, BY ITS RESOLUTION NO. 2003-15.

Christina M. ...
 CITY CLERK
 CITY OF LODI
 SAN JOAQUIN COUNTY, CALIFORNIA

FILED THIS 22nd DAY OF MAY, 2003, AT THE HOUR OF 1:41 O'CLOCK P.M. IN BOOK 2 AT PAGE 167 OF MAPS OF ASSESSMENT DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

May W. Eisenman by Christina M. ...
 COUNTY RECORDER
 COUNTY OF SAN JOAQUIN

NOTE: FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH PARCEL WITHIN THE DISTRICT REFER TO THE COUNTY OF SAN JOAQUIN ASSESSOR'S MAPS.

LEGEND

- ANNEXATION BOUNDARY
- PARCEL LINES
- ASSESSMENT NUMBER

(13-8)

GRAPHIC SCALE

200 100 0 200

SCALE: 1" = 200'

5-161

7. FISCAL YEAR 2010/11 ASSESSMENT ROLL

The assessment roll for each zone is shown on the following pages. The description of each lot or parcel as part of the records of the County Assessor of the County of San Joaquin are, by reference, made part of this Report.

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE LODI CITY COUNCIL OF
THE CITY OF LODI, CALIFORNIA, CONFIRMING THE
DIAGRAM AND ASSESSMENT OF THE LODI
CONSOLIDATED LANDSCAPE MAINTENANCE
DISTRICT NO. 2003-1 FOR FISCAL YEAR 2010/11

=====

WHEREAS, the Council previously completed its proceedings in accordance with and pursuant to the *Landscape and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500)* ("Act") to establish the *Lodi Consolidated Landscape Maintenance District No. 2003-1* ("Assessment District"); and

WHEREAS, the City has retained NBS Government Finance Group, DBA NBS, for the purpose of assisting with the annual levy of assessments within the Assessment District, and to prepare and file an Annual Report, in accordance with §22567 of the Act; and

WHEREAS, the Council has, by previous resolution, declared its intention to hold a Public Hearing on the levy of the proposed assessment and notice of such hearing has been duly given, in accordance with §22626 of the Act; and

WHEREAS, the Council has held and concluded a Public Hearing on the levy of the proposed assessment and has considered all objections.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE COUNCIL, AS FOLLOWS:

1. Purpose of Assessment: The assessment is to be levied and collected to pay the costs of operating, maintaining, and servicing the improvements described in the Annual Report, which is on file with the City Clerk.
2. Compliance with the Law: The assessment is in compliance with all provisions of the Act, Article XIII D of the Constitution of the State of California, and the Proposition 218 Omnibus Implementation Act.
3. Basis of Assessment: The assessment is based upon the estimated benefit from the improvements described in the Annual Report, which is on file with the City Clerk, and such assessment is calculated without regard to property valuation.
4. Confirmation of Diagram and Assessment: The Council hereby confirms the diagram and assessment, as detailed in the Annual Report on file with the City Clerk.
5. Levy of Assessment: Pursuant to §22631 of the Act, the adoption of this resolution shall constitute the levy of an assessment for the fiscal year commencing July 1, 2010 and ending June 30, 2011.

6. Filing of Assessment: The Council hereby orders NBS to file the assessment, as confirmed, with the San Joaquin County Auditor-Controller.

Dated: July 21, 2010

=====

I hereby certify that Resolution No. 2010-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 21, 2010, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



*Please immediately confirm receipt
of this fax by calling 333-6702*

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

**SUBJECT: PUBLIC HEARING NOTICE REGARDING LODI CONSOLIDATED
LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 FOR FISCAL YEAR 2010/11**

PUBLISH DATE: SATURDAY, JULY 10, 2010

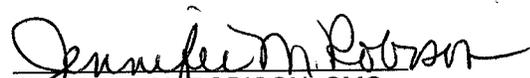
LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, JULY 8, 2010

**ORDERED BY: RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
LNS _____ Phoned to confirm receipt of all pages at _____ (time) _____ CF _____ MB _____ JMP (initials)



DECLARATION OF POSTING

PUBLIC HEARING NOTICE REGARDING LODI CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1 FOR FISCAL YEAR 2010/11

On Friday, July 9, 2010, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing regarding Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for fiscal year 2010/11 (attached and marked as Exhibit A) was posted at the following locations:

Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 9, 2010, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**

A handwritten signature in cursive script that reads "Jennifer M. Robison".

JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

NOTICE OF PUBLIC HEARING

RESOLUTION NO. 2010-114

A RESOLUTION OF THE LODI CITY COUNCIL
DECLARING ITS INTENTION TO LEVY AND COLLECT
ASSESSMENTS FOR THE LODI CONSOLIDATED
LANDSCAPE MAINTENANCE ASSESSMENT
DISTRICT NO. 2003-1 FOR FISCAL YEAR 2010/11

=====

WHEREAS, the City Council previously completed its proceedings in accordance with and pursuant to the *Landscape and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500)* ("Act") to establish the *Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1* ("Assessment District"); and

WHEREAS, the City of Lodi has retained NBS Government Finance Group, DBS NBS, for the purpose of assisting with the annual levy of the Assessment District, and to prepare and file an Annual Report, in accordance with §22567 of the Act.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL, AS FOLLOW:

1. Intention: The City Council hereby declares its intention to levy and collect assessments within the Assessment District to pay the costs of the improvements for the fiscal year commencing July 1, 2010 and ending June 30, 2011. The City Council finds that the public's best interest requires such action.
2. Improvements: The improvements include, but are not limited to: turf, shrubs, plants and trees, landscaping, irrigation and drainage systems, graffiti removal, and associated appurtenances within the public right-of-ways or specific easements. Services provided include all necessary service, operations, administration and maintenance required to keep the improvements in a healthy, vigorous, and satisfactory condition.
3. Assessment District Boundaries: The boundaries of the Assessment District are as shown by the assessment diagram filed in the offices of the City Clerk, which map is made a part hereof by reference.
4. Annual Report: Reference is made to the Annual Report prepared by NBS, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the Assessment District and zones therein and the proposed assessments upon assessable lots and parcels of land within the Assessment District.
5. Notice of Public Hearing: The City Council hereby declares its intention to conduct a Public Hearing concerning the levy of assessments in accordance with §22629 of the Act. All objections to the assessment, if any, will be considered by the City Council. The Public Hearing will be held on **Wednesday, July 21, 2010, at 7:00 p.m.** or as soon thereafter as is feasible in the City Council Chambers located at 305 West Pine Street, Lodi, CA, 95240. The City Council further orders the City Clerk to publish notice of this resolution in accordance with §22626 of the Act.

6. Increase of Assessment: The maximum assessment is not proposed to increase from the previous year above that previously approved by the property owners (as "increased assessment" is defined in §54954.6 of the Government Code).

Dated: July 7, 2010

=====

I hereby certify that Resolution No. 2010-114 was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2010, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, Mounce, and
Mayor Katzakian

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Hitchcock

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Conduct Public Hearing to Consider the Certification of the Final Mitigated Negative Declaration for the Surface Water Treatment Facility

MEETING DATE: July 21, 2010

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Conduct a public hearing to consider and certify the Final Mitigated Negative Declaration for the Surface Water Treatment Facility.

BACKGROUND INFORMATION: On May 6, 2010, the City, as the lead agency, published a Notice of Availability (NOA) announcing that the draft Mitigated Negative Declaration (MND) for the Surface Water Treatment Facility was available to the public for review. The draft Initial Study/Mitigated Negative Declaration was submitted to the State Clearinghouse, distributed to local agencies, sent to interested persons, posted with the County Clerk's office, mailed to all property owners of record within a 300-foot radius of the project site, posted on the site and published in the Lodi News Sentinel. The required 30-day review period for this project commenced on Thursday, May 6, 2010 and ended on Monday, June 7, 2010. During the public review period, three comments were received on the proposed Mitigated Negative Declaration. At the conclusion of the public review period, all written comments were responded to and incorporated in the Final MND.

On July 14, 2010, the Site Plan and Architecture Review Committee (SPARC) conducted a public hearing to review the site plan and architecture of the proposed Surface Water Treatment Facility. Following its review and discussion, the SPARC voted 5-0 to approve the plans.

ANALYSIS: HDR Consulting Group prepared a Draft Initial Study/Mitigated Negative Declaration on behalf of the City. The Draft Initial Study/Mitigated Negative Declaration identified the areas where the proposed facility could have a potential effect on the environment. Mitigation measures were recommended to reduce all impacts to levels of less-than-significant. After the 30-day public review period ended, the City received comments from the San Joaquin Valley Air Pollution Control District, San Joaquin County Council of Governments and California Regional Water Quality Control Board, Central Valley Region.

The San Joaquin Valley Air Pollution Control District notified the City the project may be subject to the District's rules and the City must submit an Air Impact Assessment and pay any applicable offsite mitigation fees before the first building permit is issued. The San Joaquin County Council of Governments (SJCOG, Inc.) notified the City that the project site is in conflict with the county wide adopted Habitat Conservation Plan and a mitigation measure is required to address loss of open space. Finally, the comment received from California Regional Water Quality Control Board, Central Valley Region notified the City the project would be subject to its approval if the project discharges

APPROVED: _____
Konradt Bartlam, Interim City Manager

dredge or fill material to waters of the United States. The proposed treatment plant will not discharge any dredge or fill material to the waters of the United States. All the mitigation measures and requirements of the responding agencies have been added into the proposed Mitigation Monitoring and Reporting Program.

Staff recommends the City Council certify the Mitigated Negative Declaration as an adequate environmental document for the Surface Water Treatment Facility.

FISCAL IMPACT: Not Applicable

FUNDING AVAILABLE: Not Applicable

Konradt Bartlam
Community Development Director

KB/IB/kjc

Attachment:

Surface Water Treatment Facility Final Initial Study/Mitigated Negative Declaration
Mitigation Monitoring and Reporting Program



City of Lodi

Surface Water Treatment Facility

Final Initial Study / Mitigated Negative Declaration

June 2010



ONE COMPANY
Many Solutions®

Final Initial Study / Mitigated Negative Declaration

City of Lodi

Surface Water Treatment Facility

State Clearinghouse # 2010052016

June 2010



2365 Iron Point Road, Suite 300
Folsom, CA 95630

MITIGATED NEGATIVE DECLARATION

PROJECT: City of Lodi Surface Water Treatment Plant

LEAD AGENCY: City of Lodi

PROJECT DESCRIPTION: The City of Lodi (City) is proposing to construct the City of Lodi Surface Water Treatment Facility (SWTF or Proposed Project), which would be located on four acres between the Union Pacific Railroad spur line and Lodi Lake near the intersection of Turner Road and Lower Sacramento Road. The SWTF would include a raw water pump station near the Woodbridge Irrigation District (WID) Main Canal that would pump water from the WID intake structure on the Mokelumne River. The intake is fitted with a 36-inch pipe to a 30-inch raw water pipeline to the SWTF. From the SWTF, a treated water pipeline will deliver water to the City's existing water distribution system. The design capacity of the SWTF will be 8 million gallons per day (mgd) with the ability to produce 10 mgd. The SWTF is designed as a membrane treatment plant. The City's water system is currently supplied by 27 groundwater wells that will have chlorination facilities added to each well. The treated surface water supply will account for about 30 percent of the total water supply delivery; groundwater will make up the remainder of the delivery.

The Draft Initial Study/Mitigated Negative Declaration (IS/MND) was submitted to the State Clearinghouse (SCH # 2010052016) on May 6, 2010 for a 30-day public review period ending on June 7, 2010. During the public review period, the Draft IS/MND was available for review at the City of Lodi Community Development Department at 221 West Pine Street, Lodi, CA; the City of Lodi Public Works Department at 221 West Pine Street, Lodi, CA; and at the Lodi Public Library, 201 West Locust Street, Lodi, CA. The Draft IS/MND was also available on the City's website, http://www.lodi.gov/com_dev/EIRs.html.

FINDINGS: An initial study (IS) has been prepared to assess the SWTF's potential effects on the environment and the significance of those effects. Using the results of the IS, the SWTF would not have any significant effects on the environment once mitigation measures are implemented. This conclusion is supported by the following proposed findings:

- ◆ The SWTF would result in no impacts to agriculture and forest resources, land use and planning, mineral resources, public services, and recreation.
- ◆ The SWTF would result in less-than-significant impacts to greenhouse gas emissions, population and housing, and utilities and service systems.
- ◆ Mitigation would be implemented to reduce potentially significant impacts to less than significant for aesthetics (potential impacts related to visual character/quality of the site and light/glare), air quality (potential impacts related to short-term construction emissions), biological resources (potential impacts to Swainson's hawk and other raptors and migratory birds; and local policies/ordinances protecting trees), cultural resources (potential to disturb or damage undiscovered subsurface cultural or paleontological resources or human remains during construction), geology and soils (potential soil erosion during construction), hazards and hazardous materials (potential spills of hazardous substances during construction), hydrology and water quality (potential soil erosion and spills of hazardous substances during construction), noise (impacts during construction and operation), and transportation (potential conflicts with traffic in the Project area during construction).

- ◆ Although there are no known cultural resources that might be disturbed, mitigation is included to address the potential for discovering archaeological, paleontological, and/or human remains during the construction.
- ◆ The SWTF would not substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, reduce the number or restrict the range of a special-status species, or eliminate important examples of California history or prehistory.
- ◆ The SWTF would not achieve short-term environmental goals to the disadvantage of long-term environmental goals.
- ◆ The SWTF would not have environmental effects that are individually limited but cumulatively considerable.
- ◆ No substantial evidence exists that the SWTF would have a significant negative or adverse effect on the environment.
- ◆ The SWTF incorporates all applicable mitigation measures, as listed below and described in the IS.

The following mitigation measures will be implemented as part of the SWTF to avoid or minimize potential environmental impacts. Implementation of these mitigation measures would reduce the potential environmental impacts of the SWTF to less than significant.

- ◆ Mitigation Measure AE-1: Reduce Visual Impacts.
- ◆ Mitigation Measure AE-2: Minimize Substantial Light or Glare.
- ◆ Mitigation Measure AIR-1: Minimize PM10 Impacts.
- ◆ Mitigation Measure BIO-1a: Replace Swainson's Hawk Foraging Habitat.
- ◆ Mitigation Measure BIO-1b: Avoid Disturbance of Nesting Swainson's Hawks.
- ◆ Mitigation Measure BIO-1c: Avoid Disturbance of Nesting Birds.
- ◆ Mitigation Measure BIO-2: Replace or Transplant Trees Removed.
- ◆ Mitigation Measure CUL-1: Stop Work if Archaeological Materials or Paleontological Are Discovered During Construction.
- ◆ Mitigation Measure CUL-2. Stop Work if Human Remains Are Discovered.
- ◆ Mitigation Measure HAZ-1: Handling and Storage of Hazardous Materials.
- ◆ Mitigation Measure HAZ-2: Compliance with Design Codes and Regulations.
- ◆ Mitigation Measure HAZ-3: Enforce Contractual Obligations.
- ◆ Mitigation Measure HYDRO-1: Prepare and Implement a SWPPP and Construction BMPs.

- ◆ Mitigation Measure NOISE-1: Minimize Noise During Construction.
- ◆ Mitigation Measure NOISE-2: Minimize Noise During Operation.
- ◆ Mitigation Measure TR-1: Prepare Traffic Control Plan.
- ◆ Mitigation Measure TR-2: Haul Route Maintenance.

A copy of the Final IS/MND follows this MND.

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Acronyms

AF	acre-feet
AFY	acre-feet per year
CEQA	California Environmental Quality Act
City	City of Lodi
hp	horsepower
IS/MND	Initial Study/Mitigated Negative Declaration
mgd	million gallons per day
NOA	Notice of Availability
PRC	Public Resources Code
RWPS	raw water pump station
SWTF	Surface Water Treatment Facility
WID	Woodbridge Irrigation District

Chapter 1 - Introduction

1.1 Purpose of the Final Initial Study

This document has been prepared to accompany the Draft Initial Study/Mitigated Negative Declaration (IS/MND) for the City of Lodi Surface Water Treatment Facility (SWTF). The Draft IS/MND identified the environmental impacts associated with the construction and operation of the SWTF and recommended mitigation measures to reduce impacts. The statutes and guidelines of the California Environmental Quality Act (CEQA) require the Lead Agency to consult with public agencies having jurisdiction over a proposed project and to provide public and other interested parties with an opportunity to comment on a Draft IS/MND. This document responds to environmental issues raised in the comments on the Draft IS/MND.

1.2 Environmental Review Process

The Draft IS/MND for the SWTF was submitted to the State Clearinghouse (SCH # 2010052016) on May 6, 2010 for a 30-day public and agency review and comment, which ended on June 7, 2010. The Draft IS/MND was prepared on behalf of the City in accordance with the requirements of the California Environmental Quality Act (CEQA) Statutes (Public Resources Code [PRC] Sections 21000 et seq.) and the CEQA Guidelines (Title 14, Section 15000 et seq. of the California Code of Regulations). The City of Lodi is the lead agency for CEQA compliance.

In accordance with the CEQA Statutes (PRC Section 21092) and Section 15072 of the CEQA Guidelines, public notice of the Draft IS/MND was provided by the City of Lodi through publication of an announcement in the Lodi Sentinel on May 20, 2010. In accordance with Section 15105(b) of the CEQA Guidelines, the City provided a 30-day public review period for the Draft IS/MND, ending on June 7, 2010.

The public notice published in the Lodi Sentinel included details on how to obtain copies of the Draft IS/MND, and how to provide comments on the document for the Draft IS/MND. Additional notification methods were also used, including: mailing copies of the Draft IS/MND to various agencies and individuals; posting the Notice of Availability (NOA) at the Project site; and mailing the NOA to property owners of record within a 300-foot radius of the Project site. The NOA included information on how to obtain copies of the Draft IS/MND and how to provide comments on the document.

The City received three comment letters on the Draft IS/MND during the 30-day public and agency comment period. These three comment letters are addressed in Chapter 3 of this document. This Final IS/MND has been prepared to respond to the comments received by the City that address environmental issues related to the Draft IS/MND, in accordance with the CEQA Guidelines.

This document consists of the following chapters:

- ◆ Chapter 1 – Introduction. Chapter 1 describes the purpose of this Final IS/MND, provides an overview of the public review process, summarizes the Project, and provides the anticipated Project timeline.
- ◆ Chapter 2 – Written Comments and Responses. This chapter reproduces the comment letters received by the City of Lodi on the Draft IS/MND and provides responses to those comments.

- ◆ Chapter 3 - Staff-Initiated Text Changes to Draft IS. This chapter lists modifications to the Draft IS initiated by staff. These modifications do not change any of the impact conclusions stated in the Draft IS.
- ◆ Chapter 4 - List of Preparers. This Chapter lists the individuals who contributed to the preparation of this Final IS/MND.

No modifications to the Draft IS/MND were made in response to the comments received. Therefore, the impact conclusions and mitigation measures stated in the Draft IS/MND remain the same.

This document and the Draft IS/MND together constitute the Final IS/MND for the SWTF. The Draft IS/MND is hereby incorporated into this document by reference.

1.3 Project Summary

The City currently utilizes groundwater as its sole water supply source. As part of a regional effort to stabilize the groundwater basin, the City plans to reduce its groundwater pumping. To achieve this goal, the City contracted with Woodbridge Irrigation District (WID) in May 2003 to purchase 6,000 acre-feet per year (AFY) of WID's pre-1914 Mokelumne River water entitlement for a period of 40 years.

Under the 2003 Agreement, the diversion of WID water from the Mokelumne River is permitted from March 1 through October 15. In April 2009, WID and East Bay Municipal Utilities District (EBMUD) signed a supplementary agreement allowing the City to utilize the water year-round. From March 1 through October 15, the City will receive 5,000 acre-feet (AF); and from October 16 through the end of February, the City will receive 1,000 AF.

The WID purchase is intended to supplement the City's groundwater supply to meet current water demands and to reduce the City's dependence on the groundwater aquifer, which is in an overdraft condition (17,140 AFY pumped in 2008 vs. 15,000 AFY safe yield). Groundwater conditions in the Eastern San Joaquin Groundwater Subbasin are threatened primarily by groundwater withdrawals to the east and south of the City, which has resulted in saline water intrusion from the west. For these reasons, the City proposes to build the SWTF.

The SWTF is proposed as part of a conjunctive use program that would integrate surface water and groundwater management. The surface water component would be the WID water that would be delivered to the SWTF for treatment and distribution to the City. The groundwater component would be well water that is currently pumped for distribution to the City. With the implementation of the SWTF, the City would pump less groundwater and the groundwater levels would be allowed to recover by in-lieu (natural) recharge.

The treated surface water supply would account for about one-third of the total delivery into the water distribution system, on average, but would potentially range under current demand conditions from 18 to nearly 100 percent of the total delivery depending on day-to-day water demands. The remainder of the water supply would be groundwater, supplied by the City's 27 existing wells and one planned well, which would be improved to meet regulatory requirements.

1.3.1 Project Objectives

The SWTF was developed to meet the following objectives:

- ◆ To protect and restore groundwater resources
- ◆ To provide adequate water supply to accommodate long-term growth

The primary purpose of the SWTF is to provide a secure, reliable supplemental supply of water for the City that will meet current and future needs, while protecting groundwater and reducing dependence on groundwater.

1.3.2 Project Location

The City proposes to construct the SWTF on four acres of city-owned property between the Union Pacific Railroad spur line and Lodi Lake near the intersection of Turner Road and Lower Sacramento Road. The raw water pump station (RWPS) would be built on the west side of Lower Sacramento Road across from the WID intake and fish screen, and south of the WID canal on property currently owned by WID.

Only the portion of the raw water pipeline located on the city-owned property is part of the Proposed Project. A 3,200-foot long transmission pipeline from the SWTF would connect to the existing distribution system water mains at four points along Mills Avenue, ending at Elm Street.

1.3.3 Project Facilities

The RWPS would be constructed with four 30-inch pump cans designed for 75-horsepower (hp) vertical turbine pumps. Three 50-hp pumps would be installed in the oversized cans with a capacity of 5.7 million gallons per day (mgd) each. The RWPS would deliver 2.0 to 11.5 mgd of untreated water to the SWTF.

The 36-inch gravity line from the WID fish screen to the RWPS and the 30-inch discharge pressure line from the RWPS to the SWTF were previously constructed as part of the planned widening and reconstruction of Lower Sacramento Road by the County. As such, the construction of this portion of the raw water pipeline was covered under previous CEQA documentation.

The SWTF would have an Operations Building that would house the membranes, laboratory, and administration and operations offices. A Chemical Building would house a workshop, membrane feed pumps, autostrainers, chemical storage and feed systems, and a future dewatering system. Space would be provided on the site to allow for expanding the Operations and Chemical buildings to accommodate plant expansion to 20 mgd. A third building would contain the high service pumps and electrical room. Other components of the SWTF would include a reverse filtration waste tank, plate settler for reverse filtration water, sedimentation basin, high service pump station, soda ash silo, and a three-million-gallon storage tank.

An access road to the SWTF would extend northwest from the intersection of Turner Road and North Mills Avenue in the southeast corner of the City's property. The road would be 24-feet wide with four-foot wide shoulders. The intersection of Turner Road and North Mills Avenue would require signal modifications to accommodate a four-leg intersection.

The finished water pipeline would be placed along the south side of the SWTF, parallel to the railroad tracks. The 3,200-foot-long, 36 inch transmission main would exit the SWTF and follow an access road to

the intersection of Turner Road and North Mills Avenue, where it would tunnel under the railroad tracks and continue south along North Mills Avenue to Elm Street.

The City's water system is currently supplied by groundwater from 27 well pump stations and a grid water main system. To ensure compliance with state and federal regulations, modifications to the existing groundwater distribution system would include: (1) chlorination of each groundwater supply to provide a minimum of 0.5 milligram per liter of residual chlorine at the entry point into the distribution system; and (2) continuous monitoring of the chlorine residual at each distribution system entry point.

1.4 Timeline for Project Implementation

The Lodi City Council is expected to make a decision on certifying the MND and approving the SWTF at its meeting on July 21, 2010. Assuming that the SWTF is approved, construction of the SWTF is anticipated to start in January 2011. Construction is expected to occur over an 18-month period. Therefore, the SWTF is projected to come online in the summer of 2012.

Chapter 2 - Written Comments and Responses

The City received three comment letters on the Draft IS/MND during the public and agency comment period. The following table lists the commenters and the dates of the letters. Each letter and individual comment has been assigned a letter/number designation for cross-referencing.

Also included at the end of this chapter is a letter from the State Clearinghouse. The letter acknowledges that the City of Lodi has complied with the State Clearinghouse draft environmental document review requirements, and indicates that no state agencies submitted comments through the State Clearinghouse by the close of the comment period on June 7, 2010. All comment letters received are addressed in this Final IS/MND.

List of Commenters/Letters			
Designation	Commenter	Date of Letter	Comment Numbers
A	San Joaquin Valley Air Pollution Control District	June 1, 2010	A-1, A-2, A-3, A-4
B	San Joaquin Council of Governments (SJCOG Inc.)	June 4, 2010	B-1, B-2, B-3, B-4
C	California Regional Water Quality Control Board, Central Valley Region	June 7, 2010	C-1, C-2

Comment Letter A



May 28, 2010

RECEIVED

JUN 01 2010

Konradt Bartlam
Community Development Director
City of Lodi
PO Box 3006
Lodi, CA 95241

COMMUNITY DEVELOPMENT DEPT
CITY OF LODI

Project: Draft Initial Study / Mitigated Negative Declaration – Surface Water Treatment Facility (SWTF)

District CEQA Reference No: 20100340

Dear Mr. Bartlam:

The San Joaquin Valley Unified Air Pollution Control District (District) has reviewed the project referenced above consisting of the construction and operation of the City of Lodi's surface water treatment facility (SWTF), located east of the northwest corner of Turner Road and Lower Sacramento Road, in Lodi, CA. The Draft IS/MND states the project's objectives are "to protect and restore groundwater resources" and "to provide adequate water supply to accommodate long-term growth." The District offers the following comments:

1. Based on information provided to the District, project specific emissions of criteria pollutants are not expected to exceed District significance thresholds of 10 tons/year NOX, 10 ton/year ROG, and 15 tons/year PM10. Therefore, the District concludes that project specific criteria pollutant emissions would have no significant adverse impact on air quality.
2. Based on information provided to the District, the proposed project may equal or exceed 9,000 square feet of other. Therefore, the District concludes that the proposed project may be subject to District Rule 9510 (Indirect Source Review).

A-1

District Rule 9510 is intended to mitigate a project's impact on air quality through project design elements or by payment of applicable off-site mitigation fees. Any applicant subject to District Rule 9510 is required to submit an Air Impact Assessment (AIA) application to the District no later than applying for final discretionary approval, and to pay any applicable off-site mitigation fees before issuance of the first building permit. If approval of the subject project constitutes the

A-2

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

www.valleyair.org www.healthyliving.com

Printed on recycled paper.

District CEQA Reference No. 20100340

last discretionary approval by your agency, the District recommends that demonstration of compliance with District Rule 9510, including payment of all applicable fees before issuance of the first building permit, be made a condition of project approval. Information about how to comply with District Rule 9510 can be found online at: <http://www.valleyair.org/ISR/ISRHome.htm>.

A-2
cont.

- 3. The proposed project may be subject to District Rules and Regulations, including: Regulation VIII (Fugitive PM10 Prohibitions), Rule 4102 (Nuisance), Rule 4601 (Architectural Coatings), and Rule 4641 (Cutback, Slow Cure, and Emulsified Asphalt, Paving and Maintenance Operations). In the event an existing building will be renovated, partially demolished or removed, the project may be subject to District Rule 4002 (National Emission Standards for Hazardous Air Pollutants). The above list of rules is neither exhaustive nor exclusive.

A-3

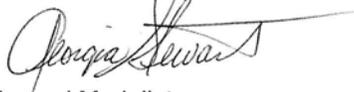
To identify other District rules or regulations that apply to this project or to obtain information about District permit requirements, the City of Lodi should contact the District's Small Business Assistance Office at (209) 557-6446. Current District rules can be found online at: www.valleyair.org/rules/1ruleslist.htm.

A-4

If you have any questions or require further information, please call Georgia Stewart, at (559) 230-5937.

Sincerely,

David Warner
Director of Permit Services

for 
 Georgia Stewart
 Arnaud Marjollet
 Permit Services Manager

DW: gs

Cc: File

**Responses to Comment Letter A from
San Joaquin Valley Air Pollution Control District**

Response to Comment A-1:

This comment is noted.

Response to Comment A-2:

This comment is noted. The Proposed Project will exceed 9,000 square feet, and therefore, may be subject to District Rule 9510 (Indirect Source Review), which fulfills emission reduction commitments in the PM₁₀ and Ozone Attainment Plans. The mitigated baseline for projects is below 2 tons per year NO_x and below 2 tons per year of PM₁₀.

As described on pages 4-8 through 4-10 of the IS/MND, various controls will be used to mitigate Project construction and operation emissions.

If Rule 9510 is applicable to the SWTF, an Air Impact Assessment will be submitted to the District no later than applying for final discretionary approval, and to pay any applicable offsite mitigation fees before issuance of the first building permit.

Response to Comment A-3:

This comment is noted. As described on pages 4-8 and 4-9 of the IS/MND, various controls will be used to mitigate fugitive PM₁₀ emissions.

The SWTF will not renovate, partially demolish, or remove any existing buildings.

Response to Comment A-4:

This comment is noted.

Comment Letter B

RECEIVED

JUN 04 2010

COMMUNITY DEVELOPMENT DEPT
CITY OF LODI



S J C O G, Inc.

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

**SJMSCP RESPONSE TO LOCAL JURISDICTION (RTL)
ADVISORY AGENCY NOTICE TO SJCOG, Inc.**

To: City of Lodi Community Development Director
From: Anne-Marie Poggio, Regional Habitat Planner, SJCOG, Inc.
Date: June 2, 2010
Local Jurisdiction Project Title: City of Lodi Surface Water Treatment Facility
Local Jurisdiction Project Number: N/A

Total Acres to be converted from Open Space Use: Undetermined
Habitat Types to be Disturbed: Multi-Purpose and Natural Habitat Land
Species Impact Findings: Findings to be determined by SJMSCP biologist.

SJCOG, Inc. has reviewed the City of Lodi Surface Water Treatment Facility Draft IS/ Mit Neg Dec. This project will include a raw water pump station near the Woodbridge Irrigation District (WID) Canal that would pump water from the District intake structure on the Mokelumne River to the new facility in a 30 inch raw water pipeline. The project will be located on the west side of Lower Sacramento Road across from the WID intake and Fish screen and south of the WID canal on property currently owned by WID.

The City of Lodi is a signatory to San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). Participation in the SJMSCP satisfies requirements of both the state and federal endangered species acts, and ensures that the impacts are mitigated below a level of significance in compliance with the California Environmental Quality Act (CEQA). The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measure are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP. Although participation in the SJMSCP is voluntary, Local Jurisdiction/Lead Agencies should be aware that if project applicants choose against participating in the SJMSCP, they will be required to provide alternative mitigation in an amount and kind equal to that provided in the SJMSCP.

B-1

It should be noted that two important federal agencies (U.S. Army Corps of Engineers and the California Regional Water Quality Control Board) have not issued permits to the SJCOG and so payment of the fee to use the SJMSCP will not modify requirements that could be imposed by these two agencies. Potential waters of the United States [pursuant to Section 404 Clean Water Act] are believed to occur on the project site. It may be prudent to obtain a preliminary wetlands map from a qualified consultant. If waters of the United States are confirmed on the project site, the Corps and the Regional Water Quality Control Board (RWQCB) would have regulatory authority over those mapped areas [pursuant to Section 404 and 401 of the Clean Water Act respectively] and permits would be required from each of these resource agencies prior to grading the project site.

B-2

2 | SJCOG, Inc.

This Project is subject to the SJMSCP. Per requirements of the SJMSCP, this project must seek coverage due to required Army Corp permitting and Section 7 consultation. This project is subject to a case-by-case review. This can be a 90 day process and it is recommended that the project applicant contact SJMSCP staff as early as possible. It is also recommended that the project applicant obtain an information package. <http://www.sjco.org> After this project is approved by the Habitat Technical Advisory Committee and the SJCOG Inc. Board, the following process must occur to participate in the SJMSCP:

B-3

- Schedule a SJMSCP Biologist to perform a pre-construction survey **prior to any ground disturbance**
- Sign and Return Incidental Take Minimization Measures to SJMSCP staff (given to project applicant after pre-construction survey is completed)
- Pay appropriate fee based on SJMSCP findings. **Fees shall be paid in the amount in effect at the time of issuance of Building Permit**
- Receive your Certificate of Payment and release the required permit

If you have any questions, please call (209) 235-0600.



S J C O G , I n c .

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

SJMSCP HOLD

TO: Local Jurisdiction: Community Development Department, Planning Department, Building Department, Engineering Department, Survey Department, Transportation Department,
Other:

FROM: Anne-Marie Poggio, Regional Habitat Planner, SJCOG, Inc.

**DO NOT AUTHORIZE SITE DISTURBANCE
DO NOT ISSUE A BUILDING PERMIT
DO NOT ISSUE _____ FOR THIS PROJECT**

The landowner/developer for this site has requested coverage pursuant to the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). In accordance with that agreement, the Applicant has agreed to:

- 1) Implement Incidental Take Minimization Measures (ITMMs) PRIOR to site disturbance. Do not authorize site disturbance **until receipt of a signed Agreement to Incidental Take Minimization Measures (ITMMs) AND verification that all applicable ITMMs have been implemented.**
- 2) Pay SJMSCP fees. **Fees shall be paid in the amount in effect at the time of issuance of Building Permit (see also Appendix). Do not issue a Use Permit until receipt of a Certificate of Payment or Verification of Payment to the Local Jurisdiction (e.g., Receipt) AND verification that all applicable ITMMs have been implemented prior to ground disturbance.**

B-4

Project Title: City of Lodi Surface Water Treatment Facility Draft IS/ Mit Neg Dec

Landowner: _____

Applicant: _____

Assessor Parcel #: Undetermined

T _____, R _____, Section(s): _____

Local Jurisdiction Contact: City of Lodi Community Development Director

The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measures are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP.

Responses to Comment Letter B from SJCOG Inc.**Response to Comment B-1:**

This comment is noted. The City plans to participate in the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). The City is in the process of preparing the SJMSCP review form. The City will ensure that the appropriate Incidental Take and Minimization Measures are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP.

Response to Comment B-2:

This comment is noted. As stated on pages 4-13 and 4-14 of the IS/MND, there are no waters of the United States on the Project site. Qualified wetland specialists visited the Project site on August 2, 2007, and February 12, 2010, to identify waters of the United States and the state. As stated on page 4-14, "no wetlands or other waters of the U.S. occur on the SWTF site, access road, or associated facilities." Therefore, permits will not be required from the U.S. Army Corps of Engineers (Section 404) or the Central Valley Regional Water Quality Control Board. In addition, there were no waters of the state.

Response to Comment B-3:

This comment is noted. The City will seek coverage under the SJMSCP. However, because there will be no impacts to wetlands or other waters of the United States, the SWTF will not require a Clean Water Act (CWA) Section 404 permit from the U.S. Army Corps of Engineers. Therefore, Endangered Species Act Section 7 consultation will not be required.

Response to Comment B-4:

This comment is noted. The City will implement Incidental Take Minimization Measures disturbance and pay SJMSCP fees prior to ground disturbance.



Linda S. Adams
Secretary for
Environmental
Protection

California Regional Water Quality Control Board Central Valley Region

Katherine Hart, Chair

11020 Sun Center Drive #200, Rancho Cordova, California 95670-6114
Phone (916) 464-3291 • FAX (916) 464-4645
<http://www.waterboards.ca.gov/centralvalley>



Arnold
Schwarzenegger
Governor

Comment Letter C

7 June 2010

Konrad T. Bartlam
City of Lodi
221 West Pine Street
Lodi, CA 95240

COMMENTS ON DRAFT MITIGATED NEGATIVE DECLARATION, CITY OF LODI SURFACE WATER TREATMENT FACILITY, SAN JOAQUIN COUNTY, SCH#2010052016

The California Environmental Quality Act (CEQA) provides an opportunity for the Regional Water Boards to exercise their authority to require minimization and mitigation of impacts to the waters of the state. Based on the provided project description, project activities may impact waters of the United States or waters of the state.

The discharge of dredge or fill material to waters of the United States is subject to Section 401 of the CWA and the California Water Code (CWC). Section 401 requires that a Water Quality Certification be obtained from the State before the Army Corps of Engineers may issue a Section 404 permit. C-1

Any person discharging dredge or fill materials to waters of the state must file a report of waste discharge pursuant to Sections 13376 and 13260 of the CWC. Both the requirements to submit a report of waste discharge and apply for a Water Quality Certification may be met using the same application form, found at: C-2

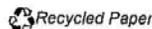
http://www.waterboards.ca.gov/centralvalley/water_issues/water_quality_certification/wqc_application.pdf

If you have any questions regarding storm water or 401 Water Quality Certification, please contact me at (916) 464-4736 or dradulescu@waterboards.ca.gov.

Dan Radulescu, P.E.
Lead of the 401 & Municipal Storm Water Unit

cc: State Clearinghouse
HDR, 2365 Iron Point Road, Suite 300, Folsom, CA 95630

California Environmental Protection Agency



**Responses to Comment Letter C from
Central Valley Regional Water Quality Control Board**

Response to Comment C-1:

This comment is noted. The Proposed Project will not discharge any dredge or fill material to waters of the United States. Therefore, the Proposed Project will not require a Clean Water Act (CWA) Section 404 permit from the U.S. Army Corps of Engineers, and in turn, will not require a CWA Section 401 Water Quality Certification from the Regional Water Quality Control Board.

Response to Comment C-2:

This comment is noted. The Proposed Project will not discharge any dredge or fill material to waters of the state. Therefore, the Proposed Project will not be required to file a report of waste discharge pursuant to Sections 13376 and 13260 of the California Water Code. There are no waters of the state on the Project site.



ARNOLD SCHWARZENEGGER
GOVERNOR

June 8, 2010

STATE OF CALIFORNIA
GOVERNOR'S OFFICE of PLANNING AND RESEARCH
STATE CLEARINGHOUSE AND PLANNING UNIT



RECEIVED
JUN 11 2010
CITY MANAGER'S OFFICE

Konrad T. Bartlam
City of Lodi
P.O. Box 3006
221 West Pine Street
Lodi, CA 95240

Subject: City of Lodi Surface Water Treatment Facility
SCH#: 2010052016

Dear Konrad T. Bartlam:

The State Clearinghouse submitted the above named Mitigated Negative Declaration to selected state agencies for review. The review period closed on June 7, 2010, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,


Scott Morgan
Acting Director, State Clearinghouse

1400 10th Street P.O. Box 3044 Sacramento, California 95812-3044
(916) 445-0613 FAX (916) 323-3018 www.opr.ca.gov

**Document Details Report
State Clearinghouse Data Base**

SCH# 2010052016
Project Title City of Lodi Surface Water Treatment Facility
Lead Agency Lodi, City of

Type MND Mitigated Negative Declaration
Description The Surface Water Treatment Facility (SWTF) will include a raw water pump station near the Woodbridge Irrigation District (WID) Canal that would pump water from the WID intake structure on the Mokelumne River that is fitted with a 36 inch pipe, so a 30 inch raw water pipeline to the SWTF. From the SWTF, a treated water pipeline will deliver water to the City of Lodi's existing water distribution system. The design capacity of the SWTF will be 8 mgd with the ability to produce 10 mgd. The SWTF is designed as a membrane treatment plant. The City's water system is currently supplied by 27 groundwater wells that will have chlorination facilities added to each well. The treated surface water supply will account for about 1/3 of the total water supply delivery; groundwater will make up the remainder of the delivery.

Lead Agency Contact

Name Konrad T. Bartlam
Agency City of Lodi
Phone (209) 333-6711 **Fax**
email
Address P.O. Box 3006
 221 West Pine Street
City Lodi **State** CA **Zip** 95240

Project Location

County San Joaquin
City Lodi
Region
Lat / Long 38° 12' 7" N / 121° 32' 2" W
Cross Streets North Mills Ave and Turner Rd
Parcel No. 015-230-15
Township 4N **Range** 6E **Section** 34 **Base** MDB&M

Proximity to:

Highways 99, 12
Airports Lodi Airpark
Railways UPRR
Waterways Mokelumne River
Schools
Land Use GP: Open Space

Project Issues Aesthetic/Visual; Agricultural Land; Air Quality; Archaeologic-Historic; Biological Resources; Cumulative Effects; Flood Plain/Flooding; Forest Land/Fire Hazard; Geologic/Seismic; Growth Inducing; Landuse; Minerals; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Soil Erosion/Compaction/Grading; Solid Waste; Toxic/Hazardous; Traffic/Circulation; Vegetation; Water Quality; Water Supply; Wetland/Riparian; Other Issues

Reviewing Agencies Resources Agency; Department of Fish and Game, Region 2; Office of Historic Preservation; Department of Parks and Recreation; Department of Water Resources; Caltrans, Division of Aeronautics; California Highway Patrol; Caltrans, District 10; CA Department of Public Health; State Water Resources Control Board, Division of Financial Assistance; Regional Water Quality Control Bd., Region 5 (Sacramento); Department of Toxic Substances Control; Native American Heritage Commission

Note: Blanks in data fields result from insufficient information provided by lead agency.

**Document Details Report
State Clearinghouse Data Base**

Date Received 05/06/2010 **Start of Review** 05/06/2010 **End of Review** 06/07/2010

Note: Blanks in data fields result from insufficient information provided by lead agency.

Chapter 3 - Staff-Initiated Text Changes to Draft IS

The following corrections have been made to the Draft IS text. This staff-initiated text changes update information presented in the Draft IS. These changes do not alter any of the analysis or conclusions presented in the Draft IS. Text deletions are shown with ~~strike through~~, and additions are shown with double underline. No modifications to the Draft IS were made in response to the agency comments received.

2.2.5 Access Road

The SWTF would share an access road with future park land. The City plans on designing and constructing the access road to serve both areas. The volume of traffic visiting the SWTF is expected to be minor. Most visitors are expected to arrive by automobile; however, a few large trucks would arrive for deliveries, construction, and maintenance.

The access road to the SWTF would extend northwest from the intersection of Turner Road and North Mills Avenue in the southeast corner of the City's property (Figure 2-6). The road would be 24-foot wide with four-foot wide shoulders. The intersection of Turner Road and North Mills Avenue would require signal modifications to accommodate a four-leg intersection.

For the westbound traffic on Turner Road, an existing raised traffic island in the intersection would be removed to accommodate the northbound through movement from North Mills Avenue. A new traffic signal post would be installed on the existing raised median east of the intersection with new traffic signal heads for both eastbound and westbound left turn movements. In addition, an existing 25-foot signal mast-arm with a street light and signal heads for the northbound, westbound through, and eastbound left turn movement. It would also have a "No Right Turn" sign that would operate with the railroad crossing signal to prevent vehicles from turning right on a red light when a train is approaching. The existing high voltage power pole would remain. For the northbound direction on North Mills Avenue, an existing left turn lane would change to a through/left lane. The existing raised traffic island on North Mills Avenue would be reshaped and the existing traffic signal post on the island would be relocated. The 40-foot mast on the traffic signal post would be removed and replaced with a street light. The existing signal post on the right turn median would receive a new southbound signal head for southbound traffic.

For eastbound traffic on Turner Road, a left turn pocket would be added at the intersection to allow movement to the access road. An existing raised median and street light on West Turner Road would be relocated adjacent the new left turn lane. A new 50-foot traffic signal mast would be located on the southwest corner to replace the 40-foot mast arm removed from the island on North Mills Avenue. The crosswalk on the west quadrant would be moved west to maintain 40-foot spacing in front of the new 50-foot mast.

An existing signal controller located at the southwest corner would be modified for the new eastbound left turn and the southbound movements. All new traffic signal heads would be light-emitting diodes (LED) to reduce energy use.

Currently, the traffic signals also function as the railroad crossing control signals. The City met with the California Public Utilities Commission (CPUC) and UPRR to determine if any changes to the crossing controls would be needed with the intersection improvements. Due to the low number of incidents at the intersection, the CPUC decided to allow the existing crossing controls to remain. American Disabilities

Act (ADA), signage, and striping improvements would be included in the proposed improvements. A preliminary design will be submitted to UPRR for review during the 60 percent design review. This will then be followed by submitting a General Order 88B (application for railroad crossing) to the CPUC.

New crosswalk, curb ramps, and traffic signal poles with traffic and pedestrian signal heads would be added for the north leg of the intersection. The access road would be constructed along the lake, which would necessitate the removal of mature trees and an earthen embankment. The access road would be routed from Turner Road, between the existing concrete pedestrian/bicycle path that runs along the lake and the stormwater pump station to the SWTF's entrance gate. A second wooden power pole located in the berm would have to be reinstalled when the berm is removed. A few street lights and park benches along the path would be moved away from the access road to the lake side of the path. The lights at the park and the SWTF would be integrated along with the road and the pathway.

Figure 2-7 shows the existing view from Turner Road looking towards the lake. Figure 2-8 shows a conceptual image of the same view after the SWTF is built after the removal of 12 oak trees (three valley oaks and nine interior live oaks) along the proposed access road. Figure 2-9 shows a conceptual image of the SWTF as viewed from Turner Road after the removal of ~~four~~ 19 oak trees (~~one~~ six valley oak and ~~three~~ 13 interior live oaks) and one black locust tree from the SWTF site during construction.

2.3.6 Architectural, Landscaping, and Security

During the architectural phase, several specialized crews would apply finishes, tile and flooring, windows, paint, and wall fixtures.

Decorative fencing or a wrought iron style fence would be constructed where the SWTF is exposed to the park or otherwise visible from the street. On the side facing the railroad track, one-inch chain-link fencing, eight feet in height topped with three strands of barbed wire would be placed.

The SWTF would have three vehicular gates: the main entrance, delivery entrance, and a utility entrance. Motorized gates would be provided at both the main and delivery entrances. The main entrance would be located in the parking lot adjacent to the Operations Building. The delivery entrance would be located on the other side of the storage tank from the Operations Building and out of view. The utility gate would provide access for service or maintenance on the north side of the Operations Building. It would be a manual gate since its use would be infrequent and it would be normally locked. Manual gates would be provided at the parking lot in front of the administration offices to prevent park guests from using the SWTF's parking during weekends or after hours.

Landscaping within the facility would be kept to the perimeter to screen the SWTF and to minimize maintenance. Evergreen trees would be placed along the fence line facing the future park. ~~Sixteen~~ Nineteen oak trees and one black locust trees would be removed in the construction of the SWTF and the access road. The trees removed would be mitigated with oak trees planted in the future park and at other city parks.

4.0 CEQA INITIAL STUDY CHECKLIST

Biological Resources

DISCUSSION

e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

Less Than Significant with Mitigation Incorporated. The future SWTF site and access road contain several trees, which would be removed during construction. The City’s policy contained in the recently adopted General Plan (Implementing Policy P-P13) requires a two-for-one replacement or transplantation for trees removed. In addition, the City regulates the removal of trees that are defined as “heritage trees.” There are no trees at the RWPS site.

The number and species of trees that could potentially be removed during construction is shown in Table 4-2 and Figure 4-1. Compliance with the following mitigation measure will reduce the potential impacts to trees to less than significant.

Table 4-2. Trees Within the SWTF Site and Access Road

Tag #	Tree Type	DBH (in.)	Height (ft.)	Dripline (ft.)	Vigor	Remove	Comments
101	Valley oak	30	40	30	F	Remove	Pruned heavily for power lines
102	Interior live oak	30	40	30	F-G	Remove	
103	Interior live oak	15	30	15	G	Remove	
104	Interior live oak	16,8,4	35	20	F-G	Remove	Some dieback
105	Interior live oak	18,9	30	20	F-P	Remove	Shaded, dieback
106	Interior live oak	13,14	20	20	F-P	Remove	Shaded, leans, dieback
107	Valley oak	33	60	25	F-G	Remove	Weak crotch 25 feet up from trunk
108	Interior live oak	7	15	7	G		
109	Interior live oak	32	45	25	G	Remove	
110	Valley oak	32	40	20	F	Remove	Pruned heavily for power lines
111	Valley oak	18	35	20	G		
112	Interior live oak	21,19	40	20	F-P		One trunk decayed
113	Interior live oak	32	45	25	F		Weak crotch at co-dominant stems
114*	Valley oak	32	50	25	G		
115*	Valley oak	17	20	20	F-P		Shaded, leans
116*	Interior live oak	32,19	50	25	F-G		Decay at site of past stem removal
117	Interior live oak	17,15	40	20	F	Remove	Leans, dieback
118	Interior live oak	14,12	20	20	F	Remove	Leans, dieback
119	Interior live oak	29	45	25	P	Remove	Decay at base, nearly dead
120	Interior live oak	7,6	20	10	G	Remove	
121	Black locust	12,7,6,7,5	25	10	G	Remove	
122	Valley oak	19	60	20	G	Remove	
123	Interior live oak	16	35	15	G	Remove	
124	Interior live oak	11,11,10,7,20,13,11	35	20	G	Remove	
125*	Valley oak	29	40	20	F	<u>Remove</u>	Weak crotch at co-dominant stems
126*	Interior live oak	7	15	10	G	<u>Remove</u>	

Table 4-2. continued

Tag #	Tree Type	DBH (in.)	Height (ft.)	Dripline (ft.)	Vigor	Remove	Comments
127*	Valley oak	18	35	15	G	<u>Remove</u>	
128*	Valley oak	16	30	10	G		
129*	Valley oak	11,17	30	15	G		

Key:
 * Dripline overhangs SWTF site or access road
 DBH = diameter breast height (multiple trunks)
 F = fair
 P = poor
 G - good

- ◆ Mitigation Measure BIO-2: Replace or Transplant Trees Removed. Pursuant to the City of Lodi General Plan, where tree removal is required, the City shall replace or transplant the removed tree. If replacement occurs, a two-for-one ratio and a minimum size of 15-gallon container trees will be used.

Chapter 4 - List of Preparers

The Draft IS/MND and Final IS/MND for the City of Lodi Surface Water Treatment Plant were prepared by HDR Engineering Inc. in cooperation with the City of Lodi. The following individuals contributed to this Final IS/MND:

City of Lodi (Lead Agency)

Wally Sandelin, Project Manager

HDR Engineering, Inc.

Michele Stern, Project Manager

Debra Hoek, Document Production



City of Lodi

Surface Water Treatment Facility
Final Initial Study /
Mitigated Negative Declaration

HDR

MITIGATION MONITORING AND REPORTING PROGRAM

CITY OF LODI

SURFACE WATER TREATMENT FACILITY

State Clearinghouse # 2010052016

June 2010



2365 Iron Point Road, Suite 300
Folsom, CA 95630

MITIGATION MONITORING AND REPORTING PROGRAM

1.0 Introduction

Section 21081.6(a)(1) of the California Environmental Quality Act (CEQA) of the Public Resources Code, requires public agencies, as part of the certification of a Mitigated Negative Declaration (MND), to prepare and approve a reporting or monitoring program. This program should be structured to ensure that changes to the project that the lead agency has adopted to mitigate or avoid significant environmental impacts are carried out during project implementation.

The Mitigation Monitoring and Reporting Program (MMRP) is intended to be used by City of Lodi (City) staff, responsible and participating agencies, and mitigation monitoring personnel during implementation of the project. The intent of the MMRP is to ensure the effective implementation and enforcement of adopted mitigation measures. The MMRP consists of a compliance checklist that identifies the adopted mitigation measures, the timing of implementation of the measures, the monitoring frequency of the measures, the entity responsible for their implementation and monitoring, and the performance criteria used to evaluate implementation of the mitigation measures. The mitigation measures presented in the following table are incorporated into the proposed project.

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
Aesthetics					
<p>Mitigation Measure AE-1: Reduce Visual Impacts. The design of the Proposed Project, including the choice of color and materials, shall reduce the visual impacts of the raw water pump station and the surface water treatment facility. Bright and reflective materials shall be avoided.</p>	During preparation and review of design specifications and construction contract to ensure inclusion	Throughout design and construction.	City, design engineer, and primary construction contractor	Monitoring during design and construction	
<p>Mitigation Measure AE-2: Minimize Substantial Light and Glare. Outdoor light sources shall be properly shielded and installed to prevent light trespass on adjacent properties. Any flood or spot lamps installed will be aimed no higher than 45 degrees above straight down (half-way between straight down and straight to the side) when the source is visible from any off-site residential property, public roadway, or Lodi Lake Park.</p>	During preparation and review of design specifications and construction contract to ensure inclusion	Throughout design and construction	City, design engineer, and primary construction contractor	Monitoring during design, construction, and operation	
Air Quality					
<p>Mitigation Measure AIR-1. Minimize PM₁₀ Impacts. With implementation of Regulation VIII control measures for PM₁₀, PM₁₀ impacts from construction would be less than significant.</p> <ul style="list-style-type: none"> All disturbed areas, including storage piles, which are not being actively utilized for construction purposes, shall be effectively stabilized of dust emissions using water, chemical stabilizer/suppressant, covered with a tarp or other suitable cover or vegetative ground cover. 	Before beginning any construction or ground-disturbing activities, and throughout construction period	Throughout construction period	City and primary construction contractor	SJVAPCD measures are implemented such that pollutant emissions are minimized	

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
<ul style="list-style-type: none"> • All on-site unpaved roads and off-site unpaved access roads shall be effectively stabilized of dust emissions using water or chemical stabilizer/suppressant. • All land clearing, grubbing, scraping, excavation, land leveling, grading, cut and fill, and demolition activities shall be effectively controlled of fugitive dust emissions utilizing application of water or by presoaking. • With the demolition of buildings up to six stories in height, all exterior surfaces of the building shall be wetted during demolition. • When materials are transported off-site, all material shall be covered, or effectively wetted to limit visible dust emissions, and at least six inches of freeboard space from the top of the container shall be maintained. • All operations shall limit or expeditiously remove the accumulation of mud or dirt from adjacent public streets at the end of each workday. (The use of dry rotary brushes is expressly prohibited except where preceded or accompanied by sufficient wetting to limit the visible dust emissions.) (Use of blower devices is expressly forbidden.) • Following the addition of materials to, or the removal of materials from, the surface of outdoor storage piles, said piles shall be effectively stabilized of fugitive dust emissions utilizing sufficient water or chemical stabilizer/suppressant. • Within urban areas, trackout shall be immediately removed when it extends 50 or more feet from the site and at the end of each workday. 					

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
<ul style="list-style-type: none"> Any site with 150 or more vehicle trips per day shall prevent carryout and trackout. Construction equipment, on-road heavy-duty trucks, and construction-worker vehicles would also generate criteria air pollutant emissions. Emissions from construction-worker commute trips would be minor compared to emissions from heavy-duty trucks. Criteria pollutant concentrations of reactive organic gases (ROG) and nitrogen oxides (NO_x) from these emissions sources would incrementally add to regional atmospheric loading of ozone precursors during the construction period. The Guide for Assessing and Mitigating Air Quality Impacts (GAMAQ) recognizes that construction equipment emits ozone precursors and indicates that very large construction projects may exceed the annual thresholds for ROG and NO_x emissions. In which case, San Joaquin Valley Air Pollution Control District (SJVAPCD) will recommend quantification methods for these projects on a case-by-case basis. 					
Biological Resources					
<p>Mitigation Measure BIO-1a: Replace Swainson’s Hawk Foraging Habitat.</p> <p>The City anticipates that the project would be approved for participation in the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP) for all facilities (raw water pump station (RWPS) site, surface water treatment facility (SWTF) site and pipelines). Compliance with the SJMSCP would provide for impact avoidance measures (e.g., pre-construction surveys during appropriate seasons</p>	Before beginning any construction or ground-disturbing activities	Throughout construction period	City and primary construction contractor	Surveys and monitoring are conducted in accordance with SJMSCP and CDFG requirements	

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
<p>for identification, construction set-backs, restriction on construction timing) and mitigation for loss of foraging habitat for Swainson's hawk. Avoidance measures would include, but are not limited to, the species-specific measures presented below, which are summarized from the SJMSCP. Incidental take minimization measures for the hawk can be found in Section 5.2.4 of the SJMSCP.</p>					
<p>Mitigation Measure BIO-1b: Avoid Disturbance of Nesting Swainson's Hawks. In order to encourage the retention of known or potential Swainson's hawk nest trees (i.e., trees that hawks are known to have nested in within the past three years or trees, such as large oaks, which the hawks prefer for nesting), for any nest tree that becomes occupied during construction activities, all construction activities shall remain a distance of two times the dripline of the tree, measured from the nest. Alternatively, nest trees may be removed between September 1 and February 15, when the nests are unoccupied.</p>	<p>Before beginning any construction or ground-disturbing activities</p>	<p>Throughout construction period</p>	<p>City and primary construction contractor</p>	<p>Surveys and monitoring are conducted in accordance with SJMSCP and CDFG requirements</p>	
<p>Mitigation Measure BIO-1c: Avoid Disturbance of Nesting Birds (except Swainson's Hawk). If construction activities (i.e., ground clearing and grading, including tree removal of trees or shrubs) are scheduled to occur during the non-breeding season (September 1 through January 31), no mitigation is required. If construction activities are scheduled to occur during the breeding season (February 1 through August 31), the following measures are required to avoid potential adverse effects to nesting resident and migratory birds:</p>	<p>Before beginning any construction or ground-disturbing activities</p>	<p>Throughout construction period</p>	<p>City and primary construction contractor</p>	<p>Surveys and monitoring are conducted in accordance with SJMSCP and CDFG requirements</p>	

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
<ul style="list-style-type: none"> • A qualified wildlife biologist will conduct preconstruction surveys of all potential nesting habitats within 500 feet of Project activities where access is available. • If active nests are found during preconstruction surveys, a no-disturbance buffer acceptable in size to the CDFG will be created around active nests during the breeding season or until it is determined that all young have fledged. Bird nests initiated during construction are presumed to be unaffected and no buffer is necessary. However, the “take” of any individuals will be prohibited. • If preconstruction surveys indicate that nests are inactive or potential habitat is unoccupied during the construction period, no further mitigation is required. Trees and shrubs within the construction footprint that have been determined to be unoccupied by nesting birds or that are located outside the no-disturbance buffer for active nests may be removed. 					
<p>Mitigation Measure BIO-2: Replace or Transplant Trees Removed.</p> <p>Pursuant to the City of Lodi General Plan, where tree removal is required, the City shall replace or transplant the removed tree. If replacement occurs, a two-for-one ratio and a minimum size of 15-gallon container trees will be used.</p>	<p>Before beginning any construction or ground-disturbing activities</p>	<p>Throughout construction period</p>	<p>City and primary construction contractor</p>	<p>In accordance with City requirements</p>	

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
Cultural Resources					
<p>Mitigation Measure CUL-1: Stop Work if Archaeological Materials are Discovered during Construction.</p> <p>If archaeological materials (such as chipped or ground stone, historic debris, building foundations, or non-human bone) are inadvertently discovered during ground-disturbing activities, the construction contractor will stop work in that area and within 100 feet of the find until a qualified archaeologist can assess the significance of the find and develop appropriate treatment measures. Treatment measures will be made in consultation with the City and other parties as appropriate. Treatment measures typically include development of avoidance strategies or mitigation of impacts through data recovery programs such as excavation or detailed documentation.</p> <p>If cultural resources are discovered during construction activities, the construction contractor and lead contractor compliance inspector will verify that work is halted until appropriate treatment measures are implemented. Implementation of this mitigation measure may be sufficient to reduce impacts on archaeological sites to less than significant.</p>	<p>If archaeological materials or cultural resources are discovered during ground-disturbing activities</p>	<p>Throughout construction period</p>	<p>City and primary construction contractor</p>	<p>Finds of undocumented archaeological materials or cultural resources are reported and protected until evaluated by an archaeologist</p>	
<p>Mitigation Measure CUL-2: Stop Work if Human Remains are Discovered.</p> <p>If human remains of Native American origin are discovered during ground-disturbing activities, it is necessary for the City to comply with state laws relating to the disposition of Native American burials, which fall within the jurisdiction of the Native</p>	<p>If human remains are discovered during ground-disturbing activities</p>	<p>Throughout construction period</p>	<p>City and primary construction contractor</p>	<p>Finds of potential human remains are reported and protected until evaluated by appropriate individuals</p>	

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
<p>American Heritage Commission (NAHC) (Public Resources Code [PRC] 5097). If human remains are discovered or recognized in any location other than a dedicated cemetery, the City will not allow further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until:</p> <ol style="list-style-type: none"> 1. The San Joaquin County coroner has been informed and has determined that no investigation of the cause of death is required; and 2. If the remains are of Native American origin: <ul style="list-style-type: none"> • The descendants from the deceased Native Americans have made a recommendation to the landowner or the person responsible for the excavation work for means of treating or disposing of, with appropriate dignity, the human remains and any associated grave goods as provided in PRC 5097.98, or • The NAHC was unable to identify a descendant or the descendant failed to make a recommendation within 24 hours after being notified by the NAHC. 					
Hazards and Hazardous Materials					
<p>Mitigation Measure HAZ-1: Handling and Storage of Hazardous Materials.</p> <p>The storage, handling, and use of construction-related hazardous shall be in accordance with applicable, federal, state, and local laws. Construction-related hazardous materials and hazardous wastes (e.g., fuels and waste oils) shall be staged and stored away from</p>	<p>Before beginning any construction or ground-disturbing activities</p>	<p>Throughout construction period</p>	<p>City, primary construction contractor, and subcontractors</p>	<p>All construction personnel have completed training, and staging areas have been identified</p>	

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
<p>stream channels and steep banks to prevent these materials from entering surface waters in the event of an accidental release. Consideration shall also be given to keeping these materials at sufficient distance from nearby residences or other land uses. This includes materials stages for expected use, materials in equipment and vehicles, and waste materials.</p>					
<p>Mitigation Measure HAZ-2: Compliance with Design Codes and Regulations.</p> <p>The SWTF shall be designed to comply with all pertinent sections of the Uniform Building Code, Uniform Fire Code, and Hazardous Materials Management Plan. Final project design shall include, but not be limited to, the following design features and measures:</p> <ul style="list-style-type: none"> • Incompatible chemicals will be physically separated; • Fire suppression and control systems in chemical storage areas will utilize the appropriate fire retardant; • All spill collection systems, containment, and aprons will be contained on site for truck pick up and not routed to any storm drain system; • Outdoor storage vessels will be protected from accidental vehicle contact; and • Bulk liquid hazardous materials delivery areas will include delivery-vehicle spill containment with collection sump. 	<p>During preparation and review of design specifications and construction contract to ensure inclusion</p>	<p>Throughout design and construction.</p>	<p>City, design engineer, and primary construction contractor</p>	<p>Monitoring of design and construction</p>	

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
<p>Mitigation Measure HAZ-3: Enforce Contractual Obligations.</p> <p>The City shall ensure, through the enforcement of contractual obligations that all contractors transport, store, handle, and dispose of construction-related hazardous materials in a manner consistent with the relevant regulations and guidelines. At minimum, these regulations and guidelines include those recommended and enforced by the Caltrans, the regional water quality control board (RWQCB), the City's Fire Department, and San Joaquin County.</p> <p>Recommendations shall include as appropriate transporting and storing materials in appropriate and approved containers, maintaining required clearances, and handling materials using applicable federal, state, and/or local regulatory agency protocols. In addition, all conditions required by the RWQCB-issued National Pollution Discharge Elimination System (NPDES) stormwater permit for construction activities would be followed to ensure that no hazardous materials enter any nearby waterways.</p> <p>In the event of a spill, the City shall ensure, through the enforcement of contractual obligations, that all contractors immediately control the source of any leak and immediately contain any spill utilizing appropriate spill containment and countermeasures. If required by the City's Fire Department, the San Joaquin County Office of Emergency Services, or any other regulatory agency, contaminated media shall be collected and disposed of at offsite facility approved to accept such media.</p>	<p>Before beginning any construction or ground-disturbing activities</p>	<p>Throughout construction period</p>	<p>City, primary construction contractor, and subcontractors</p>	<p>All construction personnel have completed training, and staging areas have been identified</p> <p>Monitoring is conducted in accordance with Caltrans, RWQCB, City of Lodi Fire Department, and San Joaquin County regulations and guidelines</p>	

Mitigation Monitoring and Reporting Program for the City of Lodi Surface Water Treatment Facility

Mitigation Measure	Initiation of Mitigation	Monitoring Frequency	Responsibility for Verification of Compliance	Performance Criteria	Date Compliance Completed
Hydrology and Water Quality					
<p>Mitigation Measure HYDRO-1: Prepare and Implement a SWPPP and Construction BMPs.</p> <p>The Storm Water Pollution Prevention Plan (SWPPP) will include a grading and erosion control plan required for all construction plans to address potential erosion during construction. This requirement will be integrated with the Project SWPPP, provided that it meets the requirements of both the City and the RWQCB.</p> <p>All construction plans and activities shall implement best management practices (BMPs) to provide effective erosion, runoff, and sediment control. These BMPs shall be selected to achieve maximum sediment removal and represent the best available technology that is economically achievable. Performance and effectiveness of these BMPs shall be determined either by visual means where applicable (i.e., observation of above-normal sediment release) or by actual water sampling in cases where verification of contaminant reduction or elimination (inadvertent petroleum release) is required by the RWQCB to determine adequacy of the measure.</p> <ul style="list-style-type: none"> • The grading and erosion control plan shall include specific measures to accomplish erosion and sediment control and to minimize the removal of natural vegetation. The plan shall include, but is not limited to, the following measures. • Grading activities will be scheduled for the dry season only (April 15 to October 15), to the extent possible. This will reduce the chance of severe 	<p>Before beginning any construction or ground-disturbing activities</p>	<p>Throughout construction period</p>	<p>City, primary construction contractor, and subcontractors</p>	<p>SWPPP and Notice of Intent are completed and submitted to the Central Valley RWQCB</p> <p>All identified BMPs are implemented and maintained such that contaminants are isolated from drainages to the extent practicable and feasible</p>	

<p>erosion from intense rainfall and surface runoff, as well as the potential for soil saturation in swale areas.</p> <ul style="list-style-type: none"> • If grading occurs during the rainy season, stormwater runoff from the construction area will be regulated through a stormwater management/erosion control plan that may include temporary onsite silt traps and/or basins with multiple discharge points to natural drainages and energy dissipaters. Stockpiles of loose material will be covered and runoff diverted away from exposed soil material. If rain causes the work to stop, a positive grading away from slopes will be provided to carry the surface runoff to areas where flow can be controlled. Sediment basin/traps will be located and operated to minimize the amount of offsite sediment transport. Any trapped sediment will be removed from the basin or trap and placed at a suitable location onsite, away from concentrated flows, or removed to an approved disposal site. • Temporary erosion control measures will be provided until perennial revegetation or landscaping is established and can minimize discharge of sediment into nearby waterways. • After pipelines and other underground facilities are installed, compacted backfill shall be placed and the ground surface shall be restored to its original condition and topography. • Temporary stockpiling of excavated or imported material shall occur only in approved construction staging areas. Temporary or permanent soil disposal stockpile areas must be outside jurisdictional wetlands, riparian areas, and oak woodlands. Stockpiles remaining onsite through the wet season shall be protected (e.g., with straw bales) to prevent erosion. • After completion of grading, erosion protection will be provided on all cut-and-fill slopes. Revegetation will be facilitated by mulching, hydroseeding, or 					
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<p>other methods and shall be initiated as soon as possible after the completion of grading and prior to the onset of the rainy season (by November 1).</p> <ul style="list-style-type: none"> • Permanent revegetation and landscaping will emphasize drought-tolerant perennial ground coverings, shrubs, and trees to improve the probability of slope and soil stabilization without adverse impacts to slope stability from irrigation infiltration and long-term root development. • BMPs selected and implemented for the Project will be in place and operational prior to the onset of major earthwork on the site. The construction phase facilities will be maintained regularly and cleared of accumulated sediment as necessary. • Hazardous materials such as fuels and solvents used on the construction sites will be stored in covered containers and protected from rainfall, runoff, and vandalism. A stockpile of spill cleanup materials will be readily available at all construction sites. Employees will be trained in spill prevention and cleanup, and individuals will be designated as responsible for prevention and cleanup activities. 					
Noise					
<p>Mitigation Measure Noise-1: Minimize Noise during Construction.</p> <p>The following measures shall be implemented during construction:</p> <ul style="list-style-type: none"> • Construction activities shall be limited from 7:00 a.m. to 10:00 p.m. • Generators, if utilized, shall be located as far as practical from sensitive noise receptors. • Depending on the type of equipment used and the location and duration of the activity, physical reduction measures such as temporary noise 	At initiation of construction	Throughout construction period	City and primary construction contractor	Construction equipment is properly maintained and equipped with all feasible noise control, such as mufflers, in accordance with manufacturers' specifications	

<p>barriers that provide separation between the source and the receptor (e.g., temporary soundproof structures to house portable generators) shall be provided.</p> <ul style="list-style-type: none"> • Construction equipment that is equipped, operated, and maintained with manufacturer recommended mufflers or the equivalent shall be utilized. • The City shall post signs at the construction site that shall include permitted construction days and hours, expected timeframe for construction, and a day and evening contact number for complaints about construction noise and vibration. 					
<p>Mitigation Measure Noise-2: Minimize Noise during Operation.</p> <p>The RWPS and SWTF shall be designed to be consistent with the City's Noise Regulation 9.24.030. Based on the noise measurements, existing ambient noise levels between the hours of 10:00 p.m. and 7:00 a.m. currently range between 42 and 53 dBA at nearby residences. So as not to exceed the lowest ambient noise level by more than five decibels, noise levels from pumps and motors shall be reduced to 45 dBA or below at the property line of the nearest residential property, including the mobile home park approximately 90 feet southeast of the proposed RWPS and the residences approximately 280 feet northwest of the proposed SWTF.</p>	At initiation of operation	Throughout operation period	City	In accordance with City's Noise Regulation 9.24.030	
Transportation/Traffic					
<p>Mitigation Measure TR-1: Prepare Traffic Control Plan.</p> <p>The City shall require the contractor to prepare a traffic control plan to show specific methods for maintaining traffic flows. Examples of traffic control measures to be considered include (1) use of flaggers to maintain alternating one-way traffic while working on one-half of</p>	Before beginning any construction or ground-disturbing activities, and throughout construction period	Throughout construction period	City and primary construction contractor	Plan is submitted to San Joaquin County, Caltrans, and City and the elements of the plan are implemented during construction.	

<p>the street; (2) use of advance construction signs and other public notices to alert drivers of activity in the area; and (3) use of "positive guidance" detour signing on alternate access streets to minimize inconvenience to the driving public.</p>					
<p>Mitigation Measure TR-2: Haul Route Maintenance. Following construction, the City shall ensure that road surfaces damaged during construction are returned to their pre-construction condition.</p>	<p>Before beginning any construction or ground-disturbing activities, and throughout construction period</p>	<p>Throughout construction period</p>	<p>City and primary construction contractor</p>	<p>Roadways that are damaged during construction are repaired</p>	

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI
CERTIFYING THE FINAL MITIGATED NEGATIVE DECLARATION FOR
THE SURFACE WATER TREATMENT FACILITY;
STATECLEARING HOUSE NO. 2010052016

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WHEREAS, the City Council of the City of Lodi has heretofore held a duly noticed public hearing, as required by law, on the requested General Plan Amendment in accordance with the Government Code; and

WHEREAS, the project proponent is City of Lodi, Public Works Department, 221 West Pine street Lodi CA 95240; and

WHEREAS, the project site is located at 903 West Turner Road, Lodi CA; and

WHEREAS, an Initial Study/ Mitigated Negative Declaration (File No. 10-MND-04) was prepared in compliance with the California Environmental Quality Act of 1970, as amended, and the Guidelines provided thereunder. The Community Development Department has determined that all environmental impacts that result from this project can be mitigated to a less than significant level; and

WHEREAS, the Notice of Availability (NOA) of the Draft Initial study/Mitigated Negative Declaration was prepared and distributed to reviewing agencies on May 6, 2010; and,

WHEREAS, the required 30-day review period for this project commenced on Thursday, May 6, 2010 and ended on Monday, June 7, 2010; and

WHEREAS, the City received three written comments during the public review period and the comments were responded to and incorporated into the Final Mitigated Negative Declaration; and

WHEREAS, on July 14, 2010, the Site Plan and Architecture Review Committee reviewed and approved the site plan and architecture of the proposed Surface Water Treatment Facility; and

WHEREAS, staff recommends that the City Council approve the filing of a Mitigated Negative Declaration by the Community Development Director as adequate environmental documentation for the project.

WHEREAS, all legal prerequisites to the approval of this request have occurred.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council has reviewed all documentation and hereby certifies the Final Mitigated Negative Declaration as adequate environmental documentation for the Surface Water Treatment Facility (State Clearing House No. 2010052016).

Dated: July 21, 2010

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I hereby certify that Resolution No. 2010-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 21, 2010, by the following vote:

AYES: COUNCIL MEMBERS --

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



*Please immediately confirm receipt
of this fax by calling 333-6702*

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

**SUBJECT: PUBLIC HEARING TO CONSIDER CERTIFICATION OF THE FINAL
MITIGATED NEGATIVE DECLARATION FOR THE SURFACE WATER
TREATMENT FACILITY**

PUBLISH DATE: SATURDAY, JULY 10, 2010

LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, JULY 8, 2010

**ORDERED BY: RANDI JOHL
CITY CLERK**

Jennifer M. Robison
JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
LNS _____ Phoned to confirm receipt of all pages at _____ (time) _____ JMR _____ CF _____ MB (initials)



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER CERTIFICATION OF THE FINAL MITIGATED NEGATIVE DECLARATION FOR THE SURFACE WATER TREATMENT FACILITY

On Friday, July 9, 2010, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider certification of the Final Mitigated Negative Declaration for the Surface Water Treatment Facility (attached and marked as Exhibit A) was posted at the following locations:

Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 9, 2010, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



DECLARATION OF MAILING

PUBLIC HEARING TO CONSIDER CERTIFICATION OF THE FINAL MITIGATED NEGATIVE DECLARATION FOR THE SURFACE WATER TREATMENT FACILITY

On Friday, July 9, 2010, in the City of Lodi, San Joaquin County, California, I deposited in the United States mail, envelopes with first-class postage prepaid thereon, containing a Notice of Public Hearing to consider certification of the Final Mitigated Negative Declaration for the Surface Water Treatment Facility, attached hereto Marked Exhibit A. The mailing list for said matter is attached hereto, marked Exhibit B.

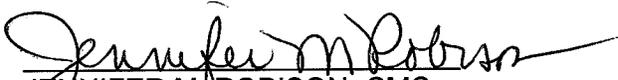
There is a regular daily communication by mail between the City of Lodi, California, and the places to which said envelopes were addressed.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 9, 2010, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK, CITY OF LODI**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: July 21, 2010

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, July 21, 2010**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following item:

- a) **Certification of the Final Mitigated Negative Declaration for the Surface Water Treatment Facility.**

Information regarding this item may be obtained in the Community Development Department, 221 West Pine Street, Lodi, (209) 333-6711. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter 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 Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:

Randi Johl
City Clerk

Dated: July 7, 2010

Approved as to form:

D. Stephen Schwabauer
City Attorney

SURFACE WATER TREATMENT FACILITY 7/21/10 PH MAILING LIST

EXHIBIT B

APN	OWNER	ADDRESS	CITY	STATE	ZIP
01501004	UNION PACIFIC RAILROAD COMPANY	1416 DODGE ST ROOM 830	OMAHA	NE	68179
01501005	UNION PACIFIC RAILROAD COMPANY	1416 DODGE ST ROOM 830	OMAHA	NE	68179
01501006	UNION PACIFIC RAILROAD COMPANY	1416 DODGE ST ROOM 830	OMAHA	NE	68179
01516012	ACTON, KELLY ETAL	PO BOX 23	LOCKEFORD	CA	95237
01517006	WOODBIDGE GRANGE #482	PO BOX 1584	WOODBIDGE	CA	95258
01517010	LODI UNIFIED, SCHOOL DIST	1305 E. VINE ST.	LODI	CA	95240
01523007	LODI UNIFIED, SCHOOL DIST	815 W LOCKEFORD ST	LODI	CA	95240
01523014	GENERAL MILLS CEREALS PROP LLC	PO BOX 1113	MINNEAPOLIS	MN	55440
01523019	WOODBIDGE CEMETERY	PO BOX 453	WOODBIDGE	CA	95258
01523050	GENERAL MILLS CEREALS PROP LLC	PO BOX 1113	MINNEAPOLIS	MN	55440
01527001	CHRISTENSEN, TIMOTHY W SR & DO	1227 N LOWER SACRAMENTO RD	LODI	CA	95242
01527002	ROUZER, PAUL L & VICKI	1221 N LOWER SAC RD	LODI	CA	95242
01527003	DIEHL, RANDY L & NANCY S	1215 LOWER SAC RD	LODI	CA	95242
01527004	PHILLIPS, SUE C	PO BOX 1266	WOODBIDGE	CA	95258
01527005	RAU, JOHN R & CHERYL	1203 LOWER SAC RD	LODI	CA	95242
01527006	RICH, EVELYN L TR	2305 EILERS LN	LODI	CA	95242
01560001	BERGSTROM, MARLYS	PO BOX 446	WOODBIDGE	CA	95258
01560002	MONAHAN, PATRICIA	840 S CHURCH ST	LODI	CA	95240
01560003	MORENO, JANICE M TR	1212 N LOWER SACRAMENTO RD	LODI	CA	95242

SURFACE WATER TREATMENT FACILITY 7/21/10 PH MAILING LIST

01560004	BURKE, LEO P IV	1216 N LOWER SACRAMENTO RD	LODI	CA	95242
01560005	WARREN, BRIAN & CINDY	PO BOX 513	HERALD	CA	95638
02903013	GENERAL MILLS CEREALS PROP LLC	PO BOX 1113	MINNEAPOLIS	MN	55440
03502001	WRIGHT, DAVID G	900 N MILLS AVE	LODI	CA	95242



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Public Hearing to Consider Adopting Resolution Setting Usage-Based and Flat Water and Wastewater Rates for Residential, Commercial and Industrial Customers and Tabulate Proposition 218 Protests

MEETING DATE: July 21, 2010

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Public hearing to consider adopting a resolution setting usage-based and flat water and wastewater rates for residential, commercial and industrial customers and tabulate Proposition 218 protests.

BACKGROUND INFORMATION: The City Council has made numerous water and wastewater rate decisions over the past year, as summarized below. The recommended action following the public hearing will be to implement and/or modify these previous actions.

May 20, 2009: City Council waived Consumer Price Index (CPI) adjustment of water rates based upon a lack of new information supporting neither an increase nor a decrease.

July 15, 2009: City Council approved wastewater rate increases of 25 percent effective July 16, 2009; 20 percent effective July 1, 2010; 10 percent effective July 1, 2011; and 5 percent effective July 1, 2012. Also, the City Council approved an Engineering News Record – 20 Cities Average (ENR) based indexing of wastewater rates beginning with FY 2012/13. A Proposition 218 procedure was conducted that validated these actions.

January 6, 2010: City Council received advisory usage-based water and wastewater residential rates for the purpose of research and customer billing comparisons, as the City transitions to a metered water system to comply with State law.

Staff recommends the following actions be taken following the public hearing.

Water Rates

1. Change the date for implementing the annual rate adjustment to January 1 for each of the five years (maximum timeframe allowed by Proposition 218) following January 1, 2011. This change is recommended so that rate changes occur at the lowest usage time of the year.
2. Change the water rate adjustment index from the CPI to the ENR, effective January 1, 2012, because this index better reflects the combined inflationary effects of personnel, materials and energy costs on the total operations of the utility as was done for the Wastewater Rates on

APPROVED: _____
Konradt Bartlam, Interim City Manager

July 15, 2010. The CPI adjustment for the period December 2007 through December 2008 was waived by City Council on May 20, 2009. The CPI-based projected adjustment for the period December 2008 through December 2010 is 5.98 percent. The ENR-based projected adjustment for the period December 2008 through December 2010 is 2.10 percent.

3. Adopt usage-based and flat water rates for residential customers as presented in Exhibit A to become effective January 1, 2011. These are the same residential rates received at the January 6, 2010 City Council meeting but with a 2.00 percent inflationary increase added to the flat rates, base rates and each tier. An additional two years deferral of rate adjustment is not recommended but smaller annual adjustments are recommended to avoid larger catch-up adjustments in the future, as was the case with the Wastewater Rates.
4. Change the multi-family and nonresidential usage-based rate structure for meter sizes 1 inch and smaller to establish parity with the residential customers, as presented in Exhibit A. For these multi-family and nonresidential customers, the monthly base rate would decrease by \$3.39 to \$5.42 per month for meter sizes 5/8 inch through 1 inch. There is a single usage tier for multi-family and nonresidential customers and it is recommended to increase by \$0.091 per hundred cubic feet (748 gallons) from \$0.789 to \$0.88 per hundred cubic feet, the same as for residential customers.
5. Eliminate the "Infrastructure" and "PCE/TCE" line item on the water utility bills, as was done for the wastewater utility bills on July 15, 2009.

As previously presented to the City Council, analysis of the water rates has been focused upon setting usage-based residential rates in support of the Water Meter Program. Analysis of the commercial/industrial rate structure confirms these rates are too low but no corrective action is recommended at this time. Further analysis is required.

Wastewater Rates

1. Adopt usage-based and flat monthly wastewater rates for residential and nonresidential customers as presented in Exhibit C effective immediately. **These rates reflect a 12% increase that is substantially lower than the 20% increase approved by Council and it includes an ENR index adjustment of 1.05%.** For customers paying a usage-based water bill, the wastewater monthly rate will be determined based upon their average monthly water usage from the previous December, January, and February. Wastewater monthly rates will be recalculated each year and put into effect beginning with July billings each subsequent year.

Proposition 218 requires that notifications be sent to the property owners and utility customers 45 days prior to the public hearing. These notices have been sent. Opposition to the rate changes is limited to the following actions:

1. For the water rates, establishing the ENR index as the basis of future annual rate adjustments, implementing the 2.00 percent increase and adopting the usage-based rate structure.
2. For the wastewater rates, adopting the usage-based rate structure.

Revenue Neutrality: Both the water and wastewater usage-based rates are calculated to generate the same revenue as the flat rates from the prior year, but they include updated projections of revenues and expenditures for the next one to five years. The rates that are recommended to become effective immediately for wastewater and on January 1, 2011 for water reflect revenue neutrality.

Water Utility Model: City Council approved a professional services agreement with The Reed Group on August 6, 2008, for the preparation of a water utility financial model. Although new to Lodi, this is a

common tool used to track revenues and expenditures for a utility. The model has been used to forecast the performance of the utility through FY 2019/20 while incorporating substantial capital investments including the water meter program, infrastructure replacement program, property owner meter payments, and PCE/TCE remediation costs. The recommended rates presented in Exhibit A were developed using this tool. A summary of the Water Financial Plan derived from the rate model is provided as Exhibit C. It should be noted that the model presents accrual of substantial reserves in the later years. As part of the Water Treatment Plant Financing Plan, a recommendation will be presented regarding the early retirement of debt to save rate payers interest costs.

Wastewater Utility Model: The Reed Group has recently completed development of a new Wastewater Utility Financial Model. The new model is essentially the same as before but assumptions have been renewed and revenue and expense information has been updated based upon actual. The recommended rates presented in Exhibit B were developed using this tool. The Financial Plan Summary from the model is provided in Exhibit D.

Water and Wastewater Capacity Charge: The capacity charge (development impact fee) for Water and Wastewater are not part of the rate structure for the utility. These charges will be updated along with the Lodi Development Impact Fee Program that is expected to be completed within 18 months. Final costs for the White Slough expansion, future White Slough expansion costs, and the Water Treatment Plant costs will be incorporated into the capacity charges.

FISCAL IMPACT: Increased revenues to the water and wastewater utility required to keep up with cost of service increases and new mandated costs.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

FWS/pmf

Attachments

cc: Steve Mann, Information Systems Manager
Charlie Swimley, Deputy Public Works Director - Utilities

**City of Lodi -- Water Utility
Current and Proposed Water Rates**

	Current (1)	Jan. 2011	Jan. 2012	Jan. 2013	Jan. 2014	Jan. 2015	Jan. 2016
Percent Increase -->		2.0%	3.5%	3.5%	3.5%	3.5%	3.5%
Flat Rates (\$/month)							
Single Family Residential Unit (\$/month)							
1 Bedroom	\$ 27.98	\$ 28.54	\$ 29.54	\$ 30.57	\$ 31.64	\$ 32.75	\$ 33.90
2 Bedroom	\$ 33.61	\$ 34.28	\$ 35.48	\$ 36.72	\$ 38.01	\$ 39.34	\$ 40.72
3 Bedroom	\$ 40.28	\$ 41.09	\$ 42.53	\$ 44.02	\$ 45.56	\$ 47.15	\$ 48.80
4 Bedroom	\$ 48.40	\$ 49.37	\$ 51.10	\$ 52.89	\$ 54.74	\$ 56.66	\$ 58.64
5 Bedroom	\$ 58.06	\$ 59.22	\$ 61.29	\$ 63.44	\$ 65.66	\$ 67.96	\$ 70.34
6 Bedroom	\$ 69.67	\$ 71.06	\$ 73.55	\$ 76.12	\$ 78.78	\$ 81.54	\$ 84.39
7 Bedroom	\$ 83.58	\$ 85.25	\$ 88.23	\$ 91.32	\$ 94.52	\$ 97.83	\$ 101.25
Multi-Family Residential Unit (\$/month)							
1 Bedroom	\$ 24.02	\$ 24.50	\$ 25.36	\$ 26.25	\$ 27.17	\$ 28.12	\$ 29.10
2 Bedroom	\$ 28.81	\$ 29.39	\$ 30.42	\$ 31.48	\$ 32.58	\$ 33.72	\$ 34.90
3 Bedroom	\$ 34.57	\$ 35.26	\$ 36.49	\$ 37.77	\$ 39.09	\$ 40.46	\$ 41.88
Metered Water Rates							
Service Charge (\$/month)							
<i>Single Family Residential (2)</i>							
Up to 3/4" Meter	\$ 22.25	\$ 22.70	\$ 23.50	\$ 24.30	\$ 25.15	\$ 26.05	\$ 26.95
1" Meter	\$ 36.15	\$ 36.85	\$ 38.15	\$ 39.50	\$ 40.90	\$ 42.35	\$ 43.85
1 1/2" Meter	\$ 70.60	\$ 72.00	\$ 74.50	\$ 77.10	\$ 79.80	\$ 82.60	\$ 85.50
2" Meter	\$ 112.10	\$ 114.35	\$ 118.35	\$ 122.50	\$ 126.80	\$ 131.25	\$ 135.85
<i>Multi-Family and Non-Residential (3)</i>							
5/8" Meter	\$ 25.64	\$ 22.70	\$ 23.50	\$ 24.30	\$ 25.15	\$ 26.05	\$ 26.95
3/4" Meter	\$ 28.17	\$ 22.70	\$ 23.50	\$ 24.30	\$ 25.15	\$ 26.05	\$ 26.95
1" Meter	\$ 42.27	\$ 36.85	\$ 38.15	\$ 39.50	\$ 40.90	\$ 42.35	\$ 43.85
1 1/2" Meter	\$ 56.35	\$ 57.50	\$ 59.50	\$ 61.60	\$ 63.75	\$ 66.00	\$ 68.30
2" Meter	\$ 70.45	\$ 71.85	\$ 74.35	\$ 76.95	\$ 79.65	\$ 82.45	\$ 85.35
3" Meter	\$ 98.63	\$ 100.60	\$ 104.10	\$ 107.75	\$ 111.50	\$ 115.40	\$ 119.45
4" Meter	\$ 126.80	\$ 129.35	\$ 133.90	\$ 138.60	\$ 143.45	\$ 148.45	\$ 153.65
6" Meter	\$ 183.16	\$ 186.80	\$ 193.35	\$ 200.10	\$ 207.10	\$ 214.35	\$ 221.85
8" Meter	\$ 239.48	\$ 244.30	\$ 252.85	\$ 261.70	\$ 270.85	\$ 280.35	\$ 290.15
10" Meter	\$ 295.83	\$ 301.75	\$ 312.30	\$ 323.25	\$ 334.55	\$ 346.25	\$ 358.35
Water Usage Rates (\$/CCF)							
<i>Single Family Residential (2)</i>							
Tier 1 - 0 to 10 CCF/month	\$ 0.86	\$ 0.88	\$ 0.91	\$ 0.94	\$ 0.97	\$ 1.00	\$ 1.04
Tier 2 - 11 to 50 CCF/month	\$ 1.29	\$ 1.32	\$ 1.37	\$ 1.42	\$ 1.47	\$ 1.52	\$ 1.57
Tier 3 - Over 50 CCF/month	\$ 1.71	\$ 1.74	\$ 1.80	\$ 1.86	\$ 1.93	\$ 2.00	\$ 2.07
<i>Multi-Family and Non-Residential (3)</i>							
All Water Usage	\$ 0.789	\$ 0.88	\$ 0.91	\$ 0.94	\$ 0.97	\$ 1.00	\$ 1.04

Notes:

- (1) Revised July 1, 2008.
- (2) Current residential metered rates are revenue neutral and were approved for comparative billing purposes only.
- (3) Proposed multi-family and non-residential rates improve equity with single family water rates.

Exhibit
City of Lodi -- Wastewater Utility
Current and Proposed Wastewater Rates

	Current (1)	July 2010
Residential		
Percent Increase		12
Flat Rates (\$/month)		
1 Bedroom	\$ 20.81	\$ 23.31
2 Bedroom	\$ 27.74	\$ 31.07
3 Bedroom	\$ 34.68	\$ 38.84
4 Bedroom	\$ 41.61	\$ 46.60
5 Bedroom	\$ 48.55	\$ 54.38
6 Bedroom	\$ 55.48	\$ 62.14
7 Bedroom	\$ 62.42	\$ 69.91
Usage-Based Rates (2)		
Service Charge (\$/month)	\$ 18.95	\$ 21.22
Usage Charge (\$/CCF) (3)	\$ 2.15	\$ 2.41
Non-Residential (\$/month)		
Moderate Strength (per SSU)	\$ 27.74	\$ 31.07
High Strength		
Flow (per MG, annual basis)	\$ 2,808.88	\$ 3,145.95
BOD (per 1,000 lbs, annual basis)	\$ 463.54	\$ 519.16
SS (per 1,000 lbs, annual basis)	\$ 289.83	\$ 324.61
Grease Interceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	\$ 245.44	\$ 274.89
Septic (only) Holding Tank Waste Outside City Limits (per 1,000 gal.)	\$ 521.03	\$ 583.55
Disposal to Storm Drain System (per MG)	\$ 257.80	\$ 288.74
Disposal to Industrial System (4)		
Flow (per MG, annual basis)	\$ 2,218.78	\$ 2,485.03
BOD (per 1,000 lbs, annual basis)	\$ 20.34	\$ 22.78
Winery Wastewater (per 1,000 gal.)	\$ 248.53	\$ 278.35

Notes:

- (1) Revised July 16, 2009.
- (2) Current revenue neutral rates were approved for comparative billing purposes only.
- (3) Winter water usage determined as average monthly usage from December through February.
- (4) 2007 Industrial System rates are shown. Rates are calculated annually per LMC Sec. 13.12.210.

**City of Lodi -- Wastewater Utility
Current and Proposed Water Usage-Based Residential Wastewater Rates**

	Current (1)	July 2010
Monthly Fixed Service Charge	\$ 18.95	\$ 21.22
Wastewater Flow Charge	\$ 2.15	\$ 2.41
Based on Winter Water Usage (2)		
Monthly Wastewater Bills (for various usages)		
Winter Water Use (CCF)		
0	\$ 18.95	\$ 21.22
1	\$ 21.10	\$ 23.63
2	\$ 23.25	\$ 26.04
3	\$ 25.40	\$ 28.45
4	\$ 27.55	\$ 30.86
5	\$ 29.70	\$ 33.27
6	\$ 31.85	\$ 35.68
7	\$ 34.00	\$ 38.09
8	\$ 36.15	\$ 40.50
9	\$ 38.30	\$ 42.91
10	\$ 40.45	\$ 45.32
11	\$ 42.60	\$ 47.73
12	\$ 44.75	\$ 50.14
13	\$ 46.90	\$ 52.55
14	\$ 49.05	\$ 54.96
15	\$ 51.20	\$ 57.37
16	\$ 53.35	\$ 59.78
17	\$ 55.50	\$ 62.19
18	\$ 57.65	\$ 64.60
19	\$ 59.80	\$ 67.01
20	\$ 61.95	\$ 69.42

Notes:

- (1) Estimated to be revenue neutral relative to the wastewater rates implemented in July 2009.
- (2) Winter water usage determined as average monthly usage from December through February.

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Exhibit												
2	City of Lodi -- Water Utility												
3	Financial Plan Summary												
4		F	FY 09-10 Budget	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
5	Overall Water Rate Increases -->			2.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
6			Jan. 2011	Jan. 2012	Jan. 2013	Jan. 2014	Jan. 2015	Jan. 2016	Jan. 2017	Jan. 2018	Jan. 2019	Jan. 2020	
8	WATER OPERATING FUND (180)												
9	Beginning Balance		2,071,982	2,858,000	6,762,000	7,549,940	4,797,005	4,109,570	3,544,335	3,345,175	4,036,965	4,109,530	5,837,670
10	Revenues												
11	Water Sales		6,793,974	12,137,000	12,527,000	12,915,000	13,344,000	13,644,000	14,184,000	14,784,000	15,478,000	16,198,000	16,949,000
12	Infrastructure Replacement		2,384,556	-	-	-	-	-	-	-	-	-	-
13	Interest Earnings		79,200	29,000	101,000	151,000	120,000	123,000	124,000	117,000	141,000	144,000	204,000
14	Other Revenues		115,000	381,000	393,000	404,000	416,000	428,000	440,000	453,000	467,000	481,000	496,000
15	Transfer from Fund 182 for DS		-	-	-	-	2,214,000	2,292,000	2,373,000	2,457,000	2,544,000	2,634,000	2,696,000
16	Total Revenues		9,372,730	12,547,000	13,021,000	13,470,000	16,094,000	16,487,000	17,121,000	17,811,000	18,630,000	19,457,000	20,345,000
17	Expenditures												
18	Transfer Out to Gen'l Fund (COS)		1,060,122	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000
19	Transfer Out to Wtr Cap Outlay		2,384,556	2,500,000	2,500,000	4,000,000	4,000,000	4,000,000	4,000,000	3,500,000	3,500,000	3,500,000	3,500,000
20	Transfer Out to PCE-TCE Fund		-	-	600,000	1,200,000	1,500,000	1,500,000	1,500,000	1,500,000	2,500,000	1,500,000	1,500,000
21	Administration & Other		1,132,313	1,197,000	1,240,000	1,284,000	1,330,000	1,377,000	1,426,000	1,476,000	1,529,000	1,584,000	1,641,000
22	Water Production		696,160	657,000	680,000	704,000	729,000	754,000	780,000	808,000	836,000	866,000	896,000
23	Electricity		780,000	690,000	721,000	753,000	787,000	822,000	859,000	898,000	938,000	980,000	1,024,000
24	DBCP Monitoring		294,780	263,000	272,000	280,000	289,000	298,000	307,000	316,000	326,000	336,000	347,000
25	SWTF Oper. & Maint. (net)		-	-	-	1,716,000	1,788,000	1,870,000	1,942,000	2,030,000	2,491,000	2,214,000	2,313,000
26	Water Distribution		798,742	812,000	841,000	871,000	902,000	934,000	968,000	1,002,000	1,038,000	1,076,000	1,115,000
27	WID Water Purchases		1,212,000	1,236,000	1,273,000	1,311,000	1,350,000	1,391,000	1,433,000	1,476,000	1,520,000	1,566,000	1,613,000
28	1991 CSDW Loan Payments		228,024	228,000	228,000	228,000	228,000	228,000	228,000	238,000	-	-	-
29	Estimated 2010 COP Payments		-	-	2,818,060	2,815,935	2,818,435	2,818,235	2,817,160	2,815,210	2,819,435	3,046,860	3,044,546
30	Total Expenditures		8,586,697	8,643,000	12,233,060	16,222,935	16,781,435	17,052,235	17,320,160	17,119,210	18,557,435	17,728,860	18,053,546
31													
32	Ending Balance		2,858,000	6,762,000	7,549,940	4,797,005	4,109,570	3,544,335	3,345,175	4,036,965	4,109,530	5,837,670	8,129,124
33	Operating Reserve (25%)		1,551,000	1,536,000	2,283,000	2,756,000	2,820,000	2,888,000	2,955,000	3,030,000	3,139,000	3,182,000	3,263,000
34	Available Balance		1,307,000	5,226,000	5,266,940	2,041,005	1,289,570	656,335	390,175	1,006,965	970,530	2,655,670	4,866,124
35	DS Coverage (min. = 1.20)		16.23	31.68	3.74	2.79	3.21	3.24	3.32	3.43	3.83	3.33	3.56
36													
37	WATER CAPITAL OUTLAY (181)												
38	Beginning Balance		11,839,529	9,962,000	44,183,000	10,885,000	7,510,000	5,311,000	1,121,000	3,000	4,981,000	10,123,000	13,718,000
39	Revenues												
40	Operating Transfers In		2,384,556	2,500,000	2,500,000	4,000,000	4,000,000	4,000,000	4,000,000	3,500,000	3,500,000	3,500,000	3,500,000
41	Interest Earnings		88,200	100,000	663,000	218,000	188,000	159,000	39,000	-	174,000	354,000	480,000
42	Retrofit Meter Install. Charge		-	-	3,297,000	1,719,000	1,719,000	1,719,000	1,719,000	1,719,000	1,719,000	-	-
43	DBCP Reimb. & Other		200,000	-	-	-	-	-	-	-	-	-	-
44	Debt Proceeds		-	43,021,000	-	-	-	-	-	-	-	-	-
45	Total Revenues		2,672,756	45,621,000	6,460,000	5,937,000	5,907,000	5,878,000	5,758,000	5,219,000	5,393,000	3,854,000	3,980,000
46	Expenditures												
47	Water Meter/Main Install. Project		582,000	2,852,000	7,436,000	6,890,000	7,888,000	9,842,000	6,582,000	-	-	-	-
48	Water Main Replacement Projects		-	-	-	-	-	-	-	-	-	-	-
49	Water Taps		75,000	78,000	80,000	83,000	86,000	89,000	92,000	95,000	99,000	102,000	106,000
50	Miscellaneous Water Mains		50,000	52,000	54,000	55,000	57,000	59,000	61,000	64,000	66,000	68,000	71,000
51	Commercial Meter Replacements		15,000	10,000	11,000	6,000	6,000	6,000	6,000	6,000	7,000	7,000	7,000
52	Valve Exercising Program		20,000	21,000	21,000	22,000	23,000	24,000	25,000	25,000	26,000	27,000	28,000
53	Surface WTP Design		2,946,000	-	-	-	-	-	-	-	-	-	-
54	Raw Water Transmission Main		787,000	-	-	-	-	-	-	-	-	-	-
55	Calif./St. Claire Water Main		-	-	-	-	-	-	-	-	-	-	-
56	Surface WTP Construction		-	8,280,000	32,137,000	2,217,000	-	-	-	-	-	-	-
57	UWMP Update		-	52,000	-	-	-	-	61,000	-	-	-	-
58	Vehicles/Equipment		75,000	55,000	19,000	39,000	46,000	48,000	49,000	51,000	53,000	55,000	56,000
59	Total Expenditures		4,550,000	11,400,000	39,758,000	9,312,000	8,106,000	10,068,000	6,876,000	241,000	251,000	259,000	268,000
60													
61													
62	Ending Balance		9,962,000	44,183,000	10,885,000	7,510,000	5,311,000	1,121,000	3,000	4,981,000	10,123,000	13,718,000	17,430,000

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Exhibit												
2	City of Lodi -- Water Utility												
3	Financial Plan Summary												
4		F	FY 09-10 Budget	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
5	Overall Water Rate Increases -->		2.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
6			Jan. 2011	Jan. 2012	Jan. 2013	Jan. 2014	Jan. 2015	Jan. 2016	Jan. 2017	Jan. 2018	Jan. 2019	Jan. 2020	
64	IMF WATER FACILITIES (182)												
65	Beginning Balance		(442,341)	(854,000)	(713,000)	(957,000)	94,000	96,000	99,000	102,000	106,000	110,000	114,000
66	Revenues												
67	Water Impact Mitigation Fees		13,768	500,000	517,000	1,070,000	2,214,000	2,292,000	2,373,000	2,457,000	2,544,000	2,634,000	2,727,000
68	Interest Earnings		-	(9,000)	(11,000)	(19,000)	2,000	3,000	3,000	4,000	4,000	4,000	4,000
69	Total Revenues		13,768	491,000	506,000	1,051,000	2,216,000	2,295,000	2,376,000	2,461,000	2,548,000	2,638,000	2,731,000
70	Expenditures												
77	Well #27 - Pump, Motor & Site Impr.		400,000	-	-	-	-	-	-	-	-	-	-
78	MSC Rehab/Expansion		25,000	350,000	750,000	-	-	-	-	-	-	-	-
79	MWWI003-Well #28		-	-	-	-	-	-	-	-	-	-	-
80	Transfer to Fund 180 for Debt Service		-	-	-	-	2,214,000	2,292,000	2,373,000	2,457,000	2,544,000	2,634,000	2,696,000
82	Total Expenditures		425,000	350,000	750,000	-	2,214,000	2,292,000	2,373,000	2,457,000	2,544,000	2,634,000	2,696,000
84	Ending Balance		(854,000)	(713,000)	(957,000)	94,000	96,000	99,000	102,000	106,000	110,000	114,000	149,000
85	Owed Fund 180 for DS		-	-	1,879,000	3,756,000	3,421,000	3,008,000	2,513,000	1,933,000	1,269,000	666,000	-
86													
87	WATER PCE-TCE LITIGATION (183)												
			Consolidate PCE-TCE funds (Fund 183, 184, and 185) for this study										
88	Beginning Balance		15,522	-	-	-	-	-	-	-	-	-	-
89	Revenues												
90	Transfers from 180, 184, 185		-	-	-	-	-	-	-	-	-	-	-
91	Interest Earnings		78	-	-	-	-	-	-	-	-	-	-
92	Total Revenues		78	-	-	-	-	-	-	-	-	-	-
93	Expenditures												
94	Water PCE-TCE		-	-	-	-	-	-	-	-	-	-	-
95	Transfer to Consolidate w/ Fund 184		15,600	-	-	-	-	-	-	-	-	-	-
97	Total Expenditures		15,600	-	-	-	-	-	-	-	-	-	-
99	Ending Balance		-	-	-	-	-	-	-	-	-	-	-
100													
101	WATER PCE-TCE SETTLEMENT (184)												
			Funding of PCE-TCE Expenses Assumed to Come From 19x Funds (excluded from model)										
102	Beginning Balance		(241,630)	3,090,000	761,000	722,000	1,286,000	791,000	240,000	1,048,000	1,885,000	409,000	1,173,000
103	Revenues												
104	PCE-TCE Settlements		-	-	-	-	-	-	-	-	-	-	-
105	Transfer In from Fund 180		-	-	600,000	1,200,000	1,500,000	1,500,000	1,500,000	1,500,000	2,500,000	1,500,000	1,500,000
106	Transfer In from Fund 183		15,600	-	-	-	-	-	-	-	-	-	-
107	Transfer In from Fund 185		3,666,381	-	-	-	-	-	-	-	-	-	-
108	Interest Earnings		-	31,000	11,000	14,000	32,000	24,000	8,000	37,000	66,000	14,000	41,000
109	Total Revenues		3,681,981	31,000	611,000	1,214,000	1,532,000	1,524,000	1,508,000	1,537,000	2,566,000	1,514,000	1,541,000
110	Expenditures												
111	PCE-TCE Remediation - Capital		-	1,760,000	-	-	1,377,000	1,425,000	-	-	3,292,000	-	-
112	PCE-TCE Remediation - O&M		250,000	600,000	650,000	650,000	650,000	650,000	700,000	700,000	750,000	750,000	750,000
113	Water PCE-TCE Legal		100,000	-	-	-	-	-	-	-	-	-	-
114	Transfer to Fund 183		-	-	-	-	-	-	-	-	-	-	-
115	Past Expenditures		-	-	-	-	-	-	-	-	-	-	-
117	Total Expenditures		350,000	2,360,000	650,000	650,000	2,027,000	2,075,000	700,000	700,000	4,042,000	750,000	750,000
119	Ending Balance		3,090,000	761,000	722,000	1,286,000	791,000	240,000	1,048,000	1,885,000	409,000	1,173,000	1,964,000
120													
121	WATER PCE-TCE RATE ABATEMENT (185)												
			Consolidate PCE-TCE funds (Fund 183, 184, and 185) for this study										
122	Beginning Balance		781,681	-	-	-	-	-	-	-	-	-	-
123	Revenues												
124	PCE-TCE Rate Revenue		2,884,700	-	-	-	-	-	-	-	-	-	-
125	Investment Earnings		-	-	-	-	-	-	-	-	-	-	-
126	Total Revenues		2,884,700	-	-	-	-	-	-	-	-	-	-
127	Expenditures												
128	Transfer to Fund 183		-	-	-	-	-	-	-	-	-	-	-
129	Transfer to Consolidate w/ Fund 184		3,666,381	-	-	-	-	-	-	-	-	-	-
131	Total Expenditures		3,666,381	-	-	-	-	-	-	-	-	-	-

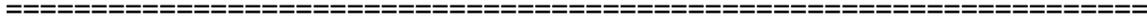
	A	C	D	E	F	G	H	I	J	K	L	
1	Exhibit											
2	City of Lodi -- Wastewater Utility											
3	Financial Plan Summary											
4		FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
5		25%	12%	5%	5%	0%	0%	0%	0%	0%	0%	0%
6	WASTEWATER OPERATING FUND (170)											
7	Beginning Balance	2,864,000	2,903,015	3,275,000	3,642,700	4,340,200	5,114,500	5,797,500	6,364,200	6,758,700	6,956,000	6,932,100
8	Revenues											
9	Wastewater Sales	11,595,000	13,025,000	13,716,000	14,486,000	14,655,000	14,824,000	14,993,000	15,162,000	15,331,000	15,500,000	15,669,000
10	Infrastructure Replacement	-	-	-	-	-	-	-	-	-	-	-
11	Interest Earnings	14,000	32,000	57,000	83,000	121,000	168,000	220,000	240,000	254,000	261,000	260,000
12	Other Revenues	180,000	185,300	190,600	195,900	202,200	208,500	214,800	221,200	227,600	234,000	241,400
13	Transfer In for Debt Service (172)	-	-	-	-	54,000	65,000	76,000	76,000	76,000	76,000	76,000
14	Transfer In for Debt Service (173)	1,792,000	410,000	241,000	785,000	982,000	2,056,000	2,174,000	2,272,000	2,363,000	2,456,000	2,555,000
15	Transfer From/(To) RSF (174)	(250,000)	(250,000)	-	-	-	-	-	-	-	-	-
16												
17	Total Revenues	13,331,000	13,402,300	14,204,600	15,549,900	16,014,200	17,321,500	17,677,800	17,971,200	18,251,600	18,527,000	18,801,400
18	Expenditures											
19	Transfer Out to Gen'l Fund (COS)	1,451,478	1,495,000	1,540,000	1,586,000	1,634,000	1,683,000	1,733,000	1,785,000	1,839,000	1,894,000	1,951,000
20	Transfer Out to WW Cap Outlay (171)	196,202	-	500,000	750,000	2,000,000	3,056,000	3,174,000	3,272,000	3,363,000	3,456,000	3,555,000
21	Transfer Out To WW Cap. Rsrv. (172)	750,000	750,000	750,000	1,197,000	-	-	-	-	-	-	-
22	Administration & Other	703,149	1,010,352	1,047,900	1,086,400	1,125,900	1,167,500	1,211,100	1,256,700	1,304,300	1,353,900	1,404,500
23	Plant Maintenance	4,791,556	4,446,170	4,626,000	4,812,000	5,006,000	5,207,000	5,417,000	5,635,000	5,863,000	6,100,000	6,348,000
24	Sanitary System Maintenance	709,501	585,597	606,000	628,000	651,000	674,000	698,000	723,000	749,000	776,000	804,000
25	Storm Drainage Maintenance	536,143	591,829	615,000	639,000	665,000	692,000	719,000	748,000	778,000	809,000	842,000
26	Industrial System Maintenance	34,373	33,499	35,000	36,000	37,000	38,000	39,000	40,000	41,000	42,000	43,000
27	2003 Wastewater COP Debt Service	382,733	381,000	379,000	381,000	377,000	378,000	378,000	377,000	376,000	378,000	379,000
28	2004 Wastewater COP Debt Service	2,148,800	2,148,000	2,139,000	2,138,000	2,140,000	2,140,000	2,135,000	2,134,000	2,127,000	2,125,000	2,129,000
29	2007 Wastewater COP Debt Service	1,588,050	1,589,000	1,599,000	1,599,000	1,604,000	1,603,000	1,607,000	1,606,000	1,614,000	1,617,000	1,609,000
30	Total Expenditures	13,291,985	13,030,447	13,836,900	14,852,400	15,239,900	16,638,500	17,111,100	17,576,700	18,054,300	18,550,900	19,064,500
31												
32	Ending Balance	2,903,015	3,275,000	3,642,700	4,340,200	5,114,500	5,797,500	6,364,200	6,758,700	6,956,000	6,932,100	6,669,000
33	Operating Reserve (25%)	3,086,000	3,070,000	3,147,000	3,226,000	3,310,000	3,396,000	3,484,000	3,576,000	3,673,000	3,774,000	3,877,000
34	Available Balance	(182,985)	205,000	495,700	1,114,200	1,804,500	2,401,500	2,880,200	3,182,700	3,283,000	3,158,100	2,792,000
35	DS Coverage (min. = 1.20)	0.87	1.31	1.82	1.71	1.94	1.94	1.95	1.93	1.93	1.90	1.89
36	without COS	1.23	1.67	2.20	2.10	2.33	2.35	2.37	2.36	2.37	2.36	2.37
37	WASTEWATER CAPITAL OUTLAY (171)											
38	Beginning Balance	5,035,749	4,542,000	2,836,000	358,000	537,000	723,000	1,783,000	2,068,000	4,746,000	5,083,000	7,998,000
39	Revenues											
40	Transfer In (from 170-IRC)	196,202	-	500,000	750,000	2,000,000	3,056,000	3,174,000	3,272,000	3,363,000	3,456,000	3,555,000
41	Transfer In (from 170-Deprec.)	-	-	-	-	-	-	-	-	-	-	-
42	Investment Earnings	25,000	45,000	43,000	7,000	13,000	22,000	62,000	72,000	166,000	178,000	280,000
43												
44	Total Revenues	221,202	45,000	543,000	757,000	2,013,000	3,078,000	3,236,000	3,344,000	3,529,000	3,634,000	3,835,000

	A	C	D	E	F	G	H	I	J	K	L	M
1	Exhibit											
2	City of Lodi -- Wastewater Utility											
3	Financial Plan Summary											
4		FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
5		25%	12%	5%	5%	0%	0%	0%	0%	0%	0%	0%
37	WASTEWATER CAPITAL OUTLAY (171)											
38	Beginning Balance	5,035,749	4,542,000	2,836,000	358,000	537,000	723,000	1,783,000	2,068,000	4,746,000	5,083,000	7,998,000
39	Revenues											
40	Transfer In (from 170-IRC)	196,202	-	500,000	750,000	2,000,000	3,056,000	3,174,000	3,272,000	3,363,000	3,456,000	3,555,000
41	Transfer In (from 170-Deprec.)	-	-	-	-	-	-	-	-	-	-	-
42	Investment Earnings	25,000	45,000	43,000	7,000	13,000	22,000	62,000	72,000	166,000	178,000	280,000
44	Total Revenues	221,202	45,000	543,000	757,000	2,013,000	3,078,000	3,236,000	3,344,000	3,529,000	3,634,000	3,835,000
45	Expenditures											
46	Capital Projects	-	-	-	-	-	-	-	-	-	-	-
47	Replacement Vehicle 04-003	25,000	-	-	-	-	-	-	-	-	-	-
48	Replacement Vehicle 04-137	25,000	-	-	-	-	-	-	-	-	-	-
49	Charleston Storm Drain Improvements	-	100,000	-	-	-	-	-	-	-	-	-
50	Shady Acres Storm Drain PS Improv.	-	100,000	-	-	-	-	-	-	-	-	-
51	Elm Street Storm Drain Improvements	-	250,000	-	-	-	-	-	-	-	-	-
52	Misc. System Relocations	35,000	35,000	36,000	38,000	39,000	41,000	43,000	44,000	46,000	48,000	50,000
53	Misc. Wastewater Taps	40,000	40,000	42,000	43,000	45,000	47,000	49,000	51,000	53,000	55,000	57,000
54	Collect. System Capac. Enhanc. Projects	100,000	150,000	104,000	108,000	112,000	117,000	122,000	127,000	132,000	137,000	142,000
55	Wastewater Main Replac./Lining Proj.	-	100,000	2,080,000	-	-	117,000	2,433,000	127,000	2,632,000	137,000	2,847,000
56	Lift Sta. Remote Term. Unit Replac.	20,000	20,000	-	-	-	-	-	-	-	-	-
57	Vehicle Replac. (04-116) Boom Truck	-	50,000	-	-	-	-	-	-	-	-	-
58	Fats, Oils, and Grease Program	-	25,000	-	-	-	-	-	-	-	-	-
59	Compl. Studies - Cap Impr. & Rollover	-	60,000	-	-	-	-	-	-	-	-	-
60	Plant Maint. & Land Applic. Area Improv.	-	325,000	-	-	-	-	-	-	-	-	-
61	Replace 04-95 Vacuum Truck	-	340,000	-	-	-	-	-	-	-	-	-
62	Decommission Fleet Service Shop	-	15,000	-	-	-	-	-	-	-	-	-
63	Munic. Service Center PBX Replac.	-	38,000	-	-	-	-	-	-	-	-	-
64	Munic. Service Center Security Improv.	-	10,000	-	-	-	-	-	-	-	-	-
65	Munic. Service Center Parking Reconstr.	-	50,000	-	-	-	-	-	-	-	-	-
66	Munic. Service Center Modular Bldgs.	-	-	260,000	-	-	-	-	-	-	-	-
67	Lift Station Generator Replacements	100,000	-	-	108,000	-	-	-	-	-	-	-
68	Vehicles and Other Equipment	-	-	156,000	162,000	169,000	175,000	182,000	190,000	197,000	205,000	213,000
69	FOG Program and Reporting	25,000	-	-	-	-	-	-	-	-	-	-
70	Capacity Assurance Plan	100,000	-	-	-	-	-	-	-	-	-	-
71	White Slough Compliance Studies & Rpts	125,000	-	-	-	-	-	-	-	-	-	-
72	Plant Maint. & Land Applic. Area Improv.	70,000	-	-	-	-	-	-	-	-	-	-
73	Pond Lining Project	-	-	-	-	1,350,000	1,404,000	-	-	-	-	-
74	Laser Alignment Tool	-	25,000	-	-	-	-	-	-	-	-	-
75	Shop Lathe	-	18,000	-	-	-	-	-	-	-	-	-
76	White Slough Roadway Improvements	-	-	31,000	-	-	-	-	-	-	-	-
77	Effluent Receiving Water Char. Study	-	-	16,000	-	-	-	-	-	-	-	-
78	Report of Waste Discharge	-	-	104,000	-	-	-	-	-	-	-	-
79	Fence Improvements/Repairs	-	-	26,000	-	-	-	-	-	-	-	-
80	Plant Security Enhancements	50,000	-	52,000	-	-	-	-	-	-	-	-
81	Miscellaneous Reports	-	-	10,000	11,000	-	-	-	-	-	-	-
82	Future Projects	-	-	104,000	108,000	112,000	117,000	122,000	127,000	132,000	137,000	142,000
84	Total Expenditures	715,000	1,751,000	3,021,000	578,000	1,827,000	2,018,000	2,951,000	666,000	3,192,000	719,000	3,451,000
86	Ending Balance	4,542,000	2,836,000	358,000	537,000	723,000	1,783,000	2,068,000	4,746,000	5,083,000	7,998,000	8,382,000

	A	C	D	E	F	G	H	I	J	K	L	M
1	Exhibit											
2	City of Lodi -- Wastewater Utility											
3	Financial Plan Summary											
4		FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
5		25%	12%	5%	5%	0%	0%	0%	0%	0%	0%	0%
88	WASTEWATER CAPITAL RESERVE (172)											
89	Beginning Balance	5,393,000	6,170,000	1,882,000	2,660,000	2,179,000	2,179,000	2,179,000	2,179,000	2,179,000	2,179,000	2,179,000
90	Revenues											
91	Transfer In from 173	-	-	-	-	-	-	-	-	-	-	-
92	Transfer In from 170	750,000	750,000	750,000	1,197,000	-	-	-	-	-	-	-
93	Interest Earnings	27,000	62,000	28,000	53,000	54,000	65,000	76,000	76,000	76,000	76,000	76,000
94	Total Revenues	777,000	812,000	778,000	1,250,000	54,000	65,000	76,000	76,000	76,000	76,000	76,000
95	Expenditures											
96	Capital Projects	-	-	-	-	-	-	-	-	-	-	-
97	White Slough Solids Handling Facility	-	5,100,000	-	-	-	-	-	-	-	-	-
98	White Slough Sludge Thickening	-	-	-	1,731,000	-	-	-	-	-	-	-
99	Transfer Out to 170 (for DS)	-	-	-	-	54,000	65,000	76,000	76,000	76,000	76,000	76,000
100	Total Expenditures	-	5,100,000	-	1,731,000	54,000	65,000	76,000	76,000	76,000	76,000	76,000
103	Ending Balance	6,170,000	1,882,000	2,660,000	2,179,000							
104	Restricted Debt Service Reserve	2,170,000	2,170,000	2,170,000	2,179,000	2,179,000	2,179,000	2,179,000	2,179,000	2,179,000	2,179,000	2,179,000
105	2007 COP Proceeds (w/ fiscal agent)	5,634,000	534,000	534,000	-	-	-	-	-	-	-	-
106	Cash Deficit (amt. owed for past DS)	(1,634,000)	(822,000)	(44,000)	-	-	-	-	-	-	-	-
107												
108	IMF WASTEWATER FACILITIES (173)											
109	Beginning Balance	2,011,000	410,000	241,000	1,570,000	982,000	2,056,000	2,174,000	2,272,000	2,363,000	2,456,000	2,555,000
110	Revenues											
111	Wastewater IMF	226,270	452,000	1,930,000	977,000	2,031,000	2,112,000	2,196,000	2,283,000	2,373,000	2,469,000	2,568,000
112	Interest Earnings	10,000	4,000	4,000	31,000	25,000	62,000	76,000	80,000	83,000	86,000	89,000
113	Total Revenues	236,270	456,000	1,934,000	1,008,000	2,056,000	2,174,000	2,272,000	2,363,000	2,456,000	2,555,000	2,657,000
114	Expenditures											
115	Transfer Out (to 170 for DS)	1,792,000	410,000	241,000	785,000	982,000	2,056,000	2,174,000	2,272,000	2,363,000	2,456,000	2,555,000
116	Transfer Out (to 172 for past DS)	-	-	-	-	-	-	-	-	-	-	-
117	Capital Projects	-	-	-	-	-	-	-	-	-	-	-
118	Decommission Old Fleet Services Shop	45,000	-	-	-	-	-	-	-	-	-	-
119	Lift Station Generator Repl. (Peterson Park)	-	100,000	-	-	-	-	-	-	-	-	-
120	City-Wide IMF Program Update	-	15,000	-	-	-	-	-	-	-	-	-
121	MSC Space Planning & Facil. Eval. Study	-	25,000	-	-	-	-	-	-	-	-	-
122	WW Collect. Mstr. Plan (GP Expan. Areas)	-	75,000	-	-	-	-	-	-	-	-	-
123	MSC Facility Rehab/Expansion	-	-	364,000	811,000	-	-	-	-	-	-	-
124	Total Expenditures	1,837,000	625,000	605,000	1,596,000	982,000	2,056,000	2,174,000	2,272,000	2,363,000	2,456,000	2,555,000
127	Ending Balance	410,000	241,000	1,570,000	982,000	2,056,000	2,174,000	2,272,000	2,363,000	2,456,000	2,555,000	2,657,000
128	Owed Fund 170 for DS	-	1,382,000	2,938,000	3,950,000	4,768,000	4,512,000	4,140,000	3,668,000	3,110,000	2,461,000	1,708,000
129												
130	WW Rate Stabilization Fund (174)											
131	Beginning Balance	-	250,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
132	Revenues											
133	Transfer In from 170	250,000	250,000	-	-	-	-	-	-	-	-	-
135	Total Revenues	250,000	250,000	-	-	-	-	-	-	-	-	-
136	Expenditures											
137	Transfer Out to 170	-	-	-	-	-	-	-	-	-	-	-
139	Total Expenditures	-	-	-	-	-	-	-	-	-	-	-
141	Ending Balance	250,000	500,000									

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE LODI CITY COUNCIL
SETTING USAGE-BASED AND FLAT WATER AND
WASTEWATER RATES FOR RESIDENTIAL,
COMMERCIAL, AND INDUSTRIAL CUSTOMERS



WHEREAS, the Council of the City of Lodi finds as follows:

1. The City of Lodi provides water supply and wastewater disposal service to its citizens;
2. The City charges customers of these utilities a charge to fund the on-going operation and maintenance of the water supply and wastewater disposal service;
3. On July 15, 2009, Council approved wastewater rate increases of 25 percent effective July 16, 2009; 20 percent effective July 1, 2010; 10 percent effective July 1, 2011; and 5 percent effective July 1, 2012. Council also approved an Engineering News Record – 20 Cities Average (ENR) based indexing of wastewater rates beginning with FY 2012/13. A proposition 218 procedure was conducted that validated these actions;
4. On January 6, 2010, Council received advisory usage-based water and wastewater residential rates for the purpose of research and customer billing comparisons, as the City transitions to a metered water system to comply with State law;
5. Staff recommends changing the date for implementing the annual water rate adjustment to January 1 for each of the five years following January 1, 2011. This change is recommended so that rate changes occur at the lowest usage time of the year;
6. Staff recommends changing the water rate adjustment index from the Consumer Price Index to the ENR, effective January 1, 2012, because this index better reflects the combined inflationary effects of personnel, materials and energy costs on the total operations of the water utility;
7. Staff recommends adopting usage-based and flat water rates for residential customers as presented in Exhibit A to become effective January 1, 2011;
8. Staff recommends changing the multi-family and nonresidential usage-based rate structure for meter sizes 1 inch and smaller to establish parity with the residential customers, as presented in Exhibit A;
9. Staff recommends eliminating the “Infrastructure” and “PCE/TCE” line item on the water utility bills, as was done for the wastewater utility bills on July 15, 2009;

10. Staff recommends adopting usage-based and flat monthly wastewater rates for residential and nonresidential customers as presented in Exhibit B effective immediately. For customers paying a usage-based water bill, the wastewater monthly rate will be determined based upon their average monthly water usage from the previous December, January, and February. Wastewater monthly rates will be recalculated each year and put into effect beginning with July billings each subsequent year;
11. The Council directed that notice of a hearing thereon be given to the property owners and water service and wastewater disposal utility customers in the City, with such notice to include, among other matters, the information required to be included pursuant to California law;
12. Pursuant to California Constitution, Article XIII C and Government Code 53755, such notice has been mailed to those property owners and account holders, at least 45 days before the hearing, as evidenced by a Certificate of Mailing on file with the City Clerk;
13. The Council also directed that notice of a hearing thereon be given with such notice to include the information required to be included pursuant to Government Code section 54354.5;
14. Such notice has been published once each week for two weeks, in accordance with Government Code section 54354.5, in the Lodi News-Sentinel as evidenced by Proofs of Publication on file with the City Clerk;
15. On July 21, 2010, the City Council conducted said public hearing, at which time the City Council heard all objections and protests to the proposed usage-based and flat water and wastewater rates for residential, commercial and industrial customers;
16. Written protests against the proposed usage-based and flat water and wastewater rates for residential, commercial and industrial customers were not presented by a majority of the property owners and water and wastewater utility customers; and
17. The proposed usage-based and flat water and wastewater rates for residential, commercial and industrial customers are not discriminatory or excessive, are sufficient under Government Code section 54515, comply with the provisions or covenants of any outstanding revenue bonds of the City payable from the revenues of the enterprise, comply with the provisions of Title 5, Division 2, Chapter 6 of the Government Code, and are in compliance with all other applicable law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi as follows:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Levy of Charges. Pursuant to Sections 13.08.010, 13.12.240, and 13.16.110 of the Lodi Municipal Code, the usage-based and flat water and wastewater rates for residential, commercial, and industrial customers as attached hereto as Exhibits A and B are hereby approved.

Section 3. Subsequent Adjustments. As provided by Government Code Section 53756, the rates shown in Exhibits A and B may be adjusted annually for a period of five years by resolution beginning January 2012 through January 2016 for water rates and July 2011 through July 2016 for wastewater rates, with Council approval following a public hearing, in an amount not to exceed the percentage change in the Engineering News Record (ENR) Twenty Cities Annual Average Index or other index as approved by the City Council by resolution. The adjustment shall not be made if it causes rates to exceed the cost of service and Notice of the Adjustment shall be mailed to each account not less than 30 days before the effective date of the adjustment.

Section 4. Effective Date. This resolution shall take effect from and after the date of its passage.

Dated: July 21, 2010

=====

I hereby certify that Resolution No. 2010-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 21, 2010, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

**City of Lodi -- Water Utility
Current and Proposed Water Rates**

	Current (1)	Jan. 2011	Jan. 2012	Jan. 2013	Jan. 2014	Jan. 2015	Jan. 2016
Percent Increase -->		2.0%	3.5%	3.5%	3.5%	3.5%	3.5%
Flat Rates (\$/month)							
Single Family Residential Unit (\$/month)							
1 Bedroom	\$ 27.98	\$ 28.54	\$ 29.54	\$ 30.57	\$ 31.64	\$ 32.75	\$ 33.90
2 Bedroom	\$ 33.61	\$ 34.28	\$ 35.48	\$ 36.72	\$ 38.01	\$ 39.34	\$ 40.72
3 Bedroom	\$ 40.28	\$ 41.09	\$ 42.53	\$ 44.02	\$ 45.56	\$ 47.15	\$ 48.80
4 Bedroom	\$ 48.40	\$ 49.37	\$ 51.10	\$ 52.89	\$ 54.74	\$ 56.66	\$ 58.64
5 Bedroom	\$ 58.06	\$ 59.22	\$ 61.29	\$ 63.44	\$ 65.66	\$ 67.96	\$ 70.34
6 Bedroom	\$ 69.67	\$ 71.06	\$ 73.55	\$ 76.12	\$ 78.78	\$ 81.54	\$ 84.39
7 Bedroom	\$ 83.58	\$ 85.25	\$ 88.23	\$ 91.32	\$ 94.52	\$ 97.83	\$ 101.25
Multi-Family Residential Unit (\$/month)							
1 Bedroom	\$ 24.02	\$ 24.50	\$ 25.36	\$ 26.25	\$ 27.17	\$ 28.12	\$ 29.10
2 Bedroom	\$ 28.81	\$ 29.39	\$ 30.42	\$ 31.48	\$ 32.58	\$ 33.72	\$ 34.90
3 Bedroom	\$ 34.57	\$ 35.26	\$ 36.49	\$ 37.77	\$ 39.09	\$ 40.46	\$ 41.88
Metered Water Rates							
Service Charge (\$/month)							
<i>Single Family Residential (2)</i>							
Up to 3/4" Meter	\$ 22.25	\$ 22.70	\$ 23.50	\$ 24.30	\$ 25.15	\$ 26.05	\$ 26.95
1" Meter	\$ 36.15	\$ 36.85	\$ 38.15	\$ 39.50	\$ 40.90	\$ 42.35	\$ 43.85
1 1/2" Meter	\$ 70.60	\$ 72.00	\$ 74.50	\$ 77.10	\$ 79.80	\$ 82.60	\$ 85.50
2" Meter	\$ 112.10	\$ 114.35	\$ 118.35	\$ 122.50	\$ 126.80	\$ 131.25	\$ 135.85
<i>Multi-Family and Non-Residential (3)</i>							
5/8" Meter	\$ 25.64	\$ 22.70	\$ 23.50	\$ 24.30	\$ 25.15	\$ 26.05	\$ 26.95
3/4" Meter	\$ 28.17	\$ 22.70	\$ 23.50	\$ 24.30	\$ 25.15	\$ 26.05	\$ 26.95
1" Meter	\$ 42.27	\$ 36.85	\$ 38.15	\$ 39.50	\$ 40.90	\$ 42.35	\$ 43.85
1 1/2" Meter	\$ 56.35	\$ 57.50	\$ 59.50	\$ 61.60	\$ 63.75	\$ 66.00	\$ 68.30
2" Meter	\$ 70.45	\$ 71.85	\$ 74.35	\$ 76.95	\$ 79.65	\$ 82.45	\$ 85.35
3" Meter	\$ 98.63	\$ 100.60	\$ 104.10	\$ 107.75	\$ 111.50	\$ 115.40	\$ 119.45
4" Meter	\$ 126.80	\$ 129.35	\$ 133.90	\$ 138.60	\$ 143.45	\$ 148.45	\$ 153.65
6" Meter	\$ 183.16	\$ 186.80	\$ 193.35	\$ 200.10	\$ 207.10	\$ 214.35	\$ 221.85
8" Meter	\$ 239.48	\$ 244.30	\$ 252.85	\$ 261.70	\$ 270.85	\$ 280.35	\$ 290.15
10" Meter	\$ 295.83	\$ 301.75	\$ 312.30	\$ 323.25	\$ 334.55	\$ 346.25	\$ 358.35
Water Usage Rates (\$/CCF)							
<i>Single Family Residential (2)</i>							
Tier 1 - 0 to 10 CCF/month	\$ 0.86	\$ 0.88	\$ 0.91	\$ 0.94	\$ 0.97	\$ 1.00	\$ 1.04
Tier 2 - 11 to 50 CCF/month	\$ 1.29	\$ 1.32	\$ 1.37	\$ 1.42	\$ 1.47	\$ 1.52	\$ 1.57
Tier 3 - Over 50 CCF/month	\$ 1.71	\$ 1.74	\$ 1.80	\$ 1.86	\$ 1.93	\$ 2.00	\$ 2.07
<i>Multi-Family and Non-Residential (3)</i>							
All Water Usage	\$ 0.789	\$ 0.88	\$ 0.91	\$ 0.94	\$ 0.97	\$ 1.00	\$ 1.04

Notes:

- (1) Revised July 1, 2008.
- (2) Current residential metered rates are revenue neutral and were approved for comparative billing purposes only.
- (3) Proposed multi-family and non-residential rates improve equity with single family water rates.

Exhibit
City of Lodi -- Wastewater Utility
Current and Proposed Wastewater Rates

	Current (1)	July 2010
Residential		
Percent Increase		12
Flat Rates (\$/month)		
1 Bedroom	\$ 20.81	\$ 23.31
2 Bedroom	\$ 27.74	\$ 31.07
3 Bedroom	\$ 34.68	\$ 38.84
4 Bedroom	\$ 41.61	\$ 46.60
5 Bedroom	\$ 48.55	\$ 54.38
6 Bedroom	\$ 55.48	\$ 62.14
7 Bedroom	\$ 62.42	\$ 69.91
Usage-Based Rates (2)		
Service Charge (\$/month)	\$ 18.95	\$ 21.22
Usage Charge (\$/CCF) (3)	\$ 2.15	\$ 2.41
Non-Residential (\$/month)		
Moderate Strength (per SSU)	\$ 27.74	\$ 31.07
High Strength		
Flow (per MG, annual basis)	\$ 2,808.88	\$ 3,145.95
BOD (per 1,000 lbs, annual basis)	\$ 463.54	\$ 519.16
SS (per 1,000 lbs, annual basis)	\$ 289.83	\$ 324.61
Grease Interceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	\$ 245.44	\$ 274.89
Septic (only) Holding Tank Waste Outside City Limits (per 1,000 gal.)	\$ 521.03	\$ 583.55
Disposal to Storm Drain System (per MG)	\$ 257.80	\$ 288.74
Disposal to Industrial System (4)		
Flow (per MG, annual basis)	\$ 2,218.78	\$ 2,485.03
BOD (per 1,000 lbs, annual basis)	\$ 20.34	\$ 22.78
Winery Wastewater (per 1,000 gal.)	\$ 248.53	\$ 278.35

Notes:

- (1) Revised July 16, 2009.
- (2) Current revenue neutral rates were approved for comparative billing purposes only.
- (3) Winter water usage determined as average monthly usage from December through February.
- (4) 2007 Industrial System rates are shown. Rates are calculated annually per LMC Sec. 13.12.210.

**City of Lodi -- Wastewater Utility
Current and Proposed Water Usage-Based Residential Wastewater Rates**

	Current (1)	July 2010
Monthly Fixed Service Charge	\$ 18.95	\$ 21.22
Wastewater Flow Charge	\$ 2.15	\$ 2.41
Based on Winter Water Usage (2)		
Monthly Wastewater Bills (for various usages)		
Winter Water Use (CCF)		
0	\$ 18.95	\$ 21.22
1	\$ 21.10	\$ 23.63
2	\$ 23.25	\$ 26.04
3	\$ 25.40	\$ 28.45
4	\$ 27.55	\$ 30.86
5	\$ 29.70	\$ 33.27
6	\$ 31.85	\$ 35.68
7	\$ 34.00	\$ 38.09
8	\$ 36.15	\$ 40.50
9	\$ 38.30	\$ 42.91
10	\$ 40.45	\$ 45.32
11	\$ 42.60	\$ 47.73
12	\$ 44.75	\$ 50.14
13	\$ 46.90	\$ 52.55
14	\$ 49.05	\$ 54.96
15	\$ 51.20	\$ 57.37
16	\$ 53.35	\$ 59.78
17	\$ 55.50	\$ 62.19
18	\$ 57.65	\$ 64.60
19	\$ 59.80	\$ 67.01
20	\$ 61.95	\$ 69.42

Notes:

- (1) Estimated to be revenue neutral relative to the wastewater rates implemented in July 2009.
- (2) Winter water usage determined as average monthly usage from December through February.



**Please immediately confirm receipt
of this fax by calling 333-6702**

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

**SUBJECT: PUBLIC HEARING TO CONSIDER RESOLUTION SETTING
USAGE-BASED AND FLAT WATER AND WASTEWATER RATES
FOR RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL
CUSTOMERS**

**PUBLISH DATE: SATURDAY, JUNE 26, 2010
SATURDAY, JULY 10, 2010**

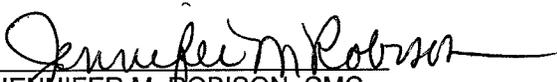
LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
LNS ACCT. #0510052 City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: FRIDAY, JUNE 11, 2010

**ORDERED BY: RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS _____ Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
Phoned to confirm receipt of all pages at _____ (time) _____ CF _____ MB _____ JMR (initials)



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER RESOLUTION SETTING USAGE-BASED AND FLAT WATER AND WASTEWATER RATES FOR RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL CUSTOMERS

On Friday, June 11, 2010, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider resolution setting usage-based and flat water and wastewater rates for residential, commercial, and industrial customers (attached and marked as Exhibit A) was posted at the following locations:

Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 11, 2010, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: July 21, 2010

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl
City Clerk

Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN, pursuant to Government Code §54354.5, that on **Wednesday, July 21, 2010**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) **Resolution setting usage-based and flat water and wastewater rates for residential, commercial, and industrial customers (as identified on the attached Exhibit A and B).**

Information regarding this item may be obtained in the Public Works Department, 221 West Pine Street, Lodi, (209) 333-6706. All interested persons are invited to present their views and comments on this matter. Written protests may be filed with the City Clerk, City Hall, 221 W. Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter 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 Clerk at, or prior to, the public hearing.

At said hearing, any person interested, including any person owning property in the City, may be heard as to whether said charges are discriminatory or excessive, or will not be sufficient under Government Code Section 54515, or will not comply with the provisions or covenants of any outstanding revenue bonds of the City payable from the revenues of the respective enterprise, or will not comply with the provisions of Title 5, Division 2, Part 1, Chapter 6 "The Revenue Bond Law" of the Government Code, or an any other matter related to the proposed charges or their method of adoption.

By Order of the Lodi City Council:

Randi Johl
City Clerk

Dated: May 19, 2010

Approved as to form:

D. Stephen Schwabauer
City Attorney

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE LODI CITY COUNCIL
SETTING USAGE-BASED AND FLAT WATER AND
WASTEWATER RATES FOR RESIDENTIAL,
COMMERCIAL, AND INDUSTRIAL CUSTOMERS

=====

WHEREAS, the Council of the City of Lodi finds as follows:

1. The City of Lodi provides water supply and wastewater disposal service to its citizens;
2. The City charges customers of these utilities a charge to fund the on-going operation and maintenance of the water supply and wastewater disposal service;
3. On July 15, 2009, Council approved wastewater rate increases of 25 percent effective July 16, 2009; 20 percent effective July 1, 2010; 10 percent effective July 1, 2011; and 5 percent effective July 1, 2012. Council also approved an Engineering News Record – 20 Cities Average (ENR) based indexing of wastewater rates beginning with FY 2012/13. A proposition 218 procedure was conducted that validated these actions;
4. On January 6, 2010, Council received advisory usage-based water and wastewater residential rates for the purpose of research and customer billing comparisons, as the City transitions to a metered water system to comply with State law;
5. Staff recommends changing the date for implementing the annual water rate adjustment to January 1 for each of the five years following January 1, 2011. This change is recommended so that rate changes occur at the lowest usage time of the year;
6. Staff recommends changing the water rate adjustment index from the Consumer Price Index to the ENR, effective January 1, 2012, because this index better reflects the combined inflationary effects of personnel, materials and energy costs on the total operations of the water utility;
7. Staff recommends adopting usage-based and flat water rates for residential customers as presented in Exhibit A to become effective January 1, 2011;
8. Staff recommends changing the multi-family and nonresidential usage-based rate structure for meter sizes 1 inch and smaller to establish parity with the residential customers, as presented in Exhibit A;
9. Staff recommends eliminating the "Infrastructure" and "PCE/TCE" line item on the water utility bills, as was done for the wastewater utility bills on July 15, 2009;

10. Staff recommends adopting usage-based and flat monthly wastewater rates for residential and nonresidential customers as presented in Exhibit B effective immediately. For customers paying a usage-based water bill, the wastewater monthly rate will be determined based upon their average monthly water usage from the previous December, January, and February. Wastewater monthly rates will be recalculated each year and put into effect beginning with July billings each subsequent year;
11. The Council directed that notice of a hearing thereon be given to the property owners and water service and wastewater disposal utility customers in the City, with such notice to include, among other matters, the information required to be included pursuant to California law;
12. Pursuant to California Constitution, Article XIIC and Government Code 53755, such notice has been mailed to those property owners and account holders, at least 45 days before the hearing, as evidenced by a Certificate of Mailing on file with the City Clerk;
13. The Council also directed that notice of a hearing thereon be given with such notice to include the information required to be included pursuant to Government Code section 54354.5;
14. Such notice has been published once each week for two weeks, in accordance with Government Code section 54354.5, in the Lodi News-Sentinel as evidenced by Proofs of Publication on file with the City Clerk;
15. On July 21, 2010, the City Council conducted said public hearing, at which time the City Council heard all objections and protests to the proposed usage-based and flat water and wastewater rates for residential, commercial and industrial customers;
16. Written protests against the proposed usage-based and flat water and wastewater rates for residential, commercial and industrial customers were not presented by a majority of the property owners and water and wastewater utility customers; and
17. The proposed usage-based and flat water and wastewater rates for residential, commercial and industrial customers are not discriminatory or excessive, are sufficient under Government Code section 54515, comply with the provisions or covenants of any outstanding revenue bonds of the City payable from the revenues of the enterprise, comply with the provisions of Title 5, Division 2, Chapter 6 of the Government Code, and are in compliance with all other applicable law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi as follows:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Levy of Charges. Pursuant to Sections 13.08.010, 13.12.240, and 13.16.110 of the Lodi Municipal Code, the usage-based and flat water and wastewater rates for residential, commercial, and industrial customers as attached hereto as Exhibits A and B are hereby approved.

Section 3. Subsequent Adjustments. As provided by Government Code Section 53756, the rates shown in Exhibits A and B may be adjusted annually for a period of five years by resolution beginning January 2012 through January 2016 for water rates and July 2011 through July 2016 for wastewater rates, with Council approval following a public hearing, in an amount not to exceed the percentage change in the Engineering News Record (ENR) Twenty Cities Annual Average Index or other index as approved by the City Council by resolution. The adjustment shall not be made if it causes rates to exceed the cost of service and Notice of the Adjustment shall be mailed to each account not less than 30 days before the effective date of the adjustment.

Section 4. Effective Date. This resolution shall take effect from and after the date of its passage.

Dated: July 21, 2010
=====

I hereby certify that Resolution No. 2010-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 21, 2010, by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2010-____

Exhibit
City of Lodi -- Water Utility
Current and Proposed Water Rates

	Current (1)	Jan. 2011	Jan. 2012	Jan. 2013	Jan. 2014
Flat Rates (\$/month)					
Percent Increase		2	4	4	4
Single Family Residential Unit (\$/month)					
1 Bedroom	\$ 27.98	\$ 28.54	\$ 29.68	\$ 30.87	\$ 32.10
2 Bedroom	\$ 33.61	\$ 34.28	\$ 35.65	\$ 37.08	\$ 38.56
3 Bedroom	\$ 40.28	\$ 41.09	\$ 42.73	\$ 44.44	\$ 46.22
4 Bedroom	\$ 48.40	\$ 49.37	\$ 51.34	\$ 53.39	\$ 55.53
5 Bedroom	\$ 58.06	\$ 59.22	\$ 61.59	\$ 64.05	\$ 66.61
6 Bedroom	\$ 69.67	\$ 71.06	\$ 73.90	\$ 76.86	\$ 79.93
7 Bedroom	\$ 83.58	\$ 85.25	\$ 88.66	\$ 92.21	\$ 95.90
Multi-Family Residential Unit (\$/month)					
1 Bedroom	\$ 24.02	\$ 24.50	\$ 25.48	\$ 26.50	\$ 27.56
2 Bedroom	\$ 28.81	\$ 29.39	\$ 30.57	\$ 31.79	\$ 33.06
3 Bedroom	\$ 34.57	\$ 35.26	\$ 36.67	\$ 38.14	\$ 39.67
Metered Water Rates					
Service Charge (\$/month)					
<i>Single Family Residential (2)</i>					
Up to 3/4" Meter	\$ 22.25	\$ 22.70	\$ 23.60	\$ 24.55	\$ 25.55
1" Meter	\$ 36.15	\$ 36.85	\$ 38.30	\$ 39.85	\$ 41.45
1 1/2" Meter	\$ 70.60	\$ 72.00	\$ 74.90	\$ 77.90	\$ 81.00
2" Meter	\$ 112.10	\$ 114.35	\$ 118.90	\$ 123.65	\$ 128.60
<i>Multi-Family and Non-Residential (3)</i>					
5/8" Meter	\$ 25.64	\$ 22.70	\$ 23.60	\$ 24.55	\$ 25.55
3/4" Meter	\$ 28.17	\$ 22.70	\$ 23.60	\$ 24.55	\$ 25.55
1" Meter	\$ 42.27	\$ 36.85	\$ 38.30	\$ 39.85	\$ 41.45
1 1/2" Meter	\$ 56.35	\$ 57.50	\$ 59.80	\$ 62.20	\$ 64.70
2" Meter	\$ 70.45	\$ 71.85	\$ 74.70	\$ 77.70	\$ 80.80
3" Meter	\$ 98.63	\$ 100.60	\$ 104.60	\$ 108.80	\$ 113.15
4" Meter	\$ 126.80	\$ 129.35	\$ 134.50	\$ 139.90	\$ 145.50
6" Meter	\$ 183.16	\$ 186.80	\$ 194.25	\$ 202.00	\$ 210.10
8" Meter	\$ 239.48	\$ 244.30	\$ 254.05	\$ 264.20	\$ 274.75
10" Meter	\$ 295.83	\$ 301.75	\$ 313.80	\$ 326.35	\$ 339.40
Water Usage Rates (\$/CCF)					
<i>Single Family Residential (2)</i>					
Tier 1 - 0 to 10 CCF/month	\$ 0.86	\$ 0.88	\$ 0.92	\$ 0.96	\$ 1.00
Tier 2 - 11 to 50 CCF/month	\$ 1.29	\$ 1.32	\$ 1.37	\$ 1.42	\$ 1.48
Tier 3 - Over 50 CCF/month	\$ 1.71	\$ 1.74	\$ 1.81	\$ 1.88	\$ 1.96
<i>Multi-Family and Non-Residential (3)</i>					
All Water Usage	\$ 0.789	\$ 0.88	\$ 0.92	\$ 0.96	\$ 1.00

Notes:

- (1) Revised July 1, 2008.
- (2) Current residential metered rates are revenue neutral and were approved for comparative billing purposes only.
- (3) Proposed multi-family and non-residential rates improve equity with single family water rates.

**Exhibit
City of Lodi -- Wastewater Utility
Current and Proposed Wastewater Rates**

	Current (1)	July 2010
Residential		
Percent Increase		12
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6 Bedroom	\$ 55.48	\$ 62.14
7 Bedroom	\$ 62.42	\$ 69.91
Usage-Based Rates (2)		
Service Charge (\$/month)	\$ 18.95	\$ 21.22
Usage Charge (\$/CCF) (3)	\$ 2.15	\$ 2.41
Non-Residential (\$/month)		
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High Strength		
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Grease Interceptor & Septic Holding Tank		
Waste within City Limits (per 1,000 gal.)	\$ 245.44	\$ 274.89
Septic (only) Holding Tank Waste		
Outside City Limits (per 1,000 gal.)	\$ 521.03	\$ 583.55
Disposal to Storm Drain System (per MC	\$ 257.80	\$ 288.74
Disposal to Industrial System (4)		
Flow (per MG, annual basis)	\$ 2,218.78	\$ 2,485.03
BOD (per 1,000 lbs, annual basis)	\$ 20.34	\$ 22.78
Winery Wastewater (per 1,000 gal.)	\$ 248.53	\$ 278.35

Notes:

- (1) Revised July 16, 2009.
- (2) Current revenue neutral rates were approved for comparative billing purposes only.
- (3) Winter water usage determined as average monthly usage from December through February.
- (4) 2007 Industrial System rates are shown. Rates are calculated annually per LMC Sec. 13.12.210.

**City of Lodi -- Wastewater Utility
Current and Proposed Water Usage-Based Residential Wastewater Rates**

	Current (1)	July 2010
Monthly Fixed Service Charge	\$ 18.95	\$ 21.22
Wastewater Flow Charge	\$ 2.15	\$ 2.41
Based on Winter Water Usage (2)		
Monthly Wastewater Bills (for various usages)		
Winter Water Use (CCF)		
0	\$ 18.95	\$ 21.22
1	\$ 21.10	\$ 23.63
2	\$ 23.25	\$ 26.04
3	\$ 25.40	\$ 28.45
4	\$ 27.55	\$ 30.86
5	\$ 29.70	\$ 33.27
6	\$ 31.85	\$ 35.68
7	\$ 34.00	\$ 38.09
8	\$ 36.15	\$ 40.50
9	\$ 38.30	\$ 42.91
10	\$ 40.45	\$ 45.32
11	\$ 42.60	\$ 47.73
12	\$ 44.75	\$ 50.14
13	\$ 46.90	\$ 52.55
14	\$ 49.05	\$ 54.96
15	\$ 51.20	\$ 57.37
16	\$ 53.35	\$ 59.78
17	\$ 55.50	\$ 62.19
18	\$ 57.65	\$ 64.60
19	\$ 59.80	\$ 67.01
20	\$ 61.95	\$ 69.42

Notes:

- (1) Estimated to be revenue neutral relative to the wastewater rates implemented in July 2009.
- (2) Winter water usage determined as average monthly usage from December through February.



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Monthly Protocol Account Report
MEETING DATE: July 21, 2010
PREPARED BY: City Clerk

RECOMMENDED ACTION: None required, information only.

BACKGROUND INFORMATION: The City Council, at its meeting of July 19, 2000, adopted Resolution No. 2000-126 approving a policy relating to the City's "Protocol Account." As a part of this policy, it was directed that a monthly itemized report of the "Protocol Account" be provided to the City Council.

Attached please find the cumulative report through June 30, 2010.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: See attached.

Randi Johl
City Clerk

RJ/JMR

Attachment

APPROVED: _____
Konradt Bartlam, Interim City Manager



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for Lodi Surface Water Treatment Facility Project

MEETING DATE: July 21, 2010

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve plans and specifications and authorize advertisement for bids for Lodi Surface Water Treatment Facility Project.

BACKGROUND INFORMATION: On December 16, 2009 City Council authorized HDR, Inc., of Folsom, to complete the final design work for the Surface Water Treatment Facility and Transmission Project and approved the selection of the Pall Membrane Filtration System. The design work is now complete, and we are ready to proceed with the next phase of the project.

The project has been presented to and approved by the Parks and Recreation Commission and the Site Plan and Architectural Review Committee.

Council is being asked to approve the plans and specifications and authorize advertisement for bids for the Surface Water Treatment Facility Project, which includes:

- The construction of a raw water pump station in Woodbridge;
- Approximately 500 feet of 30-inch raw water transmission pipe, an operations building, chemical building, sedimentation structure, 3-million-gallon treated water storage tank, and treated water high service pump station at the treatment facility's 4.2-acre site adjacent to Lodi Lake;
- Approximately 4,000 feet of 36-inch treated water transmission pipe and installation of chlorine and chemical injection systems at approximately 25 well sites throughout the City;
- Traffic signals and intersection work at Mills Avenue and Turner Road; and
- All other site and utility improvements associated with the project.

A prequalification process is being used to determine eligible prime contractor, electrical and instrumentation bidders to ensure contractors have the necessary experience to perform the work. The prime contractor qualification process has already begun. Of 18 submissions received, about 10 contractors will meet the requirements. Review of the qualifications and reference checks are ongoing.

FISCAL IMPACT: Operation costs associated with the project are estimated to be \$1,200,000 during the 12-month start-up period and then \$1,000,000 per year after that.

FUNDING AVAILABLE: This project will be funded by the Water Fund with bonded debt planned to be sold in October 2010. A request for appropriation of funds will be made at contract award.

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Public Works Director

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APPROVED: _____
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WHITE PAPER

Surface Water Treatment Facilities



City of Lodi
Public Works Department

June 30, 2010

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Introduction

Staff has compiled this summary report of historical information, studies and reports to assist in preparation for many important decisions the Council will be asked to make in the coming months. Copies of many of the referenced documents are contained in the large Water Binder provided to Council in the past.

The Lodi Surface Water Treatment Plant project is an integral element of a conjunctive water supply program that assures a long term high quality water supply for its customers. The term “conjunctive” refers to the combined usage of surface water and groundwater supplies to serve the needs of the community. As we are all aware, the California water cycle includes years of ample rainfall and also multiple year droughts.

Lodi exists in a region that has critically overdrawn its groundwater resource. As reported by the Legislative Analyst’s Office, “California’s water system is facing a series of challenges affecting water availability, reliability, and delivery. Groundwater management is one of the state’s most critical liquid assets – a key component of both local and statewide efforts to better manage water supply and water quality in the state.” Further, “In our view, reevaluating how groundwater is managed is necessary if it is to achieve its full potential as a reliable source of water.” It truly is not an issue of whether the groundwater basin will be adjudicated but only a matter of when.

Lodi’s agreement with Woodbridge Irrigation District (WID) anticipated the surface water would be put to the highest beneficial use. A number of experts in the water field have reported to the City Council that “treat and drink” is the highest beneficial use of the Mokelumne River.

The most effective form of preserving the groundwater resource is leaving it in the ground. Utilizing the 6,000 acre-feet annually from WID will effectively bank groundwater for use during times of drought when our deliveries will be limited to 3,000 acre-feet. This is a primary benefit of a conjunctive water supply program.

Past City Council Water Actions

The following presents a summary of past City Council decisions relating to the City’s water utility and the acquisition, alternatives evaluation and the proposed project for putting the WID water to its highest and best use.

October 3, 2001 – Approved water rate increase to reconstruct small diameter water mains throughout the community but primarily east of Church Street. To date \$5,986,187 has been expended through four wastewater projects and three water projects.

April 16, 2003 – Approved Woodbridge Irrigation District Water Sale Agreement. A summary of the Agreement can be found on page 9.

November 2, 2005 – Accepted West Yost and Associates Study for full implementation of the WID water supply that identified a capital cost for a future water treatment plant at \$51 million (2005 dollars)

February 7, 2006 – Received presentation on 2005 Urban Water Management Plan, Update on Surface Water Treatment Plant and Proposed Recycled Water Master Plan. Capital cost for future water treatment plant stated to be in the range of \$20 – 25 million.

March 1, 2006 – Received background information on implementing WID surface water program. Capital cost for future water treatment plant stated to be up to \$29.5 million.

November 14, 2006 – Received presentation on water treatment plant financing (i.e., Community Facilities District).

December 20, 2006 – Approved Contract with HDR for Surface Water Treatment Facility Conceptual Design and Feasibility Evaluation for water supply and transmission system. (Appropriated \$400,000)

October 17, 2007 – Approved preferred site selection for surface water treatment facilities at Lodi Lake. Conditioned decision upon Parks and Recreation receiving value for land taken out of future park usage based upon an appraisal.

January 16, 2008 – Approved Amendment to Woodbridge Irrigation District Water Purchase Agreement. A summary of the Amendment can be found on page 10.

January 16, 2008 – Approved agreements for the construction of raw water connection at WID fish screen. (Appropriated \$92,000)

July 16, 2008 – Received Surface Water Treatment Facility Conceptual Design and Feasibility Evaluation Final Report. Capital cost for future water treatment plant stated to be \$41 million and annual operating costs were estimated to be \$1.5 million per year.

March 18, 2009 - Approved contract with HDR, Inc. for preliminary design (30%) of surface water treatment plant, storage tank, transmission main, and well modifications. (Appropriated \$987,000)

April 15, 2009 – Approved construction of the surface water treatment plant raw water transmission pipeline via cooperative agreement with San Joaquin County. (Appropriated \$1 million)

December 16, 2009 – Approved contract with HDR, Inc. for final design of surface water treatment plant and associated facilities. Approved selection of Pall Membrane Systems as the water treatment plant filtration equipment. (Appropriated \$2 million)

January 6, 2010 – Approved engagement of Lamont Financial Services and Stone and Youngberg LLC for professional services related to financing the surface water treatment plant.

May 19, 2010 – Approved the engagement of Jones Hall for legal professional services related to financing the surface water treatment plant.

May 5, 2010 - Approved Standardized Questionnaire for Bidder Qualification for use in pre-qualifying contractors for the construction of the surface water treatment plant and associated facilities.

Future City Council Actions

July 21 – Approve Plans and Specifications and Advertisement for Bids for Surface Water Treatment Plant Facilities

Public Hearing to Consider Initial Study/Mitigated Negative Declaration for Water Plant

Authorize the entry of a Joint Powers Agreement creating the Lodi Public Financing Authority

Authorize Staff to Proceed with Bond Financing for Water Plant Project

Adopt Amended Reimbursement Resolution

Authorize City Manager to Sign Incidental Take Mitigation Measures

September 1 – Approve Preliminary Official Statement and Legal Documents

September 1 – Approve Pre-payment of State Revolving Fund Loan (approximately \$1.4 million)

October 20 – Award Construction Contract

Date Uncertain - Amend WID Contract to extend banking provisions beyond 42,000 acre-feet and to include long-term lease of the raw water pump station site at the WID Construction Yard.

Projected Water Demands and Sources of Supply

Projected Water Demands – The City's 2005 Urban Water Management Plan (UWMP) projected the City's total future demand based on an average increase rate of 1.5 percent over the recorded 2004 demand of 17,011 acre feet per year (AFY) (15.2 mgd). Average annual potable water demands are expected to increase to 25,100 AFY (22.4 mgd) by 2030. With 15 percent residential use conservation, the future demand is anticipated to be reduced to 21,300 AFY (19 mgd). The City's 2010 General Plan estimated future water demand (Phase 1, 2, and 3) to be 29,377 acre feet per year.

Current and Projected Water Supply – The City has historically used from 11,462 AFY of groundwater in 1970 to 17,011 AFY used in 2004. Historical data indicate that the City's groundwater elevation decreased on average 0.39 feet per year from 1927 to 2004, although groundwater elevation also fluctuates due to annual rainfall. Historical groundwater elevation and annual rainfall are presented in Figure 1. This figure indicates that the groundwater basin underlying Eastern San Joaquin County that supplies the City's wells is in an overdraft

condition. The 2005 UWMP estimates that the safe yield of the underlying groundwater basin is approximately 15,000 AFY on an acreage-based relationship. The declining groundwater basin is a result of groundwater extraction by all groundwater users in the area, including other cities, agriculture, private well owners, and the City.

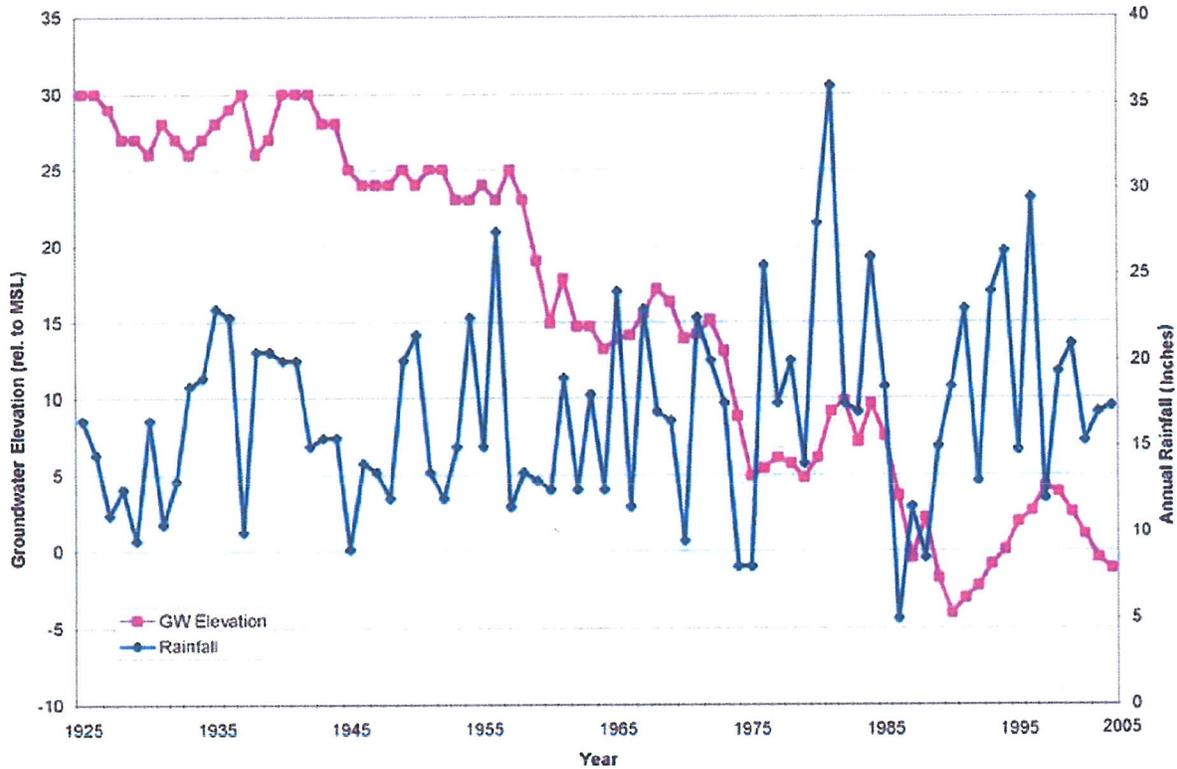


Figure 1. Historical groundwater elevation and annual rainfall

The City plans to reduce its groundwater pumping in the long term as part of a regional effort to stabilize the groundwater basin. To achieve this goal, the City of Lodi entered into a purchase contract with Woodbridge Irrigation District (WID) in October 2003 and began purchasing 6,000 acre-feet per year (AFY) of WID’s pre-1914 Mokelumne River water entitlement. The purchase is intended to supplement the City’s water supply to meet long term water demands and to reduce the City’s dependence on the groundwater aquifer. The City evaluated alternatives for utilizing the purchased water, including recharge in spreading basins and construction of a surface water conveyance and treatment system to allow for direct use by current and future users.

The UWMP projected the future water supply will include groundwater, surface water, and recycled wastewater. The projected groundwater supply will be 15,000 AFY from now until year 2030, based on an estimated safe yield of the groundwater basin serving the City. The projected surface supply is 6,000 AFY from now until year 2043 based on a contract with WID.

Potentially, an additional 7,000 AFY could be secured after that based on the formula of 3 AF of water for each acre of City land within the WID service area converted from agricultural to

municipal/industrial uses. The projected recycled water supply is 10,380 AFY in 2030 based on the UWMP.

Improvements to the WID water delivery system funded in part by the City's water purchase include construction of an inflatable dam to raise the water level in the river. The City has not yet used any WID water and has negotiated with WID to extend the banking period for unused water. The diversion of WID water from the Mokelumne River is permitted from March 1 through October 15. The City has reached agreement with EBMUD to allow operation of the SWTF year-round with 1,000 AFY available from October 16 through the end of February. WID has indicated they will be able to leave the inflatable dam in place year round to allow water supply to the City through the recently completed fish screen and canal intake structure. The intake structure is fitted with a 48-inch outfall pipe to supply water to the City.

The City also investigated the possibility of using the purchased water to recharge the aquifer with spreading basins. However, the costs of this option, the lack of control of the fate of the water, and efficiency of the water reaching the aquifer has led the City to pursue utilizing the water by treating and pumping the water into the existing water distribution system.

Woodbridge Irrigation District Water Sale Agreement

On April 16, 2003, the City Council approved the Woodbridge Irrigation District Water Sale Agreement providing up to 6,000 acre-feet annually to the City to address an existing groundwater overdraft condition. By 2030, the estimated overdraft will grow to 10,000 acre-feet annually if nothing were done.

The major points of the WID Water Sale Agreement are summarized below:

- 6,000 acre-feet of water annually to the City – This represents the amount of water the District feels it can provide under normal circumstances.
- Payment to the District of \$1.2 million annually – This amounts to a cost of \$200 per acre-foot, which is a reasonable and fair amount, particularly in light of the cost of other alternatives and the fact that the delivery point of the water is at our doorstep.
- City to build and pay for facilities necessary to accept and use the water.
- Provision for additional water under various circumstances – Should the City obtain other rights on the Mokelumne River, we could “wheel” water via the WID at a reduced cost (\$20 per acre-foot), or if WID had additional water available, we could purchase it at a lower rate (\$100 per acre-foot).
- Price escalator provisions after six years – Linked to the CPI with a 2% minimum and 5% maximum.
- A 40-year term, with mutually agreeable renewal provisions.

- Provisions for dry year curtailments – Recognizing that the WID’s supply is reduced in dry years, and that the City can fall back on groundwater, we can reduce our use of surface water in a greater proportion than the District, from 6,000 to 3,000 acre-feet (see next point).
- Provisions for “carryover” or banking of water – Recognizing that we will not be able to use the water immediately, we can “bank” the first three years for use later, as the water is available. Similarly, during dry years when we curtail use per the preceding point, we can use additional water in later, wet years when the water is available.
- Use of the District canal and right-of-way for delivery and distribution – In addition to eventually building intake(s) within the WID canal right-of-way, we may wish to use the canal right-of-way to transport water to portions of the City or build groundwater injection facilities.

First Amendment to the Woodbridge Irrigation District Water Sale Agreement

On January 16, 2008, the City Council approved the First Amendment to the WID Water Sale Agreement. The amendment included a four year extension to 2047 and four years additional banking (total 42,000 acre-feet). The banking provision terminates October 15, 2010.

The major points of the amendment are summarized below:

- In Section 2, WID is providing a water supply connection with their fish screen project which will allow the City to construct pumping facilities within the District’s right of way in Woodbridge. This will allow for a smaller diameter (and less expensive) transmission pipe from the connection at the WID fish screen to the planned treatment plant site. It will also reduce the area needed for the facility.
- Section 3 covers availability of additional water and potential sharing with Stockton.
- Section 4 covers the extended term but also includes new provisions that strengthen renewal of the agreement in 2047.
- Section 5 provides for assurance of additional WID water should the City annex lands within the District.
- Section 6 provides more flexibility to the City to utilize the water during a dry year.
- The 2003 agreement, in Section 4(c), gives the City a first right of refusal should WID consider sale of additional water to another entity. WID and the City of Stockton have been negotiating a sale similar to the Lodi sale. The proposed amendment, in Section 7 waives that right of first refusal. Staff feels this is appropriate as the City is not in a position to economically utilize the additional water, and the benefit of Stockton’s using this surface water in lieu of groundwater will benefit the entire groundwater basin. Staff has reviewed the District’s draft sale agreement with the City of Stockton. While there are some technical differences between it and Lodi’s agreement, they mainly refer to

delivery details to Stockton. The main portions of the agreement (price, dry-year curtailment, provisions for additional water with newly annexed land) are identical to the Lodi agreement as revised.

- Section 8 extends the “bank” by four years, to a total of 42,000 acre-feet (from three years/ 18,000 acre-feet).
- Section 9 clarifies use of WID right-of-way.
- Section 10 provides that the District may install water quality improvements at the City’s pump stations, subject to the City’s approval.

Fourth Supplementary Agreement between Woodridge Irrigation District and East Bay Municipal Utility District (EBMUD)

April 2009, the Fourth Supplementary Agreement between WID and EMBUD was approved. The most significant element of this agreement is the provision allowing WID to request EBMUD to release up to 1,000 acre-feet during the period from October 15 through the end of February. This will permit the surface water treatment plant to potentially operate year round and facilitate the City usage of the 42,000 acre-feet of banked water.

Project Description – Surface Water Treatment Plant Facilities

The purpose of the Project is to provide a secure, reliable supplemental supply of water for the City to meet their current and future water needs while reducing dependence on groundwater.

Project Location

The City owns 12.75 acres between the Union Pacific Railroad (UPRR) spur line and Lodi Lake near the intersection of Turner Road and Lower Sacramento Road. The SWTF would be constructed on approximately four acres at the south end of the property adjacent to the UPRR spur line (Figure 2). The entrance to the property would be an access road located at the north leg of the intersection of Turner Road and North Mills Avenue. The entrance would be shared with future park uses that would be constructed between the SWTF and Lodi Lake.

The City has decided to build the RWPS on the west side of Lower Sacramento Road across from the WID intake and fish screen and south of the WID canal on property currently owned by WID. During construction of the WID fish screen structure, a 48-inch pipe was constructed along with a 36-inch raw water pipe to the RWPS site and a 30-inch discharge pipe to the SWTF site. The portion of the raw water pipeline located on the City-owned property has yet to be constructed.

Proposed Facilities

A detailed description of all facilities of the project is provided in the following subsections.

Raw Water Pump Station

The RWPS would deliver 2.0 to 11.5 mgd of untreated water to the SWTF at the initial phase, and would be expandable to 23 mgd at the final phase. The initial phase is expected to be in operation in less than three years and the final phase would be built much later. The layout of the RWPS is provided in Figure 3.



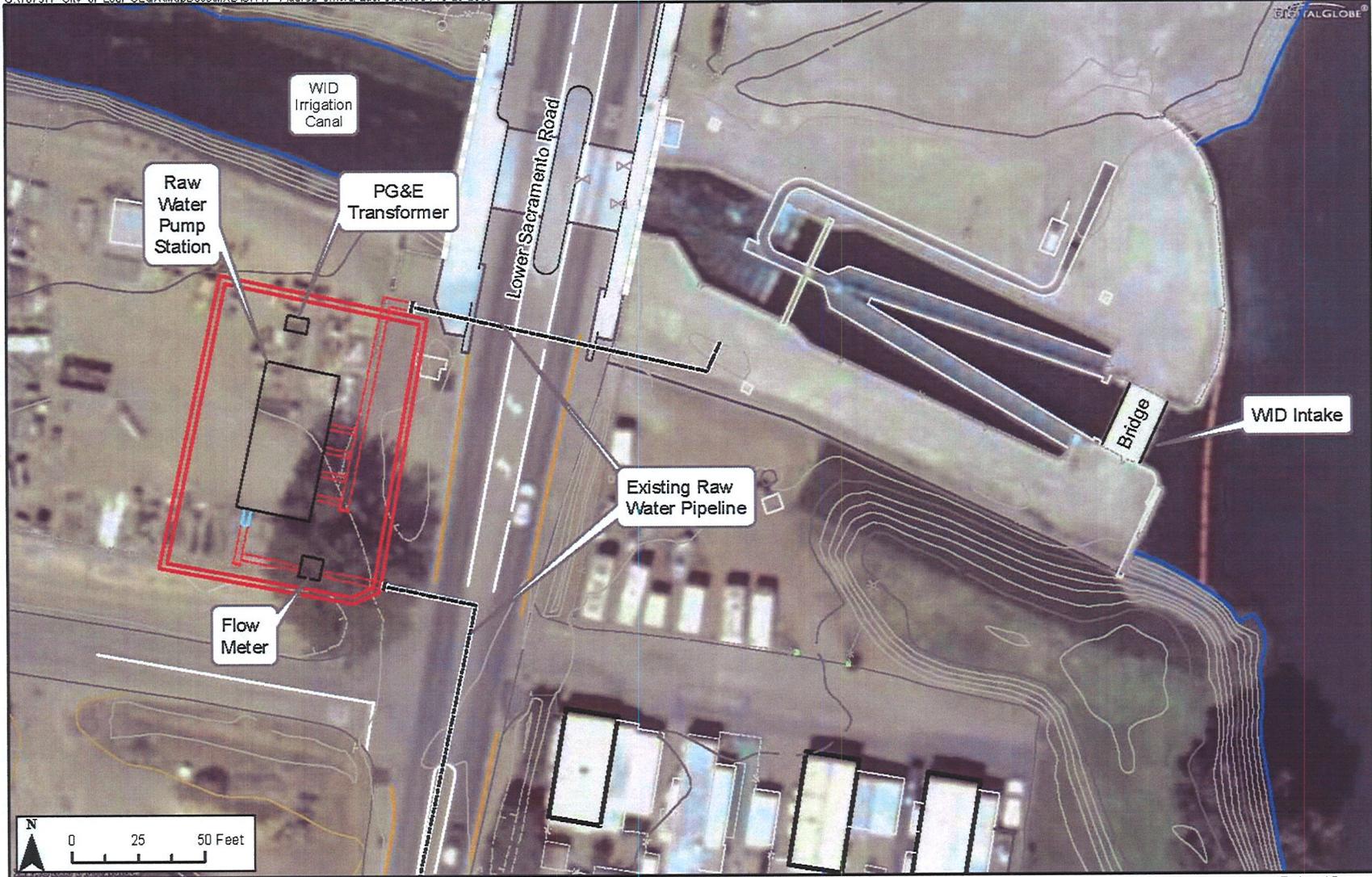
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Project Location
FIGURE 2-1

HDR
ONE COMPANY | Many Solutions™

Surface Water Treatment Facility | City of Lodi, CA | HDR Project No. 141.107917.006

Figure 2. Project Location



Layout of Raw Water Pump Station

FIGURE 2-3

The RWPS building would include a pump room and an electrical room. Concrete masonry construction would be provided for aesthetics, durability, and security reasons. The RWPS building would be designed around vertical turbine pumps, which would be mounted on a concrete pad above the floor. Climate control would be provided for the electrical room to keep the electrical equipment and controls within their operable temperature range. The pump station would be ventilated.

The RWPS would receive electrical service from Pacific Gas and Electric (PG&E) since it is located outside the area served by the City's Electric Utility Department. A new 800-ampere, 480/277 volt, three-phase, four-wire electrical service utility service would serve the RWPS.

The RWPS design would incorporate design elements to attenuate the noise generated by the pumps and motors. These building design elements would include acoustical barrier panels on the pump room walls and use of acoustical louvers.

Security measures would be provided to protect the RWPS from vandalism or other threats to the City water supply. Secure locks and intrusion alarms would be provided for the doors and electrical panels. Lighting would be provided on all sides of the building. Video cameras would be provided outside the building and would have the ability to record and store up to 24-hours of data.

The RWPS site, occupying approximately 0.2 acres, would be fenced with access from Carolina Street. Decorative fencing, facing Lower Sacramento Road and Carolina Street, would be provided similar to the existing fish screen fencing. A sidewalk, curb, and gutter would be constructed along the Carolina Street frontage of the RWPS.

Raw Water Pipeline

The 36-inch gravity line from the WID fish screen to the RWPS and the 30-inch discharge pressure line from the RWPS to the SWTF, as identified on Figure 2, were constructed as part of the planned widening and reconstruction of Lower Sacramento Road by the County.

Surface Water Treatment Facility

The City owns 12.75 acres land between the railroad tracks and Lodi Lake. The SWTF would be constructed on approximately four acres at the south end of the property adjacent to the railroad tracks. The entrance to the property would be located at the southeast corner of the parcel at the intersection of Turner Road and North Mills Avenue. The entrance would be shared with other park uses that would be constructed in the future. A photo of the existing site is provided in Figure 4.



Figure 4. Existing SWTF Site

The SWTF would have an Operations Building that would house the membranes, laboratory, and administration and operations offices. A Chemical Building would house a workshop, membrane feed pumps, autostrainers, chemical storage and feed systems, and a future dewatering system. Space would be provided on the site to allow for expanding the Operations and Chemical buildings to accommodate plant expansion to 20 mgd. A third building would contain the high service pumps and electrical room. Other components of the SWTF would include a reverse filtration waste tank, plate settler for reverse filtration water, sedimentation basin, high service pump station, soda ash silo, and a three-million-gallon storage tank.

The SWTF would receive electrical service from the City's Electric Utility Department. The SWTF would require a 3,200 ampere, 480/277 volt, three-phase, four-wire electrical service, which would be sufficient to handle the additional loads installed in the future for 20-mgd service.

A small standby generator (diesel or natural gas) would be provided to operate critical systems (computers, lights HVAC system, etc.) in the Operations Building. A larger standby diesel engine generator is planned for the future to provide electrical power to the SWTF in case of a power outage. The future backup power system would operate the membrane equipment; chemical feed system; high service pumps; facility lighting; heating, ventilation, and air-conditioning (HVAC) equipment, and supervisory control and data acquisition (SCADA) equipment during power outages. The larger standby generator system could be expanded as the facility grows.

The SWTF would have a SCADA system that would provide control and automatic operation of the water treatment processes as well as storage of plant operating and regulatory compliance data. The SCADA system would include the RWPS, storage facilities, and groundwater wells, and would be set up as a fully functional network node that can be monitored remotely from the City's central SCADA location at the Municipal Service Center.

The following sections discuss the general layout of the SWTF. A layout of the SWTF is presented in Figure 5. Refer to Figure 11 to view the location of the various components in the treatment process.

Structural Facilities

The Operations Building containing the membranes and operations and administration offices would be located on the west side of the SWTF site and near the SWTF entrance to minimize visitor traffic on the site. The storage tank, soda ash silo, and the high service pump station would be placed on the southeastern portion of the site to minimize their visual impact when viewed from the future park. Views of these structures from Turner Road would be screened by existing trees. The finished floor elevation of both structures would be 48 feet above mean sea level, approximately six inches above finished grade and one foot above the 100-year floodplain. The storage tank would be partially buried to minimize its visual impact. The sedimentation basin would be located along the northwestern property line. Sanitary service from each building would be routed to the existing sewer main in Turner Road as indicated in Figure 5. The sewer line would be bored under the railroad tracks to Turner Road where it would connect to an existing manhole.

Operations Building

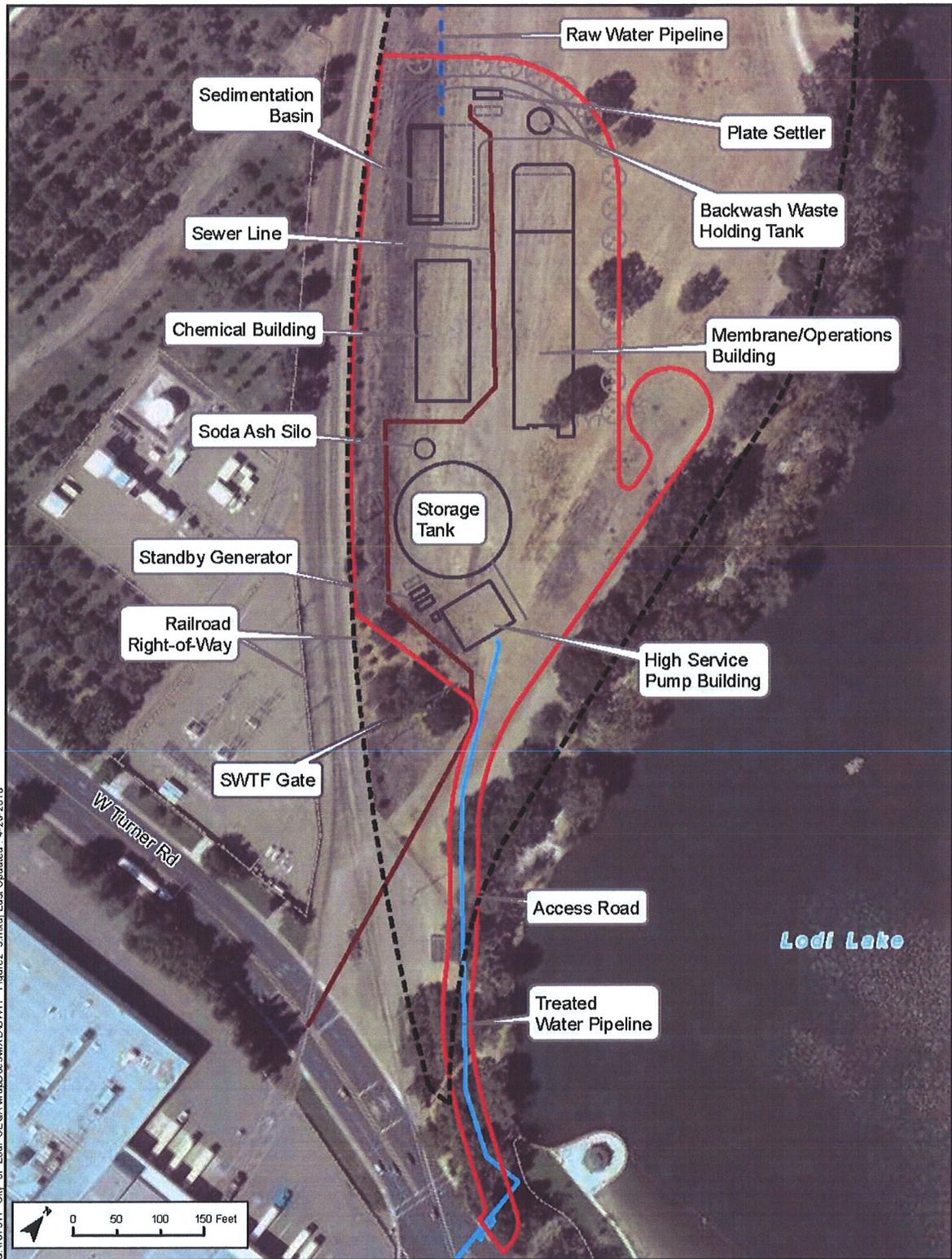
The Operations Building would house administrative offices, the operations and control room, the process control laboratory, locker rooms, membrane filtration equipment, and associated electrical gear. The large room that would house the filtration equipment would have ample exterior access for the maintenance of this equipment. Roll-up doors would be placed for installing and removing large pieces of equipment, such as the membranes, strainers, chemical storage tanks, and pumps. Overhead doors would be placed in other areas, such as the membrane room, and compressor and electrical rooms to accommodate equipment or truck access.

Chemical Building

The concrete masonry unit (CMU)-block Chemical Building would include the following rooms and equipment: membrane feed pump and autostrainers; electrical room; mechanical room; rooms for polymer, corrosion inhibitor, coagulant, soda ash storage and feed; sodium hypochlorite storage and feed room; aluminum chlorohydrate storage and feed; and a workshop. Space would be provided on the site to expand the building for future facilities that could include rooms for mechanical dewatering, ultraviolet (UV) light disinfection, powdered activated carbon, or fluoride.

High Service Pump Station

The high service pump station would be housed in a CMU-block building that also would have an electrical room, containing the main switch gear for the SWTF. The initial phase of the SWTF high service pump station would have a firm capacity of 10 mgd while the final phase capacity would be 25 mgd. The pump station's capacity would be greater than the SWTF capacity to account for peak periods when demand exceeds treatment capacity. The initial phase would have three 200-hp pumps (two duty; one standby); the final phase would have six 200-hp pumps (five duty; one standby).



Layout of SWTF Facilities

FIGURE 2-5



Surface Water Treatment Facility | City of Lodi, CA | HDR Project No. 141.107917.006

Figure 5. Layout of SWTF Facilities

Finished Water Storage Tank

The finished water tank would be a partially buried, prestressed concrete tank. The tank would serve as a storage tank for finished water at the SWTF, providing chlorine contact time to inactivate disease-causing organisms and storage of treated water prior to pumping into the City's water distribution system. The 130-foot-diameter tank would store three million gallons of water with three to four feet of free board. The inlet and discharge, and overflow pipes would enter and exit through the floor. The tank would be 35 feet in total height, with 25 to 28 feet above grade and seven to 10 feet below grade.

Soda Ash Silo

The soda ash feed system would consist of an outdoor silo that sits atop the feed equipment. The silo would hold approximately 30 days storage, which would be approximately 35 to 40 tons at build-out. The steel silo would have a standard diameter of 12 feet and a cylinder height of approximately 26 feet. A dust collector would be provided to prevent soda ash dust from leaving the silo. The soda ash silo would be located near the point where the treated water pipeline enters the concrete storage tank in order to minimize the length of chemical piping. The silo would be painted a neutral (tan or gray) color to match the other structures on the site.

Membrane Treatment

Membrane treatment components would include a sedimentation basin, autostrainers, membrane feed pumps, membrane modules, and ancillary support systems such as Clean-In-Place (CIP) and compressed air systems.

Sedimentation Basin

A sedimentation basin would protect the membranes from fine sand particles that could pass through the autostrainers. The basin would allow sufficient contact time for coagulation and settling of fine sand. The basin would be approximately 113 feet long by 35 feet wide and would handle 12 mgd at a water depth of 16 feet.

The basin would be split into three parts: inlet channel, sedimentation basin, and effluent chamber. After being injected with a pre-oxidant and coagulant, the raw water would enter a two-foot-wide inlet channel that would span the width of the basin. The inlet channel would be used to minimize turbulence and promote even flow distribution across the sedimentation basin. A sludge collector would be installed on the basin floor to collect and discharge settled particles directly to the sewer or to the backwash waste tank, which could reclaim the water by thickening the solids. The final section of the basin would include an eight-foot wide-effluent chamber that would supply the membrane feed pumps. The sedimentation basin could be divided in the future into a flocculation basin followed by inclined settling plates, if more aggressive pretreatment is required. Space would be reserved for a second basin upon future expansion.

Membrane Feed Pumps

Raw water from the sedimentation basin would feed the centrifugal membrane feed pumps housed in the Chemical Building. During the initial phase three 200-hp pumps would be installed (two duty; one standby) each having a capacity of 4,164 gpm (6 mgd) to provide a firm capacity of 12 mgd. Additional capacity would be provided in the future as required by adding a fourth pump (three duty; one standby) and replacing the 150-hp pumps with larger pumps, each having a capacity of 5,552 gpm.

The pumps would be designed to provide sufficient pressure through the autostrainers, membranes, and all piping and valves to the finished water storage tank. The associated suction and discharge isolation and check valves would be sized for the final phase conditions to make future pump installation more cost effective.

Autostrainers

Autostrainers would remove any large particles such as pine needles, leaves, or other items in the raw water influent that pass through the fish screens and sedimentation basin. Any particles of significant size could damage the membranes and decrease their treatment efficiency. Two strainers would be installed to meet the initial treatment capacity. Each autostrainer would have a screen opening size no greater than 400 microns and be equipped with an automatic cleaning system that would operate without the unit being taken out of service.

Membranes

Membranes would serve as the primary filtration in the production of finished water quality that would meet or exceed state and federal standards for drinking water. The SWTF would utilize a Pall Microza pressure membrane system that would pump water through the membranes under pressure. The membrane system would provide a positive barrier to bacteria and organisms such as Giardia and Cryptosporidium.

The membrane system would have an initial firm capacity of 8 mgd and a total capacity of 10 mgd net production capacity. The SWTF would be expandable to 20 mgd net production capacity. Four equally sized trains (2 mgd each) would be used to produce 8 mgd. A fifth train would be installed to provide firm capacity when one train would be out-of-service for cleaning and backwashing. All trains could operate to provide additional capacity.

Water and Sewer Pipelines

One 8-inch water service pipeline would connect to the existing 8-inch water line that runs along the east side of the proposed SWTF site. This line would provide potable water for each building, fire sprinklers, and onsite fire hydrants. Backflow prevention devices would be installed on the potable water service, fire service, and irrigation lines.

Sanitary sewer lines would be separated both vertically and horizontally from all water lines. Sanitary service from each building would be routed to the existing sewer main in Turner Road as indicated in Figure 5. The sewer line would be bored under the railroad tracks to Turner Road where it would connect to an existing manhole.

Stormwater System

Stormwater collection at the SWTF would comply with the City's Stormwater Management Program. Bordered areas in and around the plant would be filled with gravel as a structural best management practice (BMP). Culverts would direct runoff from interior borders to perimeter borders where catch basins would be placed. The borders would be excavated approximately six inches and backfilled with gravel material or decorative rock. The gravel would serve to reduce stormwater pollution and ongoing costs otherwise needed for vegetative landscape maintenance. Stormwater would percolate through the gravel into the ground. Periodically, when large volumes of stormwater are collected, the gravel would serve to filter the runoff prior to it entering the catch basins. Borders around the perimeter of the SWTF site would have trees to help screen the SWTF from the park. The storm drain system would connect to the existing stormwater pump station near the SWTF entrance.

Finished Water Main

The City's existing distribution system is typical of a groundwater-based system; incorporating 27 wells distributed across the system and connected by pipelines with diameters in predominantly 6-, 8-, and 10-inches. None of the existing pipelines are greater than 14-inches in diameter. As a result, the City's distribution pipelines do not have significant capacity to transmit large flows to or from any location. Therefore, four connections would be spread out among the existing water mains that are 8-inch diameter and larger. The four connection points for the SWTF would be on North Mills Avenue at Turner Road, Yosemite Drive, Lockeford Street, and Elm Street.

The finished water pipeline would be placed along the south side of the SWTF, parallel to the railroad tracks. The 3,200-foot-long, 36 inch transmission main would exit the SWTF and follow the access road to the intersection of Turner Road and North Mills Avenue, where it would tunnel under the railroad tracks and continue south along North Mills Avenue to Elm Street. In the future, the water transmission main would be extended south another 2,400 feet to West Lodi Avenue and continue west along West Lodi Avenue past Lower Sacramento Road to serve the development west of the Lower Sacramento Road.

Access Road

The SWTF would share an access road with future park land. The volume of traffic visiting the SWTF is expected to be minor. Most visitors are expected to arrive by automobile; however, a few large trucks would arrive for deliveries, construction, and maintenance.

The access road to the SWTF would extend northwest from the intersection of Turner Road and North Mills Avenue in the southeast corner of the City's property (Figure 6). The road would be 24-feet wide with four-foot wide shoulders. The intersection of Turner Road and North Mills Avenue would require signal modifications to accommodate a four-leg intersection.

An existing raised traffic island in the intersection would be removed to accommodate the northbound through movement from North Mills Avenue. New traffic signal equipment would be installed to operate the four leg intersection. The existing high voltage power pole would remain.

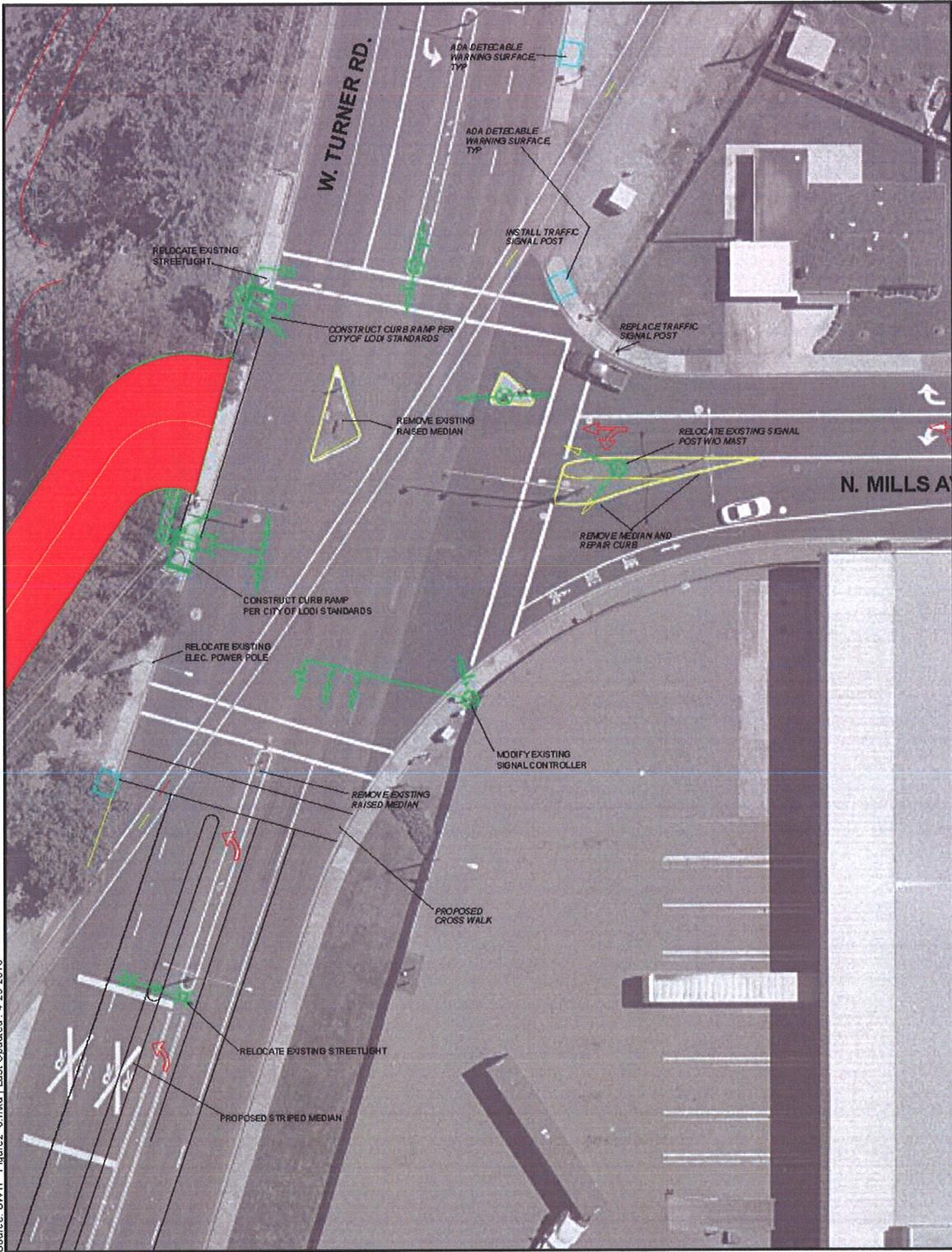
Currently, the traffic signals also function as the railroad crossing control signals. The City met with the California Public Utilities Commission (CPUC) and UPRR to determine if any changes to the crossing controls would be needed with the intersection improvements. Due to the low number of incidents at the intersection, the CPUC decided to allow the existing crossing controls to remain.

New crosswalk, curb ramps, and traffic signal poles with traffic and pedestrian signal heads would be added for the north leg of the intersection. The access road would be constructed from Turner Road along the lake (between the existing pedestrian/bicycle path and the stormwater pump station), which would necessitate the removal of mature trees and an earthen embankment. A few pathway lights and park benches along the path would be relocated to the lake side of the path. Lighting along the access road would be compatible with the existing park lighting design.

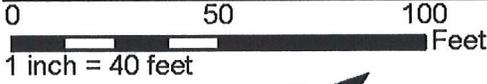
Figure 7 shows the existing view from Turner Road looking towards the lake. Figure 8 shows a conceptual image of the same view after the SWTF is built and the 12 oak trees (three valley oaks and nine interior live oaks) have been removed. Figure 9 shows a conceptual image of the SWTF as viewed from Turner Road once the SWTF has been constructed.

Well Modifications

The City's water system is currently supplied by groundwater from 27 well pump stations and a grid water main system (Figure 10). Well 27 will be constructed by 2011. Portable chlorination equipment consisting of a tank of 12.5 percent sodium hypochlorite solution and a small feed pump are used to chlorinate the well water on an as needed basis. Well 4R includes permanent chlorination facilities and would not require any modifications. All wells except for wells 2, 8, and 12 would be active and maintained for the lifetime of the SWTF. The City plans to decommission wells 2, 8, and 12 in the near future. The City's wells are listed in Table 1.



Source: SWTF Figure 2.6.mxd | Last Updated: 4-29-2010



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Access Road and Intersection Improvements

FIGURE 2-6

Surface Water Treatment Facility | City of Lodi, CA | HDR Project No. 141.107917.006

Figure 6. Access Road and Intersection Improvements



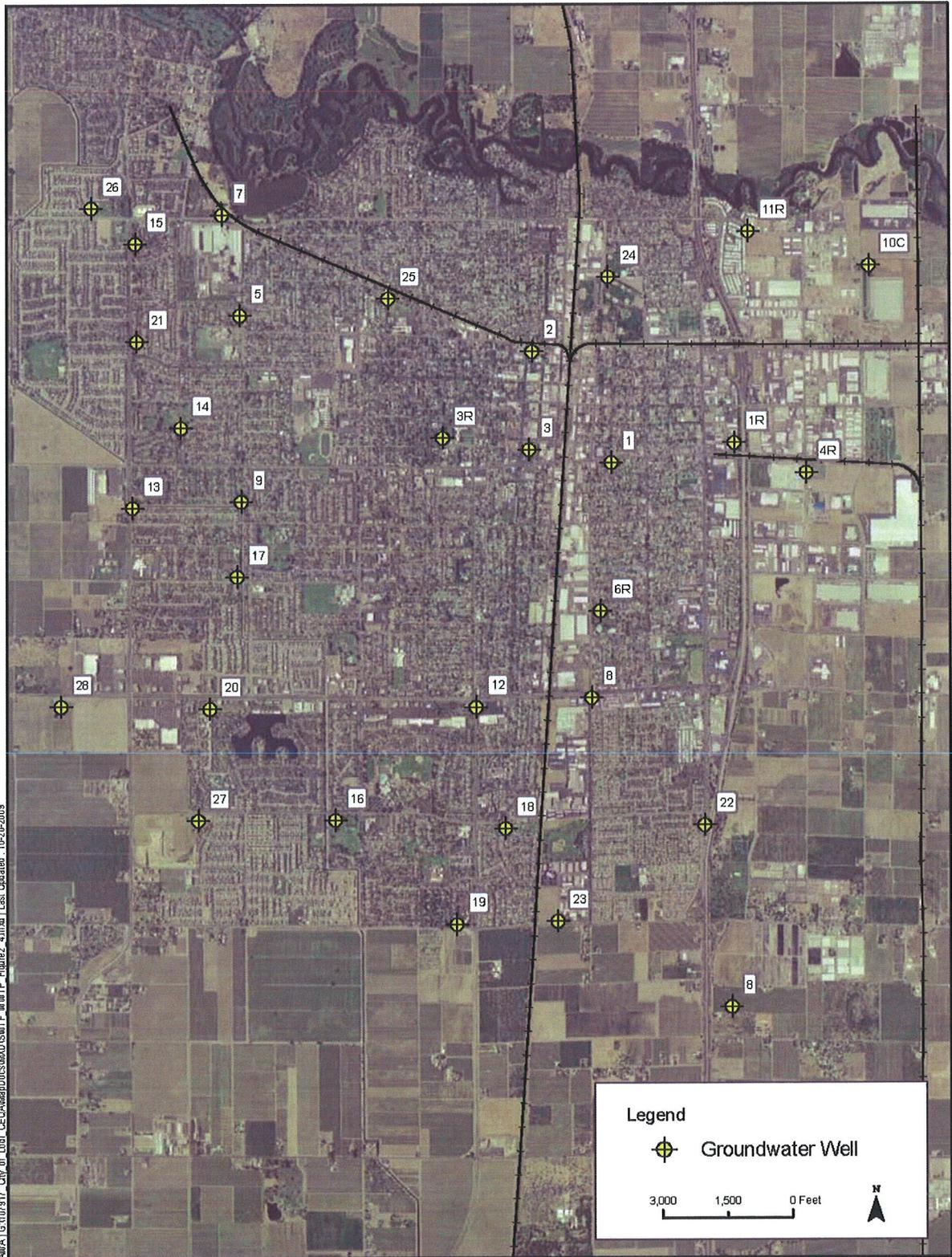
Figure 7. Existing Location of Entrance



Figure 8. SWTF Entrance



Figure 9. SWTF as Viewed from Turner Road



Groundwater Well Locations

FIGURE 2-2



Surface Water Treatment Facility | City of Lodi, CA | HDR Project No. 141.63277.002

Figure 10: Groundwater Well Locations

Table 1. Existing Groundwater Wells

Well No.	Assumed Capacity, gpm	Add Chlorine Facilities	Comment
1R	1,130	Yes	
2	820	No	Decommissioning planned
3R	820	Yes	
4R ^a	1,960	No	Pumps directly to elevated storage tank. Station includes existing chlorination facilities.
5	1,180	Yes	
6R	1,580	Yes	
7	1,160	Yes	
8	800	No	Decommissioning planned
9	900	Yes	
10C	1,300	Yes	
11R	1,320	Yes	
12	800	No	Decommissioning planned
13	1,150	Yes	
14	1,670	Yes	
15	1,500	Yes	
16 ^a	1,110	Yes	
17	1,800	Yes	
18 ^a	1,800	Yes	
19	1,110	Yes	
20 ^a	2,070	Yes	
21	2,050	Yes	
22 ^a	1,400	Yes	
23 ^a	1,410	Yes	
24	1,420	Yes	
25	1,580	Yes	
26	1,370	Yes	
27		Yes	
28		Yes	

^a equipped with granular activated carbon

The need for existing groundwater well modifications arises from operational and regulatory requirements to accommodate the combined use of surface and groundwater supplies, water quality monitoring, and disinfection guidelines. In compliance with Title 22, Section 64650 et seq. of the California Code of Regulations, all utilities using surface water or any groundwater supply under the influence of a surface water supply must provide adequate disinfection. In order to comply with these rules, chlorination facilities would be added to each of the well sites.

Two federal regulations also affect the operation and structure of the City's water system. First, the introduction of the new surface water supply will require continuous chlorination of the groundwater supplies due to California regulations stemming from the U.S. Environmental Protection Agency's (USEPA's) Total Coliform Rule. This rule requires the maintenance of a detectable level of chlorine throughout a distribution system that contains surface water. Second, USEPA's Ground Water Rule requires sanitary surveys of groundwater supplies every 3 to 5 years and source water monitoring for coliform bacteria.

To ensure compliance with state and federal regulations, modifications to the existing groundwater distribution system would include the following:

- ◆ Chlorination of each groundwater supply to provide a minimum of 0.5 milligram per liter (mg/L) of residual chlorine at the entry point into the distribution system.
- ◆ Continuous monitoring of the chlorine residual at each distribution system entry point.

All groundwater supply facilities would be updated with permanent chlorination facilities. Continuous chlorination would require sodium hypochlorite tanks and an electronically controlled chemical feed pump monitored by an online chlorine residual analyzer and controlled by the well pump programmable logic controller (PLC). Because none of the well pumps in the City's system have variable-frequency drives, simple on/off control of the chemical feed pump would be sufficient.

A fiber-reinforced plastic (FRP) or high density polyethylene (HDPE) sodium hypochlorite storage tank, local SCADA system equipment, chemical feed pumps and PLCs, and chlorine residual analyzer would be housed in a FRP shed mounted on a concrete slab at each well site.

Taste and odor issues associated with chlorinating the groundwater supplies would be minimized by the use of high-quality sodium hypochlorite and maintaining the chlorine residuals in the well water at about 0.5 mg/L and in no case greater than 1.0 mg/L.

Construction

Construction is expected to take approximately 18 -24 months. A portion of the 12.75 acre site will be used for construction staging.

Concrete and CMU block would be the primary construction material for structures. Major process piping would be made of steel and ductile iron. The chemical storage tanks would be HDPE. The major construction phases for the SWTF and RWPS would be:

- Clearing and Grubbing
- Intersection Improvements
- Excavation and Sitework
- Structural Facilities
- Electrical, Process Mechanical, and Instrumentation
- Paving and Striping
- Architectural, Landscaping, and Security
- Startup and Testing

Excavation and Site Work

Youngdahl Consulting Group, Inc. completed a geotechnical report for the treated water pipeline, and SWTF and RWPS sites (HDR, 2010). Two to three feet of organic laden fill was encountered at the SWTF and RWPS sites that would need to be removed and replaced. Therefore, a geotechnical engineer would be on-site during all grading operations in case soft or undesirable soils would be encountered during excavation.

Approximately 5,000 cubic yards (CY) of soil would be excavated for construction of the storage tank and the soda ash silo. An additional 2,600 CY of soil would be excavated for the construction of the high service pump station, pipelines, and lakeside embankment. It is anticipated that some of the excavated soil would be suitable for use as fill elsewhere on the SWTF site. However, based on geotechnical data and the possibility of organics in the soil, the soil would require testing to meet specifications prior to use. Any excavated soil that would be unsuitable for fill would be placed around the remainder of the park site.

Fill

The Flood Insurance Rate Map (FIRM) for the Project area places the RWPS, SWTF, and pipelines outside of the 100-year floodplain. The Proposed Project is located in Zone X (unshaded), which is defined as an area of minimal flood hazard and above the 500-year flood level and protected by a levee from the 100-year flood. However, in order to provide proper onsite drainage for the SWTF, the entire site would be elevated to six inches above the 100-year floodplain elevation, which would require approximately 21,000 CY of fill. The 21,000 CY includes fill to replace the top soil that is recommend for removal.

Dewatering

During construction dewatering may be required for deep excavations due to the close proximity of the site to the Mokelumne River, WID canal, and Lodi Lake. California Department of Water Resources (DWR) well data indicate that seasonal groundwater levels in the Project area fluctuate between 24 and 30 feet below grade. Geotechnical investigations of the SWTF site measured groundwater at 34 feet below grade (HDR, 2008, 2010). A boring at the RWPS found groundwater at 19 feet below grade.

The higher level encountered at the RWPS site is influenced by the WID canal, which was full when the geotechnical investigation was conducted. The pump cans would be placed approximately 18 feet below grade. Even with WID restricting construction to the winter months when the canal is empty, the groundwater level could still be high enough to require dewatering at the RWPS site.

Structural Facilities

This phase would consist of compacting and preparing the soil for all structural facilities. Prior to pouring concrete, structural forms, rebar, and conduits would be installed for each facility. After the concrete is poured, it would be finished and cured before the forms would be removed. After the concrete footing, slab, and

Paving and Striping

All parking areas, roads, and designated locations would be paved and striped. Paving would be performed incrementally throughout the site area as large construction and non-rubber tread equipment are removed from the site.

Electrical, Process Mechanical, and Instrumentation

After the structures have been erected and roofed, electrical equipment (e.g., machinery control consoles, switchboards, lighting, etc.) would be installed. Site work such as installing pull boxes, conduits, and cables would continue.

Process mechanical equipment (e.g., pumps, mixers, and chemical injection systems) would be installed and piped through the process facilities. Site work would continue as small diameter chemical piping would be routed throughout the site.

After roofs on building and facilities are secured; flow meters, level probes, pressure meters, and other instrumentation such as process analyzers would be installed.

Architectural, Landscaping and Security

During the architectural phase, several specialized crews would apply finishes, tile and flooring, windows, paint, and wall fixtures.

Decorative fencing or a wrought iron style fence would be constructed where the SWTF is exposed to the park or otherwise visible from the street. On the side facing the railroad track, one-inch chain-link fencing, eight feet in height topped with three strands of barbed wire would be placed.

The SWTF would have three vehicular gates: the main entrance, delivery entrance, and a utility entrance. Motorized gates would be provided at both the main and delivery entrances. The main entrance would be located in the parking lot adjacent to the Operations Building. The delivery entrance would be located on the other side of the storage tank from the Operations Building and out of view. The utility gate would provide access for service or maintenance on the north side of the Operations Building. It would be a manual gate since its use would be infrequent and it would be normally locked. Manual gates would be provided at the parking lot in front of the administration offices to prevent park guests from using the SWTF's parking during weekends or after hours.

Landscaping within the facility would be kept to the perimeter to screen the SWTF and to minimize maintenance. Evergreen trees would be placed along the fence line facing the future park. Sixteen oak trees and one black locust trees would be removed in the construction of the SWTF and the access road. The trees removed would be mitigated with oak trees planted in the future park and at other city parks.

Startup and Testing

This final phase of construction would involve city personnel (i.e., operators, maintenance crews, and instrumentation specialists) working with the equipment vendors to understand how each piece of equipment would operate and function at the RWPS and the SWTF. Under city supervision, the equipment vendors would startup and test the equipment on-site to guarantee that pumps, mixers, gauges, SCADA system, and other operating equipment are functional and able to meet design standards. A 30-day performance test would be conducted to verify that the membranes would meet specified performance standards.

Staging Areas

Staging areas would be located on both the RWPS and SWTF sites and on future park land. The staging areas would store pipe, construction equipment, and other construction related items. The staging areas will be delineated on the project civil drawings. Staging areas would be used for the duration of construction.

Operations and Maintenance

The SWTF would operate continuously, 24 hours per day, every day of the year at various flow rates during the year with ongoing operations and maintenance. The process schematic for the SWTF is illustrated in Figure 11. Because the SWTF would be automated, it is anticipated that the City would retain a relatively small task force for day-to-day operations. Projected personnel would include a plant manager, two operators/general maintenance technicians, one specialty maintenance technician, one instrument technician, one half-time laboratory analyst, and one half-time administrative assistant.

It is anticipated that the staff would accept full operations and maintenance responsibility for both the existing groundwater facilities and the new surface water supply facility. Staff hours would be 6:00 am to 4:00 pm, Monday through Friday. Because the SWTF would not be continuously staffed, the staff would also be responsible for responding to emergency calls during unattended hours of operation. Staff hours and shifts may change as more experience is gained with plant operation.

Autostrainers

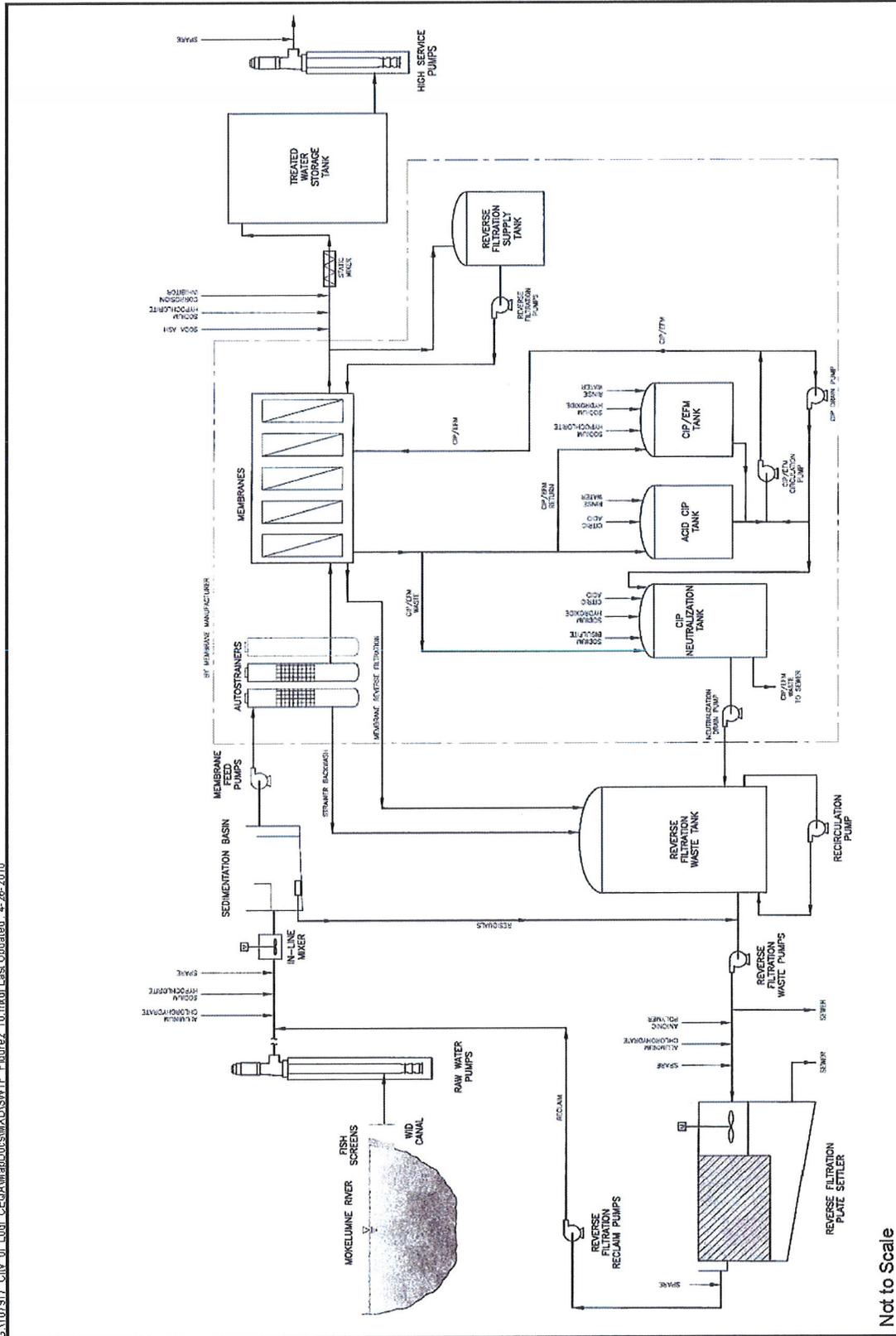
Raw water from the sedimentation basin would feed the membrane feed pumps housed in the Chemical Building. Autostrainers would remove any large particles such as leaves or other items in the raw water influent. Each autostrainer would be equipped with an automatic backwash system that would use city water to reverse flow through one portion of the strainer at a time to clean it. The backwash waste stream from the strainers would be sent to the backwash waste tank for treatment with the membrane backwash water prior to recycle. The backwash frequency would depend on solids build-up and would be triggered by a differential pressure set point.

Membrane System

Water from the autostrainers would be pumped through the Pall membranes under variable feed pressure. As the water flows through the membranes, the membranes would eventually foul or clog. Two processes would be utilized to clean the membranes: (1) an air scrub in which compressed air would be injected through the membranes; and (2) a combination backwash, or reverse filtration, which would immediately follow the air scrub.

Two other processes would also be used to clean the membranes: (1) enhanced flux maintenance (EFM), and (2) clean-in-place (CIP). The EFM process would extend the time between CIPs. Depending on water quality and solids loading, the EFM would automatically occur either daily or weekly. During the process the membrane system would be drained and warm sodium hypochlorite solution would be introduced into the system. The solution would then circulate through the membrane feed to remove accumulated debris. After the process is complete, the solution would be drained and the membranes would be rinsed before normal operation resumes.

Figure 11. Surface Water Treatment Facility Process Flow Schematic



Not to Scale

Surface Water Treatment Facility Process Flow Schematic
FIGURE 2-10



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Surface Water Treatment Facility | City of Lodi, CA | HDR Project No. 141.107917.006

S:\107917_City of Lodi_CEGM\MapDocs\MXD\SI\MTF_Figure2_10.mxd | Last Updated: 4-26-2010

Eventually the membranes may be unable to be cleaned via the reverse filtration or EFM processes. Therefore, to fully clean the membrane system, a CIP would be performed. The CIP process would occur every 30 to 90 days, and similar to the EFM wash, the frequency would be dependent on the raw water quality and membrane run time. The CIP process would be completed in two steps: (1) first, a wash in a solution of one percent sodium hydroxide and 1,000 mg/L sodium hypochlorite; and (2) followed by an acidic wash in a solution of two percent citric acid. After the CIP process, the membranes would go through a reverse filtration process.

Chemicals for Membrane Operation

Sodium hypochlorite, sodium hydroxide, citric acid, and sodium bisulfite would be used in membrane operations.

Sodium hypochlorite would be used to prepare batch make-up solution for the EFM and CIP cleaning processes. Due to the volume of sodium hypochlorite needed for EFM/CIP, it would be stored centrally in the Chemical Building with the sodium hypochlorite needed for pre-oxidation and disinfection. The Chemical Building would be kept cool during the summer by the HVAC system, which would help protect the sodium hypochlorite from deteriorating. The sodium hypochlorite would be stored in a HDPE tank; the piping material would be polyvinyl chloride (PVC). Sodium hypochlorite would be supplied as a 12.5 percent solution.

Applications of sodium hydroxide in the membrane cleaning process would include the pH adjustment of batch make up of the CIP/EFM system, which needs make-up water high in pH; and neutralization of the spent citric acid used for CIP of the membrane. Sodium hydroxide would be supplied in solution form up to a 50 percent concentration.

Citric acid would be primarily used in the CIP system. Citric acid solution would be circulated through the membranes to clean the membranes of any biological and colloidal fouling approximately once every three months. Citric acid would also be used for neutralization of spent sodium hydroxide solution used for removing fouling from the membranes. Citric acid would be supplied in liquid form as a 30 percent solution.

Sodium bisulfite would be used to neutralize any residual chlorine in the membrane unit after EFM. A 38 percent sodium bisulfite solution would be used.

Table 2 summarizes the chemicals to be used in the membrane system.

Table 2. Chemicals for Membrane System

Chemical	Parameter	Initial (8 mgd)	Final (20 mgd)
Sodium Hypochlorite	Number of Storage Tanks	1	2
	Storage Volume, each (includes EFM and CIP)	400 gallons	400 gallons
	Storage Tank Capacity (day tanks)	2 to 3 days	2 to 3 days
Sodium Hydroxide	Number of Storage Totes	1	2
	Storage Tank Volume, each	350 gallons	350 gallons
	Storage Tank Capacity	3 months	3 months
Citric Acid	Number of Storage Totes	1	2
	Storage Tank Volume, each	350 gallons	350 gallons
	Storage Tank Capacity	4 months	4 months
Sodium Bisulfite	Number of Storage Totes	1	2
	Storage Tank Volume, each	350 gallons	350 gallons
	Storage Tank Capacity	37 days	74 days

Chemical Systems

Sodium Hypochlorite

Sodium hypochlorite would be used at the SWTF for: (1) pre-oxidation of raw water; (2) disinfectant in the treated water storage tank and a chlorine residual in the distribution system; (3) to prepare batch make-up solution for EFM of the membranes; and (4) to prepare batch make-up CIP solution for the membranes.

The sodium hypochlorite storage tank would be located inside the Chemical Building, which would be kept cool during the summer by the HVAC system. Sodium hypochlorite would be delivered in a 12.5 percent solution for use as the primary disinfectant of raw water and in the filtrate to achieve 0.5-log Giardia disinfection in the treated water storage tank. Sodium hypochlorite would also be used to prepare batch make-up solution for EFM and CIP solutions for the membranes.

Aluminum Chlorohydrate

Aluminum chlorohydrate (ACH) would be used, if needed, as a coagulant in both the sedimentation basin for the removal of turbidity, suspended solids, total organic carbon, and color; and at the plate settler to assist in the solids removal.

Coagulant Polymer

An anionic polymer would be used in the reverse filtration recovery system to assist the ACH and enhance performance. Using polymer would lower the ACH dosage and provide more operational flexibility of the backwash recovery system.

Corrosion Inhibitor (Zinc Orthophosphate)

Zinc orthophosphate would be used for corrosion control when blending with groundwater. The storage tank would be located in the chemical storage area. The zinc orthophosphate would be injected upstream of the finished water storage tank before the high service pump station.

Sodium Carbonate (Soda Ash)

Soda ash would be required to adjust the alkalinity of the membrane effluent prior to entering the storage tank.

Powder Activated Carbon

Powdered activated carbon (PAC) was not included in the initial design; however, space has been reserved in the Chemical Building. In the future, PAC may be added to provide taste and odor control. PAC can be purchased and stored in bags, and fed as a powder using dry feed machines or using bulk liquid delivery and wet feed.

Table 3 summarizes the process chemicals to be used by the SWTF.

Table 3. Process Chemicals

Chemical	Parameter	Current (8 mgd)	Final (20 mgd)
Aluminum Chlorohydrate	Number of Storage Tanks	1	2
	Storage Tank Volume, each	4,000 gallons	4,000 gallons
	Storage Tank Capacity	45 days	45 days
Coagulant Polymer	Number of Storage Drums	1	1
	Storage Tank Volume, each	55 gallons	55 gallons
	Storage Tank Capacity	165 days	88 days
	Diluted Polymer Batch Tank Capacity	30 gallons	30 gallons
Sodium Hypochlorite	Number of Storage Tanks	1	2
	Storage Tank Volume, each ¹	6,000 gallons	6,000 gallons
	Storage Tank Capacity	30 days	30 days
Corrosion Inhibitor (Zinc Orthophosphate)	Number of Storage Totes	1	1
	Storage Tank Volume, each	1,000 gallons	1,000 gallons
	Storage Tank Capacity	80 days	32 days
Sodium Carbonate (Soda Ash)	Maximum Feed Rate	42 lb/hr	105 lb/hr
	Dry Chemical Usage	1,000 lb/day	2,500 lb/day
¹ Sodium hypochlorite storage includes volume for membrane CIP/EFM processes			

Residuals Handling

Periodically (every 20 to 40 minutes), the membranes would go through a reverse filtration process to remove the accumulated solids and return the membranes back to their original operating pressure. In addition to the reverse filtration process, the membranes periodically would need a chemical cleaning to remove any scale or particulate matter that is not removed through reverse filtration. A CIP would also be used once every 1 to 2 months to remove the accumulated organic and inorganic scales. On a more frequent basis (once per day), the membranes would receive an EFM chemical cleaning to help extend membrane life.

After a reverse filtration sequence, the residual stream from the reverse filtration would flow to a waste tank, which would equalize the flow fed to the thickening system. Coagulant and small doses of polymer would be used as the thickener to efficiently separate the solids from the liquid stream. Thickened solids would be sent to the sewer for disposal. The water would then be recycled to the head of the plant. The treatment process would produce residual flows from

membrane reverse filtration process and the CIP neutralization tank. The CIP and EFM spent chemical streams would be neutralized and sent directly to the sewer.

Project Cost

The estimated construction costs for the various elements of the project are summarized in Table 4. The total estimated project cost of \$35.8 million includes construction, construction administration, inspection and testing services. This estimate is based upon 90% complete plans and specifications.

Land Purchase Cost

The surface water treatment facilities will utilize four acres of the 12.75 acres located west of Lodi Lake. The remainder 8.75 acres are comprised of the access road, pedestrian trail, earthen berm and a future group picnic area.

At the time of site selection, City Council directed staff to value the four acre site based upon a property appraisal. Rather than incur the cost of a site-specific appraisal, staff considered the recent appraisal prepared for the Tienda Drive Affordable Housing to be appropriate. That appraisal set that property value at approximately \$287,500 per acre. Therefore, the value of the land at the surface water treatment facility would be \$1,150,000.

Previous Expenditures

Over the past seven years since entering into the WID Water Purchase Agreement, the City has expended approximately \$3.9 million in for the form of studies, staff costs and design of the Surface Water Treatment Plant Facilities. A partial listing of the expenditures is provided in Table 5 found on page 45.

The City Council will be asked to consider whether to reimburse itself from bond proceeds for these past expenditures.

Financing Options

The following presents excerpts from a memorandum prepared by Stone & Youngberg for this project.

Build American Bonds – The most dramatic market development of 2009 was the introduction of Build America Bonds (BABs). BABs can be used to finance tax-exempt-eligible projects at taxable interest rates with a 35% federal interest subsidy. The economic benefits of BABs vary with changing market conditions but can provide interest savings of 30 to 100 basis points, depending upon credit and maturities. The benefit of BABs tends to be greatest on longer maturities but the economics vary as market rates change.

Since the program's inception, more than 1,300 BAB issues totaling more than \$100 billion have come to market, representing between 20% and 30% of overall municipal market issuance since last summer. While the very large issues have dominated market activity, the vast

majority of issues (>70%) have been less than \$50 million in size. As the program has gained greater market traction, so too have more traditional municipal structures – such as 10-year call features and serial amortization.

The primary drawbacks of BABs have been qualitative in nature. Specifically, BABs require additional administrative effort to secure the subsidy; the issuer or its agent would need to file payment requests for the federal subsidy between 45 and 90 days in advance of each semi-annual interest payment date over the life of the bonds. More importantly, the program does transfer legislative and tax risk from investors to issuers. Because the interest subsidy is treated like a tax refund, any unpaid federal tax liability of the issuer can be withheld from the subsidy payment. While this may be a larger concern for a state or county than for a city, the IRS did recently withhold a \$1.2 million payment to the City of Austin and payments to the Los Angeles airport agency, both apparently due to disputed payroll taxes. The State of Florida recently announced its suspension of further BAB issuance due to concerns over tax liabilities. While the BAB program doesn't *increase* an issuer's tax liability to the federal government, it does increase the opportunities for IRS collection of any outstanding or future contested tax bills.

Revenue Bonds vs COPs – Most municipal utilities in California leverage water revenues through the issuance of either revenue bonds or certificates of participation (COPs). (The City's recent wastewater and electric utility financings have all been COPs.) From the City's perspective, the two structures are *essentially* the same. Many investors, however, prefer revenue bonds to COPs. Cities throughout California use COPs for general fund lease financings which are subject to annual appropriation and abatement (payments can be reduced if the city's use of the leased asset is diminished). As the financial condition of cities has deteriorated, many investors have come to shun general fund COPs. This aversion has tainted market perceptions of utility COPs – even though the underlying credit is quite different. In the current market, the interest rate “premium” investors may require for water COPs versus comparable water revenue bonds can add 10 to 20 basis points (bps) to the financing cost in the tax-exempt market. This penalty is even more pronounced in the taxable market where it can add as much as 30 to 40 bps to borrowing costs. To avoid this pricing penalty, the City could create a “joint powers authority” (JPA) between the City and its industrial development authority to serve as issuer for the bonds. The primary drawback of this approach would be the added annual cost to the City of an annual audit of the JPA. In our estimation, the potential interest rate savings on this and future City utility financings should far outweigh the audit costs.

Job No.		Calc. No.			
HDR					
Computation					
Project:	Lodi Surface Water Treatment Facility	Computed:	MB		
Subject:	Cost Estimate	Date:	6/8/2010		
Task:	90% Design Cost Estimate	Reviewed:	RS		
File Name:	C:\Documents and Settings\mbeck\Local Settings\Temporary Internet Files\Content.Outlook\4307MTYM\9c				
Date:					
DESCRIPTION	QUANTITY	UNITS	UNIT COST	TOTAL COST	
DIVISION 1 - GENERAL REQUIREMENTS					
Mobilization	1	LS	1.00%	\$284,600	
Demobilization	1	LS	1.00%	\$284,600	
Bonds and Insurance	1	LS	2.00%	\$575,100	
Construction Facilities/Fencing/Offices	1	LS	1.50%	\$429,100	
Permitting (incl SWPPP)	1	LS	1.00%	\$284,600	
General Conditions	1	LS	2.00%	\$575,100	
Shop Drawings and O&M Manuals	1	LS	1.00%	\$284,600	
Facilities Start-up & Testing	1	LS	2.00%	\$575,100	
DIVISION SUBTOTAL				\$3,292,800	
DIVISION 2 - SITE WORK					
Turner Road Intersection and Site Access Roadway					
Railroad Crossing Improvements	1	LS	\$200,000	\$200,000	
Traffic Lights and Island/Striping Changes	1	LS	\$600,000	\$600,000	
Access Roadway Clearing and Grubbing	38,700	SF	\$0.15	\$5,805	
Access Roadway Fill and Grading	1	LS	\$100,000	\$100,000	
Access Roadway Paving	4,300	SY	\$40	\$172,000	
Bore and Jack Pits	4	LS	\$25,000	\$100,000	
SWTF Yard					
Site Fencing (Iron)	1,160	LF	\$50	\$58,000	
Site Fencing (Omega)	650	LF	\$37	\$24,050	
Manual Rolling Gate	3	EA	\$5,000	\$15,000	
Motorized Swing Gate	1	EA	\$10,000	\$10,000	
Manual Swing Gate	1	EA	\$5,000	\$5,000	
3 FT Pass Gate	4	EA	\$500	\$2,000	
Clearing and Grubbing	202,500	SF	\$0.15	\$30,375	
Landscaping and Irrigation System	1	LS	\$250,000	\$250,000	
Tree Removal	1	LS	\$50,000	\$50,000	
AC paving (5 inch AC/6 in AB)	6,000	SY	\$40	\$240,000	
RSP (6 in)	220	CY	\$35	\$7,700	
Clearwell Excavation and Backfill	6,000	CY	\$15.00	\$90,000	
Fill over Entire Site	7,500	CY	\$5.00	\$37,500	
Final Grading	22,500	SY	\$1.00	\$22,500	
Raw Water Pump Station					
Fencing	400	LF	\$50	\$20,000	
Pump Can Excavation	150	CY	\$30	\$4,500	
AC Paving	1,100	CY	\$40	\$44,000	
Clearing and Grubbing	10,000	SF	\$0.15	\$1,500	
Motorized Rolling Gate	1	EA	\$10,000	\$10,000	
Chemical Building					
Structural Excavation	350	CY	\$20	\$7,000	
Backfill and Compaction	100	CY	\$10	\$1,000	
Operations Building					
Structural Excavation	450	CY	\$20	\$9,000	
Backfill and Compaction	100	CY	\$10	\$1,000	
High Service Pump Station Building					
Pump Can Excavation	200	CY	\$20	\$4,000	
Backfill and Compaction	150	CY	\$15	\$2,250	
Well Chlorination Facilities					
	# of Facilities				
Gravel Surfacing	24	10	CY	\$50	\$12,000
Sample Line	24	80	LF	\$25	\$48,000
Injection Line w/ Containment	24	40	LF	\$50	\$48,000
Waste Line	24	60	LF	\$25	\$36,000
Pipe Taps	24	2	EA	\$250	\$12,000
Miscellaneous	24	1	LS	\$1,500	\$36,000
DIVISION SUBTOTAL				\$2,316,180	
DIVISION 3 - CONCRETE					
SWTF Yard					
Treated Water Flow Meter Vault	1	EA	\$15,000	\$15,000	
Inline Mixer Vault	1	EA	\$15,000	\$15,000	
Chemical Injection Vault	1	EA	\$15,000	\$15,000	

Table 4. 90% Design Cost Estimate



Computation

Project: Lodi Surface Water Treatment Facility

Computed: MB

Subject: Cost Estimate

Date: 6/8/2010

Task: 90% Design Cost Estimate

Reviewed: RS

File Name: C:\Documents and Settings\mbeckl\Local Settings\Temporary Internet Files\Content.Outlook\4307MTYM\9C

Date:

DESCRIPTION	QUANTITY	UNITS	UNIT COST	TOTAL COST	
Sample Manhole	1	EA	\$5,000	\$5,000	
Sedimentation Basin	600	CY	\$800	\$480,000	
Sedimentation Basin Residuals PS Manhole	1	EA	\$7,500	\$7,500	
Sanitary Sewer Manhole	4	EA	\$5,000	\$20,000	
Storm Drain Manhole	4	EA	\$7,500	\$30,000	
Storm Drain Inlet	4	EA	\$2,500	\$10,000	
Raw Water Pump Station					
Concrete Foundation	60	CY	\$800	\$48,000	
Flow Meter Vault	1	EA	\$15,000	\$15,000	
Chemical Building					
Concrete Foundation	360	CY	\$800	\$288,000	
Operations Building					
Concrete Foundation	600	CY	\$800	\$480,000	
High Service Pump Station Building					
Concrete Foundation	135	CY	\$800	\$108,000	
Pump Foundation	10	CY	\$800	\$8,000	
Well Chlorination Facilities					
	# of Facilities				
Concrete Pad	24	1	CY	\$1,500	\$36,000
DIVISION SUBTOTAL				\$1,580,500	
DIVISION 4 - MASONRY					
Included in Div. 13					
DIVISION SUBTOTAL				\$0	
DIVISION 5 - MISCELLANEOUS METALS					
SWTF Yard					
Miscellaneous Metals	1	LS	\$20,000	\$20,000	
Stairway and Guardrail at SD Pump Station	1	LS	\$10,000	\$10,000	
Raw Water Pump Station					
Miscellaneous Metals	1	LS	\$10,000	\$10,000	
Chemical Building					
Miscellaneous Metals	1	LS	\$30,000	\$30,000	
Operations Building					
Miscellaneous Metals	1	LS	\$50,000	\$50,000	
High Service Pump Station Building					
Miscellaneous Metals	1	LS	\$10,000	\$10,000	
DIVISION SUBTOTAL				\$130,000	
DIVISION 6 - WOOD AND PLASTICS					
Chemical Building					
FRP Chemical Containment Grating	1,000	SF	\$38	\$38,000	
Trench Containment	1	LS	\$10,000	\$10,000	
Operations Building					
Trench Containment and Grating	1	LS	\$50,000	\$50,000	
DIVISION SUBTOTAL				\$98,000	
DIVISION 7 - THERMAL AND MOISTURE PROTECTION					
Included in Div. 13					
DIVISION SUBTOTAL				\$0	
DIVISION 8 - DOORS AND WINDOWS					
Raw Water Pump Station					
Roof Hatches (Pump Access)	4	EA	\$1,600	\$6,400	
Single Exterior Door (incl. hardware)	3	EA	\$2,500	\$7,500	
Single Interior Door (incl. hardware)	1	EA	\$2,000	\$2,000	
Double Exterior Door (incl. hardware)	1	EA	\$4,000	\$4,000	
Chemical Building					
Single Exterior Door (incl. hardware)	5	EA	\$2,500	\$12,500	
Single Interior Door (incl. hardware)	3	EA	\$2,000	\$6,000	



Computation

Project: Lodi Surface Water Treatment Facility

Computed: MB

Subject: Cost Estimate

Date: 6/8/2010

Task: 90% Design Cost Estimate

Reviewed: RS

File Name: C:\Documents and Settings\mbeck\Local Settings\Temporary Internet Files\Content.Outlook\4307MTYM\9C

Date:

DESCRIPTION	QUANTITY	UNITS	UNIT COST	TOTAL COST
14' Roll-up Door	4	EA	\$6,000	\$24,000
10' Roll-up Door	1	EA	\$4,500	\$4,500
Double Exterior Door (incl. hardware)	4	EA	\$3,500	\$14,000
Miscellaneous Windows	1	LS	\$7,500	\$7,500
Operations Building				
Single Exterior Door (incl. hardware)	5	EA	\$2,500	\$12,500
Single Interior Door (incl. hardware)	17	EA	\$2,000	\$34,000
Double Exterior Door (incl. hardware)	6	EA	\$4,000	\$24,000
Double Interior Door (incl. hardware)	3	EA	\$3,500	\$10,500
14' Roll-up Door	1	EA	\$6,000	\$6,000
10' Roll-up Door	1	EA	\$5,500	\$5,500
Miscellaneous Windows	1	LS	\$25,000	\$25,000
High Service Pump Station Building				
Roof Hatches (Pump Access)	6	EA	\$2,000	\$12,000
Single Exterior Door (incl. hardware)	1	EA	\$2,500	\$2,500
Double Exterior Door (incl. hardware)	3	EA	\$4,000	\$12,000
DIVISION SUBTOTAL				\$232,400
DIVISION 9 - FINISHES				
Painting and Protective Coatings (piping and equipment)	1	LS	\$300,000	\$300,000
DIVISION SUBTOTAL				\$300,000
DIVISION 10 - SPECIALTIES				
Identification, Stenciling, and Tagging System	1	LS	\$150,000	\$150,000
Visitor Lobby Furnishings	1	LS	\$20,000	\$20,000
Office Furnishings	2	LS	\$20,000	\$40,000
Employee Lobby Furnishings	1	LS	\$20,000	\$20,000
Kitchen/Vending Furnishings	1	LS	\$20,000	\$20,000
Open Offices Furnishings	1	LS	\$20,000	\$20,000
Operations Furnishings	1	LS	\$20,000	\$20,000
Restroom Facilities	1	LS	\$20,000	\$20,000
Women's Locker Room Furnishings	1	LS	\$20,000	\$20,000
Men's Locker Room Furnishings	1	LS	\$20,000	\$20,000
Conference Room Furnishings	1	LS	\$25,000	\$25,000
Break Room Furnishings	1	LS	\$25,000	\$25,000
Lab Equipment and Furnishings	1	LS	\$50,000	\$50,000
Chemical Building Lavatory	1	LS	\$5,000	\$5,000
DIVISION SUBTOTAL				\$455,000
DIVISION 11 - EQUIPMENT				
SWTF Yard				
Reverse Filtration Waste Tank	1	EA	\$150,000	\$150,000
Reverse Filtration Plate Settler	1	EA	\$300,000	\$300,000
Reverse Filtration Waste Tank Recirculation Pump	1	EA	\$7,500	\$7,500
Reverse Filtration Reclaim Pumps	2	EA	\$20,000	\$40,000
Reverse Filtration Waste Pumps	2	EA	\$12,500	\$25,000
Hoseless Sludge Collector	2	EA	\$65,000	\$130,000
Sedimentation Waste Pumps	2	EA	\$5,000	\$10,000
Soda Ash Feed System	1	LS	\$420,000	\$420,000
Hydropneumatic Tank	1	LS	\$40,000	\$40,000
Raw Water Pump Station				
Raw Water Pumps (50 hp, vertical turbine w/ can)	3	EA	\$45,000	\$135,000
Pump Can w/o Pump	1	EA	\$15,000	\$15,000
Chemical Building				
ACH Storage Tank	1	EA	\$20,000	\$20,000
ACH Metering Pumps	4	EA	\$7,500	\$30,000
ACH Process Piping	1	LS	\$15,000	\$15,000
Sodium Hypochlorite Storage Tank	1	EA	\$20,000	\$20,000
Sodium Hypochlorite Metering Pumps	3	EA	\$7,500	\$22,500
Sodium Hypochlorite Process Piping	1	LS	\$15,000	\$15,000
Polymer System	1	LS	\$75,000	\$75,000
Corrosion Inhibitor System (Tank and Pumps)	1	LS	\$30,000	\$30,000



Computation

Project: Lodi Surface Water Treatment Facility

Computed: MB

Subject: Cost Estimate

Date: 6/8/2010

Task: 90% Design Cost Estimate

Reviewed: RS

File Name: C:\Documents and Settings\lbeck\Local Settings\Temporary Internet Files\Content.Outlook\4307MTYM\9C

Date:

DESCRIPTION	QUANTITY	UNITS	UNIT COST	TOTAL COST
Operations Building				
Pall Membrane System and Equipment	1	LS	\$3,500,000	\$3,500,000
Membrane Installation and Commissioning	1	LS	\$420,000	\$420,000
550-gallon CIP Chemical Totes (Steel Cage IBC) incl stand	4	EA	\$7,500	\$30,000
High Service Pump Station Building				
High Service Pumps (w/ cans)	3	EA	\$64,000	\$192,000
Pump Can w/o Pump	3	EA	\$20,000	\$60,000
Air Compressor and Receiver	1	EA	\$12,000	\$12,000
Well Chemical Feed/Electrical Improvements				
Equipment and Piping	24	EA	\$50,000	\$1,200,000
Electrical, Instrumentation and SCADA	24	EA	\$25,000	\$600,000
DIVISION SUBTOTAL				\$7,514,000
DIVISION 13 - SPECIAL CONSTRUCTION				
SWTF Yard				
3.0 MG Clearwell (130 FT dia, partially buried)	1	LS	\$2,750,000	\$2,750,000
Hypalon Baffles	1	LS	\$110,000	\$110,000
Raw Water Pump Station				
Building Construction (not inc. concrete floor and foundation)	1,600	SF	\$160	\$256,000
Chemical Building				
Building Construction (not inc. concrete floor and foundation)	6,700	SF	\$200	\$1,340,000
Operations Building				
Building Construction (not inc. concrete floor and foundation)	14,800	SF	\$200	\$2,960,000
High Service Pump Station Building				
Building Construction (not inc. concrete floor and foundation)	3,500	SF	\$160	\$560,000
DIVISION SUBTOTAL				\$7,976,000
DIVISION 14 - CONVEYING SYSTEMS				
Loading Dock and Ramp	1	EA	\$20,000	\$20,000
DIVISION SUBTOTAL				\$20,000
DIVISION 15 - MECHANICAL				
Raw Water Pipeline				
30" RW Pipe (to SWTF Fencing)	450	LF	\$360	\$162,000
Treated Water Pipeline				
36" PW Transmission Main (From SWTF Fencing)	3,400	LF	\$500	\$1,700,000
48" Casing Bore and Jack	120	LF	\$1,000	\$120,000
SWTF Yard				
Storage Tank Underdrain System	1	LS	\$15,000	\$15,000
Filtrate Flow Meter	1	EA	\$25,000	\$25,000
24" Treated Water Flow Meter	1	EA	\$30,000	\$30,000
Raw Water Flow Meter	1	EA	\$30,000	\$30,000
Diesel Fuel Storage Tank	1	EA	\$15,000	\$15,000
Miscellaneous Site Piping and Valves	1	LS	\$100,000	\$100,000
Reverse Filtration Waste Pumps Piping and Valves	1	LS	\$15,000	\$15,000
Reclaim Pumps Piping and Valves	1	LS	\$15,000	\$15,000
Recirculation Pump Piping and Valves	1	LS	\$6,000	\$6,000
Inline Mixer	1	EA	\$15,000	\$15,000
18" Slide Gates	4	EA	\$5,000	\$20,000
30" Pipe	305	LF	\$360	\$109,800
30" x 8" Tee	1	EA	\$6,000	\$6,000
30" Tee	5	EA	\$6,000	\$30,000
30" BFV	5	EA	\$10,500	\$52,500
30" 90 degree Fitting	4	EA	\$8,000	\$32,000
30" 45 degree Fitting	2	EA	\$11,000	\$22,000
16" Piping	15	LF	\$192	\$2,880
16" 90 degree Fitting	1	EA	\$2,750	\$2,750
30" x 16" Reducer	1	EA	\$4,000	\$4,000
30" x 16" Tee	2	EA	\$6,500	\$13,000
30" x 24" Reducer	1	EA	\$4,500	\$4,500
24" Pipe	60	LF	\$330	\$19,800
36" x 24" Tee	1	EA	\$6,500	\$6,500

HDR**Computation****Project:** Lodi Surface Water Treatment Facility**Computed:** MB**Subject:** Cost Estimate**Date:** 6/8/2010**Task:** 90% Design Cost Estimate**Reviewed:** RS**File Name:** C:\Documents and Settings\mbeck\Local Settings\Temporary Internet Files\Content.Outlook\4307MTYM\9c Date:

DESCRIPTION	QUANTITY	UNITS	UNIT COST	TOTAL COST
36" Pipe	190	LF	\$500	\$95,000
36" x 24" Reducer	2	EA	\$5,000	\$10,000
24" BFV	2	EA	\$9,000	\$18,000
36" 45 degree Fitting	2	EA	\$6,000	\$12,000
36" 90 degree Fitting	5	EA	\$6,000	\$30,000
36" BFV	2	EA	\$13,200	\$26,400
36" x 14" Tee	1	EA	\$6,500	\$6,500
14" TW	35	LF	\$168	\$5,880
14" TW 45 degree Fitting	1	EA	\$2,500	\$2,500
14" BFV	1	EA	\$3,500	\$3,500
14" TW 90 degree Fitting	1	EA	\$2,500	\$2,500
Chemical Piping	1	LS	\$10,000	\$10,000
Sanitary Sewer and Waste Piping	1	LS	\$15,000	\$15,000
Plant Water and Fire Water Piping and Hydrants	1	LS	\$25,000	\$25,000
36" SD Pipe	420	LF	\$195	\$81,900
30" SD Pipe	70	LF	\$170	\$11,900
12" SD Pipe	480	LF	\$105	\$50,400
4" S Force Main Pipe	480	LF	\$40	\$19,200
14" Casing Pipe	190	LF	\$500	\$95,000
Raw Water Pump Station				
30" Blind Flange	2	EA	\$1,500	\$3,000
30" RW Pipe	85	LF	\$360	\$30,600
30" 90 degree Fitting	3	EA	\$8,000	\$24,000
18" FCA	3	EA	\$3,000	\$9,000
ARV	3	EA	\$500	\$1,500
18" Check Valve	3	EA	\$9,000	\$27,000
18" RW Pipe	20	LF	\$160	\$3,200
18" BFV	3	EA	\$7,000	\$21,000
30" x 30" x 18" Tee	3	EA	\$6,250	\$18,750
30" x 20" Reducer	2	EA	\$4,000	\$8,000
20" RW Pipe	15	LF	\$300	\$4,500
20" Flow Meter	1	EA	\$15,000	\$15,000
20" FCA	1	EA	\$3,500	\$3,500
24" RW Pipe	90	LF	\$330	\$29,700
36" RW Pipe	80	LF	\$500	\$40,000
Pipe Supports	1	LS	\$10,000	\$10,000
Pump Can	4	EA	\$20,000	\$80,000
Plumbing (included in Div. 13)				\$0
HVAC System (included in Div. 13)				\$0
Chemical Building				
30" RW Manifold with Pump Connections	50	LF	\$500	\$25,000
18" BFV	3	EA	\$7,000	\$21,000
18" Check Valve	3	EA	\$9,000	\$27,000
20" BFV	8	EA	\$8,000	\$64,000
20" 90 degree elbow	6	EA	\$4,000	\$24,000
20" x 10" Eccentric Reducer	3	EA	\$2,500	\$7,500
18" x 10" Reducer	3	EA	\$2,000	\$6,000
30" 90 degree elbow	4	EA	\$8,000	\$32,000
30" x 20" Tee	2	EA	\$6,250	\$12,500
30" x 20" Reducer	1	EA	\$4,000	\$4,000
20" Tee	6	EA	\$3,500	\$21,000
20" RW Piping	50	LF	\$200	\$10,000
Miscellaneous Process Piping and Valves	1	LS	\$50,000	\$50,000
Emergency Shower/Eyewash	4	EA	\$3,000	\$12,000
Plumbing (included in Div. 13)				\$0
HVAC System (included in Div. 13)				\$0
Operations Building				
Miscellaneous Process Piping and Valves (not incl by Pall)	1	LS	\$75,000	\$75,000
Miscellaneous Chemical Piping and Valves (not incl by Pall)	2	LS	\$60,000	\$120,000
Emergency Shower/Eyewash	4	EA	\$3,500	\$14,000
Plumbing (included in Div. 13)				\$0
HVAC System (included in Div. 13)				\$0
High Service Pump Station Building				
20" TW Pipe	160	LF	\$300	\$48,000
14" TW Pipe	20	LF	\$200	\$4,000
20" BFV	6	EA	\$8,000	\$48,000

Job No.		Calc. No.		
Computation		HDR		
Project:	Lodi Surface Water Treatment Facility	Computed:	MB	
Subject:	Cost Estimate	Date:	6/8/2010	
Task:	90% Design Cost Estimate	Reviewed:	RS	
File Name:	C:\Documents and Settings\mbeck\Local Settings\Temporary Internet Files\Content.Outlook\4307MTYM\9c			
Date:				
DESCRIPTION	QUANTITY	UNITS	UNIT COST	TOTAL COST
20" DMJ	12	EA	\$500	\$6,000
16" x 12" Reducer	3	EA	\$2,200	\$6,600
16" Silent Check Valve	3	EA	\$8,500	\$25,500
16" Gate Valve	3	EA	\$3,300	\$9,900
20" Blind Flange	3	EA	\$800	\$2,400
16" Blind Flange	3	EA	\$500	\$1,500
24" BFV	1	EA	\$10,000	\$10,000
36" TW Manifold (w/ Pump Connections)	50	LF	\$500	\$25,000
36" Blind Flange w/ Thrust Block	1	EA	\$3,000	\$3,000
36" x 24" Reducer	2	EA	\$5,000	\$10,000
36" x 20" Tee	6	EA	\$14,000	\$84,000
2" ARV	3	EA	\$750	\$2,250
Plumbing (included in Div. 13)				\$0
HVAC System (included in Div. 13)				\$0
DIVISION SUBTOTAL				\$4,234,310
SUBTOTAL DIVISIONS 2 - 15				\$24,856,390
DIVISION 16 - ELECTRICAL				
Miscellaneous Electrical (% of Div 2-15, minus 13)	13%	LS	\$2,194,000	\$2,194,000
SWTF Yard				
Standby Generator	1	EA	\$300,000	\$300,000
Site Lighting	1	LS	\$50,000	\$50,000
Site Security	1	LS	\$100,000	\$100,000
DIVISION SUBTOTAL				\$2,644,000
DIVISION 17 - INSTRUMENTATION				
Miscellaneous Instrumentation (% of Div 2-15, minus 13)	4%	LS	\$675,000	\$675,000
DIVISION SUBTOTAL				\$675,000
ONSITE CONSTRUCTION (LESS DIV 1) SUBTOTAL			\$28,175,390	
TAX (8.75% ON MATERIALS)			\$1,232,673	
SUBTOTAL 2			\$29,408,063	
(ADDITIVE FOR) DIVISION 1 (ABOVE)			\$3,292,800	
SUBTOTAL 3			\$32,700,863	
SUBTOTAL 4			\$32,700,863	
CONSTRUCTION SERVICES (6%)			\$1,962,052	
SUBTOTAL 5			\$34,662,915	
CONTINGENCY (02%)			\$563,508	
SUBTOTAL 6			\$35,226,423	
ESCALATION TO MIDPOINT OF CONSTRUCTION (2%)			\$563,508	
TOTAL			\$35,790,000	

- Notes:
1. This cost opinion does not include any City connection fees or City administrative costs.
 2. The contingency is for unknown items left out of the estimate because the design is not yet completed.

Table 5. Expenditures

PREVIOUSLY INCURRED COSTS

Laboratory Testing	\$ 33,800
Conceptual Design and Feasibility Review (HDR)	\$ 377,000
Preliminary Design and Environmental Review (HDR)	\$ 858,000
Final Design, Plans and Specifications (HDR)	\$ 1,737,000
Design Review (Ecologic)	\$ 50,000
Financial Planning and Legal	\$ 107,000
City Staff	\$ 110,000
Raw Water Intake Pipe Construction	\$ 572,000
Miscellaneous	\$ 25,000
	\$ 3,869,800

Call Features – Municipal bonds are typically sold with “call protection” to investors, restricting the timing of future refinancing. Most tax-exempt bonds are sold with a 10-year par call – meaning the issuer can refinance without penalty beginning 10 years after issuance. For taxable bonds, many investors prefer a “make whole call” feature which essentially eliminates the economic benefit of refinancing. Taxable bonds can still be sold with more flexible call features but often with a higher interest rate. In the current market, we estimate that the interest rate difference between a make-whole call feature and a 10-year par call feature on a taxable bond would be approximately 25 to 30 bps on the longer maturities. We recommend building both options into the legal documents for the City’s financing but deferring the choice of call features until the time of sale.

Refunding of State loan – In the mid 1990s, the City borrowed approximately \$3.3 million from the State Department of Water Resources Safe Drinking Water loan program. Those funds were used to construct water well facilities. Today, \$1.4 million remains outstanding on the loan with semi-annual payments of principal and interest at a 3.41% interest rate through the October 1, 2017 maturity. The loan has a first lien on the net revenues of the water utility. The City could either: (i) seek State approval to issue its planned 2010 financing on parity to the State loan, (ii) structure the 2010 financing payable with a subordinate claim on revenues to the State loan, or (iii) pay off the State loan. Given the very modest payments involved, we think the 2010 financing could be payable after the SRF loan without any consequence to credit quality – thus avoiding the need for State approvals. In current market conditions, a refinancing of the State

loan would be about a “wash” economically. Therefore, for simplicity’s sake, we’d recommend paying the loan off.

Financial Model of Water Utility

August 6, 2008, Council approved the professional services agreement with The Reed Group, Inc. to prepare a Water Utility Financial Plan to address Rate Setting, Meter Installation Program, and Capital Expenditures within the water utility. This would be the first such model created for the Water Utility. It is an important tool used to understand the financial impact of ongoing projects including the infrastructure replacement program, PCE/TCE cleanup program, water meter installation program, and the surface water treatment plant.

A copy of the Draft Financial Plan Summary is provided as Table 6. A few highlights regarding the model are provided below.

Row 11 – Presents the total annual revenue to the Water Fund from all rates including usage, infrastructure replacement and PCE/TCE charges. In the model, all revenues flow through the 180 Fund except the water impact fees and the property owner meter payments.

Row 15 – Transfers from the Water Impact Mitigation Fee revenues collected from new development. The estimated capacity charge for the surface water treatment plant and other water facilities serving new development is approximately \$5,600 per single family unit. The final Water Capacity Charge will be set via the Update to the Impact Mitigation Fee Program in 2012.

Row 18 – Annual Cost of Services transferred to General Fund

Row 19 – Annual transfer of funds to the Capital Outlay Fund to cover the capital construction costs for the infrastructure replacement and meter program

Row 28 – North San Joaquin Water Conservation District annual assessment that can now be removed in the Final Financial Plan

Row 29 – Existing bonded debt through State Revolving Fund that will be recommended to be paid off through the Surface Water Treatment Plant Financing Plan.

Row 30 – Estimated annual debt service for a \$43 million (net proceeds) bond sale for construction of the surface water treatment plant and reimbursement to the City for past expenditures.

Row 33 – Annual ending balance demonstrates that the revenues are sufficient to fund the water operations, infrastructure replacement, water meter program, and PCE/TCE capital construction and operations. The latter years’ growth in fund balance is principally the result of transfers from the Water IMF fund (the result of new development) and lower than previously expected PCE/TCE expenditures.

	A	C	D	E	F	G	H	I	J	K	L	M
2	City of Lodi -- Water Utility											
3	Financial Plan Summary											
4		FY 09-10 Budget	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
5			2.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
6			Jan. 2011	Jan. 2012	Jan. 2013	Jan. 2014	Jan. 2015	Jan. 2016	Jan. 2017	Jan. 2018	Jan. 2019	Jan. 2020
64	IMF WATER FACILITIES (182)											
65	Beginning Balance	(442,341)	(854,000)	(713,000)	(957,000)	94,000	96,000	99,000	102,000	106,000	110,000	114,000
66	Revenues											
67	Water Impact Mitigation Fees	13,768	500,000	517,000	1,070,000	2,214,000	2,292,000	2,373,000	2,457,000	2,544,000	2,634,000	2,727,000
68	Interest Earnings	-	(9,000)	(11,000)	(19,000)	2,000	3,000	3,000	4,000	4,000	4,000	4,000
69	Total Revenues	13,768	491,000	506,000	1,051,000	2,216,000	2,295,000	2,376,000	2,461,000	2,548,000	2,638,000	2,731,000
70	Expenditures											
71	Vintner's Square	-	-	-	-	-	-	-	-	-	-	-
72	Surface Water-Design	-	-	-	-	-	-	-	-	-	-	-
73	Water Rate Setting	-	-	-	-	-	-	-	-	-	-	-
74	GPS Control Grid	-	-	-	-	-	-	-	-	-	-	-
75	Sacramento Street Water Main	-	-	-	-	-	-	-	-	-	-	-
76	MSC Fleet Service Shop	-	-	-	-	-	-	-	-	-	-	-
77	Well #27 - Pump, Motor & Site Impr.	400,000	-	-	-	-	-	-	-	-	-	-
78	MSC Rehab/Expansion	25,000	350,000	750,000	-	-	-	-	-	-	-	-
79	MWWI003-Well #28	-	-	-	-	-	-	-	-	-	-	-
80	Transfer to Fund 180 for Debt Service	-	-	-	-	2,214,000	2,292,000	2,373,000	2,457,000	2,544,000	2,634,000	2,696,000
81												
82	Total Expenditures	425,000	350,000	750,000	-	2,214,000	2,292,000	2,373,000	2,457,000	2,544,000	2,634,000	2,696,000
83												
84	Ending Balance	(854,000)	(713,000)	(957,000)	94,000	96,000	99,000	102,000	106,000	110,000	114,000	149,000
85	Owed Fund 180 for DS	-	-	1,879,000	3,756,000	3,421,000	3,008,000	2,513,000	1,933,000	1,269,000	666,000	-
86												
100												
101	WATER PCE-TCE SETTLEMENT (184)											
102	Beginning Balance	(241,630)	3,090,000	761,000	722,000	1,286,000	791,000	240,000	1,048,000	1,885,000	409,000	1,173,000
103	Revenues											
104	PCE-TCE Settlements	-	-	-	-	-	-	-	-	-	-	-
105	Transfer In from Fund 180	-	-	600,000	1,200,000	1,500,000	1,500,000	1,500,000	1,500,000	2,500,000	1,500,000	1,500,000
106	Transfer In from Fund 183	15,600	-	-	-	-	-	-	-	-	-	-
107	Transfer In from Fund 185	3,666,381	-	-	-	-	-	-	-	-	-	-
108	Interest Earnings	-	31,000	11,000	14,000	32,000	24,000	8,000	37,000	66,000	14,000	41,000
109	Total Revenues	3,681,981	31,000	611,000	1,214,000	1,532,000	1,524,000	1,508,000	1,537,000	2,566,000	1,514,000	1,541,000
110	Expenditures											
111	PCE-TCE Remediation - Capital	-	1,760,000	-	-	1,377,000	1,425,000	-	-	3,292,000	-	-
112	PCE-TCE Remediation - O&M	250,000	600,000	650,000	650,000	650,000	650,000	700,000	700,000	750,000	750,000	750,000
113	Water PCE-TCE Legal	100,000	-	-	-	-	-	-	-	-	-	-
114	Transfer to Fund 183	-	-	-	-	-	-	-	-	-	-	-
115	Past Expenditures	-	-	-	-	-	-	-	-	-	-	-
116												
117	Total Expenditures	350,000	2,360,000	650,000	650,000	2,027,000	2,075,000	700,000	700,000	4,042,000	750,000	750,000
118												
119	Ending Balance	3,090,000	761,000	722,000	1,286,000	791,000	240,000	1,048,000	1,885,000	409,000	1,173,000	1,964,000
120												
135												
145												
146												
147												
148		13,469,170	<-- Funds 180, 181, and 182									
149		15,091,752	<-- Funds 183, 184, 185, 190, 191, 192, 193, & 194 at 6/30/09 (cash and investments) -- NOT INCLUDED IN MODEL									
150												
151												
152		28,560,922	<-- All Water Funds at 6/30/09									

	A	C	D	E	F	G	H	I	J	K	L	M
2	City of Lodi -- Water Utility											
3	Financial Plan Summary											
4		FY 09-10 Budget	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
5			2.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
6			Jan. 2011	Jan. 2012	Jan. 2013	Jan. 2014	Jan. 2015	Jan. 2016	Jan. 2017	Jan. 2018	Jan. 2019	Jan. 2020
9	Beginning Balance	2,071,982	2,858,000	6,762,000	7,549,940	4,797,005	4,109,570	3,544,335	3,345,175	4,036,965	4,109,530	5,837,670
10	Revenues											
11	Water Sales	6,793,974	12,137,000	12,527,000	12,915,000	13,344,000	13,644,000	14,184,000	14,784,000	15,478,000	16,198,000	16,949,000
12	Infrastructure Replacement	2,384,556	-	-	-	-	-	-	-	-	-	-
13	Interest Earnings	79,200	29,000	101,000	151,000	120,000	123,000	124,000	117,000	141,000	144,000	204,000
14	Other Revenues	115,000	381,000	393,000	404,000	416,000	428,000	440,000	453,000	467,000	481,000	496,000
15	Transfer from Fund 182 for DS	-	-	-	-	2,214,000	2,292,000	2,373,000	2,457,000	2,544,000	2,634,000	2,696,000
16	Total Revenues	9,372,730	12,547,000	13,021,000	13,470,000	16,094,000	16,487,000	17,121,000	17,811,000	18,630,000	19,457,000	20,345,000
17	Expenditures											
18	Transfer Out to Gen'l Fund (COS)	1,060,122	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000
19	Transfer Out to Wtr Cap Outlay	2,384,556	2,500,000	2,500,000	4,000,000	4,000,000	4,000,000	4,000,000	3,500,000	3,500,000	3,500,000	3,500,000
20	Transfer Out to PCE-TCE Fund	-	-	600,000	1,200,000	1,500,000	1,500,000	1,500,000	1,500,000	2,500,000	1,500,000	1,500,000
21	Administration & Other	1,132,313	1,197,000	1,240,000	1,284,000	1,330,000	1,377,000	1,426,000	1,476,000	1,529,000	1,584,000	1,641,000
22	Water Production	696,160	657,000	680,000	704,000	729,000	754,000	780,000	808,000	836,000	866,000	896,000
23	Electricity	780,000	690,000	721,000	753,000	787,000	822,000	859,000	898,000	938,000	980,000	1,024,000
24	DBCP Monitoring	294,780	263,000	272,000	280,000	280,000	298,000	307,000	316,000	326,000	336,000	347,000
25	SWTF Oper. & Maint. (net)	-	-	-	1,716,000	1,788,000	1,870,000	1,942,000	2,030,000	2,491,000	2,214,000	2,313,000
26	Water Distribution	798,742	812,000	841,000	871,000	902,000	934,000	968,000	1,002,000	1,038,000	1,076,000	1,115,000
27	WID Water Purchases	1,212,000	1,236,000	1,273,000	1,311,000	1,350,000	1,391,000	1,433,000	1,476,000	1,520,000	1,566,000	1,613,000
28	1991 CSDW Loan Payments	228,024	228,000	228,000	228,000	228,000	228,000	228,000	238,000	-	-	-
29	Estimated 2010 COP Payments	-	-	2,818,060	2,815,935	2,818,435	2,818,235	2,817,160	2,815,210	2,819,435	3,046,860	3,044,546
30	Total Expenditures	8,586,697	8,643,000	12,233,060	16,222,935	16,781,435	17,052,235	17,320,160	17,119,210	18,557,435	17,728,860	18,053,546
31												
32	Ending Balance	2,858,000	6,762,000	7,549,940	4,797,005	4,109,570	3,544,335	3,345,175	4,036,965	4,109,530	5,837,670	8,129,124
33	Operating Reserve (25%)	1,551,000	1,536,000	2,283,000	2,756,000	2,820,000	2,888,000	2,955,000	3,030,000	3,139,000	3,182,000	3,263,000
34	Available Balance	1,307,000	5,226,000	5,266,940	2,041,005	1,289,570	656,335	390,175	1,006,965	970,530	2,655,670	4,866,124
35	DS Coverage (min. = 1.20)	16.23	31.68	3.74	2.79	3.21	3.24	3.32	3.43	3.83	3.33	3.56
36												
37	WATER CAPITAL OUTLAY (181)											
38	Beginning Balance	11,839,529	9,962,000	44,183,000	10,885,000	7,510,000	5,311,000	1,121,000	3,000	4,981,000	10,123,000	13,718,000
39	Revenues											
40	Operating Transfers In	2,384,556	2,500,000	2,500,000	4,000,000	4,000,000	4,000,000	4,000,000	3,500,000	3,500,000	3,500,000	3,500,000
41	Interest Earnings	88,200	100,000	663,000	218,000	188,000	159,000	39,000	-	174,000	354,000	480,000
42	Retrofit Meter Install. Charge	-	-	3,297,000	1,719,000	1,719,000	1,719,000	1,719,000	1,719,000	1,719,000	-	-
43	DBCP Reimb. & Other	200,000	-	-	-	-	-	-	-	-	-	-
44	Debt Proceeds	-	43,021,000	-	-	-	-	-	-	-	-	-
45	Total Revenues	2,672,756	45,621,000	6,460,000	5,937,000	5,907,000	5,878,000	5,758,000	5,219,000	5,393,000	3,854,000	3,980,000
46	Expenditures											
47	Water Meter/Main Install. Project	582,000	2,852,000	7,436,000	6,890,000	7,888,000	9,842,000	6,582,000	-	-	-	-
49	Water Taps	75,000	78,000	80,000	83,000	86,000	89,000	92,000	95,000	99,000	102,000	106,000
50	Miscellaneous Water Mains	50,000	52,000	54,000	55,000	57,000	59,000	61,000	64,000	66,000	68,000	71,000
51	Commercial Meter Replacements	15,000	10,000	11,000	6,000	6,000	6,000	6,000	6,000	7,000	7,000	7,000
52	Valve Exercising Program	20,000	21,000	21,000	22,000	23,000	24,000	25,000	25,000	26,000	27,000	28,000
53	Surface WTP Design	2,946,000	-	-	-	-	-	-	-	-	-	-
54	Raw Water Transmission Main	787,000	-	-	-	-	-	-	-	-	-	-
55	Calif./St. Claire Water Main	-	-	-	-	-	-	-	-	-	-	-
56	Surface WTP Construction	-	8,280,000	32,137,000	2,217,000	-	-	-	-	-	-	-
57	UWMP Update	-	52,000	-	-	-	-	61,000	-	-	-	-
58	Vehicles/Equipment	75,000	55,000	19,000	39,000	46,000	48,000	49,000	51,000	53,000	55,000	56,000
59												
60	Total Expenditures	4,550,000	11,400,000	39,758,000	9,312,000	8,106,000	10,068,000	6,876,000	241,000	251,000	259,000	268,000
61												
62	Ending Balance	9,962,000	44,183,000	10,885,000	7,510,000	5,311,000	1,121,000	3,000	4,981,000	10,123,000	13,718,000	17,430,000

Row 34 – The Financial Model includes an operating reserve of 25%. This is a common industry standard.

Row 41 – Matches the transfer from Row 19 to fund the capital improvements and the surface water treatment facility debt service. This is presented as a revenue.

Row 43 – Revenue generated from property owners' payments for meters. The FY 11-12 revenue is higher because it includes an assumed 30% lump sum meter payments by property owners plus the first year's installment payments. The remainder of the \$13 million in property owners' meter payments is assumed to be amortized over a seven year period at an interest rate equal to the Local Agency Investment Fund plus one percent.

Row 48 – Expenditures for the water meter program consultants and construction activity.

Row 57 – Capital expenditures for construction of the surface water treatment facilities.

Row 68 – Revenues from the payment of capacity fees are quite limited in the early years and relatively modest in FY 2013/14 and beyond.

Row 85 – The IMF Water Fund balance is negative for several years until the level of development increases to restore the positive fund balance.

Rows 112 & 113 – The level of expenditures on the PCE/TCE Cleanup Program is relatively modest but is in line with the near term Central Plume activities approved by the Regional Board. However, substantial uncertainty exists that can only be removed after written agreements with the Regional Board have been approved.

Row 120 – The Financial Model assumes the PCE/TCE fund balances that reach a peak of negative \$12,291,000 are offset by the positive balance in the Settlement Funds that exceeds \$14 million. The Settlement Fund information is not shown in the Financial Plan Summary.

PCE/TCE Cleanup Program

The PCE/TCE Cleanup Program has entered the first phase with construction of facilities beginning soon to remove PCE from the Central Plume area bounded by Church, Oak, Pleasant and Pine Streets. Although progress on this phase has been slow, it has allowed staff to continue working with the Regional Board on a number of different issue areas. We have received approval of the Action Plan for the Central Plume first phase remediation work. In the course of working through the Action Plan, we have begun discussions with the Board that potentially would allow the City to be self-regulating of its cleanup activity. Monitoring and reporting to the Board would continue in its current form.

In addition, we are presently preparing a Work Plan for submittal to the Board relating to the South Central/Western and Southern Plumes. The Work Plan will propose that the City "monitor natural attenuation" in these areas. This will involve the construction of additional monitoring wells and quarterly sampling and reporting to the Board. Most importantly, the City would not be required to construct extraction wells and treatment facilities in these areas and,

as a result, the City could save considerable costs. The assumed expenditures for the PCE/TCE Cleanup Program are presented in Rows 112 and 113 of Table 6.

The City's responsibility in the Northern Plume Settlement Agreement is to clean up the groundwater. Further investigation is required to establish an appropriate Work Plan for this area. However, new groundwater test results for PCE /TCE indicate the concentrations to be far lower than previously represented – remember that no testing results for this area were provided to the City in the past.

Infrastructure Replacement/Water Meter Program

City Council decided to install residential water meters throughout the City over a five year period (2011 – 2015) and, at the same time, construct replacement water mains for the remaining two, three, and four inch diameter water mains located in back yards. The total length of new water main construction includes over 22.5 miles. The total number of residential water meters to be installed includes over 13,000 meters. The estimated construction expenditures for the Water Meter Program are presented in Row 48 of Table 6 and the estimated property owner payments (revenues) are presented in Row 43.

The construction cost of the combined infrastructure replacement program and the residential water meter program will total approximately \$34 million with approximately \$13 million of the cost being borne by residential property owners. The decisions by Council in this area have allowed fairly concise planning of capital expenditures for the period between 2011 and 2015. As a result, the water utility financial plan is relatively accurate in this area.

Phasing of the water meter program is presented in Figure 12. Approximately 12 field interns, the majority of whom are college students living in Lodi, are busily collecting parcel-specific data in support of the design phase of the annual construction projects. This information will also be used to notify property owners regarding their costs for the meter installation (ranges from \$300 to \$1,200) and their option to prepay prior to June 30, 2011 or choose the installment plan beginning July 1, 2011.

Each phase of the water meter program will include an application period for very low and low income families to seek funding assistance for their meter installation. The details of this aspect of the program are still in development.

A future expansion of the water meter program will include installation and replacement of water meters for non-residential customers. This customer class includes industrial, commercial, multi-family apartments, churches, schools, and others. As many of these customers are already metered, an important component of this phase of the water meter program will be the replacement of older meters that have a tendency to under-record the water usage.

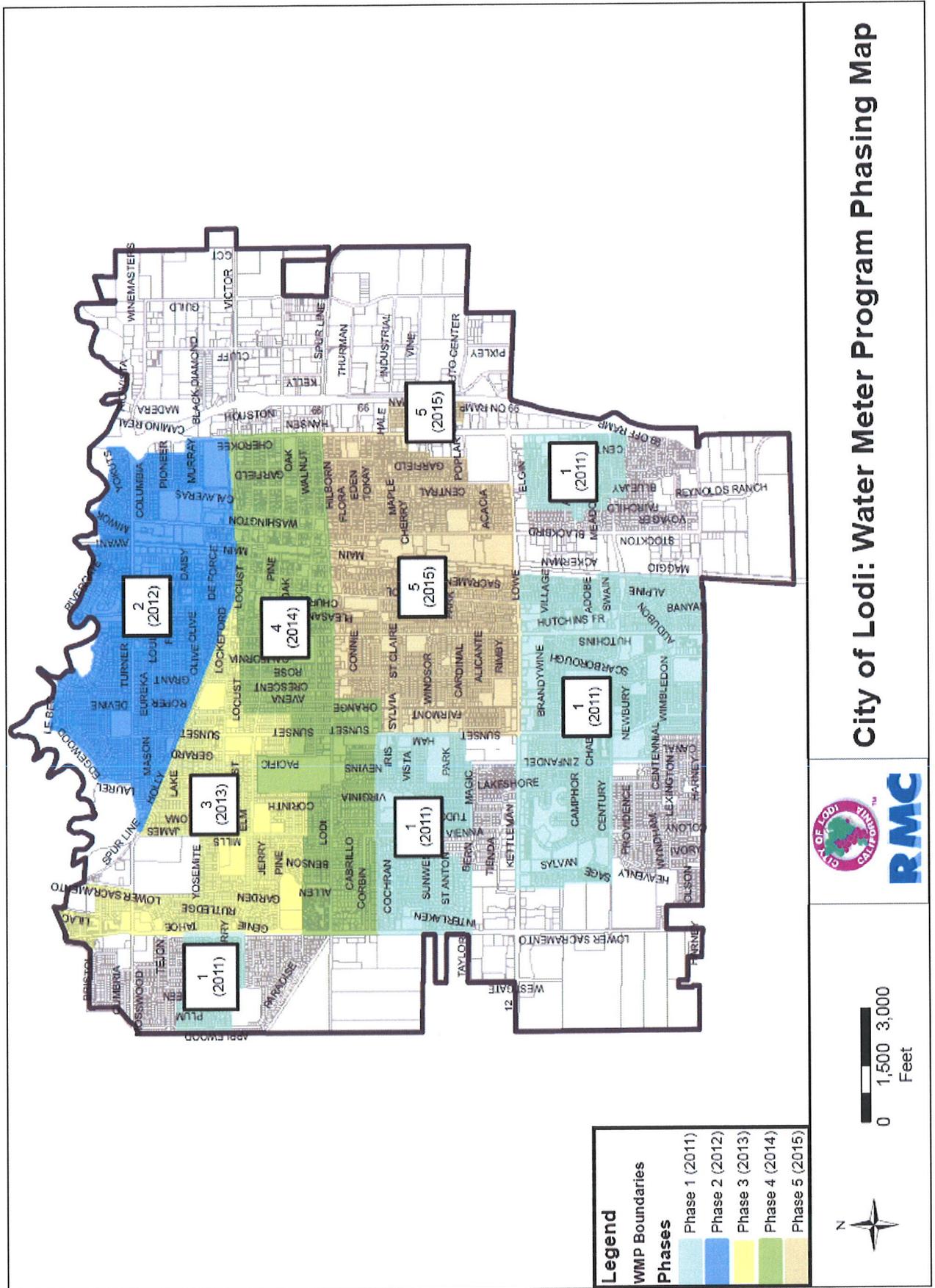


Figure 12. Surface Water Treatment Facility Process Flow Schematic

Rate Adjustments

At the July 21, 2010 Council meeting, a Public Hearing will be held to consider usage based water rates that include a recommended two percent increase for the period from July 2009 through December 2010. The recommended increase is based upon the change in the Engineering News Record Index over the same period. It is recommended that a similar two percent increase be applied to the flat rates residential rates. In addition, the usage charge for non-residential customers will increase from \$.789 to \$.88 per hundred cubic feet.

Annual rate increases of three and a half percent have been included in the Water Utility Financial Plan based upon forecasts of expected increases in the ENR Index. Future increases will be based upon actual changes in the ENR Index.

One of the recommended changes to the usage based rates reduces the monthly fixed rate component (meter sizes one inch and smaller) of the non-residential rates to be the same as the residential rates. Over the next several months, staff will be recommending increases to the non-residential monthly fixed rate charges for meter sizes of one inch and larger. It is expected the recommendations will present substantial increases to the monthly fixed rate component of the fee for these customer classes. Approximately 19 percent of the revenue is generated from this non-residential customer class.

Surface Water Treatment Plant Financing Plan

The Surface Water Treatment Plant project is nearing completion of the final plans and specification. The Council will be asked to approve the project for bidding on July 21, 2010. The current estimated construction cost is \$35.8 million not including funds already expended.

Most municipal utilities in California leverage water revenues through issuance of either revenue bonds or certificates of participation (COPs). From the City's perspective, the two structures are essentially the same. Many investors, however, prefer revenue bonds to COPs. As the financial condition of cities has deteriorated, many investors have associated COPs with general funds, even though the issue is backed by utility revenues. In the current market, the interest rate "premium" investors may require for water COPs versus comparable water revenue bonds can add 10 to 20 basis points to the financing cost in the tax-exempt market. To avoid this pricing penalty, the City could create a "joint powers authority" between the City and its industrial development authority to serve as issuer for the bonds.

As previously discussed, BABs have been shown to be cost effective for longer term maturities. The recommended financing plan for the surface water treatment plant will probably be a blend of BABs and revenue bonds. The debt service figures in the Draft Summary Financial Plan (Table 6) conservatively present a mix of BABs and revenue bonds to finance construction of the surface water plant.

In the mid-1990s, the City borrowed approximately \$3.3 million from the State Department of Water Resources Safe Drinking Water loan program. Today, \$1.4 million remains outstanding

on the loan with semi-annual payments of principal and interest at a 3.41 % interest rate. It is recommended this loan be paid off from available cash or through the financing.

The essence of a water financing is the City's promise to charge rates sufficient to generate minimum threshold of debt service coverage from net system revenues. Typical minimum coverage ratios range from 110% to 150% for most utilities, depending upon the enterprise's credit, desired ratings and need for debt capacity. A recommended coverage ratio will be presented following a more detailed review of the rate model. The coverage ratio for the 2007 Wastewater Bonds is 110%. The coverage ratio used for the water fund model is shown on Row 36 in Table 6.

New Development Share Of Costs

At the present time, existing water customers are provided high quality water on a highly reliable basis. The annual demand of the existing customers averages around 17,000 acre feet. The estimated annual safe yield of the groundwater aquifer underlying the City is 15,000 acre feet. The existing customer base is being served but only by over pumping the groundwater resource by 2,000 acre feet per year. At present, it is planned to reduce the long term pumping of groundwater by committing a minimum of 2,000 acre feet per year of the WID water to cure the current overdraft condition.

The WID Agreement provides the City with 6,000 acre feet per year. One could argue that 4,000 acre feet per year are designated for future development. For the Westside Annexation and the Southwest Gateway Annexation, the City committed approximately 1,650 acre feet per year to serve the water demands for these projects. For the Reynolds Ranch Annexation, approximately 500 acre feet per year were committed to serve the demands of this project. The remaining 1,850 acre feet per year of the WID water is uncommitted.

Staff recommends that the new development share of the surface water treatment plant facilities be set at 66.7% ($4,000/6,000 \times 100$) and existing customers share be set at 33.3% ($2,000/6,000 \times 100$).

New Development Capacity Charge

A very preliminary calculation of the approximate capacity charge has been determined to be \$5,600 per equivalent dwelling unit. The actual charge will be set in latter 2011 as part of the new Impact Mitigation Fee Program. The actual charge will be based upon the demand for water service for the various types of uses that will develop in Lodi in the future. For perspective, other communities in the region with surface water treatment plants have capacity charges in the range of approximately \$3,560 to \$6,380.

New Development Debt Service

As is currently the condition with the 2007 Wastewater Bonds debt service, the rate of development in Lodi does not generate sufficient cash to pay its portion of the total debt service payments or about \$2.7 million per year. As a result, the City Council decided to have the rate

payers commit to making the debt service payments with new development contributing what it can when it can.

The same condition will exist for the water treatment plant financing plan. This condition can be found in the Draft Financial Plan Summary on Row 30 (Estimated 2010 COP Payments) and Row 68 (Revenue Water Impact Mitigation Fees). If new development is responsible for paying 66.7% of the debt service, or \$1.88 million per year, there will not be sufficient funds to make a full payment for several years and the 10 year average annual impact fee revenues are only slightly over \$1.93 million.



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Adopt Resolutions of the Lodi City Council and Industrial Development Authority Authorizing the Execution of a Exercise of Powers Agreement and Establishing the Lodi Public Financing Authority.

MEETING DATE: July 21, 2010

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: Adopt Resolutions of the Lodi City Council and Industrial Development Authority Authorizing the Execution of a Exercise of Powers Agreement and Establishing the Lodi Public Financing Authority.

BACKGROUND INFORMATION: In preparation for the Water Treatment Plant financing, staff recommends that Council create a new financing entity to be known as the Lodi Public Financing Authority.

As Council is aware, cities commonly create third-party entities to facilitate financing transactions for those circumstances when the cities do not have the legal authority to issue bonds themselves. The City currently uses the Lodi Public Improvement Corporation (the "Corporation"), a nonprofit corporation, for this purpose. In these transactions, which typically involve the use of Certificates of Participation ("COPs"), the City enters into a lease or installment sale agreement with the Corporation, and the Corporation assigns its right to receive the lease or installment sale payments to the trustee for the COPs; the COPs are sold to investors. COPs are commonly used when California cities wish to undertake general fund financings, but they can also be used for enterprise financings, such as the City's proposed Surface Water Treatment Facility financing.

Because only governmental entities can issue municipal bonds, when the City uses the Corporation as the counterparty in its transactions, the City has to use COPs. However, in the current economic environment, in which local agencies' general funds are more and more challenged, our financial advisors are concerned that investors may charge an interest rate premium to purchase COPs, even when, as here, the COPs will be used for an enterprise financing rather than a general fund financing.

There is an alternative that does not involve the use of COPs. California law (Government Code Section 6500 et seq., which is the same law which underlies the San Joaquin County Council of Governments and the City's joint powers risk pool) allows two or more local agencies to create a public agency that is separate from the parties to the agreement. This separate public agency, commonly known as a joint exercise of powers agency (or "JPA"), has the powers commonly held by its members *plus* the specific powers specified in the law. One of the powers expressly granted to JPAs is the power to issue revenue bonds in circumstances where a city might otherwise use COPs. Our financial advisors have informed us that the City may benefit – in the form of lower interest rates (and correspondingly, lower water rates) – if it were to use a JPA to issue revenue bonds for its Surface Water Treatment Facility financing instead of COPs.

APPROVED:

Konradt Bartlam, Interim City Manager

In order to ensure that the City has the option of choosing the most economical financing model, Staff recommends that Council create the Lodi Public Financing Authority - a JPA - now so that the entity is in place and ready to act if the City chooses to proceed to market.

By definition, a joint powers agency requires two entities to join in its formation. Staff proposes Council form the JPA between the Industrial Development Authority (Lodi Municipal Code Section 2.28) and the City. The Joint Powers Law assumes that the forming entities may be related or under common control as is the case with the City of Lodi and its Industrial Development Authority. (See Government Code Section 6586.7(b)(4)(C)).

Two separate actions are recommended in one joint meeting: the first action for the Industrial Development Authority authorizes the entry of the Joint Powers Agreement; and the second action item for the City Council authorizes the same. As has traditionally been the case, the Mayor is named the chair of the JPA with the Council filling the remainder of the board. On the staff level, the City Manager serves as Executive Director, the Clerk as the Secretary, the City Attorney as General Counsel and the City Treasurer (in Lodi's case the Deputy City Manager) as the JPA Treasurer.

FISCAL IMPACT: Minor increased costs to audit Lodi Public Financing Authority as part of City's annual audit. Also, potential interest savings related to bond financing, resulting in lower water rates.

FUNDING AVAILABLE: Water Fund – Operating Fund 181

Stephen Schwabauer
City Attorney

JOINT EXERCISE OF POWERS AGREEMENT

This JOINT EXERCISE OF POWERS AGREEMENT (this "Agreement") dated as of July 21, 2010, is between the CITY OF LODI, a general law city duly organized and existing under the Constitution and laws of the State of California (the "City"), and the INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF LODI, a public body corporate and politic organized and existing under the laws of the State of California (the "Industrial Development Authority");

WITNESSETH:

WHEREAS, agencies formed under Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Joint Powers Law") are permitted to provide financing for any of their members in connection with the acquisition, construction and improvement of public capital improvements and other programs of such members; and

WHEREAS, the City and the Industrial Development Authority wish to form an agency under the Joint Powers Law, to be known as the Lodi Public Financing Authority (the "Financing Authority"), for the purpose of providing an entity which can provide assistance to the Industrial Development Authority and the City in their respective financing undertakings;

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, the City and the Industrial Development Authority do hereby agree as follows:

ARTICLE I

GENERAL PROVISIONS

Section 1.01. Purpose. This Agreement is entered into pursuant to the Joint Powers Law. The purpose of this Agreement is to provide assistance to the City and the Industrial Development Authority (collectively, the "Members") from time to time in connection with their financing programs, or for any other financing purposes authorized under Article 4 of the Joint Powers Law (commencing with Section 6584) (the "Bond Act").

Section 1.02. Creation of Authority. Pursuant to the Joint Powers Law, there is hereby created a joint powers agency to be known as the Lodi Public Financing Authority (the "Financing Authority"). The Financing Authority is a public entity separate and apart from the Members, and shall administer this Agreement. The Financing Authority shall be deemed to be created and to exist as an entity which is authorized to transact business and exercise its powers, upon the adoption of a resolution approving the execution and delivery of this Agreement by the Board of Directors of the Industrial Development Authority and the City Council of the City.

Section 1.03. Board.

(a) Composition of Board; Chair. The Financing Authority shall be governed by a Board of Directors (the "Board") consisting of five (5) directors. Each member of the City Council of the City shall be a member of the Board by virtue of being a member of the City Council of the City. All voting power of the Financing Authority shall reside in the Board.

The Mayor of the City shall act as the Chair of the Board. The Chair shall perform the duties normal to said office and such duties as may be imposed by the Board.

(b) Call, Notice and Conduct of Meetings. All meetings of the Board, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act of the State of California (constituting Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California).

(c) Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The affirmative votes of at least a majority of the Board members present at any meeting at which a quorum is present are required to take any action by the Board.

(d) Time and Place of Regular Meetings. The Board shall conduct a regular meeting on July 21, 2010, at the hour of 7:00 p.m. in the City Council chambers, 221 West Pine Street, Lodi, California. Thereafter, the Board shall provide for its regular meetings. The date, hour and place of the holding of regular meetings shall be fixed by resolution of the Board and a copy of such resolution shall be filed with each of the Members. Unless otherwise provided, regular meetings shall be held on the same date and time as regular meetings of the City Council of the City. If the Secretary does not post an agenda for a regular meeting pursuant to Government Code Section 54954.21, then such failure to post shall be deemed to be a determination by the Chair that no items required discussion and, therefore, that the regular meeting should be cancelled, except as otherwise provided in Section 54954.2.

(e) Minutes. The Secretary shall cause to be kept minutes of the meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director and to the Members.

(f) Bylaws. The Board may adopt, from time to time, such bylaws, rules and regulations for the conduct of its meetings as are necessary for the purposes hereof.

Section 1.04. Treasurer. Pursuant to Section 6505.5 of the Joint Powers Law, the person performing the functions of the Treasurer of the City is hereby designated as the initial Treasurer of the Financing Authority and, as such, shall perform the functions of the treasurer of the Financing Authority, as such functions are set forth in Section 6505.5 of the Joint Powers Law. Pursuant to Section 6505.1 of the Joint Powers Law, the Treasurer shall have charge of, handle and have access to all accounts, funds and money of the Financing Authority and all records of the Financing Authority relating thereto. As treasurer of the Financing Authority, the Treasurer has custody of all of the accounts, funds and money of the Financing Authority from whatever source.

In the event, but only in the event, that the Treasurer holds moneys for the account of the Financing Authority or the Members, the Treasurer shall verify and report in writing at least quarterly to the Board and the Members the amount of money so held, the amount of receipts since the last such report, and the amount paid out since the last such report.

Section 1.05. Auditor. Pursuant to Section 6505.5 of the Joint Powers Law, the person performing the functions of the Treasurer of the City is hereby designated as the initial Auditor of the Financing Authority and, as such, shall perform the functions of the auditor of the Financing Authority, as such functions are set forth in Section 6505.5 of the Joint Powers Law.

As auditor of the Financing Authority, the Auditor shall draw warrants to pay demands against the Financing Authority when the demands have been approved by the Board and shall assure that there is strict accountability of all funds and reporting of all receipts and disbursements of the Financing Authority.

Section 1.06. Other Officers and Employees of the Financing Authority.

(a) Other Officers. In addition to the Chair, the Treasurer and the Auditor, the officers of the Financing Authority shall consist of an Executive Director, a Secretary and a General Counsel, who shall consist of the City Manager, the City Clerk and the City Attorney, respectively. The Board may appoint such assistants to act in the place of the officers of the Authority (other than any Director) as the Board shall from time to time deem appropriate.

(b) Duties of Executive Director. The Executive Director shall perform such functions as are customary in the exercise of such a position, and as may be more specifically provided by the Board from time to time. The Executive Director shall have charge of the day-to-day administration of the Financing Authority and shall execute the directives of the Board. The Executive Director shall sign all contracts on behalf of the Financing Authority, except as may otherwise be provided by resolution of the Board.

(c) Duties of Secretary. The Secretary shall perform such functions as are customary in the exercise of such positions, and as may be more specifically provided by the Board from time to time. The Secretary shall have charge of the records of the Financing Authority and is responsible for recording the minutes of all meetings of the Board.

(d) Duties of General Counsel. The General Counsel shall perform such functions as are customary in the exercise of such positions, and as may be more specifically provided by the Board from time to time.

(e) Other Consultants and Contractors. The Board shall have the power to appoint and employ such other consultants and independent contractors as may be necessary for the purposes of this Agreement.

(f) Miscellaneous. All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents, or employees of a public agency when performing their respective functions shall apply to

them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement.

None of the officers, agents, or employees directly employed by the Board shall be deemed, by reason of their employment by the Board to be employed by any of the Members or, by reason of their employment by the Board, to be subject to any of the requirements of any of the Members.

Section 1.07. Bonding of Officers. From time to time, the Board may designate officers of the Financing Authority having charge of, handling or having access to any records, funds or accounts or other assets of the Financing Authority, and the respective amounts of the official bonds of such officers and such other persons pursuant to Section 6505.1 of the Joint Powers Law. In the event that any officer of the Financing Authority is required to be bonded pursuant to this Section 1.07, such bond may be maintained as a part of or in conjunction with any other bond maintained on such person by any Member, it being the intent of this Section 1.07 not to require duplicate or over-lapping bonding requirements from those bonding requirements which are otherwise applicable to the Members.

ARTICLE II

POWERS

Section 2.01. General Powers. The Financing Authority shall exercise the powers granted to it under the Joint Powers Law, including but not limited to the powers set forth in the Bond Act and the powers common to each of the Members, as may be necessary to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in Section 2.02. As provided in the Joint Powers Law, the Financing Authority is a public entity separate and apart from the Members.

Section 2.02. Restrictions on Exercise of Powers. The powers of the Financing Authority shall be exercised in the manner provided in the Joint Powers Law and in the Bond Act, and, except for the exercise of those powers set forth in the Bond Act, shall be subject (in accordance with Section 6509 of the Joint Powers Law) to the restrictions upon the manner of exercising such powers that are imposed upon the City.

Section 2.03. Non-Liability of Members and Directors For Obligations of Authority. The debts, liabilities and obligations of the Financing Authority shall not be the debts, liabilities and obligations of any of the Members. No member, officer, agent or employee of the Financing Authority is individually or personally liable for the payment of the principal of or premium or interest on any obligations of the Financing Authority or be subject to any personal liability or accountability by reason of any obligations of the Financing Authority. Nothing herein contained relieves any such member, officer, agent or employee from the performance of any official duty provided by law or by the instruments authorizing the issuance of any obligations of the Financing Authority.

In addition, no Member shall assume any liability or responsibility for any debts, liabilities or obligations which may be incurred by the other Member in connection with the issuance of bonds or other obligations of the Financing Authority for the benefit of such other Member.

ARTICLE III

CONTRIBUTION; ACCOUNTS AND REPORTS; FUNDS

Section 3.01. Contributions. The Members may, but are not required to: (a) make contributions from their treasuries for any of the purposes set forth herein, (b) make payments of public funds to defray the cost of such purposes, (c) make advances of public funds for such purposes, such advances to be repaid as provided herein, or (d) use their personnel, equipment or property in lieu of other contributions or advances.

Section 3.02. Accounts and Reports. To the extent not covered by the duties assigned to a trustee chosen by the Financing Authority, the Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust instrument entered into with respect to the proceeds of any bonds issued by the Financing Authority. The books and records of the Financing Authority in the hands of a trustee or the Treasurer shall be open to inspection at all reasonable times by representatives of any of the Members. The trustee appointed under any trust agreement shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said trust agreement. Said trustee may be given such duties in said trust instrument as may be desirable to carry out this Agreement.

Section 3.03. Funds. Subject to the applicable provisions of any instrument or agreement which the Financing Authority may enter into, which may provide for a trustee to receive, have custody of and disburse Authority funds, the Treasurer shall receive, have the custody of and disburse Authority funds as nearly as possible in accordance with generally accepted accounting practices, shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

Section 3.04. Annual Budget and Administrative Expenses. The Board shall adopt a budget for administrative expenses, which shall include all expenses not included in any financing issue of the Authority, annually prior to July 1st of each year. The estimated annual administrative expenses of the Authority shall be allocated by the Authority to the Members equally.

ARTICLE IV

MISCELLANEOUS PROVISIONS

Section 4.01. Term. This Agreement shall become effective, and the Financing Authority shall come into existence, on the date of execution and delivery hereof, and this Agreement and the Financing Authority shall thereafter continue in full force and effect so long as either (a) any bonds or other obligations of the Authority remain outstanding or any material contracts to which the Financing Authority is a party remain in effect, or (b) the Financing Authority shall own any interest in any real or personal property.

Section 4.02. Disposition of Assets. Upon the termination of this Agreement, all property of the Financing Authority, both real and personal, shall be divided between the Members in such manner as agreed upon by the Members.

Section 4.03. Notices. Notices hereunder must in writing and will be sufficient if delivered to:

Industrial Development Authority of the
City of Lodi
221 West Pine Street
Lodi, CA 95240
Attention: Executive Director

City of Lodi
221 West Pine Street
Lodi, CA 95240
Attention: City Manager

Section 4.04. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 4.05. Law Governing. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

Section 4.06. Amendments. This Agreement may be amended at any time, or from time to time, except as limited by contract with the owners of any bonds issued by the Financing Authority or by applicable regulations or laws of any jurisdiction having authority, by one or more supplemental agreements executed by all of the parties to this Agreement either as required in order to carry out any of the provisions of this Agreement or for any other purpose, including without limitation addition of new parties (including any legal entities or taxing areas heretofore or hereafter created) in pursuance of the purposes of this Agreement.

Section 4.07. Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Section 4.08. Successors. This Agreement is binding upon and inures to the benefit of the successors of the respective Members. No Member may assign any right or obligation hereunder without the written consent of the other Member.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF LODI, a municipal corporation

By _____
KONRADT BARTLAM
Interim City Manager

[S E A L]

Attest:

RANDI JOHL, City Clerk

**INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF LODI**

By _____
PHIL KATZAKIAN
Chairperson

[S E A L]

Attest:

RANDI JOHL, Secretary
Industrial Development Authority,
City of Lodi, California

APPROVED AS TO FORM:

D. STEPHEN SCHWABAUER
City Attorney

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE EXECUTION OF A JOINT EXERCISE OF POWERS
AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF LODI, ESTABLISHING THE
LODI PUBLIC FINANCING AUTHORITY

WHEREAS, the Industrial Development Authority of the City of Lodi (the "Industrial Development Authority") and the City of Lodi (the "City") have proposed forming a joint powers authority under the provisions of Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Joint Powers Law"), for the purpose of creating a public agency which can provide financial assistance to the Industrial Development Authority and the City in connection with the construction of public capital improvements; and

WHEREAS, to that end the City Council wishes at this time to approve the execution and delivery of a Joint Exercise of Powers Agreement between the Industrial Development Authority and the City, establishing the Lodi Public Financing Authority as a joint powers authority under the Joint Powers Law;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi as follows:

Section 1. Establishment of Lodi Public Financing Authority. The City Council hereby approves the establishment of the Lodi Public Financing Authority (the "Financing Authority") under the Joint Powers Law, pursuant to the Joint Exercise of Powers Agreement dated as of July 21, 2010, between the Industrial Development Authority and the City in the form on file with the City Clerk. The appropriate officers of the City are hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest and affix the seal of the City to, said Joint Exercise of Powers Agreement in the name and on behalf of the City.

Section 2. Authorization to Make Necessary Filings. The firm of Jones Hall, A Professional Law Corporation, as bond counsel to the City, is hereby authorized and directed to cause to be prepared, executed and filed any and all reports, statements and other documents as may be required in order to implement the establishment of the Financing Authority.

Section 3. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

Dated: July 21, 2010

I hereby certify that Resolution No. 2010-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 21, 2010, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF LODI AUTHORIZING THE EXECUTION OF A JOINT
EXERCISE OF POWERS AGREEMENT WITH THE CITY OF LODI,
ESTABLISHING THE LODI PUBLIC FINANCING AUTHORITY

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WHEREAS, the Industrial Development Authority of the City of Lodi (the "Industrial Development Authority") and the City of Lodi (the "City") have proposed forming a joint powers authority under the provisions of Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Joint Powers Law"), for the purpose of creating a public agency which can provide financial assistance to the Industrial Development Authority and the City in connection with the construction of public capital improvements; and

WHEREAS, to that end, the Industrial Development Authority wishes at this time to approve the execution and delivery of a Joint Exercise of Powers Agreement between the Industrial Development Authority and the City, establishing the Lodi Public Financing Authority as a joint powers authority under the Joint Powers Law;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Authority of the City of Lodi as follows:

Section 1. Establishment of Lodi Public Financing Authority. The Board of Directors of the Industrial Development Authority hereby approves the establishment of the Lodi Public Financing Authority (the "Financing Authority") under the Joint Powers Law, pursuant to the Joint Exercise of Powers Agreement dated as of July 21, 2010, between the Industrial Development Authority and the City in the form on file with the Secretary of the Industrial Development Authority. The appropriate officers of the Industrial Development Authority are hereby authorized and directed to execute, and the Secretary of the Industrial Development Authority is hereby authorized and directed to attest and affix the seal of the Industrial Development Authority to, said Joint Exercise of Powers Agreement in the name and on behalf of the Industrial Development Authority.

Section 2. Authorization to Make Necessary Filings. The firm of Jones Hall, A Professional Law Corporation, as bond counsel to the City, is hereby authorized and directed to cause to be prepared, executed and filed any and all reports, statements and other documents as may be required in order to implement the establishment of the Financing Authority.

Section 3. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

Dated: July 21, 2010

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PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Industrial Development Authority held on this 21st day of July, 2010, by the following vote:

AYES: AUTHORIZING MEMBERS -

NOES: AUTHORIZING MEMBERS -

ABSTAIN: AUTHORIZING MEMBERS -

ABSENT: AUTHORIZING MEMBERS -

PHIL KATZAKIAN
Chairperson, Industrial Development
Authority, City of Lodi, California

Attest:

RANDI JOHL, Secretary
Industrial Development Authority,
City of Lodi, California