



# LODI CITY COUNCIL

Carnegie Forum  
305 West Pine Street, Lodi

## AGENDA – REGULAR MEETING

Date: August 17, 2011

Time: Closed Session 5:30 p.m.  
Regular Meeting 7:00 p.m.

For information regarding this Agenda please contact:

**Randi Johl, City Clerk**  
**Telephone: (209) 333-6702**

**6:55 p.m. Invocation/Call to Civic Responsibility.** Invocations/Calls may be offered by any of the various religious and non-religious organizations within and around the City of Lodi. These are voluntary offerings of private citizens, to and for the benefit of the Council. The views or beliefs expressed by the 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**

**C-2 Announcement of Closed Session**

- a) Conference with Stephen Schwabauer, City Attorney, and Dean Gualco, Human Resources Manager (Labor Negotiators), Regarding Unrepresented Executive Management, Lodi City Mid-Management Association, Unrepresented Confidential Employees, AFSCME General Services and Maintenance & Operators, International Brotherhood of Electrical Workers, Fire Mid-Managers, and Lodi Professional Firefighters Pursuant to Government Code §54957.6
- b) Conference with Stephen Schwabauer, City Attorney (Labor Negotiator), Regarding Police Mid-Managers, Lodi Police Officers Association, and Lodi Police Dispatchers Association Pursuant to Government Code §54957.6
- c) Actual Litigation: Government Code §54956.9; One Application; Roger Butterfield v. City of Lodi; WCAB Case No.-Unassigned - 09/23/10

**C-3 Adjourn to Closed Session**

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

**C-4 Return to Open Session / Disclosure of Action**

**A. Call to Order / Roll Call**

**B. Presentations**

- B-1 Presentation of Firefighter of the Year 2010 Plaque to Fire Captain Brad Doell (FD)
- B-2 Quarterly Update by the Greater Lodi Area Youth Commission (PRCS)

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

- C-1 Receive Register of Claims in the Amount of \$9,134,088.75 (FIN)
- C-2 Approve Minutes (CLK)
  - a) August 2, 2011 (Shirtsleeve Session)
  - b) August 3, 2011 (Regular Meeting)
  - c) August 9, 2011 (Shirtsleeve Session)
- C-3 Approve Specifications and Authorize Advertisement for Bids to Procure Polemount and Padmount Transformers (EUD)

- C-4 Approve Specifications and Authorize Advertisement for Bids for 6,000 Feet of Underground Cable (EUD)
- Res. C-5 Adopt Resolution Authorizing the City Manager to Execute Contract Change Order No. 1 with A. M. Stephens Construction Company, Inc., for 2011 Disabled Access Improvements Project (\$64,278) (PW)
- Res. C-6 Adopt Resolution Authorizing the City Manager to Enter into Fourth Amendment to World of Wonders Science Museum Lease (PW)
- C-7 Authorize City Manager to Execute Agreement with Quality Sound, of Stockton, for Installation of Audio/Video Equipment at Carnegie Forum (\$51,335) (CM)
- Res. C-8 Adopt Resolution Amending the Low-Income Residential Energy Efficient Refrigerator Replacement Program, Appropriating \$15,600 in American Recovery and Reinvestment Act Funds, and Authorizing the City Manager to Execute Contracts for Program Administration in an Amount Not to Exceed \$85,600 (EUD)
- Res. C-9 Adopt Resolution in Support of the San Joaquin Valley Regional Plug-In Electric Vehicle Coordinating Council Project (EUD)
- Res. C-10 Adopt Resolution in Support of the Property Assessed Clean Energy Protection Act of 2011 (CD)
- Res. C-11 Rescind Resolutions 90-03 and 91-132 and Adopt Resolution Authorizing Specified Positions Monetary Settlement Authority Relating to General Liability Claims (CM)
- C-12 Approve Response to 2010/11 San Joaquin County Grand Jury Report Regarding City Government Websites (CM)
- C-13 Set Public Hearing for September 7, 2011, to Consider and Approve the 2010/11 Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report; a Separation Agreement with San Joaquin County; and an Amendment of the 2011/12 Action Plan to Accommodate the Reallocation of Unused CDBG Funds from the 2010/11 Program Year and Transferred CDBG Funds from San Joaquin County Through the Separation Agreement (CD)

**D. 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.

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

**F. Comments by the City Manager on Non-Agenda Items**

**G. Public Hearings**

- Ord. G-1 Public Hearing to Consider Introduction of Ordinance Amending Chapter 13.20 – Electrical (Introduce) Service – Section 175 Titled, “Schedule ECA – Energy Cost Adjustment” (EUD)
- Ord. G-2 Public Hearing to Consider Introduction of Ordinance Amending Chapter 13.20 – Electrical (Introduce) Service – Section 200 Titled, “Schedule ED – Residential SHARE Program Service” (EUD)

**H. Communications – None**

**I. Regular Calendar**

Ord. I-1 Introduce Ordinance Amending Lodi Municipal Code Title 2 – Administration and Personnel –  
(Introduce) Chapter 2.12, "City Manager," by Repealing and Reenacting Section 2.12.060(T) Relating to  
Contract Authority of the City Manager and Further Amending Lodi Municipal Code Title 3 –  
Revenue and Finance – by Repealing and Reenacting Chapter 3.20 in Its Entirety Relating to  
the Purchasing System (CM)

Ord. I-2 Introduce Ordinance Amending Lodi Municipal Code Title 13 – Public Services – by Repealing  
(Introduce) and Reenacting Section 13.12.460(L) and Further Repealing and Reenacting Section  
13.12.565 Relating to Sewer Service (CA)

Ord. I-3 Introduce Ordinance Amending Lodi Municipal Code Chapter 2.44 – Personnel System – by  
(Introduce) Repealing and Reenacting Section 2.44.090, "Qualification of Members" (CA)

Res. I-4 Approve Downtown Lodi Business Partnership 2011 Annual Report, Adopt Resolution of  
Intention to Levy Annual Assessment, and Set Public Hearing for September 7, 2011, to  
Consider the Proposed Assessment (CM)

**J. Ordinances – None**

**K. 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.

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Randi Johl  
City Clerk



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Presentation of Firefighter of the Year 2010 Plaque to Fire Captain Brad Doell  
**MEETING DATE:** August 17, 2011  
**PREPARED BY:** Interim Fire Chief

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**RECOMMENDED ACTION:** Presentation of Firefighter of the Year 2010 plaque to Fire Captain Brad Doell.

**BACKGROUND INFORMATION:** Chief Haverty will present the Firefighter of the Year 2010 plaque to Fire Captain Brad Doell.

**FISCAL IMPACT:** None

**FUNDING AVAILABLE:** None Required

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Dan M. Haverty, D.P.A.  
Interim Fire Chief

DMH/h

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**APPROVED:** \_\_\_\_\_  
Konradt Bartlam, City Manager



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Quarterly Update by the Greater Lodi Area Youth Commission  
**MEETING DATE:** August 17, 2011  
**PREPARED BY:** Parks, Recreation, and Cultural Services Director

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**RECOMMENDED ACTION:** Receive quarterly update from Greater Lodi Area Youth Commission (LYC).

**BACKGROUND INFORMATION:** The LYC desires to stay more connected to the City Council and the community by having current commissioners provide a quarterly report on the activities of the Commission.

**FISCAL IMPACT:** Not applicable.

**FUNDING AVAILABLE:** Not applicable.

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James M. Rodems  
Parks, Recreation, and Cultural Services Director

Prepared by: James M. Rodems  
Parks, Recreation, and Cultural Services Director

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APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager



**CITY OF LODI  
COUNCIL COMMUNICATION**

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**AGENDA TITLE:** Receive Register of Claims through July 28, 2011 in the Total Amount of \$9,134,088.75

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Financial Services Manager

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**RECOMMENDED ACTION:** Receive the attached Register of Claims for \$9,134,088.75.

**BACKGROUND INFORMATION:** Attached is the Register of Claims in the amount of \$9,134,088.75 through 7/28/11. Also attached is Payroll in the amount of \$1,365,368.33.

**FISCAL IMPACT:** Not applicable.

**FUNDING AVAILABLE:** As per attached report.

\_\_\_\_\_  
Ruby R. Paiste, Financial Services Manager

RRP/rp

Attachments

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**APPROVED:** \_\_\_\_\_  
Konradt Bartlam, City Manager

Accounts Payable  
Council Report

Page - 1  
Date - 08/02/11

As of Thursday	Fund	Name	Amount
07/28/11	00100	General Fund	1,123,777.09
	00123	Info Systems Replacement Fund	337.44
	00160	Electric Utility Fund	66,331.06
	00161	Utility Outlay Reserve Fund	5,318,304.69
	00164	Public Benefits Fund	6,377.76
	00166	Solar Surcharge Fund	13,248.00
	00170	Waste Water Utility Fund	39,053.17
	00171	Waste Wtr Util-Capital Outlay	17,567.80
	00172	Waste Water Capital Reserve	192,068.74
	00173	IMF Wastewater Facilities	15,585.13
	00180	Water Utility Fund	328,870.75
	00181	Water Utility-Capital Outlay	912,155.99
	00182	IMF Water Facilities	7,551.12
	00210	Library Fund	6,339.83
	00260	Internal Service/Equip Maint	33,107.15
	00270	Employee Benefits	31,316.04
	00300	General Liabilities	35,191.80
	00301	Other Insurance	22,819.00
	00310	Worker's Comp Insurance	296,582.33
	00321	Gas Tax-2105,2106,2107	6,465.56
	00325	Measure K Funds	46,496.21
	00326	IMF Storm Facilities	28,946.47
	00331	Federal - Streets	101,746.65
	00332	IMF(Regional) Streets	1,807.91
	00337	Traffic Congestion Relf-AB2928	14,858.34
	00338	IMF-Regional Transportation	72,243.23
	00340	Comm Dev Special Rev Fund	1,571.80
	00345	Community Center	88.53
	00346	Recreation Fund	2,325.35
	00347	Parks, Rec & Cultural Services	6,069.49
	00459	H U D	9,805.68
	00550	SJC Facilities Fees-Future Dev	4,408.62
	01212	Parks & Rec Capital	2,450.00
	01217	IMF Parks & Rec Facilities	2,103.61
	01250	Dial-a-Ride/Transportation	168,958.21
	01251	Transit Capital	4,720.62
	01410	Expendable Trust	12,871.21
Sum			8,954,522.38
	00184	Water PCE-TCE-Settlements	84.00
	00185	PCE/TCE Rate Abatement Fund	1,398.40
	00190	Central Plume	178,083.97
Sum			179,566.37
Total Sum			9,134,088.75

Council Report for Payroll

Payroll	Pay Per Date	Co	Name	Gross Pay
Regular	07/10/11	00100	General Fund	786,244.30
		00160	Electric Utility Fund	155,467.61
		00161	Utility Outlay Reserve Fund	3,794.39
		00164	Public Benefits Fund	3,783.78
		00170	Waste Water Utility Fund	104,129.66
		00180	Water Utility Fund	699.84
		00210	Library Fund	28,602.32
		00235	LPD-Public Safety Prog AB 1913	869.40
		00260	Internal Service/Equip Maint	28,226.99
		00321	Gas Tax-2105,2106,2107	28,588.27
		00340	Comm Dev Special Rev Fund	22,297.53
		00346	Recreation Fund	136.22
		00347	Parks, Rec & Cultural Services	126,030.06
		01250	Dial-a-Ride/Transportation	7,079.91
Pay Period Total:				
			Sum	1,295,950.28
Retiree	08/31/11	00100	General Fund	69,418.05
Pay Period Total:				
			Sum	69,418.05



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Approve Minutes  
a) August 2, 2011 (Shirtsleeve Session)  
b) August 3, 2011 (Regular Meeting)  
c) August 9, 2011 (Shirtsleeve Session)

**MEETING DATE:** August 17, 2011

**PREPARED BY:** City Clerk

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**RECOMMENDED ACTION:** Approve the following minutes as prepared:  
a) August 2, 2011 (Shirtsleeve Session)  
b) August 3, 2011 (Regular Meeting)  
c) August 9, 2011 (Shirtsleeve Session)

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

**FISCAL IMPACT:** None.

**FUNDING AVAILABLE:** None required.

\_\_\_\_\_  
Randi Johl  
City Clerk

Attachments

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**APPROVED:** \_\_\_\_\_  
Konradt Bartlam, City Manager

**LODI CITY COUNCIL  
SHIRTSLEEVE SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, AUGUST 2, 2011**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, August 3, 2011, commencing at 7:00 a.m.

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

Absent: None

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

B. Topic(s)

B-1 Update of City of Lodi Radio Master Plan (FD)

City Manager Bartlam provided a brief introduction to the subject matter of the Radio Master Plan.

Battalion Chief Jeff Larson and Engineer Jack Casey provided a PowerPoint presentation regarding the Radio Master Plan (RMP). Specific topics of discussion included the Federal Communications Commission (FCC) mandate, RMP goals, background efforts since 2008, current assets in Police, Fire, Public Works, Electric Utility, and Parks and Recreation, update on the status of the plan including infrastructure improvements, implementation of narrow-banding, current radio inventory and needs, RMP time line, regional progress on the plan, County efforts, costs associated with implementation, equipment needs, potential cost savings, and staff recommendation regarding the RMP.

In response to Council Member Hansen, Mr. Larson stated the federal mandate associated with the RMP was unfunded.

In response to Council Member Hansen, Mr. Larson stated there has been a reduction in radio interference from other agencies with modern technology but some interference still exists.

In response to Mayor Johnson, Mr. Larson stated licenses and fees for usage are provided through the FCC and it has the ability to shut down frequencies.

In response to Council Member Hansen, Mr. Larson stated individuals do have the ability currently with technology to listen and monitor radio calls although that will become more difficult with the new RMP.

In response to Myrna Wetzel, Mr. Larson stated the City will be using analog instead of digital.

In response to Council Member Hansen, Mr. Larson stated the Police Department has two channels and four frequencies.

In response to Mayor Johnson, Mr. Larson stated the newly purchased radios are useless until the RMP is implemented. He stated public safety has done a good job at utilizing the full lifespan of radio equipment and in many cases exceeding the suggested lifespan.

In response to Council Member Hansen, Mr. Larson stated the mandate is to go to narrow-band and not necessarily to go to UHF. He stated for the City it is better to go to UHF because there is

better communication with all departments and other agencies within the County.

In response to Council Member Hansen, Mr. Larson stated the bandwidth will be narrowed on both UHF frequencies.

In response to Mayor Johnson, Mr. Larson stated the City will need to become compliant and change over relatively soon because the City will need to communicate with the County, which has set a go live date.

In response to Council Member Nakanishi, Mr. Casey stated CalFire and American Medical Response are likely using VHF instead of UHF due to costs and the ability to have more coverage in rural areas versus urban settings.

In response to Mayor Johnson, Mr. Casey stated Fire will have to maintain both UHF and VHF to adequately communicate with other agencies, including the County.

In response to Council Member Hansen, Mr. Larson stated Fire currently does not have UHF capabilities but will have the ability after the switch and the new Police portable radios will be compatible with UHF.

In response to Council Member Johnson, Mr. Larson stated that, with respect to contingencies, the radios will be placed in strategic locations versus with individuals to keep the costs down.

In response to Mayor Pro Tempore Mounce, Mr. Larson stated the recommendation to eliminate the radios from Hutchins Street Square, but not Public Works and Electric Utility, is based on the smaller area for usage with the Community Center versus throughout the City for Public Works and Electric Utility.

In response to Council Member Hansen, Mr. Bartlam stated the County is within six to eight months of going live and therefore it is important for the City to have this discussion with implementation for Police and Fire occurring as a priority while the assessment for Public Works and Electric Utility is completed.

In response to Mayor Pro Tempore Johnson, Mr. Larson stated the County received an unknown amount of federal homeland security funding for the project as did the City. He stated part of the challenge for the City is knowing its needs and the related costs in order to obtain funding.

In response to Mayor Johnson, Mr. Casey stated there was an unsuccessful effort at the federal level to move to 700 MHz, which is the military band.

In response to Council Member Hansen, Mr. Larson stated that, while there was some discussions about satellite usage, the talks were limited because the project would be cost prohibitive.

In response to Myrna Wetzel, Mr. Larson stated he is not familiar with the specific security near towers but there is likely standard barbed-wire security fencing around the towers.

In response to Council Member Hansen, Mr. Larson stated the maintenance of the equipment in the future would be similar to the current practice of maintenance through a service contract on the equipment.

In response to Council Member Hansen, Lieutenant Steve Carillo stated the newer equipment will be under warranty and require less maintenance than the current equipment resulting in a cost savings for the first year or so.

In response to Mayor Pro Tempore Mounce, Mr. Carillo stated the new portable equipment is under a six-month warranty.

In response to Council Member Hansen, Mr. Sandelin stated fleet services can help with the installation of the new equipment.

In response to Mayor Johnson, Mr. Bartlam stated there are grant writing specialists on the market with expertise although it is unlikely that they are aware of any additional existing grants that are unknown to the individuals doing grants in each department.

In response to Mayor Johnson, Mr. Larson stated a RMP committee still exists at the County level and staff could continue working with that committee while resurrecting the City's own committee to assess the needs of the City and its departments.

In response to Council Member Hansen, Mr. Larson and Mr. Bartlam confirmed that Public Works is on the same 2013 mandate although purchasing and implementation is priority for public safety.

In response to Council Member Katzakian, Mr. Bartlam stated other communities in the County are having the same challenges with the County going live.

In response to Council Member Nakanishi and Mayor Pro Tempore Mounce, Mr. Larson and Mr. Bartlam confirmed that there is some money budgeted in the current year in capital improvement and the departmental budgets for the project although additional funds will be needed through other funding sources such as grants for the back-fill.

Ed Miller suggested a slide be used to track how much the project will cost, what funding is currently available, and the additional funds that are needed to complete the project.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:57 a.m.

ATTEST:

Randi Johl  
City Clerk

**LODI CITY COUNCIL  
REGULAR CITY COUNCIL MEETING  
CARNEGIE FORUM, 305 WEST PINE STREET  
WEDNESDAY, AUGUST 3, 2011**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of August 3, 2011, was called to order by Mayor Johnson at 6:00 p.m.

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

Absent: None

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

C-2 Announcement of Closed Session

a) Actual Litigation: Government Code §54956.9; One Application; Curtis Gokey v. City of Lodi; WCAB Case No. ADJ4360240 -12/31/05

b) Conference with Stephen Schwabauer, City Attorney (Labor Negotiator), Regarding Unrepresented Executive Management, Lodi City Mid-Management Association, Unrepresented Confidential Employees, AFSCME General Services and Maintenance & Operators, Police Mid-Managers, Lodi Police Officers Association, Lodi Police Dispatchers Association, International Brotherhood of Electrical Workers, Fire Mid-Managers, and Lodi Professional Firefighters Pursuant to Government Code §54957.6

C-3 Adjourn to Closed Session

At 6:00 p.m., Mayor Johnson adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:55 p.m.

C-4 Return to Open Session / Disclosure of Action

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

Item C-2 (a) was discussion and direction only.

Item C-2 (b) was discussion only with no reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of August 3, 2011, was called to order by Mayor Johnson at 7:00 p.m.

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

Absent: Mayor Pro Tempore Mounce

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

B. Presentations

B-1 Presentation of Lodi Video Contest Award to Misael Garibay (CM)

Mayor Johnson presented a Certificate of Recognition to Misael Garibay, winner of the Lodi Video Contest, after which the winning video was shown.

B-2 Presentation of Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting (CM)

Mayor Johnson presented the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting to Jordan Ayers, Deputy City Manager, and members of his staff.

B-3 Presentation Regarding German Exchange Students (CM)

Mayor Johnson introduced German Exchange students who are visiting Lodi and presented each with a City of Lodi pin.

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

Mayor Johnson made a motion, second by Council Member Hansen, 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 Katzakian, Council Member Nakanishi, and Mayor Johnson

Noes: None

Absent: Mayor Pro Tempore Mounce

C-1 Receive Register of Claims in the Amount of \$4,353,967.11 (FIN)

Claims were approved in the amount of \$4,353,967.11.

C-2 Approve Minutes (CLK)

The minutes of July 19, 2011 (Shirtsleeve Session), July 20, 2011 (Regular Meeting), July 26, 2011 (Shirtsleeve Session), and July 26, 2011 (Special Meeting) were approved as written.

C-3 Accept the Quarterly Investment Report as Required by Government Code Section 53646 and the City of Lodi Investment Policy (CM)

Accepted the quarterly investment report as required by Government Code Section 53646 and the City of Lodi Investment Policy.

C-4 Accept Quarterly Report of Purchases Between \$5,000 and \$20,000 (CM)

Accepted the quarterly report of purchases between \$5,000 and \$20,000.

C-5 Adopt Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Mike Keller Consulting, LLC for Transmission and Distribution Services with Administration by the Electric Utility Director (\$79,400) (EUD)

Adopted Resolution No. 2011-121 authorizing the City Manager to execute a Professional Services Agreement with Mike Keller Consulting, LLC for transmission and distribution services

with administration by the Electric Utility Director in the amount of \$79,400.

- C-6 Adopt Resolution Approving the Northern California Power Agency Market Purchase Program Agreement, Authorizing Execution by the City Manager with Administration by the Electric Utility Director, and Appointing the City Manager and Electric Utility Director as the Designated Representatives for Lodi (EUD)

Adopted Resolution No. 2011-122 approving the Northern California Power Agency Market Purchase Program Agreement, authorizing execution by the City Manager with administration by the Electric Utility Director, and appointing the City Manager and Electric Utility Director as the designated representatives for Lodi.

- C-7 Adopt Resolution Accepting Improvements under Contract for Harney Lane Widening Project, Amending Improvement Agreement, Appropriating Funds (\$56,919.86), and Approving No-Parking Zones on South Side of Harney Lane from Reynolds Ranch Parkway to Cherokee Lane (PW)

Adopted Resolution No. 2011-123 accepting improvements under contract for Harney Lane Widening Project, amending improvement agreement, appropriating funds in the amount of \$56,919.86, and approving no-parking zones on south side of Harney Lane from Reynolds Ranch Parkway to Cherokee Lane.

- C-8 Adopt Resolution Approving Revisions to the Functional Classification System Map (PW)

Adopted Resolution No. 2011-124 approving revisions to the Functional Classification System Map.

- C-9 Adopt Resolution Authorizing the City Manager to Execute and Submit Necessary Paperwork and Claim Forms for Projects Funded by Measure K Bicycle Projects (PW)

Adopted Resolution No. 2011-125 authorizing the City Manager to execute and submit necessary paperwork and claim forms for projects funded by Measure K bicycle projects.

- C-10 Adopt Resolution Approving Renewal of Dental Claims Administration and Amendment to Business Associates Agreement with Stanislaus Foundation for Medical and Dental Care (CM)

Adopted Resolution No. 2011-126 approving renewal of Dental Claims Administration and Amendment to Business Associates Agreement with Stanislaus Foundation for medical and dental care.

- C-11 Adopt Resolution Authorizing the City Manager to Submit a Joint Application with Eden Housing Inc. to the State of California Department of Housing and Community Development for HOME Investment Partnerships Program Funding; and if Selected, the Execution of a Standard Agreement, any Amendments Thereto, and of any Related Documents Necessary to Participate in the HOME Investment Partnerships Program (CD)

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

In response to Council Member Nakanishi, Mr. Bartlam stated this is the second year of applying for this competitive grant for the Eden affordable senior housing project, which the City approved approximately a year ago. Mr. Bartlam stated the City is in better shape to compete this year because the General Plan and Housing Element are complete. He stated the first-time home buyers program was also achieved with competitive State grant funds.

Council Member Nakanishi made a motion, second by Mayor Johnson, to adopt Resolution No. 2011-127 authorizing the City Manager to submit a joint application with Eden Housing Inc. to the State of California Department of Housing and Community Development for HOME Investment Partnerships Program Funding; and if selected, the execution of a standard agreement, any amendments thereto, and any related documents necessary to participate in the HOME Investment Partnerships Program.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Pro Tempore Mounce

C-12 Set Public Hearing for August 17, 2011, to Introduce Ordinance Amending Chapter 13.20 - Electrical Service - Section 175 Titled, "Schedule ECA - Energy Cost Adjustment" (EUD)

Set public hearing for August 17, 2011, to introduce ordinance amending Chapter 13.20 - Electrical Service - Section 175 Titled, "Schedule ECA - Energy Cost Adjustment."

C-13 Set Public Hearing for August 17, 2011, to Introduce Ordinance Amending Chapter 13.20 - Electrical Service - Section 200 Titled, "Schedule ED - Residential Share Program Service" (EUD)

Set public hearing for August 17, 2011, to introduce ordinance amending Chapter 13.20 - Electrical Service - Section 200 Titled, "Schedule ED - Residential Share Program Service."

D. 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.

Otis Gladney spoke in support of the implementation of a funeral ordinance in the City to assist with funeral processions. Mr. Gladney submitted a proposed ordinance for consideration, which was made a part of the record.

Robin Rushing spoke in regard to his concerns about the inconsistent number of days billed in an electric utility cycle and the related cost to the customer.

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

Council Member Nakanishi reported on the University of Pacific forecast report regarding unemployment, job growth, and housing statistics.

Council Member Hansen reported on the Northern California Power Agency and San Joaquin Council of Governments Commission meetings and specifically discussed approval of a study for the combustion turbine site, Measure K Renewal Strategic Plan for 2011, approved transportation projects for the next ten years including Highway 12, and funding and construction of various

grade separators.

Mayor Johnson reported that the City of Lodi had received an upgraded AA rating from Fitch with a stable outlook.

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

City Manager Bartlam welcomed and introduced Mark Helms, the new Chief of Police.

G. Public Hearings

G-1 Public Hearing to Consider Resolution Adopting 2010 Urban Water Management Plan Update (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider resolution adopting 2010 Urban Water Management Plan Update.

City Manager Bartlam briefly introduced the subject matter of the 2010 Urban Water Management Plan.

Samantha Salvia of RMC Water and Environment provided a PowerPoint presentation regarding the 2010 Urban Water Management Plan. Specific topics of discussion included the mandatory five-year update and review, water supply reliability, State's 20x2020 goal with water reduction, and the recommendation to adopt the plan as submitted.

In response to Council Member Nakanishi, Ms. Salvia stated she will provide additional information to the Council regarding sanctions for noncompliance with 20x2020 goal as requested.

In response to Council Member Hansen, Ms. Salvia stated the new water treatment plant was factored into supply consideration over the next 25 years when determining an adequate water supply for the future.

In response to Mayor Johnson, Ms. Salvia stated the water conservation program will continue regardless of water meter installations.

Mayor Johnson opened the public hearing and receiving no comment closed the hearing.

Mayor Johnson made a motion, second by Council Member Hansen, to adopt Resolution No. 2011-128 adopting the 2010 Urban Water Management Plan Update.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Pro Tempore Mounce

H. Communications

H-1 Re-Post for Vacancies on the Lodi Improvement Committee (CLK)

Council Member Hansen made a motion, second by Mayor Johnson, to direct the City Clerk to re-

post for the following vacancies:

Lodi Improvement Committee

Reyes Jaramillo, term to expire March 1, 2014

James Finch, term to expire March 1, 2014

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Pro Tempore Mounce

I. Regular Calendar - None

J. Ordinances - None

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 7:50 p.m.

ATTEST:

Randi Johl  
City Clerk

**LODI CITY COUNCIL  
SHIRTSLEEVE SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, AUGUST 9, 2011**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, August 9, 2011, commencing at 7:00 a.m.

Present: Council Member Katzakian, Council Member Nakanishi, and Mayor Johnson

Absent: Council Member Hansen, and Mayor Pro Tempore Mounce

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

B. Topic(s)

B-1 Receive Annual Report from the Lodi Animal Advisory Commission (PD)

City Manager Bartlam and Lieutenant Steve Carillo provided a brief introduction to the subject matter of the annual report from the Lodi Animal Advisory Commission.

Linda Castelanelli, Chair of the Commission, provided a presentation regarding the annual report. Specific topics of the discussion included background and tasks as established in Resolution No. 2007-161, status of previous goals, shelter improvements, efforts regarding the trap-neuter-return programs, consistency regarding billing and renewal notices, statistics availability through the City's website, shelter hours and operations, animal license forms, Lodi Animal Services Disaster Plan, the People Assisting Lodi Shelter (PALS) agreement and efforts, status of spay and neuter program, grant funding availability, and recommendations of the Commission including the implementation of a help-line.

In response to Mayor Johnson, Lt. Carillo stated the increase in licensing is due to the PALS contract and the efforts of PALS to enforce and process licensing.

In response to Mayor Johnson, Lt. Carillo stated the statistics on the website were delayed due to some staffing changes but are now available regularly for posting on the website, which is being handled by Jeff Hood.

Mayor Johnson requested additional information from Ms. Castelanelli regarding trap-neuter-return programs.

Discussion ensued between Mayor Johnson and Lt. Carillo regarding trap-neuter-return programs, municipal code application, and private funding for the successful administration of the programs in other communities.

In response to Council Member Nakanishi, Deputy City Manager Jordan Ayers stated the City collected approximately \$50,000 to \$60,000 in fees, which is processed through the PALS contract. Mr. Ayers stated the budgeted amount for the shelter last year was \$348,000.

In response to Council Member Nakanishi, Nancy Alumbaugh stated PALS contributes more than 8,000 volunteer hours at the shelter, veterinarians participate through reduced fees, the fee schedule for the spay and neuter program varies between \$30 to \$50, and the PALS budget is approximately \$100,000.

In response to Mayor Johnson, Ms. Alumbaugh stated the volunteers use their own resources,

including gas, for the spay and neuter program and therefore did not use a spay and neuter location in Stockton previously.

In response to Myrna Wetzel, Ms. Castelanelli stated she would like to see standardized responses provided on a help-line to provide accurate and consistent information.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:30 a.m.

ATTEST:

Randi Johl  
City Clerk



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Approve Specifications and Authorize Advertisement for Bids to Procure Polemount and Padmount Transformers  
**MEETING DATE:** August 17, 2011  
**PREPARED BY:** Electric Utility Director

---

**RECOMMENDED ACTION:** Approve specifications and authorize advertisement for bids to procure polemount and padmount transformers.

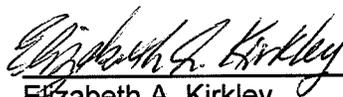
**BACKGROUND INFORMATION:** Polemount and padmount transformers are needed in stock to replace damaged/old transformers for distribution system maintenance and new electric service. The inventory was found to be below recommended minimum quantities.

In order to maintain EUD's transformer inventory, staff recommends advertisement for bids as follows:

- |            |        |   |
|------------|--------|---|
| Polemount: | 5 each | 37.5 kVA single-phase conventional 120/240V Secondary |
| Padmount:  | 5 each | 75 kVA single-phase 240/120V Secondary                |
|            | 2 each | 225 kVA single-phase 480/277V Secondary               |
|            | 3 each | 1500 kVA three-phase 480Y/277V Secondary              |

**FISCAL IMPACT:** Estimated cost is \$122,000.

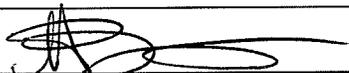
**FUNDING:** Included in FY2011/12 Account Number 160.1496

  
\_\_\_\_\_  
Elizabeth A. Kirkley  
Electric Utility Director

**PREPARED BY:** Weldat Haile, Senior Power Engineer

EAK/WH/lst

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**APPROVED:**   
\_\_\_\_\_  
Konradt Bartlam, City Manager



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Approve Specifications and Authorize Advertisement for Bids for 6,000 Feet of Underground Cable

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Electric Utility Director

---

**RECOMMENDED ACTION:** Approve specifications and authorize advertisement for bids for 6,000 feet of underground cable.

**BACKGROUND INFORMATION:** The 1100kCMIL 15kV underground cable is a standard component of the City of Lodi Electric Utility for trunk feeder and substation getaway power networks. It will be used as a minimum stock level for replacement of the existing trunk feeders and substation getaways in the electrical distribution system.

The current inventory level is under the recommended minimum level. The last procurement for this cable was made on April 2008.

In order to fill the minimum stock level, staff recommends purchasing the 6,000 feet of this underground cable.

**FISCAL IMPACT:** Estimated cost is \$65,000.

**FUNDING:** Included in FY 2011/12 Budget Account No. 160.1496.

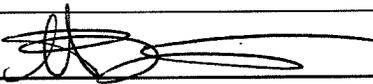
  
Elizabeth A. Kirkley  
Electric Utility Director

**PREPARED BY:** Weldat Haile, Senior Power Engineer

EAK/WH/lst

---

**APPROVED:**

  
Konradt Bartlam, City Manager



# CITY OF LODI COUNCIL COMMUNICATION

TM

**AGENDA TITLE:** Adopt Resolution Authorizing City Manager to Execute Contract Change Order No. 1 with A. M. Stephens Construction Company, Inc., for 2011 Disabled Access Improvements Project (\$64,278)

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Public Works Director

---

**RECOMMENDED ACTION:** Adopt resolution authorizing City Manager to execute Contract Change Order No. 1 with A. M. Stephens Construction Company, Inc., for 2011 disabled access improvements project in the amount of \$64,278.

**BACKGROUND INFORMATION:** On July 20, 2011, City Council awarded the 2011 disabled access improvements project to A. M. Stephens Construction Company, Inc., of Lodi, in the amount of \$59,572.30. This project is part of the City of Lodi's 2009 Community Development Block Grant Recovery (CDBG-R) allocation and consists of the modification of existing parking stalls for the purpose of constructing Americans with Disabilities Act (ADA) compliant accessible parking stalls. The project cost (\$71,000) is significantly lower than the allocated CDBG-R funds (\$140,000). Staff recommends amending the contract to include Contract Change Order No.1 to install additional wheelchair ramp improvements within the Block Grant area.

Contract Change Order No. 1 would install additional wheelchair ramps at the following locations:

1. The southeast corner of Pine Street and Main Street. (This is the remaining corner at this intersection which does not have a wheelchair ramp.)
2. All four corners at Pleasant Avenue and Louie Avenue.

The cost of the additional work is \$64,278.

**FISCAL IMPACT:** Not applicable.

**FUNDING AVAILABLE:** 2009 CDBG-R Funds: \$64,278

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Jordan Ayers  
Deputy City Manager/Internal Services Director

---

F. Wally Sandelin  
Public Works Director

Prepared by Lyman Chang, Senior Civil Engineer  
FWS/LC/pmf  
cc: Neighborhood Services Manager  
Senior Civil Engineer

---

**APPROVED:** \_\_\_\_\_  
Konradt Bartlam, City Manager

# CITY OF LODI

## PROPOSED CHANGE ORDER AND REQUEST FOR PROPOSAL

<b>PROJECT:</b> City of Lodi 2011 ADA Improvements  <b>CONTRACTOR:</b> A.M. Stephens <b>ARCHITECT/ENGINEER:</b> Lyman Chang	<b>C.O. NO:</b>
	<b>PCO NO:</b> 1
	<b>RFI NO:</b>
	<b>FI NO:</b>
Submit Proposal Within 15 Days Upon Receipt of This Request	

### Brief Description Of Work

Demo and off-haul existing concrete from 5 corners. Subgrade for new concrete ramps and walks. Install new storm drain and inlets at Pine & Main. Place new concrete per drawings. Install decomposed granite. Patch pave at all 5 corners.

Saw cut and demo concrete	\$8,600.00
Subgrade for concrete	\$5,840.00
Place decomposed granite	\$600.00
Pave	\$10,800.00
Utilities	\$8,510.00
Concrete \$25,800 x 16%	\$29,928.00

### Request, Proposal, Recommendation And Approval

Requesting Official:	Date of Request:	Schedule Impact _____ Days
Contractor Proposal Date:	Add Amount: \$64,278.00	Deduct Amount: _____
Reason For Change: <b>ADDITION RAMPS TO BE INSTALLED</b> Account		
Requested By: <b>LYMAN CHANG</b>		
<p>CONTRACTOR AGREES TO FURNISH ALL LABOR AND MATERIALS AND PERFORM ALL WORK REQUIRED TO COMPLETE THE ABOVE DESCRIBED WORK CHANGE IN ACCORDANCE WITH THE REQUIREMENTS FOR SIMILAR WORK COVERED BY THE CONTRACT EXCEPT AS OTHERWISE STIPULATED HEREIN FOR THE STATED CONSIDERATION. TO PERFORM THE CHANGES FOR THE AMOUNT INDICATED WHICH INCLUDES ANY EXTENDED OR JOBSITE OVERHEAD, DISRUPTION, RIPPLE EFFECT AND OTHER IMPACT COSTS. NO WORK WILL BE STARTED UNTIL THIS PROPOSAL IS ACCEPTED.</p>		
 Contractor	<b>8-9-11</b> Date	ORIGINAL CONTRACT \$ <b>59,572.30</b>
		PREVIOUS ADDS \$ <b>0</b>
Construction Manager	Date	PREVIOUS DEDUCTS \$ <b>0</b>
		THIS CHANGE \$ <b>64,278.00</b>

		CONTRACT TO DATE \$	123,850.30
Public Works	Date	CONTRACT TIME ADJUSTMENT	___ DAYS
		ORIGINAL CONTRACT COMPLETION DATE:	
City Manager	Date	ADJUSTED CONTRACT COMPLETION DATE:	

# Popuch Concrete Contracting

COMMERCIAL • INDUSTRIAL • RESIDENTIAL

---

License #327940

Estimator & contact for bid day: John Popuch - 209-993-1633

Date 8/4/2011

Project name: City of Lodi Handicap Ramps

**Inclusions:**

- Furnish & install four handicap ramps at the corners of Pleasant & Louie
- Furnish & install one handicap ramp at the corner of Pine & Main

**Exclusions:**

- Staking & surveying
- Sawcutting & demo
- Sealants & caulking
- Grading and AB
- Backfill & compaction
- Masonry, Light standards, bollards
- Bond, permits, inspections, SWPP
- All other concrete

**Base bid amount: \$25,800**

**All grades within one tenth**

**Spoils stockpiled on site**

**Price good for 30 days**

P.O. Box 2570 • Lodi, CA 95241

Tel. (209) 369-0829 • Fax (209) 367-0865 • Cell (209) 993-1633

RESOLUTION NO. 2011-\_\_\_\_\_

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING  
CITY MANAGER TO EXECUTE CONTRACT CHANGE ORDER  
NO. 1 WITH A. M. STEPHENS CONSTRUCTION COMPANY,  
INC., FOR 2011 DISABLED ACCESS IMPROVEMENTS  
PROJECT

=====

WHEREAS, on July 20, 2011, City Council awarded the 2011 Disabled Access Improvements Project to A. M. Stephens Construction Company, Inc., of Lodi, in the amount of \$59,572.30; and

WHEREAS, this project is part of the City of Lodi's 2009 Community Development Block Grant Recovery (CDBG-R) allocation and consists of the modification of existing parking stalls for the purpose of constructing Americans with Disabilities Act (ADA) compliant accessible parking stalls; and

WHEREAS, the project cost (\$71,000) is significantly lower than the allocated CDBG-R funds (\$140,000) and staff recommends amending the contract to include Contract Change Order No.1 to install additional wheelchair ramp improvements within the Block Grant area.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute Contract Change Order No. 1 with A. M. Stephens Construction Company, Inc., of Lodi, California, for the 2011 Disabled Access Improvements Project to install additional wheelchair ramp improvements within the Block Grant area in the amount of \$64,278.

Dated: August 17, 2011

=====

I hereby certify that Resolution No. 2011-\_\_\_\_\_ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 17, 2011, by the following vote:

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

RANDI JOHL  
City Clerk



# CITY OF LODI COUNCIL COMMUNICATION

TM

**AGENDA TITLE:** Adopt Resolution Authorizing City Manager to Enter into Fourth Amendment to World of Wonders Science Museum Lease

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** Adopt resolution authorizing City Manager to enter into fourth amendment World of Wonders Science Museum lease.

**BACKGROUND INFORMATION:** The City of Lodi received the attached letter from the Board of Directors of the World of Wonders (WOW) Science Museum requesting that the Council consider amending the current lease agreement. Specifically, the WOW Board requests the Council extend the commencement of rent obligations by one additional year and freeze the indexing of rent increases for an additional year.

WOW entered into an agreement with the City on August 2, 2006, to develop the "shell" space attached to the downtown Lodi Transit Station parking structure as an interactive science museum focused on children. WOW obtained a collection of exhibits through the Exploratorium and opened on March 6, 2009. Since that time, the museum has purchased and/or built many additional exhibits. The museum is requesting more time to raise operating revenues due to the poor economic conditions. Prior to this agreement with WOW, the City had unsuccessfully marketed the space for retail use.

Given that WOW has invested \$550,000 in improvements, plus in-kind contributions to the City-owned facility, staff recommends the following:

- A) Extend the commencement of rent obligations by two additional years from February 2011 to February 2013 and authorize the City Manager to grant two one-year extensions of this rent forbearance based on the City Manager's sole discretion if economic conditions warrant. The current agreement calls for rent in the amount of \$1,030 per month beginning February 2011; and,
- B) Freeze the indexing of rent increases for two additional years plus the two one-year extended years, if applicable. The rent is to increase annually by the Consumer Price Index or 2.5 percent, whatever is larger.

WOW has engaged in a very successful campaign to raise funds and provided infrastructure improvements to the City-owned facility. Given the poor economic conditions and the added benefit of the WOW Science Museum to the downtown, staff recommends approval of the Fourth Amendment.

**FISCAL IMPACT:** All rent proceeds benefit the Transit Fund pursuant to the City's funding agreement with the Federal Transit Administration (FTA), thus this lease amendment is subject to approval by the FTA. The Transit Fund would forego approximately \$12,360 in annual rent. However, the WOW Science Museum is a downtown attraction and potentially increases transit ridership and encourages more activity adjacent to the Lodi Transit Station. In addition, the City has received over \$550,000 in improvements to its asset and the WOW retail store produces sales tax revenue.

**FUNDING AVAILABLE:** Not applicable.

\_\_\_\_\_  
F. Wally Sandelin  
Public Works Director

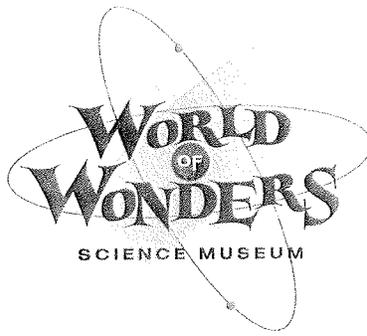
FWS/pmf  
Attachments

cc : Supervising Budget Analyst

Transportation Manager/Senior Traffic Engineer

WOW President

APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager



RECEIVED  
FEB 02 2011  
CITY MANAGER'S OFFICE

January 31, 2011

Mr. Konradt Bartlam  
Lodi City Manager  
PO Box 3006  
Lodi, CA 95241

**President**  
Sally Snyder

**Vice President**  
Barbara den Hartog

**Treasurer**  
Rich Mullenbach

**Secretary**  
Anne Weisenberg

**Board of Directors:**  
Dr. Kathryn Beckman  
Jay Bell  
Corey N. Daniel  
Jerry Fry  
Heather Mariani  
Cynthia Wagner Weick  
Walt Wolterstorff

Tax Identification  
Number: 20-3075595  
501(c)(3)  
Non-Profit Corporation

Dear Mr. Bartlam,

The Board of Directors and Officers of the World of Wonders (WOW) Science Museum are requesting that the lease agreement between the City of Lodi, a municipal corporation and the World of Wonders Science Museum, a California Nonprofit Corporation be deferred for another year, commencing 2012.

The WOW opened its doors on March 6, 2009. Over 9,000 school children have attended field study trips at the museum. We have drawn students from as far away as Gustine, the foothills and up to Elk Grove. 2,500 children have attended the science-themed birthday parties. In addition, more than 30,000 guests have visited during our public hours of operation. The WOW has now become a destination for many out of town tourists and is a wonderful asset to the City of Lodi.

The majority of privately owned museums across the country have been financially supported by their local school districts, cities and counties. 60% of museums' revenue came from donations, grants and municipalities. In the last two years this percentage is now only 40%. Earned revenue through the doors of museums is now the major source of income. With the down turn of the economy in 2008, donations to the World of Wonders Science Museum dropped off drastically. The financial support has not yet stabilized, but the WOW Board is very encouraged that in 2011 the economy will turn around and more community based donations will help to keep the doors open.

With only two employees at this time and many dedicated volunteers, we believe that the World of Wonders Science Museum will be a valuable asset to the City of Lodi for many generations to come. This is a critical time for us to support science. We ask that you consider deferring the lease for another year so we may continue to compliment the science education in our schools of the Central Valley and Foothills.

Sincerely,

Sally Snyder  
President of the World of Wonders Science Museum

THE MISSION OF THE WORLD OF WONDERS SCIENCE MUSEUM IS TO OFFER HANDS-ON  
SCIENCE-BASED EXHIBITS AND PROGRAMS TO STIMULATE *discovery* FOR ALL AGES.

address: 2 North Sacramento Street, Lodi, CA 95240

website: [www.WOWScienceMuseum.org](http://www.WOWScienceMuseum.org) phone: 209.368.0WOW [0969] fax: 209.369.1290

FOURTH AMENDMENT TO LEASE AGREEMENT  
WORLD OF WONDERS SCIENCE MUSEUM

=====

THIS FOURTH AMENDMENT TO LEASE AGREEMENT, entered into this \_\_\_\_ day of \_\_\_\_\_, 2011, by and between the CITY OF LODI, a municipal corporation ("City"), and the World of Wonders Science Museum, a California Nonprofit Corporation (Tax ID No. 20-3075595) ("The WOW" or "Lessee") shall be as follows:

WHEREAS, the parties entered into a Lease Agreement dated February 1, 2007 to allow the construction of Tenant Improvements for and the operation of a Science Museum and Museum Store by The WOW in the Lodi Parking Structure space owned by the City and Council approved a FIRST AMENDMENT dated on December 19, 2007; a second Amendment dated February 4, 2009; and a third Amendment dated November 10, 2010; and

WHEREAS, the Lease Agreement as amended requires that the payment of rent commence by February 1, 2011;

WHEREAS, The WOW has completed construction of the north half of the Tenant Improvements, and opened for business.

WHEREAS, in recognition of WOW's efforts and expected successful fundraising campaign, the Parties wish to extend WOW's deadline for the rent commencement date.

NOW, THEREFORE, BE IT AGREED AS FOLLOWS:

1. Effect of Amendment.

Except as expressly modified herein all terms of the Lease Agreement shall remain in full force and effect.

2. Rent: Paragraph six of the Lease Agreement shall be amended to read:

No rent shall be required to be paid until February 1, 2013. The City Manager shall have the authority to grant two one-year extensions of this rent forbearance if in his or her sole discretion, economic conditions warrant the extension(s). Starting February 1, 2013 the WOW shall pay rent in the amount of \$1,030.00 monthly (which is the equivalent of \$1.29 per square foot rent per month for the estimated 800 square foot Museum Store.) to City.

The WOW's monthly rental payment shall increase in each year of this Lease based upon the annual percentage change of The Consumers Price Index for All Urban Consumers (All Items), San Francisco-Oakland-San Jose Average, as published by The United States Department of Labor Statistics, for the month prior to the date the payment is due. Notwithstanding the foregoing, for any given year, The WOW's monthly rental payment shall increase by no less than 2.5%, and no more than 5.0%, per year.

3. FTA Approval: This lease amendment is subject to approval by the Federal Transit Administration.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first hereinabove mentioned.

CITY OF LODI,  
a municipal corporation

WORLD OF WONDERS SCIENCE MUSEUM,  
a California Nonprofit Corporation

\_\_\_\_\_  
Konradt Bartlam, City Manager

By \_\_\_\_\_  
SALLY SNYDE, President

ATTEST:

\_\_\_\_\_  
RANDI JOHL, J.D., City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
D. STEPHEN SCHWABAUER  
City Attorney



RESOLUTION NO. 2011-\_\_\_\_\_

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO FOURTH AMENDMENT TO WORLD OF WONDERS SCIENCE MUSEUM LEASE

WHEREAS, the World of Wonders Science Museum entered into an agreement with the City on August 2, 2006, to develop the "shell" space attached to the downtown Lodi Transit Station parking structure as an interactive science museum focused on children; and

WHEREAS, the World of Wonders Science Museum has engaged in a very successful campaign to raise funds and has invested \$550,000 in improvements, plus in-kind contributions to the City-owned facility. It has obtained a collection of exhibits through the Exploratorium and has been open since March 2009; and

WHEREAS, the museum is requesting more time to raise operating capital due to the existing economy; and

WHEREAS, the Board of Directors of the World of Wonders Science Museum has requested that the City Council consider amending the current lease agreement as outlined below:

- A) Extend the commencement of rent obligations by two additional years and authorize the City Manager to grant two one-year extensions of this rent forbearance based on the City Manager's sole discretion if economic conditions warrant; and,
- B) Freeze the indexing of rent increases for two additional years plus the two one-year extended years, if applicable. The rent is to increase annually by the Consumer Price Index or 2.5 percent, whatever is larger.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to enter into a Fourth Amendment to the World of Wonders Science Museum Lease as outlined above; and

BE IT FURTHER RESOLVED that this lease amendment is subject to approval by the Federal Transit Administration.

Dated: August 17, 2011

I hereby certify that Resolution No. 2011-\_\_\_\_\_ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 17, 2011, by the following vote:

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

RANDI JOHL  
City Clerk



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Authorize City Manager to Execute Agreement with Quality Sound of Stockton for Installation of Audio/Video Equipment at Carnegie Forum (\$51,335)

**MEETING DATE:** August 17, 2011

**PREPARED BY:** City Manager's Office

---

**RECOMMENDED ACTION:** Authorize the City Manager to execute an agreement with Quality Sound of Stockton for installation of audio/video equipment at Carnegie Forum in the amount of \$51,335.

**BACKGROUND INFORMATION:** City Council meetings have been broadcast on local cable television for several decades, and are now viewable on Comcast and AT&T U-Verse, in addition to the City's website. For nearly four decades prior to September 2009, Comcast and its predecessors provided staffing and equipment to ensure cable subscribers could view and listen to City Council meetings, as required by franchise agreements with the City.

Since then, the City has assumed responsibility for producing local video broadcasts as Comcast has exercised its option to operate under a State franchise agreement, an alternative created by State legislation in 2006. The State franchise agreement does not require cable operators to provide any staffing or operational support to cities. While the City is appreciative that Comcast left equipment at the Carnegie Forum, much of it is hand-me-down stock that is wearing out or has operational shortcomings.

In addition, the audio system within the Carnegie Forum is 22 years old and in a state of decay. Broadcast sound quality is poor because of the aged and outdated system, and the video quality can be improved by additional and upgraded equipment.

City staff contacted four audio/visual contractors experienced with working with public agencies' needs. Three of the contractors were recommended by the Sacramento Cable Commission for their work with various communities, and another – Quality Sound -- was contacted because it installed the Forum's existing sound system in 1989. The contractors were asked to visit the Carnegie Forum and provide recommendations for upgrading the audio and visual components.

A five-member panel of City staff reviewed the three proposals and responded to requests for information from the vendors. The proposal by Quality Sound was judged the best for the quality of the proposal, cost-effectiveness in meeting broadcast production goals and familiarity with the Carnegie Forum's existing equipment. Quality Sound will perform the audio work for \$25,820 and the video work for \$25,515 for a total of \$51,335. The combined price is the lowest of the three proposals submitted (Associated Sound, \$54,491.42 or \$59,731.88 option; Proud Audio Visual, \$75,702.63).

---

APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

Project funding will come from a special State franchise fee charged to all Lodi cable television customers since December 2009 to fund local cable television equipment needs. The 1-percent fee is estimated to raise nearly \$100,000 this fiscal year. No General Fund dollars will be spent on this project.

The project was divided into audio and video proposals. The audio component includes new microphones, amplifier, audio recorder, digital signal processors and other ancillary equipment. The video project consists of a new camera in the Council chambers, a new video switcher and production rack console.

The new equipment is expected to vastly improve the image and sound of City Council live broadcasts, in addition to the quality of recorded meetings for replay on the cable television systems.

**FISCAL IMPACT:** None to the General Fund. Expenditure comes from account created for local cable television improvements.

**FUNDING AVAILABLE:** Account 100246.7330 (Digital Infrastructure and Video Competition Act fee)

---

Jordan Ayers, Deputy City Manager

---

Jeff Hood  
Communications Specialist

Attached: Agreement with Quality Sound

# AGREEMENT FOR PROFESSIONAL SERVICES

## ARTICLE 1 PARTIES AND PURPOSE

### Section 1.1 Parties

THIS AGREEMENT is entered into on August 18, 2011, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and Quality Sound (hereinafter "CONTRACTOR").

### Section 1.2 Purpose

CITY selected the CONTRACTOR to provide the services required in accordance with attached Scope of Services, Exhibit A and B, attached and incorporated by this reference.

CITY wishes to enter into an agreement with CONTRACTOR for installation of audio and video equipment at the Carnegie Forum (hereinafter "Project") as set forth in the Scope of Services attached here as Exhibit A and B. CONTRACTOR acknowledges that it is qualified to provide such services to CITY.

## ARTICLE 2 SCOPE OF SERVICES

### Section 2.1 Scope of Services

CONTRACTOR, for the benefit and at the direction of CITY, shall perform the Scope of Services as set forth in Exhibit A and B.

### Section 2.2 Time For Commencement and Completion of Work

CONTRACTOR shall commence work pursuant to this Agreement, upon receipt of a written notice to proceed from CITY or on the date set forth in Section 2.6, whichever occurs first, and shall perform all services diligently and complete work under this Agreement based on a mutually agreed upon timeline or as otherwise designated in the Scope of Services.

CONTRACTOR shall submit to CITY such reports, diagrams, drawings and other work products as may be designated in the Scope of Services.

CONTRACTOR shall not be responsible for delays caused by the failure of CITY staff to provide required data or review documents within the appropriate time frames. The review time by CITY and any other agencies involved in the project shall not be counted against CONTRACTOR's contract performance period. Also, any delays due to weather, vandalism, acts of God, etc., shall not be counted. CONTRACTOR shall remain in contact with reviewing agencies and make all efforts to review and return all comments.

**Section 2.3 Meetings**

CONTRACTOR shall attend meetings as may be set forth in the Scope of Services. (Not Applicable).

**Section 2.4 Staffing**

CONTRACTOR acknowledges that CITY has relied on CONTRACTOR's capabilities and on the qualifications of CONTRACTOR's principals and staff as identified in its proposal to CITY. The Scope of Services shall be performed by CONTRACTOR, unless agreed to otherwise by CITY in writing. CITY shall be notified by CONTRACTOR of any change of Project Manager and CITY is granted the right of approval of all original, additional and replacement personnel at CITY's sole discretion and shall be notified by CONTRACTOR of any changes of CONTRACTOR's project staff prior to any change.

CONTRACTOR represents it is prepared to and can perform all services within the Scope of Services (Exhibit A & B) and is prepared to and can perform all services specified therein. CONTRACTOR represents that it has, or will have at the time this Agreement is executed, all licenses, permits, qualifications, insurance and approvals of whatsoever nature are legally required for CONTRACTOR to practice its profession, and that CONTRACTOR shall, at its own cost and expense, keep in effect during the life of this Agreement all such licenses, permits, qualifications, insurance and approvals, and shall indemnify, defend and hold harmless CITY against any costs associated with such licenses, permits, qualifications, insurance and approvals which may be imposed against CITY under this Agreement.

**Section 2.5 Subcontracts**

Unless prior written approval of CITY is obtained, CONTRACTOR shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

**Section 2.6 Term**

The term of this Agreement commences on August 18, 2011 and terminates upon the completion of the Scope of Services. All work shall be completed by October 13, 2011.

**ARTICLE 3  
COMPENSATION**

**Section 3.1 Compensation**

CONTRACTOR's compensation for all work under this Agreement shall conform to the provisions of the Fee Proposals, included in Exhibits A & B and incorporated by this reference.

CONTRACTOR shall not undertake any work beyond the scope of this Agreement unless such additional work is approved in advance and in writing by CITY.

**Section 3.2 Method of Payment**

CONTRACTOR shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing, without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONTRACTOR's compensation for all work under this Agreement shall not exceed the amount of the Fee Proposal.

**Section 3.3 Costs**

The Fee Proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved in advanced and in writing, by CITY.

**Section 3.4 Auditing**

CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under this Agreement. Upon request, CONTRACTOR agrees to furnish CITY, or a designated representative, with necessary information and assistance needed to conduct such an audit.

CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of this Agreement. CONTRACTOR agrees to provide CITY or its delegate with any relevant information requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

**ARTICLE 4**  
**MISCELLANEOUS PROVISIONS**

**Section 4.1 Nondiscrimination**

In performing services under this Agreement, CONTRACTOR shall not discriminate in the employment of its employees or in the engagement of any sub CONTRACTOR on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or any other criteria prohibited by law.

**Section 4.2 ADA Compliance**

In performing services under this Agreement, CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, and all amendments thereto, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**Section 4.3 Indemnification and Responsibility for Damage**

CONTRACTOR to the fullest extent permitted by law, shall indemnify and hold harmless CITY, its elected and appointed officials, directors, officers, employees and volunteers from and against any claims, damages, losses, and expenses (including reasonable attorney's fees), arising out of performance of the services to be performed under this Agreement, provided that any such claim, damage, loss, or expense is caused by the negligent acts, errors or omissions of CONTRACTOR, any subcontractor employed directly by CONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts they may be liable, except those injuries or damages arising out of the active negligence of the City of Lodi or its officers or agents.

**Section 4.4 No Personal Liability**

Neither the City Council, nor any other officer or authorized assistant or agent or City employee shall be personally responsible for any liability arising under this Agreement.

**Section 4.5 Responsibility of CITY**

CITY shall not be held responsible for the care or protection of any material or parts of the work described in the Scope of Services prior to final acceptance by CITY, except as expressly provided herein.

**Section 4.6 Insurance Requirements for CONTRACTOR**

CONTRACTOR shall take out and maintain during the life of this Agreement, insurance coverage as set forth in Exhibit C attached hereto and incorporated by this reference.

**Section 4.7 Successors and Assigns**

CITY and CONTRACTOR each bind themselves, their partners, successors, assigns, and legal representatives to this Agreement without the written consent of the others. CONTRACTOR shall not assign or transfer any interest in this Agreement without the prior written consent of CITY. Consent to any such transfer shall be at the sole discretion of CITY

**Section 4.8 Notices**

Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight

delivery, postage prepaid, or three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

To CITY: City of Lodi  
221 West Pine Street  
P.O. Box 3006  
Lodi, CA 95241-1910  
Attn: Jeff Hood

To CONTRACTOR: Quality Sound  
P. O. Box 5501  
2010 E. Fremont Street  
Stockton, CA 95205

**Section 4.9 Cooperation of CITY**

CITY shall cooperate fully and in a timely manner in providing relevant information it has at its disposal relevant to the Scope of Services.

**Section 4.10 CONTRACTOR is Not an Employee of CITY**

CONTRACTOR agrees that in undertaking the duties to be performed under this Agreement, it shall act as an independent contractor for and on behalf of CITY and not an employee of CITY. CITY shall not direct the work and means for accomplishment of the services and work to be performed hereunder. CITY, however, retains the right to require that work performed by CONTRACTOR meet specific standards without regard to the manner and means of accomplishment thereof.

**Section 4.11 Termination**

CITY may terminate this Agreement, with or without cause, by giving CONTRACTOR at least ten (10) days written notice. Where phases are anticipated within the Scope of Services, at which an intermediate decision is required concerning whether to proceed further, CITY may terminate at the conclusion of any such phase. Upon termination, CONTRACTOR shall be entitled to payment as set forth in the attached Exhibit B to the extent that the work has been performed. Upon termination, CONTRACTOR shall immediately suspend all work on the Project and deliver any documents or work in progress to CITY. However, CITY shall assume no liability for costs, expenses or lost profits resulting from services not completed or for contracts entered into by CONTRACTOR with third parties in reliance upon this Agreement.

**Section 4.12 Confidentiality**

CONTRACTOR agrees to maintain confidentiality of all work and work products produced under this Agreement, except to the extent otherwise required by law or permitted in writing by CITY. CITY agrees to maintain confidentiality of any documents owned by CONTRACTOR and clearly marked by CONTRACTOR as "Confidential" or

"Proprietary", except to the extent otherwise required by law or permitted in writing by CONTRACTOR. CONTRACTOR acknowledges that CITY is subject to the California Public Records Act.

**Section 4.13 Applicable Law, Jurisdiction, Severability, and Attorney's Fees**

This Agreement shall be governed by the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be venued with the San Joaquin County Superior Court. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in force and effect. In the event any dispute between the parties arises under or regarding this Agreement, the prevailing party in any litigation of the dispute shall be entitled to reasonable attorney's fees from the party who does not prevail as determined by the San Joaquin County Superior Court.

**Section 4.14 City Business License Requirement**

CONTRACTOR acknowledges that Lodi Municipal Code Section 3.01.020 requires CONTRACTOR to have a city business license and CONTRACTOR agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

**Section 4.15 Captions**

The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

**Section 4.16 Integration and Modification**

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

**Section 4.17 Contract Terms Prevail**

All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and the attached exhibits, the terms of this Agreement shall prevail.

**Section 4.18 Severability**

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

**Section 4.19 Ownership of Documents**

All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of CITY. Upon CITY's request, CONTRACTOR shall allow CITY to inspect all such documents during CONTRACTOR's regular business hours. Upon termination or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONTRACTOR to CITY within ten (10) calendar days.

CITY agrees to indemnify, defend and hold CONTRACTOR harmless from any liability resulting from CITY's use of such documents for any purpose other than the purpose for which they were intended.

**Section 4.20 Authority**

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement as of the date first above written.

CITY OF LODI, a municipal corporation

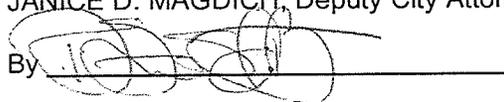
ATTEST:

By \_\_\_\_\_  
RANDI JOHL  
City Clerk

By \_\_\_\_\_  
KONRADT BARTLAM  
City Manager

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

QUALITY SOUND

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

By:  \_\_\_\_\_  
JAMES E. BRYAN  
Title: President/Owner

**Attachments:**

- Exhibit A – Scope of Services, Audio**
- Exhibit B – Scope of Services, Video**
- Exhibit C – Insurance Requirements**



## EXHIBIT A

### QUALITY SOUND SYSTEMS INTEGRATION DIVISION OF BIJAMAR, INC.

June 29, 20011

Mr. Jeff Hood, Communications Specialist  
City of Lodi  
221 West Pine Street  
Lodi, Ca 95241

Mr. Hood,

Thank you sincerely for contacting Quality Sound in regards to required renovations to the Carnegie Forum (City Council Chambers) sound system.

I have spent time reviewing and updating the original solution I proposed in 2009 for your facility, and have included the additional material and functionality you requested at our recent site meeting; the solution proposed herein shall provide a functionally transparent upgrade, with the improved performance and long-term reliability desired by the city.

#### **SITE FINDINGS AND SYSTEM REQUIREMENTS**

The Council Chambers sound system (originally installed by Quality Sound in 1989) is comprised of two main elements; Element one includes a Cetec Ivie Series 5000 modular mixer/amplifier mainframe, dais microphones, ceiling loudspeakers and other peripheral equipment. Element two is a KelKom control system consisting of multiple custom-made button panels interconnected via 25 pair telephone trunk cabling. The KelKom equipment is interfaced with the Cetec Ivie to control microphone muting and system power control. Although antiquated in design, the KelKom control system appears to be functional; however the Cetec Ivie modular system is no longer reliable. It has been outgrown, exhibits intermittent operation and unpredictable failures, and being long ago discontinued is no longer serviceable. The Cetec Ivie equipment requires replacement with current technology that will provide reliable performance and additional functionality including video and audio conferencing, assistive listening, and expanded control and input capability per your 2009 Project Scope Document.

#### **QUALITY SOUND HISTORY AND EXPERIENCE**

The A/V system integrator of today has evolved from many years of experience in multiple trades including acoustics, analog and digital audio and video, computer control, programming and networking, and telephony. These skill sets are required to properly design, install and program the complex products currently available. Quality Sound has been providing leading-edge technology solutions for their clients since 1948. Our specialties include design and installation for the A/V, security, communication and life safety industries. Our commitment to providing professional service is backed by engineers with degrees in electronics, and we maintain a staff certified by industry standards committees such as ICIA and Infocomm. Experience, education and commitment are the major factors contributing to our client satisfaction. Quality Sound works with every client to provide solutions to their current and future challenges.

Contractor License 496881 C-7 & C-10, ACO 5717

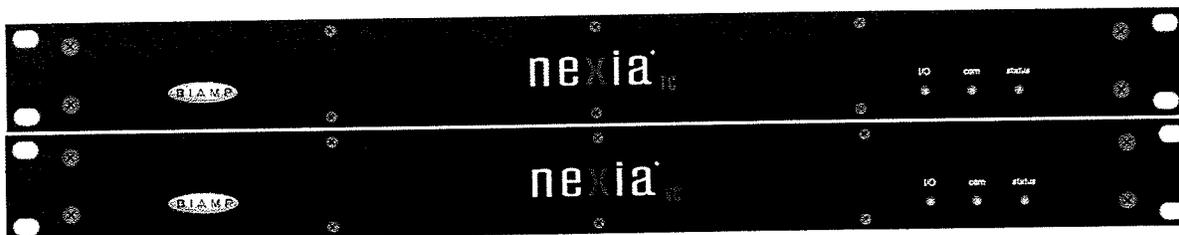
P.O. Box 5501, 2010 E. Fremont St. Stockton, CA 95205 P.209 948 2104 Stkn. P. 916 442 4813 Sac. FAX 209 948 0965

## **SOUND SYSTEM RENOVATION PROPOSAL**

### **1. DIGITAL SIGNAL PROCESSORS**

The existing analog Cetec Ivie modular mainframe equipment shall be replaced by two (2) new **BIAMP NEXIA** Digital Signal Processors- TC and VC.

In the past, all required signal processing operations- automatic microphone mixing and equalization for tone and feedback control, signal routing, volume leveling, remote control, etc. were performed by separate components assembled, wired together and adjusted for the desired result. Today, all these functions and more can be performed by a single device- the **Digital Signal Processor, or DSP**.



Two (2) **Biamp Nexia** DSP's shall comprise the core of the sound system; the Nexia TC (Teleconferencing) processor and the Nexia VC (Videoconferencing) processor. Intended for a variety of applications such as boardrooms, courtrooms, council chambers, multipurpose facilities, etc, these Nexia units include a broad selection of audio components, routing and remote control options and signal processing. The TC includes a complete onboard (analog line) telephone interface and associated hardware; the VC includes an interface for an outboard videoconferencing codec (by others). Each unit includes eight (8) discrete channels of SONA advanced echo cancellation plus two (2) mic/line inputs and four discrete balanced outputs. The two units interface together and function as a single 20 x 8 processor in this application; control of teleconferencing functions shall be via a custom-configured DaVinci application running on an owner-furnished, networked PC. A logic interface shall connect the existing Kelkom button panels to the Nexia hardware. The internal system design is completely definable via PC software; layout, programming and adjustment are performed via a laptop computer. Once this process is complete, the device is "locked down" (password protected) to prevent tampering by unauthorized personnel. Our installation shall include the DSP's final view file or program saved on CD. This shall be included with our "as built" documentation and O&M manuals after system testing and tuning is completed.

***Note: Although the functions of the DSP are critical to the operation of the system, it appears invisible to the user.***

### **2. ADDITIONAL STAFF MICROPHONE INPUT**

One (1) new XLR microphone input shall be added the end of the staff counter (the one next to it shall be relocated for symmetry), bringing the total wired microphone count up to thirteen (13).

### **3. REPLACEMENT DAIS AND STAFF MICROPHONES**

The Audio Technica microphones in the chamber are of an older design, and as such, they are vulnerable and susceptible to the interference noise radiated by cellular telephones, Blackberries and other such GSM devices which enters the sound system through the microphone's circuitry; this problem is increasing daily and has already have impacted meetings in the council chambers. To combat this issue, Audio Technica has developed a new series of microphones with performance superior to the old, and specially shielded against GSM interference (UniGuard® RFI-shielding technology). Quality Sound shall provide thirteen (13) new Audio Technica ES915ML24 microphones for the chamber; these are an extended-length design which will extend the microphone closer to the talker for better pickup and feature a MicroLine element for improved performance when used with automatic mixers.

#### 4. NEW WIRELESS MICROPHONE SYSTEMS

Quality Sound shall provide new wireless microphone equipment consisting of one (1) dual-channel and one (1) single channel MiPRO frequency-agile UHF receiver installed in the main equipment rack, and three (3) separate mic transmitters; two (2) transmitters shall be hand-held type with condenser mic elements, one (1) shall be a Mag Alloy beltpack transmitter equipped with a discrete earset microphone with flexible micro-boom, permitting instant re-fitting to a variety of users. All transmitters may be used simultaneously.

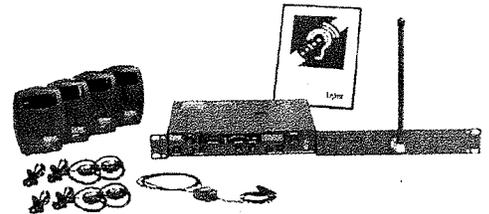


#### 5. NEW POWER AMPLIFIER

A new EXTRON XPA2001 high-impedance amplifier shall power the dais ceiling loudspeakers from the existing equipment rack; this amplifier shall provide ample headroom for continuous operation producing clear, high-quality audio. The existing EAW CAZ2800 power amplifier (located in the under-counter rack) shall continue to power the four central "A/V System" ceiling loudspeakers; however this amplifier's input shall now be from the Nexia DSP rather than directly from the Switcher/Scaler; this change will allow matrix mixing of the sources in all of the ceiling loudspeakers.

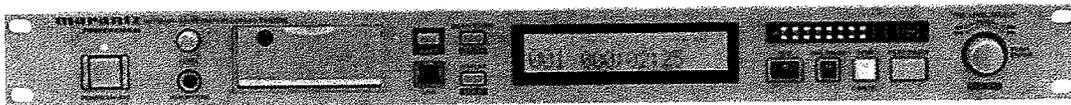
#### 6. ASSISTIVE LISTENING SYSTEM

ADA regulations call for all facilities with sound systems to provide assistive-listening equipment for 4% of seating capacity; For the benefit of hearing-impaired persons and compliance with ADA regulations, a new wireless Assistive-Listening System (ALS) with four (4) personal beltpack receivers, four (4) discrete earspeakers and a telecoil lanyard shall be provided. The transmitter shall be mounted in the equipment rack.



#### 7. NEW NETWORKABLE SOLID-STATE RECORDER

For reliable, convenient recording and archival of Council audio proceedings, a new solid-state recorder with full Ethernet capability shall be provided. The Marantz PMD580 is a single rack-space digital recorder that uses proven, stable Compact Flash (CF) as its recording medium, with the inherent reliability of no moving parts. The PMD580 incorporates Ethernet connectivity and an internal, browser-style interface that allows centralized control of all operations including scheduling of recordings, machine setup, and file transfer.



For ultimate convenience, an automatic archiving feature allows the uploading of recorded files to any specified network location, eliminating the need to physically walk the CF card back to the storage server. With the ability to lock out front panel controls and track real time, the user can confidently schedule the day's recording to be archived to a designated computer or server at the end of the day, so the PMD580 is always ready to handle the next day's activities. With its FIFO based file deletion, card maintenance can be completely avoided for a fully automated recording system. The unit shall be installed at the Clerk's position, replacing the old Lanier Cassette machine; modifications to existing millwork needed to facilitate installation of this (standard 19" rack) component shall be by others; Ethernet connection to the device shall be provided and managed by the City's IT department. ALTERNATELY, the recorder may be installed in the main equipment rack and managed completely by network control.

<p><b>Total Installed Price <u>with Tax</u> for system quoted above: \$25,820.00</b></p>
--

### Scope of Work (Quality Sound)

- Furnish (Provide and Install) all equipment as quoted above during normal QS business hours
- Program and adjust DSP's, integrate with existing KelKom remote control equipment; this shall include mic mute buttons at existing locations and new master mute function at the Mayor's position
- Integrate new system with existing downstairs broadcast audio mixer
- Integrate new system with phone conferencing line, program custom DaVinci control
- Provide 2-hour operator orientation session
- Provide ONE YEAR warranty on new work and parts (mfg.'s warranties may exceed)
- Labor limited to open access in walls, floors and ceilings
- Above prices valid for 30 days only

### Exclusions (Work or Materials by others)

- Provide required existing system components for re-use as needed
- Provide analog phone line and network drop at main equipment rack location
- Provide a network-connected PC (Clerk or Staff position, for example) with which to run the **Biamp DaVinci** software application which provides custom-configured control screens to handle all conferencing operations (place/answer calls, speed dialing, far-end volume level, etc.).
- Provide any required millwork modifications at Clerk station
- Provide CF card for recorder( capacity is a personal preference)

I have prepared this design and proposal for your consideration based on all information made available to me thus far. I taken the liberty of designing this system using only high quality components; there may be lower cost products available, but I have reserved the right to recommend components that exhibit a professional duty cycle and provide excellent audio quality.

I feel confident that the proposed equipment will deliver the performance desired by your facility, and continue to do so for many years to come; in the event that have not provided the system that best matches your financial goals, please do not hesitate to contact me. There may be other approaches that will better suit your financial requirements.

Should you have any questions about my design or system functionality, please feel free to contact me directly at (209) 948-2104, extension 1074, or by E-mail at [groda@qualitysound.net](mailto:groda@qualitysound.net)

Thank You again for considering Quality Sound to provide the very best in audiovisual solutions for your facility.

Sincerely,



Gary Roda, CTS  
 Certified Technology Specialist  
 Audiovisual Design/Sales

*Statement of non-disclosure: The information contained in this document is the intellectual property of Quality Sound. The project procedures and system design described within have been outlined specifically for the City of Lodi; the installation cost estimates for computer analysis, system design, project management fees, component costs and DSP programming have been provided for the finance department and are not to be shared with competing vendors. Your cooperation is appreciated.*



## EXHIBIT B

### QUALITY SOUND

SYSTEMS INTEGRATION  
DIVISION OF BIJAMAR, INC.

July 14, 2011

Mr. Jeff Hood, Communications Specialist  
City of Lodi  
221 West Pine Street  
Lodi, Ca 95241

Mr. Hood,

Thank you sincerely for inviting Quality Sound to design and propose renovations to the Carnegie Forum (City Council Chambers) video system in addition to sound upgrades already proposed; I have invested time with factory representatives reviewing new products in order to provide the city with the most up-to-date, cutting edge solution to the challenges presented by your facility and budget.

#### **SITE FINDINGS AND SYSTEM REQUIREMENTS**

The Council Chambers has an installed video system currently used for capturing proceedings for broadcast on Comcast television; the system includes three Sony EVI-D70 standard definition PTZ cameras in the council chamber, connected to a Panasonic WJ-MX50 video/audio mixer. The cameras are operated using a Telemetrics remote, which provides very limited camera presets and control. A quad CRT video monitor provides camera shot preview. There is no connection the chambers A/V rack. A small Mackie sound mixer receives a feed from the chambers sound system microphones, which is added to the video output to Comcast. An aged Compix Windows-PC based system is used for graphics and title insertion.

The city desires a design that will bring the system up-to-date in stages as budgets permit. An upgrade path that provides immediate system input expansion, control capability and image improvement using both new and legacy equipment is required. The number of cameras must be increase to four, while shot preset memory and remote-control capability must be improved. A link from the chambers video switcher/scaler and sound system to the video production system must be provided; preview function for all video sources must be included. Title and graphics overlay/insertion must be versatile, flexible and easily operated.

#### **QUALITY SOUND HISTORY AND EXPERIENCE**

The A/V system integrator of today has evolved from many years of experience in multiple trades including acoustics, analog and digital audio and video, computer control, programming and networking, and telephony. These skill sets are required to properly design, install and program the complex products currently available. Quality Sound has been providing leading-edge technology solutions for their clients since 1948. Our specialties include design and installation for the A/V, security, communication and life safety industries. Our commitment to providing professional service is backed by engineers with degrees in electronics, and we maintain a staff certified by industry standards committees such as ICIA and Infocomm. Experience, education and commitment are the major factors contributing to our client satisfaction. Quality Sound works with every client to provide solutions to their current and future challenges.

Contractor License 496881 C-7 & C-10, ACO 5717

P.O. Box 5501, 2010 E. Fremont St. Stockton, CA 95205 P.209 948 2104 Stkn. P. 916 442 4813 Sac. FAX 209 948 0965

## **VIDEO PRODUCTION SYSTEM UPGRADE PROPOSAL**

### **1. INTEGRATED SWITCHER/CONTROLLER WITH MULTIVIEWER TOUCHSCREEN**

The **VADDIO ProductionVIEW HD MV** combined with the **VADDIO TeleTouch Multiviewer Touchscreen** shall form the core of the new system. The ProductionVIEW HD MV Production Switcher with integrated camera controller and multiviewer is a powerful, cost effective and easy to operate platform for live presentation environments. With Vaddio's revolutionary TeleTouch™ Multiviewer Touch Screen Control Panel, production operators can easily see and switch all live video feeds and create "video thumbnails" of preset camera shots with the touch of their finger. ProductionVIEW HD MV is a broadcast quality 6 x 2 multi-format, seamless video mixer that also provides two discrete outputs for dual bus program feeds (two independent 6 x 1 switchers/mixers). Accepting any combination of input signals from analog HD YPbPr video, RGBHV, SD (Y/C and CVBS) video with Input 6 providing a DVI-I input, the ProductionVIEW HD MV supports HD resolutions up to and including 1080p/60fps.

The TeleTouch Multiviewer Touch Screen Control Panel can be user configured to display four, five or six input windows as well as two larger preview and program windows with red and green tally window borders, which indicate the current output selections. The outputs have been configured for analog (YPbPr, RGBHV and SD) and digital (DVI-D) video support allowing for either a standard preview output or multiviewer preview output with a Vaddio TeleTouch Touch Screen Control Panel. The Vaddio TeleTouch 18.5" rack-mount (7-RU) multiviewer touch screen also eliminates the need for individual preview monitors and allows the camera operator to see and switch all the live video feeds by simply touching the windows that they want controlled. Each camera input can have up to 12 stored "video thumbnails" of each preset camera shot; these video thumbnail images provide an easy way to identify and recall preset camera positions on a per input basis in the preview window that greatly simplifies overall console operation. The ProductionVIEW HD MV control surface is laid out to allow even a novice to operate the system with minimal training. ProductionVIEW HD MV is unmatched in today's camera control, video mixing and video switching market.

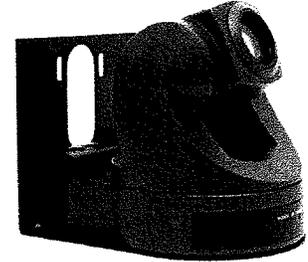


ProductionVIEW HD MV is proposed due to its ability to accept input from *and control* both (the currently installed) standard definition (SD) PTZ cameras as well as high-definition (HD) cameras when they are added in the future. ProductionVIEW HD MV features a three-axis Hall Effect Joystick for precise control, and includes a powerful lower-screen graphics feature for inserting text or custom graphics generated by a computer running common software. Graphics may be inserted as "lower-thirds" using the Lower Screen Graphics (LSG) feature. LSG can be set up to cover the bottom  $\frac{1}{4}$ ,  $\frac{1}{8}$ ,  $\frac{1}{2}$  or full screen, with 10 adjustable steps of transparency levels between the graphic and the video image behind it. A variety of graphic templates are included on a DVD supplied with the ProductionVIEW HD MV in both Keynote and PowerPoint, to help guide users in creating professional Lower Screen Graphics quickly and easily.

Video transitions are seamless with exceptional video quality. Transition time is adjustable from zero (0) to four (4) seconds and include: Cross Fades (one image fades into another), Wipes (9 different patterns), Straight Cuts and Fade to Black (by pressing and holding the MIX/FTB button).

## 2. ADDITION OF CAMERA CONTROL AND FOURTH CAMERA

An outstanding feature of the VADDIO system is its ability to power, fully control and receive high resolution output from PTZ cameras via Cat5 cable. This greatly simplifies installation while providing significant enhancements over typical camera wiring schemes. To do this, VADDIO offers PTZ cameras such as the Sony EVI-D70 (presently used in the Forum) integrated into a bundle that includes the camera, special VADDIO cabling interface, and wall mount bracket ready for easy installation. They also offer this bundle minus the camera itself, three of which shall be required to integrate the existing cameras into the new production system. The three (3) existing cameras shall be equipped with VADDIO WallVIEW packages and connected to the ProductionVIEW console via new Cat5 cabling; one (1) additional WallVIEW 70 bundle *including* a Sony EVI-D70 camera shall be ceiling-mounted at the rear of the audience area as the fourth camera in the system; all four cameras shall be connected via Y/C (S-Video) for enhanced resolution over the composite video currently in use.

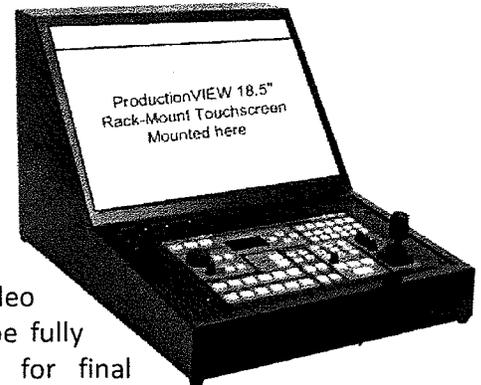


## 3. FEEDS FROM CHAMBERS A/V RACK

Quality Sound shall provide a 1X2 VGA DA and cabling at the output of the A/V rack's Extron IN1508 switcher/scaler; this shall permit the graphics displayed by this sub-system to be fed to the video production system in its native high-resolution (VGA) format. The A/V system's audio shall be delivered (via the new sound system's DSP output) to the video production system where it may be combined with picture to the Comcast feed.

## 4. PRODUCTION RACK CONSOLE

To securely mount our ProductionView components in a convenient manner, a fully configured production console rack shall be provided. The ProductionVIEW Rack Console is a heavy-duty aluminum dual-bay table-top rack mounting system with slanted 8-RU upper and 7-RU lower bays. The lower rack bay will contain the ProductionVIEW HD MV console, while the upper rack bay will contain the ProductionVIEW 18.5 Touchscreen Monitor, forming a compact ergonomic workstation; no other video monitors are required. The ProductionView Console rack shall be fully configured and tested before delivery being to the jobsite for final integration; this console shall require an owner-furnished desk or table on which to rest (dimensional requirements shall be provided). The console shall include a rack-mounted master power switch/distribution unit.



## SUMMARY

This design and proposal addresses all known requirements as expressed, including an immediate upgrade in camera control and picture quality, the addition of a fourth matching camera, and a logical upgrade path to full HD cameras/control when budgets permit. Using any owner-furnished computer, superior titling/graphics insertion by the video engineer will be easily performed. The system will be properly and cleanly installed and integrated with the environment, with the major components contained in an ergonomic workstation. Computer graphics displayed the chambers will be available in native resolution for insertion into the program output to the television feed, which can be delivered at nearly any resolution desired from composite to HD YPbPr. The design makes best use of existing equipment while anticipating a future HD camera upgrade.

**Total Installed Price with Tax for system quoted above: \$25, 515.00**

**Scope of Work (Quality Sound)**

- Furnish (Provide and Install) all equipment as quoted above during normal QS business hours
- Integrate new system with existing Sony cameras and Leightronix device
- Provide 2-hour operator orientation session
- Provide ONE YEAR warranty on new work and parts (mfg.'s warranties may exceed)
- Labor limited to open access in walls, floors and ceilings
- Above prices valid for 30 days only

**Exclusions (Work or Materials by others)**

- Provide required existing system components (cameras, etc.) for re-use as needed
- Provide PC (or Mac) computer for use with titling software
- Provide any required furniture on which the ProductionView console computer, and any other equipment will be placed.

I have prepared this design and proposal for your consideration based on all information made available to me thus far. I taken the liberty of designing this system using only high quality components; there may be lower cost products available, but I have reserved the right to recommend components that exhibit a professional duty cycle and provide excellent video quality.

I feel confident that the proposed equipment will deliver the performance desired by your facility, and continue to do so for many years to come; in the event that have not provided the system that best matches your financial goals, please do not hesitate to contact me. There may be other approaches that will better suit your financial requirements.

Should you have any questions about my design or system functionality, please feel free to contact me directly at (209) 948-2104, extension 1074, or by E-mail at [groda@qualitysound.net](mailto:groda@qualitysound.net)

Thank You again for considering Quality Sound to provide the very best in audiovisual solutions for your facility.

Sincerely,



Gary Roda, CTS  
Certified Technology Specialist  
Audiovisual Design/Sales

*Statement of non-disclosure: The information contained in this document is the intellectual property of Quality Sound. The project procedures and system design described within have been outlined specifically for the City of Lodi; the installation cost estimates for computer analysis, system design, project management fees, component costs and DSP programming have been provided for the finance department and are not to be shared with competing vendors. Your cooperation is appreciated.*



**CITY OF LODI  
COUNCIL COMMUNICATION**

TM

**AGENDA TITLE:** Adopt Resolution Amending the Low-Income Residential Energy Efficient Refrigerator Replacement Program, Appropriate \$15,600 in ARRA Funds, and Authorize the City Manager to Execute Contracts for Program Administration in an Amount Not to Exceed \$85,600

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Electric Utility Director

**RECOMMENDED ACTION:** Adopt a resolution amending the Low-Income Residential Energy Efficient Refrigerator Replacement Program, appropriate \$15,600 in ARRA Funds, and authorize the City Manager to execute contracts for program administration in an amount not to exceed \$85,600.

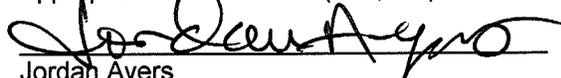
**BACKGROUND INFORMATION:** In 2009, the Lodi City Council approved receipt of federal stimulus funding, known as the Energy Efficiency & Conservation Block Grant. The City of Lodi received \$586,200 as part of this federal grant. Staff developed 10 programs or projects for the expenditure of the \$586,200 grant, and one of the 10 projects was the Low-Income Residential Energy Efficient Refrigerator Rebate Program. As originally designed, the County of San Joaquin Health & Human Services Agency would administer this project. Due to decreased resources, the County opted not to administer this program on the City's behalf.

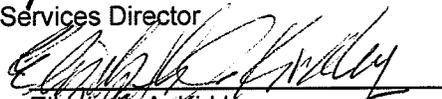
Staff is recommending a slightly new approach to expend the remaining federal stimulus money earmarked for this program (\$15,600), as well as the local matching funds (\$70,000). To assist in administering the program, and to identify eligible customers, the LOEL Center will be contracted at a rate of \$1,710. Although San Joaquin County was not charging the Utility for its prior involvement in administering this program, the LOEL Center does possess a great depth of experience in interacting with individuals and families in need, and was thus approached by the Utility for administrative assistance. The fee for their assistance, which includes identification of potential clients and screening of said clients, is cost-effective. With utility staff immersed in a myriad of other projects and initiatives, the partnership with the LOEL Center is considered cost-effective and efficient.

In addition, two Lodi appliance dealers will deliver and install the new energy-efficient, 20 cubic foot refrigerators to eligible residential customers. The participating local businesses are Les's Appliance and Reo's Appliance, and both dealers will be provided verification/installation forms that must be signed and returned to the Electric Utility Department. Residents will be required to allow the dealer to remove and dispose of the refrigerator being replaced. The program will run from September 1, 2011 to December 1, 2011 or until funds are exhausted, whichever comes first.

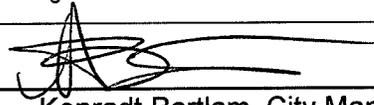
**FISCAL IMPACT:** Matching funds requirement will have minor impact on the Electric Utility.

**FUNDING:** Included in FY 2011/12 Budget Account No. 164605.8098 (\$70,000);  
Appropriate 167102.8098 (\$15,600)

  
Jordan Ayers  
Deputy City Manager/Internal Services Director

  
Elizabeth A. Kirkley  
Electric Utility Director

Prepared By: Rob Lechner, Manager, Customer Service & Programs

APPROVED: 

Konradt Bartlam, City Manager

## **AGREEMENT FOR PROFESSIONAL SERVICES**

### **ARTICLE 1 PARTIES AND PURPOSE**

#### **Section 1.1 Parties**

THIS AGREEMENT is entered into on August 17, 2011, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and Les' Appliance (hereinafter "CONTRACTOR").

#### **Section 1.2 Purpose**

CITY selected the CONTRACTOR to provide the services required in accordance with attached Scope of Services, Exhibit A, attached and incorporated by this reference.

CITY wishes to enter into an agreement with CONTRACTOR for Purchase of Energy Star rated refrigerators for the ARRA low income refrigerator replacement program. (hereinafter "Project") as set forth in the Scope of Services attached here as Exhibit A. CONTRACTOR acknowledges that it is qualified to provide such services to CITY.

### **ARTICLE 2 SCOPE OF SERVICES**

#### **Section 2.1 Scope of Services**

CONTRACTOR, for the benefit and at the direction of CITY, shall perform the Scope of Services as set forth in Exhibit A.

#### **Section 2.2 Time For Commencement and Completion of Work**

CONTRACTOR shall commence work pursuant to this Agreement, upon receipt of a written notice to proceed from CITY or on the date set forth in Section 2.6, whichever occurs first, and shall perform all services diligently and complete work under this Agreement based on a mutually agreed upon timeline or as otherwise designated in the Scope of Services.

CONTRACTOR shall submit to CITY such reports, diagrams, drawings and other work products as may be designated in the Scope of Services.

CONTRACTOR shall not be responsible for delays caused by the failure of CITY staff to provide required data or review documents within the appropriate time frames. The review time by CITY and any other agencies involved in the project shall not be

counted against CONTRACTOR's contract performance period. Also, any delays due to weather, vandalism, acts of God, etc., shall not be counted. CONTRACTOR shall remain in contact with reviewing agencies and make all efforts to review and return all comments.

**Section 2.3 Meetings**

CONTRACTOR shall attend meetings as may be set forth in the Scope of Services.

**Section 2.4 Staffing**

CONTRACTOR acknowledges that CITY has relied on CONTRACTOR's capabilities and on the qualifications of CONTRACTOR's principals and staff as identified in its proposal to CITY. The Scope of Services shall be performed by CONTRACTOR, unless agreed to otherwise by CITY in writing. CITY shall be notified by CONTRACTOR of any change of Project Manager and CITY is granted the right of approval of all original, additional and replacement personnel at CITY's sole discretion and shall be notified by CONTRACTOR of any changes of CONTRACTOR's project staff prior to any change.

CONTRACTOR represents it is prepared to and can perform all services within the Scope of Services (Exhibit A) and is prepared to and can perform all services specified therein. CONTRACTOR represents that it has, or will have at the time this Agreement is executed, all licenses, permits, qualifications, insurance and approvals of whatsoever nature are legally required for CONTRACTOR to practice its profession, and that CONTRACTOR shall, at its own cost and expense, keep in effect during the life of this Agreement all such licenses, permits, qualifications, insurance and approvals, and shall indemnify, defend and hold harmless CITY against any costs associated with such licenses, permits, qualifications, insurance and approvals which may be imposed against CITY under this Agreement.

**Section 2.5 Subcontracts**

Unless prior written approval of CITY is obtained, CONTRACTOR shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

**Section 2.6 Term**

The term of this Agreement commences on August 17th, 2011 and terminates upon the completion of the Scope of Services or on December 1st, 2011, whichever occurs first.

### **ARTICLE 3** **COMPENSATION**

#### **Section 3.1 Compensation**

CONTRACTOR's compensation for all work under this Agreement shall conform to the provisions of the Fee Proposal, attached hereto as Exhibit B and incorporated by this reference.

CONTRACTOR shall not undertake any work beyond the scope of this Agreement unless such additional work is approved in advance and in writing by CITY.

#### **Section 3.2 Method of Payment**

CONTRACTOR shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing, without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONTRACTOR's compensation for all work under this Agreement shall not exceed the amount of the Fee Proposal.

#### **Section 3.3 Costs**

The Fee Proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved in advanced and in writing, by CITY.

#### **Section 3.4 Auditing**

CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under this Agreement. Upon request, CONTRACTOR agrees to furnish CITY, or a designated representative, with necessary information and assistance needed to conduct such an audit.

CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of this Agreement. CONTRACTOR agrees to provide CITY or its delegate with any relevant information requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with

this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

**ARTICLE 4**  
**MISCELLANEOUS PROVISIONS**

**Section 4.1 Nondiscrimination**

In performing services under this Agreement, CONTRACTOR shall not discriminate in the employment of its employees or in the engagement of any sub CONTRACTOR on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or any other criteria prohibited by law.

**Section 4.2 ADA Compliance**

In performing services under this Agreement, CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, and all amendments thereto, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**Section 4.3 Indemnification and Responsibility for Damage**

CONTRACTOR to the fullest extent permitted by law, shall indemnify and hold harmless CITY, its elected and appointed officials, directors, officers, employees and volunteers from and against any claims, damages, losses, and expenses (including reasonable attorney's fees), arising out of performance of the services to be performed under this Agreement, provided that any such claim, damage, loss, or expense is caused by the negligent acts, errors or omissions of CONTRACTOR, any subcontractor employed directly by CONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts they may be liable, except those injuries or damages arising out of the active negligence of the City of Lodi or its officers or agents.

**Section 4.4 No Personal Liability**

Neither the City Council, nor any other officer or authorized assistant or agent or City employee shall be personally responsible for any liability arising under this Agreement.

**Section 4.5 Responsibility of CITY**

CITY shall not be held responsible for the care or protection of any material or parts of the work described in the Scope of Services prior to final acceptance by CITY, except as expressly provided herein.

**Section 4.6 Insurance Requirements for CONTRACTOR**

CONTRACTOR shall take out and maintain during the life of this Agreement, insurance coverage as set forth in Exhibit C attached hereto and incorporated by this reference.

**Section 4.7 Successors and Assigns**

CITY and CONTRACTOR each bind themselves, their partners, successors, assigns, and legal representatives to this Agreement without the written consent of the others. CONTRACTOR shall not assign or transfer any interest in this Agreement without the prior written consent of CITY. Consent to any such transfer shall be at the sole discretion of CITY.

**Section 4.8 Notices**

Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight delivery, postage prepaid, or three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

To CITY: City of Lodi  
221 West Pine Street  
P.O. Box 3006  
Lodi, CA 95241-1910  
Attn: Manager Customer Service, EUD

To CONTRACTOR: Les' Appliance  
225 E Kettleman Ln  
Lodi, CA 95240

**Section 4.9 Cooperation of CITY**

CITY shall cooperate fully and in a timely manner in providing relevant information it has at its disposal relevant to the Scope of Services.

**Section 4.10 CONTRACTOR is Not an Employee of CITY**

CONTRACTOR agrees that in undertaking the duties to be performed under this Agreement, it shall act as an independent contractor for and on behalf of CITY and not

an employee of CITY. CITY shall not direct the work and means for accomplishment of the services and work to be performed hereunder. CITY, however, retains the right to require that work performed by CONTRACTOR meet specific standards without regard to the manner and means of accomplishment thereof.

**Section 4.11 Termination**

CITY may terminate this Agreement, with or without cause, by giving CONTRACTOR at least ten (10) days written notice. Where phases are anticipated within the Scope of Services, at which an intermediate decision is required concerning whether to proceed further, CITY may terminate at the conclusion of any such phase. Upon termination, CONTRACTOR shall be entitled to payment as set forth in the attached Exhibit B to the extent that the work has been performed. Upon termination, CONTRACTOR shall immediately suspend all work on the Project and deliver any documents or work in progress to CITY. However, CITY shall assume no liability for costs, expenses or lost profits resulting from services not completed or for contracts entered into by CONTRACTOR with third parties in reliance upon this Agreement.

**Section 4.12 Confidentiality**

CONTRACTOR agrees to maintain confidentiality of all work and work products produced under this Agreement, except to the extent otherwise required by law or permitted in writing by CITY. CITY agrees to maintain confidentiality of any documents owned by CONTRACTOR and clearly marked by CONTRACTOR as "Confidential" or "Proprietary", except to the extent otherwise required by law or permitted in writing by CONTRACTOR. CONTRACTOR acknowledges that CITY is subject to the California Public Records Act.

**Section 4.13 Applicable Law, Jurisdiction, Severability, and Attorney's Fees**

This Agreement shall be governed by the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be venued with the San Joaquin County Superior Court. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in force and effect. In the event any dispute between the parties arises under or regarding this Agreement, the prevailing party in any litigation of the dispute shall be entitled to reasonable attorney's fees from the party who does not prevail as determined by the San Joaquin County Superior Court.

**Section 4.14 City Business License Requirement**

CONTRACTOR acknowledges that Lodi Municipal Code Section 3.01.020 requires CONTRACTOR to have a city business license and CONTRACTOR agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

**Section 4.15 Captions**

The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

**Section 4.16 Integration and Modification**

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

**Section 4.17 Contract Terms Prevail**

All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and the attached exhibits, the terms of this Agreement shall prevail.

**Section 4.18 Severability**

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

**Section 4.19 Ownership of Documents**

All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of CITY. Upon CITY's request, CONTRACTOR shall allow CITY to inspect all such documents during CONTRACTOR's regular business hours. Upon termination or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONTRACTOR to CITY within ten (10) calendar days.

CITY agrees to indemnify, defend and hold CONTRACTOR harmless from any liability resulting from CITY's use of such documents for any purpose other than the purpose for which they were intended.

**Section 4.20 Authority**

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

**IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement as of the date first above written.**

CITY OF LODI, a municipal corporation

ATTEST:

\_\_\_\_\_  
RANDI JOHL  
City Clerk

\_\_\_\_\_  
KONRADT BARTLAM, City Manager

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

CONTRACTOR: Les' Appliance

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


By:   
Name: \_\_\_\_\_  
Title: 

**Attachments:**  
**Exhibit A – Scope of Services**  
**Exhibit B – Fee Proposal**  
**Exhibit C – Insurance Requirements**



Exhibit A/B

**SCOPE OF SERVICES AND FEE PROPOSAL**

Les' Appliance agrees to provide sixty (60) refrigerators for the ARRA senior low income refrigerator replacement program for the City of Lodi in strict conformity with the terms and conditions of this contract. Les' Appliance will provide all necessary appliances and services to deliver the program under this agreement.

Specifications:

20 cubic foot refrigerator or equivalent  
Energy Star-rated/approved  
Top freezer/bottom refrigerator style unit  
No automatic ice maker

Labor to install and remove old unit

Refrigerator and labor are all include in price - Not to exceed \$42,000.



## Exhibit C

**Insurance Requirements for Contractor** The Contractor shall take out and maintain during the life of this contract, insurance coverage as listed below. These insurance policies shall protect the Contractor and any subcontractor performing work covered by this contract from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from Contractor's operations under this contract, whether such operations be by Contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amount of such insurance shall be as follows:

- |  |   |   |
|--|---|---|
| <p>1. <u>COMPREHENSIVE GENERAL LIABILITY</u></p> <p>\$1,000,000 Bodily Injury -<br/>Ea. Occurrence/Aggregate</p> <p>\$2,000,000 Property Damage<br/>Ea. Occurrence/Aggregate</p> <p>\$2,000,000 Combined Single Limits</p> | <p>2. <u>COMPREHENSIVE AUTOMOBILE LIABILITY</u></p> <p>\$ 500,000 Bodily Injury - Ea. Person<br/>\$ 500,000 Bodily Injury - Ea. Occurrence</p> <p>\$ 500,000 Property Damage - Ea. Occurrence</p> <p>\$1,000,000 Combined Single Limits</p> | <p>3. <u>GARAGE LIABILITY</u></p> <p>\$1,000,000 Auto Only - Ea. Accident<br/>\$1,000,000 Other than Auto Only - Ea. Accident</p> |
|--|---|---|

NOTE: Contractor agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).

A copy of the certificate of insurance with the following endorsements shall be furnished to the City:

- (a) **Additional Named Insured Endorsement**  
Such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed Boards, Commissions, Officers, Agents, Volunteers and Employees as additional named insureds.  
  
(This endorsement shall be on a form furnished to the City and shall be included with Contractor's policies.)
- (b) **Primary Insurance Endorsement**  
Such insurance as is afforded by the endorsement for the Additional Insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the insurance afforded by this endorsement.
- (c) **Severability of Interest Clause**  
The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability.
- (d) **Notice of Cancellation or Change in Coverage Endorsement**  
This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240.

**Compensation Insurance** The Contractor shall take out and maintain during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees employed at the site of the project and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in hazardous work under this contract at the site of the project is not protected under the Worker's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide insurance for the protection of said employees. This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240.



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**COMMERCIAL LIABILITY GOLD ENDORSEMENT**


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**THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SECTION I - COVERAGES**

**COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

**2. Exclusions**

*Item 2.g. 2) is replaced with the following:*

- 2.g. 2) A watercraft you do not own that is:
  - a) less than 50 feet long; and
  - b) Not being used to carry persons or property for a charge.

*Item 2.g. 6) is added:*

- 6) An aircraft in which you have no ownership interest and that you have chartered with crew.

*The last paragraph of 2. Exclusions is replaced with the following:*

Exclusions c. through n. do not apply to damage by fire, explosion, sprinkler leakage, or lightning to premises while rented to you, temporarily occupied by you with the permission of the owner, or managed by you under a written agreement with the owner. A separate limit of insurance applies to this coverage as described in **Section III - Limits of Insurance.**

**SECTION I - COVERAGES**

**COVERAGE C. MEDICAL PAYMENTS**

*If Medical Payments Coverage is provided under this policy, the following is changed:*

**3. Limits**

The medical expense limit provided by this policy shall be the greater of:

- a. \$10,000; or
- b. The amount shown in the declarations.

Coverage C. Medical Payments is primary and not contributing with any other insurance, even if that other insurance is also primary.

*The following is added:*

## **COVERAGE D. PRODUCT RECALL NOTIFICATION EXPENSES**

### **Insuring Agreement**

We will pay "product recall notification expenses" incurred by you for the withdrawal of your products, provided that:

- a. Such withdrawal is required because of a determination by you during the policy period, that the use or consumption of your products could result in "bodily injury" or "property damage"; and
- b. The "product recall notification expenses" are incurred and reported to us during the policy period.

The most we will pay for "product recall notification expenses" during the policy period is \$100,000.

## **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**

*Item b. and d. are replaced with:*

- b. The cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit" including actual loss of earnings up to \$500 a day because of time off from work.

## **SECTION II-WHO IS AN INSURED**

*Item 4. is replaced with:*

4. Any subsidiaries, companies, corporations, firms, or organizations you acquire or form during the policy period over which you maintain a controlling interest of greater than 50% of the stock or assets, will qualify as a Named Insured if:
  - a) you have the responsibility of placing insurance for such entity; and
  - b) coverage for the entity is not otherwise more specifically provided; and
  - c) the entity is incorporated or organized under the laws of the United States of America.

However; coverage under this provision does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the entity, or "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the entity.

Coverage under this provision is afforded only until the end of the policy period, or the twelve (12) month anniversary of the policy inception date whichever is earlier.

## **SECTION III - LIMITS OF INSURANCE**

*Paragraph 2 is amended to include:*

The General Aggregate Limit of Insurance applies separately to each "location" owned by you, rented to you, or occupied by you with the permission of the owner.

*Paragraph 6. is replaced with the following:*

6. Subject to 5. above, the Fire Damage Limit is the most we will pay under Coverage A for damages because of "property damage" to premises while rented to you, temporarily occupied by you with permission of the owner, or managed by you under a written agreement with the owner, arising out of any one fire, explosion or sprinkler leakage incident.

The Fire Damage Limit provided by this policy shall be the greater of:

- a. \$500,000. or
- b. The amount shown in the Declarations.

## **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

*Item 2. a. is replaced with:*

### **2. Duties In The Event of Occurrence, Offense, Claim or Suit**

- a. You must promptly notify us. Your duty to promptly notify us is effective when any of your executive officers, partners, members, or legal representatives is aware of the "occurrence", offense, claim, or "suit". Knowledge of an "occurrence", offense, claim or "suit" by other employee(s) does not imply you also have such knowledge. To the extent possible, notice to us should include:

- 1) How, when and where the "occurrence" or offense took place;
- 2) The names and addresses of any injured persons and witnesses; and
- 3) The nature and location of any injury or damage arising out of the "occurrence", offense, claim or "suit".

*Item 4. b. 1) b) is replaced with:*

#### **b. Excess Insurance**

- 1) b) That is Fire, Explosion or Sprinkler Leakage insurance for premises while rented to you, temporarily occupied by you with permission of the owner, or managed by you under a written agreement with the owner; or

*Item 6. is amended to include:*

### **6. Representations**

- d. If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Part because of such failure. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

*Item 8. is replaced with:*

### **8. Transfer of Rights Of Recovery Against Others To Us**

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.

- b. If required by a written "insured contract", we waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under that written "insured contract" for that person or organization and included in the "products-completed operations hazard".

*Item 10. and Item 11. are added:*

#### **10. Cancellation Condition**

If we cancel this policy for any reason other than nonpayment of premium we will mail or deliver written notice of cancellation to the first Named Insured at least 60 days prior to the effective date of cancellation.

#### **11. Liberalization**

If we adopt a change in our forms or rules which would broaden your coverage without an extra charge, the broader coverage will apply to this policy. This extension is effective upon the approval of such broader coverage in your state.

### **SECTION V- DEFINITIONS**

*The following definitions are added or changed:*

#### **9. "Insured contract"**

a. *Is changed to:*

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, explosion or sprinkler leakage to premises while rented to you, or temporarily occupied by you with permission of the owner, or managed by you under a written agreement with the owner is not an "insured contract".

*23 and 24 are added:*

23. "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
24. "Product recall notification expenses" means the reasonable additional expenses (including, but not limited to, cost of correspondence, newspaper and magazine advertising, radio or television announcements and transportation cost), necessarily incurred in arranging for the return of products, but excluding costs of the replacement products and the cash value of the damaged products.

**The following Provisions are also added to this Coverage Part:**

#### **A. ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT**

1. Paragraph 2. under **SECTION II - WHO IS AN INSURED** is amended to include as an insured any person or organization when you and such person or organization have agreed in writing in a contract, agreement or permit that such person or organization be added as an additional insured on your policy to provide insurance such as is afforded under this Coverage Part. Such person or organization is not entitled to any notices that we are required to send to the Named Insured and is an additional insured only with respect to liability arising out of:
- a. Your ongoing operations performed for that person or organization; or
- b. Premises or facilities owned or used by you.

With respect to provision 1.a. above, a person's or organization's status as an insured under this endorsement ends when your operations for that person or organization are completed.

With respect to provision 1.b. above, a person's or organization's status as an insured under this endorsement ends when their contract or agreement with you for such premises or facilities ends.

2. This endorsement provision A. does not apply:

- a. Unless the written contract or agreement has been executed, or permit has been issued, prior to the "bodily injury", "property damage" or "personal and advertising injury";
- b. To "bodily injury" or "property damage" occurring after:
  - (1) All work, including materials, parts or equipment furnished in connection with such work, in the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
  - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project;
- c. To the rendering of or failure to render any professional services including, but not limited to, any professional architectural, engineering or surveying services such as:
  - (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
  - (2) Supervisory, inspection, architectural or engineering activities;
- d. To "bodily injury", "property damage" or "personal and advertising injury" arising out of any act, error or omission that results from the additional insured's sole negligence or wrongdoing;
- e. To any person or organization included as an insured under provision B. of this endorsement;
- f. To any person or organization included as an insured by a separate additional insured endorsement issued by us and made a part of this policy.

**B. ADDITIONAL INSURED – VENDORS**

Paragraph 2. under **SECTION II - WHO IS AN INSURED** is amended to include as an insured any person or organization (referred to below as "vendor") with whom you agreed, in a written contract or agreement to provide insurance such as is afforded under this policy, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

1. The insurance afforded the vendor does not apply to:
  - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  - b. Any express warranty unauthorized by you;
  - c. Any physical or chemical change in the product made intentionally by the vendor;

- d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the course of business, in connection with the distribution or sale of the products;
  - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
  - h. To "bodily injury" or "property damage" arising out of any act, error or omission that results from the additional insured's sole negligence or wrongdoing.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

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**COMMERCIAL AUTO GOLD ENDORSEMENT**


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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**This endorsement modifies insurance provided under the following:**

BUSINESS AUTO COVERAGE FORM

**SECTION II - LIABILITY COVERAGE**

**A. COVERAGE**

**1. WHO IS AN INSURED**

The following is added:

- d. Any organization, other than a partnership or joint venture, over which you maintain ownership or a majority interest on the effective date of this Coverage Form, if there is no similar insurance available to that organization.
- e. Any organization you newly acquire or form other than a partnership or joint venture, and over which you maintain ownership of a majority interest. However, coverage under this provision does not apply:
- (1) If there is similar insurance or a self-insured retention plan available to that organization; or
  - (2) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.
- f. Any volunteer or employee of yours while using a covered "auto" you do not own, hire or borrow your business or your personal affairs. Insurance provided by this endorsement is excess over any other insurance available to any volunteer or employee.
- g. Any person, organization, trustee, estate or governmental entity with respect to the operation, maintenance or use of a covered "auto" by an insured, if:
- (1) You are obligated to add that person, organization, trustee, estate or governmental entity as an additional insured to this policy by:
    - (a) an expressed provision of an "insured contract", or written agreement; or
    - (b) an expressed condition of a written permit issued to you by a governmental or public authority.
  - (2) The "bodily injury" or "property damage" is caused by an "accident" which takes place after:
    - (a) You executed the "insured contract" or written agreement; or
    - (b) the permit has been issued to you.

## 2. COVERAGE EXTENSIONS

### a. Supplementary Payments.

Subparagraphs (2) and (4) are amended as follows:

(2) Up to \$2500 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "Insured" at our request, including actual loss of earning up to \$500 a day because of time off from work.

## SECTION III - PHYSICAL DAMAGE COVERAGE

### A. COVERAGE

The following is added:

#### 5. Hired Auto Physical Damage

or a. Any "auto" you lease, hire, rent or borrow from someone other than your employees or partners members of their household is a covered "auto" for each of your physical damage coverages.

b. The most we will pay for "loss" in any one "accident" is the smallest of:

(1) \$50,000

(2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

(3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

If you are liable for the "accident", we will also pay up to \$500 per "accident" for the actual loss of use to the owner of the covered "auto".

c. Our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by an amount that is equal to the amount of the largest deductible shown for any owned "auto" for that coverage. However, any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

d. For this coverage, the insurance provided is primary for any covered "auto" you hire without a driver and excess over any other collectible insurance for any covered "auto" that you hire with a driver.

#### 6. Rental Reimbursement Coverage

based on the rental of a comparable vehicle, which in many cases may be substantially less than \$75 per day, and will only be allowed for a period of time it should take to repair or replace the vehicle with reasonable speed and similar quality, up to a maximum of 30 days. We will also pay up to \$500 for reasonable and necessary expenses incurred by you to remove and replace your materials and equipment from the covered "auto".

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under paragraph 4. **Coverage Extension.**

#### **7. Lease Gap Coverage**

If a long-term leased "auto" is a covered "auto" and the lessor is named as an Additional Insured - Lessor, in the event of a total loss, we will pay your additional legal obligation to the lessor for any difference between the actual cash value of the "auto" at the time of the loss and the "outstanding balance" of the lease.

"Outstanding balance" means the amount you owe on the lease at the time of loss less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; and lease termination fees.

### **B. EXCLUSIONS**

The following is added to Paragraph 3

The exclusion for "loss" caused by or resulting from mechanical or electrical breakdown does not apply to the accidental discharge of an airbag.

Paragraph 4 is replaced with the following:

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, disks or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Equipment designed or used for the detection or location of radar.
- c. Any electronic equipment that receives or transmits audio, visual or data signals.

Exclusion 4.c does not apply to:

- (1) Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment is permanently installed in the covered "auto" at the time of the "loss" and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- (2) Any other electronic equipment that is:
  - (a) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
  - (b) An integral part of the same unit housing any sound reproducing equipment described in (1) above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

### **D. DEDUCTIBLE**

The following is added: No deductible applies to glass damage if the glass is repaired rather than replaced.

## SECTION IV. BUSINESS AUTO CONDITIONS

### A. LOSS CONDITIONS

Item 2.a. and b. are replaced with:

#### 2. Duties In The Event of Accident, Claim, Suit, or Loss

- a. You must promptly notify us. Your duty to promptly notify us is effective when any of your executive officers, partners, members, or legal representatives is aware of the accident, claim, "suit", or loss. Knowledge of an accident, claim, "suit", or loss, by other employee(s) does not imply you also have such knowledge.
- b. To the extent possible, notice to us should include:
  - (1) How, when and where the accident or loss took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the accident or loss.

The following is added to 5.

We waive any right of recovery we may have against any additional insured under **Coverage A. 1. Who Is An Insured g.**, but only as respects loss arising out of the operation, maintenance or use of a covered "auto" pursuant to the provisions of the "insured contract", written agreement, or permit.

### B. GENERAL CONDITIONS

9. is added

#### 9. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Your unintentional failure to disclose any hazards existing at the effective date of your policy will not prejudice the coverage afforded. However, we have the right to collect additional premium for any such hazard.

### COMMON POLICY CONDITIONS

2.b. is replaced by the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

## **IMPORTANT**

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

# AGREEMENT FOR PROFESSIONAL SERVICES

## ARTICLE 1 PARTIES AND PURPOSE

### **Section 1.1 Parties**

THIS AGREEMENT is entered into on August 17, 2011, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and REO's Appliance Center (hereinafter "CONTRACTOR").

### **Section 1.2 Purpose**

CITY selected the CONTRACTOR to provide the services required in accordance with attached Scope of Services, Exhibit A, attached and incorporated by this reference.

CITY wishes to enter into an agreement with CONTRACTOR for Purchase of Energy Star rated refrigerators for the ARRA low income refrigerator replacement program. (hereinafter "Project") as set forth in the Scope of Services attached here as Exhibit A. CONTRACTOR acknowledges that it is qualified to provide such services to CITY.

## ARTICLE 2 SCOPE OF SERVICES

### **Section 2.1 Scope of Services**

CONTRACTOR, for the benefit and at the direction of CITY, shall perform the Scope of Services as set forth in Exhibit A.

### **Section 2.2 Time For Commencement and Completion of Work**

CONTRACTOR shall commence work pursuant to this Agreement, upon receipt of a written notice to proceed from CITY or on the date set forth in Section 2.6, whichever occurs first, and shall perform all services diligently and complete work under this Agreement based on a mutually agreed upon timeline or as otherwise designated in the Scope of Services.

CONTRACTOR shall submit to CITY such reports, diagrams, drawings and other work products as may be designated in the Scope of Services.

CONTRACTOR shall not be responsible for delays caused by the failure of CITY staff to provide required data or review documents within the appropriate time frames. The review time by CITY and any other agencies involved in the project shall not be

counted against CONTRACTOR's contract performance period. Also, any delays due to weather, vandalism, acts of God, etc., shall not be counted. CONTRACTOR shall remain in contact with reviewing agencies and make all efforts to review and return all comments.

**Section 2.3 Meetings**

CONTRACTOR shall attend meetings as may be set forth in the Scope of Services.

**Section 2.4 Staffing**

CONTRACTOR acknowledges that CITY has relied on CONTRACTOR's capabilities and on the qualifications of CONTRACTOR's principals and staff as identified in its proposal to CITY. The Scope of Services shall be performed by CONTRACTOR, unless agreed to otherwise by CITY in writing. CITY shall be notified by CONTRACTOR of any change of Project Manager and CITY is granted the right of approval of all original, additional and replacement personnel at CITY's sole discretion and shall be notified by CONTRACTOR of any changes of CONTRACTOR's project staff prior to any change.

CONTRACTOR represents it is prepared to and can perform all services within the Scope of Services (Exhibit A) and is prepared to and can perform all services specified therein. CONTRACTOR represents that it has, or will have at the time this Agreement is executed, all licenses, permits, qualifications, insurance and approvals of whatsoever nature are legally required for CONTRACTOR to practice its profession, and that CONTRACTOR shall, at its own cost and expense, keep in effect during the life of this Agreement all such licenses, permits, qualifications, insurance and approvals, and shall indemnify, defend and hold harmless CITY against any costs associated with such licenses, permits, qualifications, insurance and approvals which may be imposed against CITY under this Agreement.

**Section 2.5 Subcontracts**

Unless prior written approval of CITY is obtained, CONTRACTOR shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

**Section 2.6 Term**

The term of this Agreement commences on August 17th, 2011 and terminates upon the completion of the Scope of Services or on December 1st, 2011, whichever occurs first.

### **ARTICLE 3** **COMPENSATION**

#### **Section 3.1 Compensation**

CONTRACTOR's compensation for all work under this Agreement shall conform to the provisions of the Fee Proposal, attached hereto as Exhibit B and incorporated by this reference.

CONTRACTOR shall not undertake any work beyond the scope of this Agreement unless such additional work is approved in advance and in writing by CITY.

#### **Section 3.2 Method of Payment**

CONTRACTOR shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing, without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONTRACTOR's compensation for all work under this Agreement shall not exceed the amount of the Fee Proposal.

#### **Section 3.3 Costs**

The Fee Proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved in advanced and in writing, by CITY.

#### **Section 3.4 Auditing**

CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under this Agreement. Upon request, CONTRACTOR agrees to furnish CITY, or a designated representative, with necessary information and assistance needed to conduct such an audit.

CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of this Agreement. CONTRACTOR agrees to provide CITY or its delegate with any relevant information requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with

this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

## **ARTICLE 4** **MISCELLANEOUS PROVISIONS**

### **Section 4.1 Nondiscrimination**

In performing services under this Agreement, CONTRACTOR shall not discriminate in the employment of its employees or in the engagement of any sub CONTRACTOR on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or any other criteria prohibited by law.

### **Section 4.2 ADA Compliance**

In performing services under this Agreement, CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, and all amendments thereto, as well as all applicable regulations and guidelines issued pursuant to the ADA.

### **Section 4.3 Indemnification and Responsibility for Damage**

CONTRACTOR to the fullest extent permitted by law, shall indemnify and hold harmless CITY, its elected and appointed officials, directors, officers, employees and volunteers from and against any claims, damages, losses, and expenses (including reasonable attorney's fees), arising out of performance of the services to be performed under this Agreement, provided that any such claim, damage, loss, or expense is caused by the negligent acts, errors or omissions of CONTRACTOR, any subcontractor employed directly by CONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts they may be liable, except those injuries or damages arising out of the active negligence of the City of Lodi or its officers or agents.

### **Section 4.4 No Personal Liability**

Neither the City Council, nor any other officer or authorized assistant or agent or City employee shall be personally responsible for any liability arising under this Agreement.

**Section 4.5 Responsibility of CITY**

CITY shall not be held responsible for the care or protection of any material or parts of the work described in the Scope of Services prior to final acceptance by CITY, except as expressly provided herein.

**Section 4.6 Insurance Requirements for CONTRACTOR**

CONTRACTOR shall take out and maintain during the life of this Agreement, insurance coverage as set forth in Exhibit C attached hereto and incorporated by this reference.

**Section 4.7 Successors and Assigns**

CITY and CONTRACTOR each bind themselves, their partners, successors, assigns, and legal representatives to this Agreement without the written consent of the others. CONTRACTOR shall not assign or transfer any interest in this Agreement without the prior written consent of CITY. Consent to any such transfer shall be at the sole discretion of CITY.

**Section 4.8 Notices**

Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight delivery, postage prepaid, or three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

To CITY:                      City of Lodi  
   221 West Pine Street  
   P.O. Box 3006  
   Lodi, CA 95241-1910  
   Attn: Manager Customer Service, EUD

To CONTRACTOR:      REO's Appliance Center  
   7 W Oak St  
   Lodi, CA 95240

**Section 4.9 Cooperation of CITY**

CITY shall cooperate fully and in a timely manner in providing relevant information it has at its disposal relevant to the Scope of Services.

**Section 4.10 CONTRACTOR is Not an Employee of CITY**

CONTRACTOR agrees that in undertaking the duties to be performed under this Agreement, it shall act as an independent contractor for and on behalf of CITY and not

an employee of CITY. CITY shall not direct the work and means for accomplishment of the services and work to be performed hereunder. CITY, however, retains the right to require that work performed by CONTRACTOR meet specific standards without regard to the manner and means of accomplishment thereof.

**Section 4.11 Termination**

CITY may terminate this Agreement, with or without cause, by giving CONTRACTOR at least ten (10) days written notice. Where phases are anticipated within the Scope of Services, at which an intermediate decision is required concerning whether to proceed further, CITY may terminate at the conclusion of any such phase. Upon termination, CONTRACTOR shall be entitled to payment as set forth in the attached Exhibit B to the extent that the work has been performed. Upon termination, CONTRACTOR shall immediately suspend all work on the Project and deliver any documents or work in progress to CITY. However, CITY shall assume no liability for costs, expenses or lost profits resulting from services not completed or for contracts entered into by CONTRACTOR with third parties in reliance upon this Agreement.

**Section 4.12 Confidentiality**

CONTRACTOR agrees to maintain confidentiality of all work and work products produced under this Agreement, except to the extent otherwise required by law or permitted in writing by CITY. CITY agrees to maintain confidentiality of any documents owned by CONTRACTOR and clearly marked by CONTRACTOR as "Confidential" or "Proprietary", except to the extent otherwise required by law or permitted in writing by CONTRACTOR. CONTRACTOR acknowledges that CITY is subject to the California Public Records Act.

**Section 4.13 Applicable Law, Jurisdiction, Severability, and Attorney's Fees**

This Agreement shall be governed by the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be venued with the San Joaquin County Superior Court. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in force and effect. In the event any dispute between the parties arises under or regarding this Agreement, the prevailing party in any litigation of the dispute shall be entitled to reasonable attorney's fees from the party who does not prevail as determined by the San Joaquin County Superior Court.

**Section 4.14 City Business License Requirement**

CONTRACTOR acknowledges that Lodi Municipal Code Section 3.01.020 requires CONTRACTOR to have a city business license and CONTRACTOR agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

**Section 4.15 Captions**

The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

**Section 4.16 Integration and Modification**

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

**Section 4.17 Contract Terms Prevail**

All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and the attached exhibits, the terms of this Agreement shall prevail.

**Section 4.18 Severability**

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

**Section 4.19 Ownership of Documents**

All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of CITY. Upon CITY's request, CONTRACTOR shall allow CITY to inspect all such documents during CONTRACTOR's regular business hours. Upon termination or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONTRACTOR to CITY within ten (10) calendar days.

CITY agrees to indemnify, defend and hold CONTRACTOR harmless from any liability resulting from CITY's use of such documents for any purpose other than the purpose for which they were intended.

**Section 4.20 Authority**

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

**IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement as of the date first above written.**

CITY OF LODI, a municipal corporation

ATTEST:

\_\_\_\_\_  
RANDI JOHL  
City Clerk

\_\_\_\_\_  
KONRADT BARTLAM, City Manager

APPROVED AS TO FORM:

Center

D. STEPHEN SCHWABAUER, City Attorney  
JANICE D. MAGDICH, Deputy City Attorney

CONTRACTOR: REO's Appliance

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



By: Burdord Walker

Name:

Title: owner

**Attachments:**

**Exhibit A – Scope of Services**

**Exhibit B – Fee Proposal**

**Exhibit C – Insurance Requirements**



Exhibit A/B

**SCOPE OF SERVICES AND FEE PROPOSAL**

REO's Appliance Center agrees to provide fifty-four (54) refrigerators for the ARRA senior low income refrigerator replacement program for the City of Lodi in strict conformity with the terms and conditions of this contract. REO's Appliance Center will provide all necessary appliances and services to deliver the program under this agreement.

Specifications:

20 cubic foot refrigerator or equivalent  
Energy Star-rated/approved  
Top freezer/bottom refrigerator style unit  
No automatic ice maker

Labor to install and remove old unit

Refrigerator and labor are all include in price - Not to exceed \$41,890.



## Exhibit C

**Insurance Requirements for Contractor** The Contractor shall take out and maintain during the life of this contract, insurance coverage as listed below. These insurance policies shall protect the Contractor and any subcontractor performing work covered by this contract from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from Contractor's operations under this contract, whether such operations be by Contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amount of such insurance shall be as follows:

- |  |   |
|--|---|
| <p>1. <u>COMPREHENSIVE GENERAL LIABILITY</u></p> <p>\$1,000,000 Bodily Injury -<br/>Ea. Occurrence/Aggregate</p> <p>\$2,000,000 Property Damage<br/>Ea. Occurrence/Aggregate</p> <p>\$2,000,000 Combined Single Limits</p> | <p>2. <u>COMPREHENSIVE AUTOMOBILE LIABILITY</u></p> <p>\$ 500,000 Bodily Injury - Ea. Person<br/>\$ 500,000 Bodily Injury - Ea. Occurrence</p> <p>\$ 500,000 Property Damage - Ea. Occurrence</p> <p>\$1,000,000 Combined Single Limits</p> |
|  | <p>3. <u>GARAGE LIABILITY</u></p> <p>\$1,000,000 Auto Only - Ea. Accident<br/>\$1,000,000 Other than Auto Only - Ea. Accident</p>   |

NOTE: Contractor agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).

A copy of the certificate of insurance with the following endorsements shall be furnished to the City:

- (a) Additional Named Insured Endorsement  
Such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed Boards, Commissions, Officers, Agents, Volunteers and Employees as additional named insureds.  
  
(This endorsement shall be on a form furnished to the City and shall be included with Contractor's policies.)
- (b) Primary Insurance Endorsement  
Such insurance as is afforded by the endorsement for the Additional Insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the insurance afforded by this endorsement.
- (c) Severability of Interest Clause  
The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability.
- (d) Notice of Cancellation or Change in Coverage Endorsement  
This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240.

**Compensation Insurance** The Contractor shall take out and maintain during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees employed at the site of the project and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in hazardous work under this contract at the site of the project is not protected under the Worker's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide insurance for the protection of said employees. This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
7/20/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Mid-Central Valley Insurance 301 S. Ham Lane, Suite F P.O. Box 490 Lodi CA 95241	CONTACT NAME: Mary Nathan
	PHONE (A/C, No, Ext): (209) 334-4242 FAX (A/C, No): (209) 369-0684 E-MAIL ADDRESS: mnathan@mcvins.com PRODUCER CUSTOMER ID #: 00001172
INSURED BRAD NATHAN DBA: REO'S APPLIANCE CENTER 7 W OAK ST LODI CA 95240-3504	INSURER(S) AFFORDING COVERAGE INSURER A: Amco Insurance Company 19100 INSURER B: Star Insurance/Illinois Midwest INSURER C: INSURER D: INSURER E: INSURER F:

**COVERAGES**

CERTIFICATE NUMBER: 2010-2011 Certificates

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR		POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
		INSR	WVD					
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ACP7832874733	10/22/2010	10/22/2011	EACH OCCURRENCE	\$ 1,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence)						\$ 300,000	
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
								\$
	UMBRELLA LIAB EXCESS LIAB						EACH OCCURRENCE	\$
							AGGREGATE	\$
	DEDUCTIBLE							\$
	RETENTION \$							\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/>	N/A	WCMSTR0507988	9/1/2010	9/2/2011	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTHER
	E.L. EACH ACCIDENT						\$ 1,000,000	
	E.L. DISEASE - EA EMPLOYEE						\$ 1,000,000	
A	Business Personal Property			ACP7832874733	10/22/2010	10/22/2011	\$200,600 limit	Repl. Cost
							\$250 deductible	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
Certificateholder is listed as additional insured/primary wording per attached endorsements PB AI99 (01/01), & PB 2500 (01-01)

**CERTIFICATE HOLDER**

(209) 333-6710

City of Lodi, its Elected & Appointed  
Boards, Commissions, Officers Agents  
& Employees  
221 W. Pine St.  
Lodi, CA 95240**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

EFFECTIVE DATE: 12:01 AM Standard Time,  
(at your principal place of business)

BUSINESSOWNERS  
PB 25 00 (01-01)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

POLICY NUMBER: ACP BPR 7832874733

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDMENT OF OTHER INSURANCE CONDITION:**

**PRIMARY INSURANCE FOR NAMED INSURED**

**PRIMARY INSURANCE FOR NAMED INSURED IN THE PREMIER BUSINESSOWNERS COMMON**

**POLICY CONDITIONS, UNDER CONDITION H. OTHER INSURANCE, THE FOLLOWING IS ADDED:**

**WITH RESPECT ONLY TO THE PERSONS OR ORGANIZATIONS SHOWN IN THE SCHEDULE OF THIS ENDORSEMENT, WHO HAVE BEEN ADDED BY SEPERATE ENDORSEMENT AS ADDITIONAL INSUREDS, THE INSURANCE AFFORDED TO YOU BRAD NATHAN BY THIS POLICY SHALL BE PRIMARY INSURANCE WITH RESPECT TO ANY CLAIM OR SUIT AGAINST YOU ARISING OUT OF YOUR ONGOING OPERATION PERFORMED FOR SUCH PERSONS OR ORGANIZATIONS.**

**WITH RESPECT TO SUCH PERSONS' OR ORGANIZATIONS' LIABILITY ARISING SOLELY OUT OF YOUR ONGOING OPERATIONS PERFORMED FOR THEM, ANY OTHER INSURANCE MAINTAINED BY SUCH PERSONS OR ORGANIZATIONS WITH RESPECT TO SUCH LIABILITY SHALL BE NON-CONTRIBUTING WITH YOUR INSURANCE UNDER THIS POLICY.**

**SCHEDULE OF PERSONS OR ORGANIZATIONS:**

**CITY OF LODI, ITS ELECTED & APPOINTED BOARDS, COMMISSIONS, OFFICERS,  
AGENTS & EMPLOYEES  
221 W PINE ST  
LODI, CA 95240-2089**

**All terms and conditions of this policy apply unless modified by this endorsement.**

**PB 25 00 (01-01)**

ACP BPR 7832874733

INSURED COPY

78 27764

EFFECTIVE DATE: 12:01 AM Standard Time,  
(at your principal place of business)

BUSINESSOWNERS  
PB AI 99 (01-01)

## ACKNOWLEDGEMENT OF ADDITIONAL INSURED STATUS GRANTOR OF FRANCHISE OR LICENSE

Person or Organization Designated as an Additional Insured:

CITY OF LODI, ITS ELECTED & APPOINTED BOARDS,  
COMMISSIONS, OFFICERS, AGENTS & EMPLOYEES  
LODI CA 95240  
221 W PINE ST

This form has been sent to you to acknowledge your status as an additional insured under our, meaning the Issuing Company stated below, insurance policy issued to the Named Insured shown below.

Under our Premier Businessowners Liability Coverage Form, Section II. WHO IS AN INSURED provides as follows:

Any of the following persons or organizations are automatically insureds when you [i.e. the Named Insured stated below] and such person or organization have agreed in a written contract or agreement that such person or organization be added as an additional insured on your policy providing general liability coverage.

### Grantor of Franchise or License

Any person or organization that has granted you a franchise or license by written contract or agreement is an additional insured, but only with respect to their liability as the grantor of a franchise or license to you.

HOWEVER, their status as additional insured under this Policy ends when their contract or agreement with you granting the franchise or license ends.

The policy language set forth above is subject to all of the terms and conditions of the policy issued to the Named Insured shown below. For your information, our Named Insured, the Policy Number, Policy Term and Limits of Insurance are stated below.

Named Insured            **NATHAN, BRAD - DBA**

Issuing Company:        **AMCO INSURANCE COMPANY**  
Policy Number:         **ACP BPR 7832874733**  
Policy Term:            **10-22-10 To 10-22-11**  
Limits of Insurance:    **Per Occurrence        \$1,000,000**  
                                 **All Occurrences       \$2,000,000**

PB AI 99 (01-01)

ACP BPR 7832874733

AGENT COPY

Page 1 of 1

78 08869



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
07/20/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

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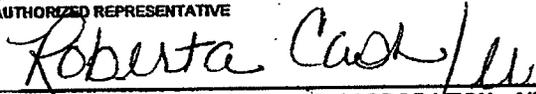
<b>PRODUCER</b> Roberta Cash 310A S. Crescent Avenue Lodi, CA 95240 #0637889 	<b>CONTACT NAME:</b> Laurie Barcus <b>PHONE (AC, No, Ext):</b> 209 368-6172 <b>E-MAIL ADDRESS:</b> laurie.barcus.gooj@statefarm.com <b>FAX (AC, No):</b> 209 334-3494													
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: State Farm Mutual Automobile Insurance Company</td> <td>25178</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: State Farm Mutual Automobile Insurance Company	25178	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:
INSURER(S) AFFORDING COVERAGE	NAIC #													
INSURER A: State Farm Mutual Automobile Insurance Company	25178													
INSURER B:														
INSURER C:														
INSURER D:														
INSURER E:														
INSURER F:														
<b>INSURED</b> Nathan, Brad & Mary, DBA: Reo's Appliance 7 W. Oak St. Lodi, CA 95240														

**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$	
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			355 7273-F01-55C 044 5514-D04-55A	06/01/2011 04/04/2011	12/01/2011 10/04/2011	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ 500,000 BODILY INJURY (Per accident) \$ 500,000 PROPERTY DAMAGE (Per accident) \$ 500,000 \$	
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$	
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICE/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						WC STATUTORY LIMITS    OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$	

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
2001 Dodge Ram Pickup 3B7KC26651M584529  
2006 Chevrolet C1500 #3GCEC14V36G151430  
Additional insured and Certificate Holder: City of Lodi, its elected and appointed Boards, Commissions, Officers, Agents, Volunteers and Employees

<b>CERTIFICATE HOLDER</b> City of Lodi Risk Manager 221 W. Pine St. Lodi, CA 95240	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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## AGREEMENT FOR PROFESSIONAL SERVICES

### ARTICLE 1 PARTIES AND PURPOSE

#### Section 1.1 Parties

THIS AGREEMENT is entered into on August 17, 2011, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and Loel Foundation, Inc (hereinafter "CONTRACTOR").

#### Section 1.2 Purpose

CITY selected the CONTRACTOR to provide the services required in accordance with attached Scope of Services, Exhibit A, attached and incorporated by this reference.

CITY wishes to enter into an agreement with CONTRACTOR for Administration of the ARRA low income refrigerator replacement program. (hereinafter "Project") as set forth in the Scope of Services attached here as Exhibit A. CONTRACTOR acknowledges that it is qualified to provide such services to CITY.

### ARTICLE 2 SCOPE OF SERVICES

#### Section 2.1 Scope of Services

CONTRACTOR, for the benefit and at the direction of CITY, shall perform the Scope of Services as set forth in Exhibit A.

#### Section 2.2 Time For Commencement and Completion of Work

CONTRACTOR shall commence work pursuant to this Agreement, upon receipt of a written notice to proceed from CITY or on the date set forth in Section 2.6, whichever occurs first, and shall perform all services diligently and complete work under this Agreement based on a mutually agreed upon timeline or as otherwise designated in the Scope of Services.

CONTRACTOR shall submit to CITY such reports, diagrams, drawings and other work products as may be designated in the Scope of Services.

CONTRACTOR shall not be responsible for delays caused by the failure of CITY staff to provide required data or review documents within the appropriate time frames. The review time by CITY and any other agencies involved in the project shall not be

counted against CONTRACTOR's contract performance period. Also, any delays due to weather, vandalism, acts of God, etc., shall not be counted. CONTRACTOR shall remain in contact with reviewing agencies and make all efforts to review and return all comments.

**Section 2.3 Meetings**

CONTRACTOR shall attend meetings as may be set forth in the Scope of Services.

**Section 2.4 Staffing**

CONTRACTOR acknowledges that CITY has relied on CONTRACTOR's capabilities and on the qualifications of CONTRACTOR's principals and staff as identified in its proposal to CITY. The Scope of Services shall be performed by CONTRACTOR, unless agreed to otherwise by CITY in writing. CITY shall be notified by CONTRACTOR of any change of Project Manager and CITY is granted the right of approval of all original, additional and replacement personnel at CITY's sole discretion and shall be notified by CONTRACTOR of any changes of CONTRACTOR's project staff prior to any change.

CONTRACTOR represents it is prepared to and can perform all services within the Scope of Services (Exhibit A) and is prepared to and can perform all services specified therein. CONTRACTOR represents that it has, or will have at the time this Agreement is executed, all licenses, permits, qualifications, insurance and approvals of whatsoever nature are legally required for CONTRACTOR to practice its profession, and that CONTRACTOR shall, at its own cost and expense, keep in effect during the life of this Agreement all such licenses, permits, qualifications, insurance and approvals, and shall indemnify, defend and hold harmless CITY against any costs associated with such licenses, permits, qualifications, insurance and approvals which may be imposed against CITY under this Agreement.

**Section 2.5 Subcontracts**

Unless prior written approval of CITY is obtained, CONTRACTOR shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

**Section 2.6 Term**

The term of this Agreement commences on August 17th, 2011 and terminates upon the completion of the Scope of Services or on December 1st, 2011, whichever occurs first.

### **ARTICLE 3** **COMPENSATION**

#### **Section 3.1 Compensation**

CONTRACTOR's compensation for all work under this Agreement shall conform to the provisions of the Fee Proposal, attached hereto as Exhibit B and incorporated by this reference.

CONTRACTOR shall not undertake any work beyond the scope of this Agreement unless such additional work is approved in advance and in writing by CITY.

#### **Section 3.2 Method of Payment**

CONTRACTOR shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing, without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONTRACTOR's compensation for all work under this Agreement shall not exceed the amount of the Fee Proposal.

#### **Section 3.3 Costs**

The Fee Proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved in advanced and in writing, by CITY.

#### **Section 3.4 Auditing**

CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under this Agreement. Upon request, CONTRACTOR agrees to furnish CITY, or a designated representative, with necessary information and assistance needed to conduct such an audit.

CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of this Agreement. CONTRACTOR agrees to provide CITY or its delegate with any relevant information requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with

this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

#### **ARTICLE 4** **MISCELLANEOUS PROVISIONS**

##### **Section 4.1 Nondiscrimination**

In performing services under this Agreement, CONTRACTOR shall not discriminate in the employment of its employees or in the engagement of any sub CONTRACTOR on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or any other criteria prohibited by law.

##### **Section 4.2 ADA Compliance**

In performing services under this Agreement, CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, and all amendments thereto, as well as all applicable regulations and guidelines issued pursuant to the ADA.

##### **Section 4.3 Indemnification and Responsibility for Damage**

CONTRACTOR to the fullest extent permitted by law, shall indemnify and hold harmless CITY, its elected and appointed officials, directors, officers, employees and volunteers from and against any claims, damages, losses, and expenses (including reasonable attorney's fees), arising out of performance of the services to be performed under this Agreement, provided that any such claim, damage, loss, or expense is caused by the negligent acts, errors or omissions of CONTRACTOR, any subcontractor employed directly by CONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts they may be liable, except those injuries or damages arising out of the active negligence of the City of Lodi or its officers or agents.

##### **Section 4.4 No Personal Liability**

Neither the City Council, nor any other officer or authorized assistant or agent or City employee shall be personally responsible for any liability arising under this Agreement.

**Section 4.5 Responsibility of CITY**

CITY shall not be held responsible for the care or protection of any material or parts of the work described in the Scope of Services prior to final acceptance by CITY, except as expressly provided herein.

**Section 4.6 Insurance Requirements for CONTRACTOR**

CONTRACTOR shall take out and maintain during the life of this Agreement, insurance coverage as set forth in Exhibit C attached hereto and incorporated by this reference.

**Section 4.7 Successors and Assigns**

CITY and CONTRACTOR each bind themselves, their partners, successors, assigns, and legal representatives to this Agreement without the written consent of the others. CONTRACTOR shall not assign or transfer any interest in this Agreement without the prior written consent of CITY. Consent to any such transfer shall be at the sole discretion of CITY.

**Section 4.8 Notices**

Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight delivery, postage prepaid, or three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

To CITY:                   City of Lodi  
                                  221 West Pine Street  
                                  P.O. Box 3006  
                                  Lodi, CA 95241-1910  
                                  Attn: Manager Customer Service, EUD

To CONTRACTOR:   Loel Foundation, Inc  
                                  105 S Washington St  
                                  Lodi, CA 95240

**Section 4.9 Cooperation of CITY**

CITY shall cooperate fully and in a timely manner in providing relevant information it has at its disposal relevant to the Scope of Services.

**Section 4.10 CONTRACTOR is Not an Employee of CITY**

CONTRACTOR agrees that in undertaking the duties to be performed under this Agreement, it shall act as an independent contractor for and on behalf of CITY and not

an employee of CITY. CITY shall not direct the work and means for accomplishment of the services and work to be performed hereunder. CITY, however, retains the right to require that work performed by CONTRACTOR meet specific standards without regard to the manner and means of accomplishment thereof.

**Section 4.11 Termination**

CITY may terminate this Agreement, with or without cause, by giving CONTRACTOR at least ten (10) days written notice. Where phases are anticipated within the Scope of Services, at which an intermediate decision is required concerning whether to proceed further, CITY may terminate at the conclusion of any such phase. Upon termination, CONTRACTOR shall be entitled to payment as set forth in the attached Exhibit B to the extent that the work has been performed. Upon termination, CONTRACTOR shall immediately suspend all work on the Project and deliver any documents or work in progress to CITY. However, CITY shall assume no liability for costs, expenses or lost profits resulting from services not completed or for contracts entered into by CONTRACTOR with third parties in reliance upon this Agreement.

**Section 4.12 Confidentiality**

CONTRACTOR agrees to maintain confidentiality of all work and work products produced under this Agreement, except to the extent otherwise required by law or permitted in writing by CITY. CITY agrees to maintain confidentiality of any documents owned by CONTRACTOR and clearly marked by CONTRACTOR as "Confidential" or "Proprietary", except to the extent otherwise required by law or permitted in writing by CONTRACTOR. CONTRACTOR acknowledges that CITY is subject to the California Public Records Act.

**Section 4.13 Applicable Law, Jurisdiction, Severability, and Attorney's Fees**

This Agreement shall be governed by the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be venued with the San Joaquin County Superior Court. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in force and effect. In the event any dispute between the parties arises under or regarding this Agreement, the prevailing party in any litigation of the dispute shall be entitled to reasonable attorney's fees from the party who does not prevail as determined by the San Joaquin County Superior Court.

**Section 4.14 City Business License Requirement**

CONTRACTOR acknowledges that Lodi Municipal Code Section 3.01.020 requires CONTRACTOR to have a city business license and CONTRACTOR agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

**Section 4.15 Captions**

The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

**Section 4.16 Integration and Modification**

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

**Section 4.17 Contract Terms Prevail**

All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and the attached exhibits, the terms of this Agreement shall prevail.

**Section 4.18 Severability**

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

**Section 4.19 Ownership of Documents**

All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of CITY. Upon CITY's request, CONTRACTOR shall allow CITY to inspect all such documents during CONTRACTOR's regular business hours. Upon termination or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONTRACTOR to CITY within ten (10) calendar days.

CITY agrees to indemnify, defend and hold CONTRACTOR harmless from any liability resulting from CITY's use of such documents for any purpose other than the purpose for which they were intended.

**Section 4.20 Authority**

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

**IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement as of the date first above written.**

CITY OF LODI, a municipal corporation

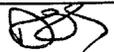
ATTEST:

\_\_\_\_\_  
RANDI JOHL  
City Clerk

\_\_\_\_\_  
KONRADT BARTLAM, City Manager

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

CONTRACTOR: Loel Foundation, Inc

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


By:   
Name: \_\_\_\_\_  
Title: CEO

**Attachments:**  
**Exhibit A – Scope of Services**  
**Exhibit B – Fee Proposal**  
**Exhibit C – Insurance Requirements**



Exhibit A/B

### SCOPE OF SERVICES AND FEE PROPOSAL

Loel Foundation, Inc agrees to administer the ARRA senior low income refrigerator replacement program for the City of Lodi in strict conformity with the terms and conditions of this contract. The Loel Foundation, Inc will provide all necessary services to deliver the program under this agreement.

Identify potential program recipients and prepare list

Contact recipients and validate program eligibility based on Federal income guidelines

Receive completed program application (including income documentation) and schedule delivery with Appliance contractor

Submit all documentation to City of Lodi

Not to exceed \$1,710.



**Insurance Requirements for Contractor** The Contractor shall take out and maintain during the life of this contract, insurance coverage as listed below. These insurance policies shall protect the Contractor and any subcontractor performing work covered by this contract from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from Contractor's operations under this contract, whether such operations be by Contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amount of such insurance shall be as follows:

- |   |   |
|---|---|
| <p>1. <u>COMPREHENSIVE GENERAL LIABILITY</u></p> <p>\$1,000,000 Ea. Occurrence</p> <p>\$2,000,000 Aggregate</p> | <p>2. <u>COMPREHENSIVE AUTOMOBILE LIABILITY</u></p> <p>\$1,000,000 Bodily Injury - Ea. Person</p> <p>\$1,000,000 Bodily Injury - Ea. Occurrence</p> <p>\$1,000,000 Property Damage - Ea. Occurrence</p> |
|---|---|

NOTE: Contractor agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).

NOTE: (1) The street address of the CITY OF LODI must be shown along with (a) and (b) above: 221 West Pine Street, Lodi, California, 95241-1910; (2) The insurance certificate must state, on its face or as an endorsement, a description of the project that it is insuring.

A copy of the certificate of insurance with the following endorsements shall be furnished to the City:

- (a) Additional Named Insured Endorsement  
Such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed Boards, Commissions, Officers, Agents, Employees, and Volunteers as additional named insureds.  
  
(This endorsement shall be on a form furnished to the City and shall be included with Contractor's policies.)
- (b) Primary Insurance Endorsement  
Such insurance as is afforded by the endorsement for the Additional Insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the insurance afforded by this endorsement.
- (c) Severability of Interest Clause  
The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability.
- (d) Notice of Cancellation or Change in Coverage Endorsement  
This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240.

**Compensation Insurance** The Contractor shall take out and maintain during the life of this contract, Worker's Compensation Insurance for all of Contractor's employees employed at the site of the project and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in hazardous work under this contract at the site of the project is not protected under the Worker's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide insurance for the protection of said employees. This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240.

NOTE: No contract agreement will be signed nor will any work begin on a project until the proper insurance certificate is received by the City.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)
<p>Any person or organization that you are required to add as an additional insured on this policy, under a written contract or agreement currently in effect, or becoming effective during the term of this policy, and for which a certificate of insurance naming such person or organization as additional insured has been issued, but only with respect to their liability arising out of their requirements for certain performance placed upon you, as a nonprofit organization, in consideration for funding or financial contributions you receive from them. The additional insured status will not be afforded with respect to liability arising out of or related to your activities as a real estate manager for that person or organization.</p> <p>CITY OF LODI, ITS ELECTED &amp; APPOINTED BOARDS, COMMISSIONS, OFFICERS, AGENTS &amp; EMPLOYEES</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

## COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

### SECTION I – COVERAGES

#### COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

##### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the policy period.

- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

##### 2. Exclusions

This insurance does not apply to:

###### a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

###### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

**f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a side-track agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a sub-contractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

## COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance ; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

### 2. Exclusions

This insurance does not apply to:

- a. "Personal and advertising injury":
- (1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
  - (2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
  - (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
  - (4) Arising out of a criminal act committed by or at the direction of any insured;
  - (5) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;

- (6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (8) Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";
- (9) Committed by an insured whose business is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section; or
- (10) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- b. Any loss, cost or expense arising out of any:

- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

## COVERAGE C MEDICAL PAYMENTS

### 1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
- (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
- provided that:
- (1) The accident takes place in the "coverage territory" and during the policy period;
  - (2) The expenses are incurred and reported to us within one year of the date of the accident; and
  - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

## 2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in athletics.
- f. Included within the "products-completed operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

## SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
  - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.

- e. All costs taxed against the insured in the "suit".
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b. This insurance applies to such liability assumed by the insured;
  - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
  - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
  - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
  - f. The indemnitee:
    - (1) Agrees in writing to:
      - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
      - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
      - (c) Notify any other insurer whose coverage is available to the indemnitee; and
      - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:
- (a) Obtain records and other information related to the "suit"; and
  - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

## SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
2. Each of the following is also an insured:
  - a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
    - (1) "Bodily injury" or "personal and advertising injury":
      - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
      - (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph (1)(a) above;
      - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
      - (d) Arising out of his or her providing or failing to provide professional health care services.
    - (2) "Property damage" to property:
      - (a) Owned, occupied or used by;
      - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
  - b. Any person (other than your "employee"), or any organization while acting as your real estate manager.
  - c. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
    - a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
    - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
  4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
    - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
    - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
    - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
2. The General Aggregate Limit is the most we will pay for the sum of:
    - a. Medical expenses under Coverage C;
    - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
    - c. Damages under Coverage B.
  3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
  4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
  5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
    - a. Damages under Coverage A; and
    - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
  6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
  7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

## SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

### 1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

### 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

### 4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

#### a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

#### b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
  - (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
  - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I – Coverage A – Bodily Injury And Property Damage Liability.
- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

#### c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

#### 5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

#### 6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

#### 7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

#### 8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

#### 9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

#### SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
2. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

- b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
  - c. All parts of the world if:
    - (1) The injury or damage arises out of:
      - (a) Goods or products made or sold by you in the territory described in a. above; or
      - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
    - (2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
  - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
    - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
    - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
  - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.
10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
11. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
  - b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
  - (1) Products that are still in your physical possession; or
  - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
    - (a) When all of the work called for in your contract has been completed.
    - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
    - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Your product" means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (1) You;
  - (2) Others trading under your name; or
  - (3) A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- b. The providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

21. "Your work" means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- b. The providing of or failure to provide warnings or instructions.

1. AA# \_\_\_\_\_  
 2. JV# \_\_\_\_\_

**CITY OF LODI  
 APPROPRIATION ADJUSTMENT REQUEST**

TO: Internal Services Dept. - Budget Division  
 3. FROM: Elizabeth Kirkley 5. DATE: 8/5/11  
 4. DEPARTMENT/DIVISION: Electric Utility

**6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW**

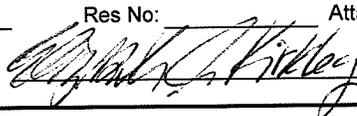
	FUND #	BUS. UNIT #	ACCOUNT #	ACCOUNT TITLE	AMOUNT
A. SOURCE OF FINANCING	167		5715	Federal Stimulus ARRA	\$ 15,600.00
B. USE OF FINANCING	167	167102	8098	Public Benefits Program	\$ 15,600.00

**7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET**

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

In 2009, the Lodi City Council approved receipt of federal stimulus funding, known as the Energy Efficiency & Conservation Block Grant. The City of Lodi received \$586,200 as part of this federal grant. Staff developed ten programs or projects for the expenditure of the \$586,200 grant, and one of the ten aforementioned projects was the Low-Income Residential Energy Efficient Refrigerator Rebate Program. Staff is recommending to expend the remaining federal stimulus money earmarked for this program (\$15,000), as well as the local matching funds (\$70,000). To assist in administering the program, and to identify eligible customers, the LOEL Center will be contracted at a rate of \$1,710. In addition, two Lodi appliance dealers (Les's Appliances; and Reo's Appliance) will be provided verificatin/installation forms that must be signed and returned to the Electric Utility Department. Residents will be required to allow the dealer to remove and dispose of the refrigerator being replaced. The program will run from September 1, 2011 to December 1, 2011 or until funds are exhausted, whichever comes first.

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: \_\_\_\_\_ Res No: \_\_\_\_\_ Attach copy of resolution to this form.  
 Department Head Signature:  \_\_\_\_\_

**8. APPROVAL SIGNATURES**

\_\_\_\_\_  
 Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.  
 Final approval will be provided in electronic copy format.

RESOLUTION NO. 2011-\_\_\_\_\_

A RESOLUTION OF THE LODI CITY COUNCIL AMENDING THE LOW-INCOME RESIDENTIAL ENERGY EFFICIENT REFRIGERATOR REPLACEMENT PROGRAM, APPROPRIATING \$15,600 IN AMERICAN RECOVERY AND REINVESTMENT ACT FUNDS, AND AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACTS FOR PROGRAM ADMINISTRATION IN AN AMOUNT NOT TO EXCEED \$85,600

=====

WHEREAS, in 2009, the Lodi City Council approved receipt of \$586,200 in federal stimulus funding, known as the Energy Efficiency & Conservation Block Grant; and

WHEREAS, staff developed ten programs for the expenditure of the \$586,200 grant, including creation of the Low-Income Residential Energy Efficient Refrigerator Rebate Program; and

WHEREAS, as originally designed, the County of San Joaquin Health & Human Services Agency would administer this project, due to a decrease in resources, the County opted not to administer this program on the City's behalf; and

WHEREAS, staff is now recommending to expend the federal stimulus money earmarked for this program (\$15,600), as well as the local matching funds (\$70,000), with the administrative assistance of the LOEL Center and two Lodi appliance dealers (Les's Appliance and Reo's Appliance).

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the revised Low-Income Residential Refrigerator Replacement Program, allocate \$85,600 for this program, appropriate \$15,600 in American Recovery and Reinvestment Act funds, and authorize the City Manager to execute contracts required to complete said program.

Dated: August 17, 2011

I hereby certify that Resolution No. 2011-\_\_\_\_\_ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 17, 2011, by the following vote:

- 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 In Support of the San Joaquin Valley Regional Plug-In Electric Vehicle Coordinating Council Project

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Electric Utility Director

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**RECOMMENDED ACTION:** Adopt a resolution in support of the San Joaquin Valley Regional Plug-In Electric Vehicle Coordinating Council Project.

**BACKGROUND INFORMATION:** Earlier this summer, the California Energy Commission (CEC) issued a solicitation for participation in the CEC Alternative & Renewable Fuel and Vehicle Technology Program.

In order to formally participate in the aforementioned CEC program and receive grant funding, local entities must first form a Plug-In Electric Vehicle Coordinating Council or PEVCC. The San Joaquin Valley Air Pollution Control District (SJVAPCD) has taken the lead on forming the PEVCC, and has extended invitations to other local government entities to participate.

Staff is recommending approval of this resolution for participation in the PEVCC. Lodi's commitment to the PEVCC includes representation at various area meetings conducted by the SJVAPCD. During these meetings, the actual plan to utilize potential CEC grant funding will be developed and submitted for consideration. Staff recommends that the Electric Utility Manager of Customer Service & Programs and the City of Lodi Communications Specialist serve on the PEVCC planning committee.

**FISCAL IMPACT:** Participating in the PEVCC may result in the City receiving grant funds for electric vehicle infrastructure.

**FUNDING:** None required.

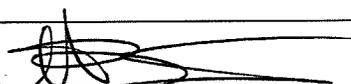
  
Elizabeth A. Kirkley  
Electric Utility Director

**PREPARED BY:** Rob Lechner, Manager, Customer Service & Programs

EAK/RL/1st

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**APPROVED:**

  
Konradt Bartlam, City Manager

RESOLUTION NO. 2011-\_\_\_\_\_

A RESOLUTION OF THE LODI CITY COUNCIL  
SUPPORTING THE SAN JOAQUIN VALLEY REGIONAL  
PLUG-IN ELECTRIC VEHICLE COORDINATING  
COUNCIL PROJECT

=====

WHEREAS, the California Energy Commission (CEC) has issued a solicitation for participation in the CEC Alternative & Renewable Fuel and Vehicle Technology Program; and

WHEREAS, to formally participate, local entities must first form a Plug-In Electric Vehicle Coordinating Council or PEVCC; and

WHEREAS, the San Joaquin Valley Air Pollution Control District (SJVAPCD) has taken the lead on forming the PEVCC, and has extended invitations to other local government entities to participate, including the City of Lodi, California..

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby support the San Joaquin Valley Regional Plug-in Electric Vehicle Coordinating Council Project, and furthermore designates the Electric Utility Manager of Customer Service & Programs and the City of Lodi Communications Specialist to serve as representatives on the PEVCC planning committee.

Dated: August 17, 2011

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I hereby certify that Resolution No. 2011-\_\_\_\_\_ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 17, 2011, by the following vote:

- 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 In Support of the Property Assessed Clean Energy (PACE) Protection Act of 2011

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Community Development Department

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**RECOMMENDED ACTION:** Adopt resolution in support of the Property Assessed Clean Energy (PACE) Protection Act of 2011.

**BACKGROUND INFORMATION:** Property Assessed Clean Energy (PACE) is a bipartisan local government initiative that allows property owners to finance energy-efficiency and renewable-energy projects for their homes and commercial buildings. Interested property owners opt-in to receive financing for improvements that is repaid through an assessment on their property taxes for up to 20 years. PACE financing spreads the cost of energy improvements such as weather sealing, insulation, energy efficient boilers and cooling systems, new windows, and solar installations over the expected life of the measures and allows for the repayment obligation to transfer automatically to the next property owner if the property is sold.

PACE emerged in 2008 with a pilot program in California and quickly caught the attention of communities around the country. In just two years, enabling legislation was passed in 23 states and is being considered in nearly 20 more. Early California programs in Sonoma County and Palm Desert were soon followed by ones in Boulder County, Colo. and in Babylon, N.Y.

Federal overreach, in a challenge to state and local government rights, has brought PACE to a standstill today despite its great promise. Like all municipal assessments, PACE assessments in arrears have a senior lien to mortgage payments in the event of a default. Recognizing this, PACE advocates began a dialogue in 2008 with Fannie Mae, Freddie Mac, and their regulator, the Federal Housing Finance Agency (FHFA) to find ways to address their concerns. Broad safeguards were developed as program guidelines by a working group that included the U.S. Department of Energy to ensure that PACE programs would be beneficial to building owners, municipalities, and mortgage lenders.

Notwithstanding these measures, on July 6, 2010, the FHFA issued a statement that directed Fannie Mae and Freddie Mac not to underwrite mortgages for properties with a PACE assessment. It further directed mortgage lenders to redline communities with PACE programs by tightening lending standards.

Before programs were stopped by the Federal Housing Finance Agency (FHFA), Fannie Mae, and Freddie Mac, over 2,000 homes and commercial buildings had used PACE to finance efficiency and renewable-energy projects.

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APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

The PACE Assessment Protection Act of 2011 (HR 2599) was introduced on July 20, 2011 in the House of Representatives by Congresswoman Nan Hayworth (R-N.Y.) and Congressmen Dan Lungren (R-Calif.) and Mike Thompson (D-Calif.), with the intent to prevent Fannie Mae, Freddie Mac, and other Federal residential and commercial mortgage lending regulators from adopting policies that contravene established state and local property assessed clean energy laws.

We are asking the City Council to support this federal legislation.

**FISCAL IMPACT:** Not applicable.

**FUNDING AVAILABLE:** Not applicable.

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Konradt Bartlam  
Community Development Director

KB/jw

RESOLUTION NO. 2011-\_\_\_\_\_

A RESOLUTION OF THE LODI CITY COUNCIL IN SUPPORT OF  
THE PROPERTY ASSESSED CLEAN ENERGY (PACE)  
ASSESSMENT PROTECTION ACT OF 2011

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WHEREAS, utility bills represent a major cost for home and business owners; and

WHEREAS, persistent unemployment, particularly in the construction industry, continues to burden our families and communities; and

WHEREAS, reliance on foreign energy sources continues to threaten America's economic recovery; and

WHEREAS, investing in cost-effective energy efficiency and renewable energy improvements to homes and businesses can cut utility bills, create thousands of local jobs, and reduce reliance on foreign energy sources; and

WHEREAS, the upfront cost and potentially long payback periods prevent property owners from making otherwise cost-effective clean energy improvements; and

WHEREAS, Property Assessed Clean Energy (PACE) financing programs are an innovative, voluntary local government solution that requires no general taxes or public funding to help property owners finance energy efficiency and renewable energy improvements – such as energy efficient boilers, upgraded insulation, new windows, solar installations, etc., to their homes and businesses; and

WHEREAS, twenty-seven states and the District of Columbia have passed laws enabling local governments to develop PACE programs; and

WHEREAS, despite PACE's great promise, the Federal Housing Finance Agency and the Office of the Comptroller of the Currency on July 6, 2010 issued unwarranted statements that immediately forced certain existing PACE programs to halt operations and froze the development of hundreds of other PACE programs nationwide.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council urges Representative Jerry McNerney to support the PACE Assessment Protection Act of 2011 (H.R. 2599) to restore the promise of PACE.

Dated: August 17, 2011

=====

I hereby certify that Resolution No. 2011-\_\_\_\_\_ was passed and adopted by the Lodi City Council in a regular meeting held August 17, 2011, by the following vote:

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

RANDI JOHL  
City Clerk



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Rescind Resolutions 90-03 and 91-132 and Approve Resolution Authorizing Specified Positions Monetary Settlement Authority Relating To General Liability Claims

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Deputy City Manager

**RECOMMENDED ACTION:** Rescind Resolutions 90-03 and 91-132 and approve resolution authorizing specified positions monetary settlement authority relating to general liability claims.

**BACKGROUND INFORMATION:** City Council authorized specified positions and individuals settlement authority for general liability claims up to \$5,000 on Resolutions 90-03 and 91-132. Staff brought forward in the Shirtsleeve meeting of July 19, 2011 recommendations to revise the settlement authority limits for the City Manager, City Attorney and Risk Manager based upon data collected from other members of the city risk management pool. Staff is recommending the following revisions:

Position	Current Limit	Recommended Limit
City Manager	\$5,000	\$20,000
City Attorney	\$5,000	\$20,000
Risk Manager	\$5,000	\$10,000

The attached resolution reflects the recommended changes in limits.

**FISCAL IMPACT:** Higher limits will provide greater flexibility to staff negotiating settlements with claimants. Timely settlements may reduce overall payments.

**FUNDING AVAILABLE:** Funding for settlements is included in the General Liability Fund (Fund 300).

\_\_\_\_\_  
Jordan Ayers  
Deputy City Manager

JA/ja

APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

RESOLUTION NO. 2011-\_\_\_\_\_

A RESOLUTION OF THE LODI CITY COUNCIL  
RESCINDING RESOLUTIONS 90-03 AND 91-132 AND  
AUTHORIZING SPECIFIED POSITIONS MONETARY  
SETTLEMENT AUTHORITY RELATING TO GENERAL  
LIABILITY CLAIMS

=====

WHEREAS, the City Council authorized specified positions and individuals settlement authority for general liability claims up to \$5,000 by Resolutions 90-03 and 91-132; and

WHEREAS, the City Council desires to revise the positions, individuals, and amounts of settlement authority; and

WHEREAS, staff brought forward recommendations regarding settlement authority in the Shirtsleeve Session of July 19, 2011.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby rescind Resolutions 90-03 and 91-132 and authorize the following settlement authority for the positions noted:

- a.) City Manager - \$20,000
- b.) City Attorney - \$20,000
- c.) Risk Manager - \$10,000

Dated: August 17, 2011

=====

I hereby certify that Resolution No. 2011-\_\_\_\_\_ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 17, 2011, by the following vote:

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

RANDI JOHL  
City Clerk

2011-\_\_\_\_\_



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Approve Response to 2010/11 San Joaquin County Grand Jury Report Regarding City Government Websites

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Deputy City Manager

---

**RECOMMENDED ACTION:** Approve response to 2010/11 San Joaquin County Grand Jury Report regarding city government websites.

**BACKGROUND INFORMATION:** The 2010/11 San Joaquin Grand Jury reviewed the findings, recommendations and city responses to the 2009/10 Grand Jury report regarding city government websites. The 2009/10 Grand Jury made four findings regarding the City of Lodi website. The City Council responded to these findings on August 5, 2009.

The 2010/11 Grand Jury accepted the City responses to three of the above findings, but requested additional follow-up regarding one of the findings. The remaining finding relates to having a specific process in place to annually review website content. The attached letter responds to this finding.

**FISCAL IMPACT:** None.

**FUNDING AVAILABLE:** Not applicable.

---

Jordan Ayers  
Deputy City Manager

Attachment

---

APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

CITY COUNCIL

BOB JOHNSON, Mayor  
JOANNE MOUNCE,  
Mayor Pro Tempore  
LARRY D. HANSEN  
PHIL KATZAKIAN  
ALAN NAKANISHI

# CITY OF LODI

CITY HALL, 221 WEST PINE STREET  
P.O. BOX 3006  
LODI, CALIFORNIA 95241-1910  
(209) 333-6700 / FAX (209) 333-6807

KONRADT BARTLAM  
City Manager  
RANDI JOHL, City Clerk  
D. STEPHEN SCHWABAUER  
City Attorney

August 18, 2011

Hon. Robin Appel, Presiding Judge  
San Joaquin County Superior Court  
222 E. Webber Av., Room 303  
Stockton, CA 95202

RE: Follow-Up Report to the 2009/10 San Joaquin County Grand Jury Case No. 0609

Dear Judge Appel:

The City of Lodi has reviewed the follow-up report to the 2009/10 San Joaquin County Grand Jury Case No. 0609 regarding City government websites, issued on June 13, 2011. The Council has seriously considered the finding and recommendation of the Grand Jury applicable to the City of Lodi, discussed the same with its professional staff and pursuant to Penal Code section 933.05, submits its comments as set forth below.

As required by Penal Code section 933(c), the Council's comments were approved at the Council's regularly scheduled meeting of August 17, 2011.

**Finding 1:**

The City of Lodi does not have a process to review website content.

**City Response:** Partially agree with finding. While the City's process is not formalized, individual departments do update web content.

**Recommendation 1:**

Develop and document a process to evaluate documents and the relevance to users of the website.

**City Response:** The City will annually, in December, provide a list of department specific links to each department head for review. The City Manager's office will implement the department recommended changes if they are consistent with the City's goals to provide accurate, timely and useful information to the public.

Respectfully submitted,

Bob Johnson  
Mayor

cc: City Council  
Konradt Bartlam, City Manager  
Jordan Ayers, Deputy City Manager  
D. Stephen Schwabauer, City Attorney



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Set a Public Hearing for September 7, 2011, to Consider and Approve the 2010/11 Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report; a Separation Agreement with San Joaquin County; and an Amendment of the 2011/12 Action Plan to Accommodate the Reallocation of Unused CDBG Funds from the 2010/11 Program Year and Transferred CDBG Funds from San Joaquin County through the Separation Agreement.

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Community Development Department

---

**RECOMMENDED ACTION:** Set a public hearing for September 7, 2011, to consider and approve the 2010/11 Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report (CAPER); a Separation Agreement with San Joaquin County; and an amendment of the 2011/12 Action Plan to accommodate the reallocation of unused CDBG funds from the 2010/11 Program Year and transferred CDBG funds from San Joaquin County through the Separation Agreement.

**BACKGROUND INFORMATION:** A public hearing is required as part of the federal requirements of the Community Development Block Grant (CDBG) program.

The 2010/11 CAPER describes the programs and activities accomplished during that program year, in which the City received \$810,608 in federal CDBG funds. The public review and comment period for the CAPER document begins August 23, 2011 and will end September 7, 2011.

At the completion of the 2010/11 Program Year, there were unused CDBG funds from three Public Services and one project that will need reallocating to a new or existing 2011/12 project(s), which will require the amendment of the 2011/12 Action Plan. The public review and comment period for this Action Plan amendment begins August 8, 2011 and will end September 7, 2011.

In addition, as the City elected to separate from the Urban County in 2009 in order to receive CDBG funding directly as an Entitlement Community, a Separation Agreement is required to be executed between San Joaquin County and the City of Lodi and forwarded to the U.S. Department of Housing and Urban Development (HUD) for that agency's subsequent review and approval. Through that Separation Agreement, we have identified unused Urban County CDBG funds that will need to be transferred from the HUD line of credit for San Joaquin County to the HUD line of credit for the City of Lodi Entitlement. The funds transferred through that Separation Agreement will need to be designated to new or existing 2011/12 projects, which will be included in the amendment of the 2011/12 Action Plan.

The City Council will consider approval and adoption of both the 2010/11 CAPER, the Separation Agreement with San Joaquin County and the 2011/12 Action Plan amendments and provide an opportunity for public comment for all three of those actions at the September 7, 2011 meeting.

---

APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

**FISCAL IMPACT:** The CAPER document is being completed as an administrative activity that is funded through the City's CDBG administrative allocation from HUD.

**FUNDING AVAILABLE:** Not applicable.

---

Konradt Bartlam  
Community Development Director

KB/jw

**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**

**AGENDA TITLE:** Conduct a Public Hearing to Consider Introduction of Ordinance Amending Chapter 13.20 "Electrical Service" Section 175 Titled Schedule ECA – Energy Cost Adjustment

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Electric Utility Director

**RECOMMENDED ACTION:** Conduct a public hearing to consider introduction of ordinance amending Chapter 13.20 "Electrical Service" section 175 titled Schedule ECA – Energy Cost Adjustment.

**BACKGROUND INFORMATION:** The original ECA ordinance required that the ECA be reviewed by the Budget and Finance Committee (BFC) each month. Since the BFC has since been disbanded, the ECA ordinance should be revised to remove this requirement.

The accuracy of the calculation of the ECA will continue to be reviewed by the Electric Utility Director, Rates and Resources Manager and Deputy City Manager each month.

**FISCAL IMPACT:** This change will have no fiscal impact on the Electric Utility.

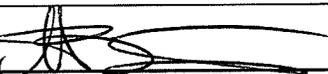
**FUNDING:** None required.

  
Elizabeth A Kirkley  
Electric Utility Director

**PREPARED BY:** Kevin Bell, Electric Rate Analyst

EAK/KPB/ist

**APPROVED:**

  
Konradt Bartlam, City Manager

# CITY OF LODI

## ELECTRIC UTILITY DEPARTMENT

### SCHEDULE ECA

### ENERGY COST ADJUSTMENT

#### APPLICABILITY:

This schedule is applicable to all electric customers served by the City of Lodi. Each customer shall pay the applicable rate plus an Energy Cost Adjustment (ECA) for each kilowatt-hour (kWh) delivered to the customer. The adjustment shall be the product of the total kilowatt-hours (kWh) for which the bill is rendered times the ECA amount per kWh.

The purpose of the ECA is to adjust for increases/decreases to the City of Lodi's wholesale energy costs. This adjustment provides a mechanism to recover increased costs for wholesale energy or to lower collections when costs decrease below the base charge level.

#### RATES:

Effective July 6, 2007, the ECA billing factor for any given month shall be calculated as follows:

$$\text{ECA} = \frac{(a) + (b) - (c)(d+f) - (f)}{(e)}$$

Where:

- (a) equals the amount the City of Lodi is actually charged by the Northern California Power Agency for the billing month, including adjustments for prior billing periods, less any third party revenue credits.
- (b) equals the City of Lodi's estimated costs related to the acquisition of wholesale power, both financial and physical, procured directly by the City for the billing month, including adjustments for prior billing periods.
- (c) equals the difference between actual retail energy sales and projected sales levels for the month which is two (2) months prior to the billing month.
- (d) equals the ECA billing factor for the month which is two (2) months prior to the billing month.
- (e) equals the forecast of projected retail energy sales for the billing month.
- (f) equals the baseline energy cost for the City of \$0.0831.

The City of Lodi will recalculate the ECA each month, and resulting amount shall be automatically implemented for bills rendered during the following billing month. The ECA shall not be discounted.

AN ORDINANCE OF THE LODI CITY COUNCIL AMENDING  
LODI MUNICIPAL CODE CHAPTER 13.20, "ELECTRICAL  
SERVICE," BY REPEALING AND REENACTING SECTION  
13.20.175 – SCHEDULE ECA – ENERGY COST  
ADJUSTMENT

=====

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Code Section 13.20.175 – "Schedule ECA – Energy Cost Adjustment" is hereby repealed and reenacted to read as follows:

**APPLICABILITY:**

This schedule is applicable to all electric customers served by the City of Lodi. Each customer shall pay the applicable rate plus an Energy Cost Adjustment (ECA) for each kilowatt-hour (kWh) delivered to the customer. The adjustment shall be the product of the total kilowatt-hours (kWh) for which the bill is rendered times the ECA amount per kWh.

The purpose of the ECA is to adjust for increases/decreases to the City of Lodi's wholesale energy costs. This adjustment provides a mechanism to recover increased costs for wholesale energy or to lower collections when costs decrease below the base charge level.

**RATES:**

Effective July 6, 2007, the ECA billing factor for any given month shall be calculated as follows:

$$ECA = \frac{(a) + (b) - (c)(d+f)}{(e)}$$

Where:

(a) equals the amount the City of Lodi is actually charged by the Northern California Power Agency for the billing month, including adjustments for prior billing periods, less any third party revenue credits.

(b) equals the City of Lodi's estimated costs related to the acquisition of wholesale power, both financial and physical, procured directly by the City for the billing month, including adjustments for prior billing periods.

(c) equals the difference between actual retail energy sales and projected sales levels for the month which is two (2) months prior to the billing month.

(d) equals the ECA billing factor for the month which is two (2) months prior to the billing month.

(e) equals the forecast of projected retail energy sales for the billing month.

(f) equals the baseline energy cost for the City of \$0.0831.

The City of Lodi will recalculate the ECA each month, and resulting amount shall be automatically implemented for bills rendered during the following billing month. The ECA shall not be discounted.

SECTION 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 3. Severability. If any provision of this ordinance or the application thereof to any

person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 4. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 5. This ordinance shall be published pursuant to law and shall become effective 30 days from the date of passage and adoption.

SECTION 6. The amended Schedules referenced above shall be effective on applicable electric utility billings prepared by the City of Lodi on or after November 1, 2011, or the first date allowable under State law.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2011

\_\_\_\_\_  
BOB JOHNSON  
MAYOR

ATTEST:

RANDI JOHL  
City Clerk

State of California  
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. \_\_\_\_ was introduced at a regular meeting of the City Council of the City of Lodi held August 17, 2011, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held \_\_\_\_\_, 2011, by the following vote:

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

I further certify that Ordinance No. \_\_\_\_ was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

RANDI JOHL  
City Clerk

Approved to Form:

D. STEPHEN SCHWABAUER  
City Attorney



*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 INTRODUCING AN ORDINANCE AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 175 TITLED, “SCHEDULE ECA – ENERGY COST ADJUSTMENT” and INTRODUCING AN ORDINANCE AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 200 TITLED, “SCHEDULE ED – RESIDENTIAL SHARE PROGRAM SERVICE”

**PUBLISH DATE:** SATURDAY, AUGUST 6, 2011

**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, AUGUST 4, 2011

**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**

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



## **DECLARATION OF POSTING**

**PUBLIC HEARING TO CONSIDER INTRODUCING AN ORDINANCE AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 175 TITLED, “SCHEDULE ECA – ENERGY COST ADJUSTMENT” and INTRODUCING AN ORDINANCE AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 200 TITLED, “SCHEDULE ED – RESIDENTIAL SHARE PROGRAM SERVICE”**

On Friday, August 5, 2011, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider introducing an ordinance amending Chapter 13.20 – Electrical Service – Section 175 titled, “Schedule ECA – Energy Cost Adjustment” and introducing an ordinance amending Chapter 13.20 – Electrical Service – Section 200 titled, “Schedule ED – Residential SHARE Program Service” (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 August 5, 2011, 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: August 17, 2011

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

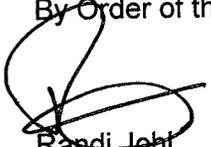
NOTICE IS HEREBY GIVEN that on **Wednesday, August 17, 2011**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) **Introduce ordinance amending Chapter 13.20 – Electrical Service – Section 175 titled, “Schedule ECA – Energy Cost Adjustment”**
- b) **Introduce ordinance amending Chapter 13.20 – Electrical Service – Section 200 titled, “Schedule ED – Residential Share Program Service”**

Information regarding this item may be obtained in the Electric Utility Department, 1331 South Ham Lane, Lodi, (209) 333-6762. 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, 2<sup>nd</sup> 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: August 3, 2011

Approved as to form:



D. Stephen Schwabauer  
City Attorney



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Conduct a Public Hearing to Consider Introduction of Ordinance Amending Chapter 13.20 "Electrical Services," Section 200 Titled Schedule ED – Residential SHARE Program Service

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Electric Utility Director

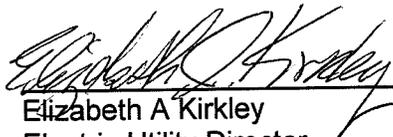
**RECOMMENDED ACTION:** Conduct a public hearing to consider introduction of ordinance amending Chapter 13.20 "Electrical Services," section 200 titled Schedule ED – Residential SHARE Program Service.

**BACKGROUND INFORMATION:** The original Schedule ED – Residential SHARE Program Service ordinance included the State of California Low Income Home Energy Assistance Program (LIHEAP) income guideline used in the same time period. Because we included the actual income guideline table rather than referencing the annual LIHEAP income guidelines the qualification for the rate has become increasingly difficult. The City of Lodi Finance Department works with LIHEAP to provide one-time help for our customers in need. The recommended change will be to replace special condition (c), eligibility criteria, with the reference to the LIHEAP income guideline.

This rate was created to provide continued monthly assistance.

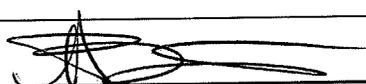
**FISCAL IMPACT:** This change will have minor impact on the Electric Utility. The Electric Utility will recover its marginal cost to provide service.

**FUNDING:** None required.

  
Elizabeth A Kirkley  
Electric Utility Director

**PREPARED BY:** Kevin Bell, Electric Rate Analyst

EAK/KPB/lst

**APPROVED:**   
Konradt Bartlam, City Manager

# CITY OF LODI

## ELECTRIC UTILITY DEPARTMENT

### SCHEDULE ED

#### RESIDENTIAL SHARE PROGRAM SERVICE

#### **APPLICABILITY:**

Applicable to domestic service in single-family and multi-family dwellings separately metered by the City of Lodi where the customer meets all the Special Conditions of this rate schedule including those on discontinued All Electric SHARE rate schedule, EF.

#### **RATES:**

Customers under this schedule will have bills computed using the EA rate schedule less a 30% discount.

#### **ENERGY COST ADJUSTMENT (ECA):**

An energy cost adjustment shall be included in each bill for service as provided in Section 13.20.175 Schedule ECA – Energy Cost Adjustment.

#### **BILLING CYCLE CHARGE (MONTHLY BILL):**

The billing cycle charge is the higher of the sum of Minimum Charge and ECA or the sum of the Energy Charge and the ECA.

#### **SPECIAL CONDITIONS:**

- (a) When a business or commercial establishment is conducted in conjunction with a residence and both are measured through one meter, this rate does not apply.
- (b) This rate does not apply to service used for common area and facilities in multi-family dwellings.
- (c) Single Household Alternative Rate for Energy (SHARE) Eligibility: To be eligible to receive SHARE an applicant must complete an application and qualify based on the income eligibility criteria for State of California Low Income Home Energy Assistance Program.
- (d) Completed applications must be submitted to the City of Lodi Finance Department. The City of Lodi Finance Department shall certify the eligibility of all applicants.
- (e) All applicants will be required to certify income eligibility for the SHARE program. Customers must sign a statement upon application indicating that the City of Lodi may verify the Customer's eligibility at any time. If verification established that the Customer is ineligible, the Customer will be removed from the program and the City of Lodi may render corrective billings.
- (f) An additional discount is available as described in Schedule MR, Residential Medical Discount.

## ATTACHMENT A

### INCOME GUIDELINES COMPARISON TABLE

	2010 LIHEAP Income Guidelines	2011 LIHEAP Income Guidelines	Lodi Electric Income Guidelines	PG&E SMUD Income Guidelines
Household Number	Annual Income	Annual Income	Annual Income	Annual Income
1	\$29,791.32	\$24,867.44	\$22,000	\$31,800
2	\$38,957.88	\$32,518.96	\$22,000	\$31,800
3	\$48,124.44	\$40,170.48	\$25,900	\$37,400
4	\$57,291.00	\$47,822.00	\$31,100	\$45,100
5	\$66,457.56	\$55,473.52	\$36,300	\$52,800
6	\$75,624.12	\$63,125.04	\$41,500	\$60,500
7	\$77,342.85	\$64,559.70	\$46,700	\$68,200
8	\$79,061.58	\$65,994.36	\$51,900	\$75,900
9	\$80,780.31	\$67,429.02	\$57,100	\$83,600
10	\$82,499.04	\$68,863.68	\$62,300	\$91,300
11	\$84,217.77	\$70,298.34	\$67,500	\$99,000
12	\$85,936.50	\$71,733.00	\$72,700	\$106,700
13	\$87,655.23	\$73,167.66	\$77,900	\$114,400
14	\$89,373.96	\$74,602.32	\$83,100	\$122,100
15	\$91,092.69	\$76,036.98	\$88,300	\$129,800

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE LODI CITY COUNCIL AMENDING LODI  
MUNICIPAL CODE CHAPTER 13.20, "ELECTRICAL SERVICE," BY  
REPEALING AND REENACTING SECTION 13.20.200 –  
SCHEDULE ED-RESIDENTIAL SHARE PROGRAM SERVICE

=====

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

**SECTION 1.** Lodi Municipal Code Section 13.20.200 – "Schedule ED – Residential SHARE Program Service" is hereby repealed and reenacted to read as follows:

**APPLICABILITY:**

Applicable to domestic service in single-family and multi-family dwellings separately metered by the City of Lodi where the customer meets all the Special Conditions of this rate schedule including those on discontinued All Electric SHARE rate schedule, EF.

**RATES:**

Customers under this schedule will have bills computed using the EA rate schedule less a 30% discount.

**ENERGY COST AJUSTMENT (ECA):**

An energy cost adjustment shall be included in each bill for service as provided in Section 13.20.175 Schedule ECA – Energy Cost Adjustment.

**BILLING CYCLE CHARGE (MONTHLY BILL):**

The billing cycle charge is the higher of the sum of Minimum Charge and ECA or the sum of the Energy Charge and the ECA.

**SPECIAL CONDITIONS:**

- (a) When a business or commercial establishment is conducted in conjunction with a residence and both are measured through one meter, this rate does not apply.
- (b) This rate does not apply to service used for common area and facilities in multi-family dwellings.
- (c) Single Household Alternative Rate for Energy (SHARE) Eligibility: To be eligible to receive SHARE an applicant must complete an application and qualify based on the income eligibility criteria for State of California Low Income Home Energy Assistance Program.
- (d) Completed applications must be submitted to the City of Lodi Finance Department. The City of Lodi Finance Department shall certify the eligibility of all applicants.
- (e) All applicants will be required to certify income eligibility for the SHARE program. Customers must sign a statement upon application indicating that the City of Lodi may verify the Customer's eligibility at any time. If verification established that the Customer is ineligible, the Customer will be removed from the program and the City of Lodi may render corrective billings.
- (f) An additional discount is available as described in Schedule MR, Residential Medical Discount.

**SECTION 2. No Mandatory Duty of Care.** This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide

a basis of civil liability for damages, except as otherwise imposed by law.

**SECTION 3. Severability.** If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

**SECTION 4.** All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

**SECTION 5.** This ordinance shall be published pursuant to law and shall become effective 30 days from the date of passage and adoption.

**SECTION 6.** The amended Schedules referenced above shall be effective on applicable electric utility billings prepared by the City of Lodi on or after November 1, 2011, or the first date allowable under State law.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2011

\_\_\_\_\_  
BOB JOHNSON  
MAYOR

ATTEST:

RANDI JOHL  
City Clerk

State of California  
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. \_\_\_\_ was introduced at a regular meeting of the City Council of the City of Lodi held August 17, 2011, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held \_\_\_\_\_, 2011, by the following vote:

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

I further certify that Ordinance No. \_\_\_\_ was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

RANDI JOHL  
City Clerk

Approved to Form:

D. STEPHEN SCHWABAUER  
City Attorney



**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 INTRODUCING AN ORDINANCE AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 175 TITLED, “SCHEDULE ECA – ENERGY COST ADJUSTMENT” and INTRODUCING AN ORDINANCE AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 200 TITLED, “SCHEDULE ED – RESIDENTIAL SHARE PROGRAM SERVICE”

**PUBLISH DATE:** SATURDAY, AUGUST 6, 2011

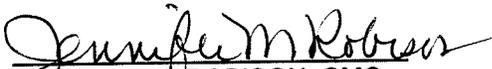
**LEGAL AD**

**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, AUGUST 4, 2011

**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) \_\_\_\_\_ JMP \_\_\_\_\_ MB \_\_\_\_\_ CF (initials)



## **DECLARATION OF POSTING**

**PUBLIC HEARING TO CONSIDER INTRODUCING AN ORDINANCE AMENDING  
CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 175 TITLED, “SCHEDULE  
ECA – ENERGY COST ADJUSTMENT” and INTRODUCING AN ORDINANCE  
AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 200 TITLED,  
“SCHEDULE ED – RESIDENTIAL SHARE PROGRAM SERVICE”**

On Friday, August 5, 2011, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider introducing an ordinance amending Chapter 13.20 – Electrical Service – Section 175 titled, “Schedule ECA – Energy Cost Adjustment” and introducing an ordinance amending Chapter 13.20 – Electrical Service – Section 200 titled, “Schedule ED – Residential SHARE Program Service” (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 August 5, 2011, 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: August 17, 2011

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, August 17, 2011**, 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) **Introduce ordinance amending Chapter 13.20 – Electrical Service – Section 175 titled, “Schedule ECA – Energy Cost Adjustment”**
- b) **Introduce ordinance amending Chapter 13.20 – Electrical Service – Section 200 titled, “Schedule ED – Residential Share Program Service”**

Information regarding this item may be obtained in the Electric Utility Department, 1331 South Ham Lane, Lodi, (209) 333-6762. 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, 2<sup>nd</sup> 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: August 3, 2011

Approved as to form:



D. Stephen Schwabauer  
City Attorney



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Introduce Ordinance Amending Lodi Municipal Code Title 2 – Administration and Personnel – Chapter 2.12, “City Manager”, by Repealing and Reenacting Section 2.12.060(T) Relating to Contract Authority of the City Manager and Further Amending Lodi Municipal Code, Title 3 – Revenue and Finance – By Repealing and Reenacting Chapter 3.20 In Its Entirety Relating to the Purchasing System

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Deputy City Manager

**RECOMMENDED ACTION:** Introduce Ordinance amending Lodi Municipal Code Title 2 – Administration and Personnel – Chapter 2.12, “City Manager”, by repealing and reenacting Section 2.12.060(T) relating to contract authority of the City Manager and further amending Lodi Municipal Code, Title 3 – Revenue and Finance – by repealing and reenacting Chapter 3.20 in its entirety relating to the Purchasing System.

**BACKGROUND INFORMATION:** Council adopted the current Purchasing Policy in August 2005, establishing a centralized purchasing organization. In January 2010, the Council approved department reorganizations that decentralized the purchasing functions within the City. At that time, staff advised the Council that the Purchasing Policy would be revised to reflect the new departmental structures.

Full implementation of decentralized purchasing occurred in July 2010. The City has operated under the decentralized purchasing model for the past year. A number of proposed changes were brought to the Council at the Shirtsleeve session of July 19, 2011. As City staff has reduced, the need to be more efficient is very apparent. The recommended changes are driven by the efficiencies that will be gained by adding flexibility to our purchasing processes. Staff has weighed the increased flexibility against the inherent risks in arriving at our recommendations, along with input provided by Council at the Shirtsleeve session. The significant recommended changes can be summarized as follows:

Item	Current Policy	Recommendation
Purchase Order Limit	Purchase Order required for all purchases over \$500	Raise the limit to \$2,500
Quote Limit	Verbal quotes required for purchases between \$500 and \$999; Written quotes required for purchases over \$1,000	Eliminate verbal quotes; Raise written quote limit to \$2,500
Signature Limits	Department Head - \$5,000 City Manager - \$20,000	Department Head - \$10,000 Engineering Dept. Head (Public Works & Electric Utility) - \$15,000 City Manager - \$20,000
Purchasing Cards	11 currently approved by Council Resolution	Increase to 36 classifications; continue to have Council approve classifications by Resolution; match transaction limits to revised purchasing policy

APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

In addition to the above changes, a number of other changes are included in the ordinance that brings the ordinance in line with a decentralized purchasing organization. Such changes are noted in red-line format in the attached amended ordinance.

**FISCAL IMPACT:** Staff efficiencies are expected as greater flexibility is granted in our purchasing processes. Additional revenue is expected as more purchases are made using the procurement cards. It is not possible to accurately estimate the additional revenue as the exact amount of procurement card spending is not known.

**FUNDING AVAILABLE:** Not applicable.

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Jordan Ayers  
Deputy City Manager

JA/ja

Attachments

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI AMENDING LODI MUNICIPAL CODE TITLE 2 – ADMINISTRATION AND PERSONNEL – CHAPTER 2.12, “CITY MANAGER,” BY REPEALING AND REENACTING SECTION 2.12.060(T) RELATING TO CONTRACT AUTHORITY OF THE CITY MANAGER; AND FURTHER AMENDING LODI MUNICIPAL CODE, TITLE 3 – REVENUE AND FINANCE – BY REPEALING AND REENACTING CHAPTER 3.20 IN ITS ENTIRETY RELATING TO THE PURCHASING SYSTEM

=====

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LODI AS FOLLOWS:

Section 1. Lodi Municipal Code Title 2 “Administration and Personnel” Chapter 2.12 “City Manager” is hereby amended by repealing and reenacting Section 2.12.060(T) – relating to contract authority of the City Manager, and shall read as follows:

2.12.060 (T) Contracts: To execute on behalf of the City, without City Council approval, contracts, as defined in Lodi Municipal Code 3.20.015, in the amount of twenty thousand dollars or less, and to delegate authority to subordinate officers and employees to execute contracts without city council or city manager approval contracts in the amount of fifteen thousand or less to the Public Works Director or designee, fifteen thousand or less to the Electric Utility Director or designee and ten thousand dollars or less to all other directors or designees. Nothing in this section shall allow departure from the other purchasing requirements of Chapter 3.20 of this Code. For contracts of not less than ten thousand nor greater than twenty thousand the City Manager shall quarterly prepare for the city council a report which includes a list of the contracts into which the city has entered during the previous three months. No contract shall be split into smaller segments to avoid the provisions of this subsection. (Government Code § 4526, Public Contract Code § 10359)

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Section 2. Lodi Municipal Code Title 3 “Revenue and Finance” Chapter 3.20 “Purchasing System” is hereby repealed and reenacted in its entirety, and shall read as follows:

Sections:

- 3.20.010 Purpose
- 3.20.015 Definitions
- 3.20.020 Purchasing Officer - Established
- 3.20.030 Purchasing Officer - Powers
- 3.20.040 Delegation of Purchasing Authority
- 3.20.045 State and Local Agency Contracts
- 3.20.060 Requisitions
- 3.20.070 Bidding
- 3.20.075 Professional/Technical Services Contracts
- 3.20.076 Contract Authority
- 3.20.077 Electronic Hardware and Software
- 3.20.080 Purchase Orders
- 3.20.085 Professional Services Agreements
- 3.20.090 Use of unencumbered funds required
- 3.20.095 State and Federal Grants
- 3.20.100 Formal contract procedure
- 3.20.105 Public Works Projects
- 3.20.110 Open market procedure
- 3.20.115 Split Transactions
- 3.20.120 Inspection and testing of purchases

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3.20.130	Vehicle Purchases and Disposition Exemption
<u>3.20.135</u>	<u>Procurement Cards</u>
3.20.140	Restrictions
3.20.150	Penalty for violation

3.20.010 Purpose

In order to establish efficient procedures for the purchase of supplies, services and equipment, to secure for the City supplies, services and equipment at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function and to assure the quality of purchases, the City's purchasing system is set forth in this Chapter.

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3.20.015 Definitions

As used in this Chapter the following terms shall have the following respective meanings:

- A. "Best Value" is associated with determining the greatest worth and benefit to the City based on a number of factors, including
  - 1) Cost;
  - 2) Quality of the product or service;
  - 3) Delivery lead time;
  - 4) Ability of the manufacturer or contractor to provide services, supplies, or equipment as required, and parts, repairs, maintenance and support after the sale;
  - 5) The character, integrity, reputation, judgment, and experience of the manufacturer, contractor, or supplier.
- B. "Bid" may mean a competitive sealed (formal) bid processed in accordance with §3.20.100, or an informal bid processed in accordance with §3.20.110 herein.
- C. "Contract" means a written or oral agreement to expend money on a product or service including but not limited to purchase orders, formal contracts, invoices and oral orders.
- D. "Department" or "Using Department" means any of the departments of the city government.
- E. "Emergency" shall mean an unforeseen circumstance or combination of circumstances calling for immediate action to procure materials, supplies, equipment, or services in order to make repairs, safeguard lives or property, or maintain public health or welfare, as a result of extraordinary conditions created by war, disease, weather, fire, or other catastrophic or unforeseen occurrence, or imminent or actual failure of any plant, equipment, structure, street or public work.
- F. "Equipment" shall mean items of property which are maintained on inventory as fixed assets. These items are durable and have a fixed, predetermined life expectancy.
- G. "Professional services", as used in this section, shall mean all services which (1) are of an advisory nature, (2) provide a recommended course of action or personal expertise, or (3) have an end product which is basically a transmittal of information either written or verbal and which is related to the governmental functions of city administration and management and city program management or innovation, and which are obtained by awarding a services contract, a grant, or any other payment of funds for services of the above type. In general, "Professional services" are provided by qualified professionals in such disciplines as accounting, architectural, engineering,

Deleted: Except as specified in Section 3.20.040 herein, there shall be no exemption from centralized purchasing, and no agency or department shall be authorized to purchase, or contract for the purchase of supplies, materials, services or equipment independently of the purchasing system.¶

environmental, financial, legal, and medical fields.

H. “Professional Services Agreement” means the agreement entered into between the service provider and the City for services, as opposed to goods and materials, in a form created by the City Attorney.

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I. “Public Project” shall mean a project for the erection, improvement, painting or repair of public buildings and works; work in or about streams, rivers, lakes, or embankments for protection against overflow; street, sewer, water and electrical distribution system work except maintenance or repair; furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers. (Public Contract Code § 20161)

J. “Purchases” shall mean legal transactions (including lease and rental) by which the City acquires supplies, equipment, materials and contractual services.

K. “Purchasing Authority” shall mean any department head authorized to purchase or otherwise enter into contracts for the City under provisions of Part 3.20.040 herein.

L. “Procurement Cards” shall mean bank issued credit cards assigned to positions specified by resolution of the City Council.

M. “Responsible Bid” shall mean an offer, submitted by a responsible bidder to furnish supplies, equipment, materials, or services in conformity with the bid instructions, specifications, delivery terms and conditions, and other requirements contained in the Invitation for Bids.

N. “Responsible Bidder” shall mean a bidder who is financially responsible and has the resources, judgment, skill, ability, capacity, integrity, and reliability required and necessary to perform the requirements set forth in the bids, and which will assure good faith performance.

O. “Responsive Bid” is a bid that conforms in all material respects to the Invitation for Bids.

P. “Services” shall mean the furnishing of labor, time, or effort performed by specially trained and experienced persons, firms, or corporations rendering professional work and advice in such disciplines as the maintenance or repair of buildings or grounds, equipment or machinery, or other City-owned or operated property. Such term shall not include services rendered by city officers or employees, nor professional or technical services as defined elsewhere in this section.

Q. “Shall” denotes the imperative.

R. “Supplies” shall mean property, including but not limited to materials, required to perform a department’s routine functions.

S. “Technical Services” shall mean design, installation, diagnostic or repair services for electrical, electronic, data/telecommunications, mechanical, and/or control systems and their components. These services are distinguished from general repair and maintenance services by their requirements for technical training and/or professional certification.

### 3.20.020 Purchasing Officer – Established

There is established the position of Purchasing Officer. The Purchasing Officer shall be appointed by the City Manager, and shall be the head and have general oversight of the purchasing functions of the City. The duties of the Purchasing Officer may be combined with those of any other office or position.

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### 3.20.030 Purchasing Officer - Powers

The Purchasing Officer shall have the responsibility and authority to:

A. Purchase or contract for supplies, services and equipment required by any city department in accordance with purchasing procedures prescribed by this

Chapter, such administrative regulations as the Purchasing Officer shall adopt for the internal management and operation of the purchasing function of the City and such other rules and regulations as shall be prescribed by the City Council or City Manager;

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B. Negotiate and recommend execution of contracts for the purchase of supplies, services and equipment;

C. Act to procure for the city the needed quantity and quality in supplies, services and equipment at least expense to the City;

D. Discourage uniform bidding (wherein bidders conspire to submit the same cost for a given job or tangible item), and endeavor to obtain as full and open competition as possible on all purchases;

E. Prepare rules governing the purchase of supplies, services and equipment for the City;

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F. Prepare and recommend to the City Council revisions and amendments to, this Chapter;

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G. Keep informed of current developments in the field of purchasing, prices, market conditions and new products;

H. Prescribe and maintain such forms as reasonably necessary to the operation of this Chapter and other rules and regulations;

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I. Oversee the inspection of all supplies, services and equipment purchased to insure conformance with specifications;

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J. Recommend the transfer of surplus or unused supplies and equipment between departments as needed and the sale of all supplies and equipment which cannot be used by any department or which may become unsuitable for city use;

K. Maintain a bidders' list, vendors catalog file, and records necessary for the efficient operation of the purchasing function;

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L. The foregoing responsibilities and authorities may be delegated by the Purchasing Officer to departmental Purchasing Authorities (as defined herein) under this purchasing policy.

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### 3.20.040 Delegation of Purchasing Authority

The City Manager, in accordance with Lodi Municipal Code Section 2.12.060(T), may authorize in writing any department head (hereinafter "Purchasing Authority") to purchase or contract for, or to delegate to qualified staff members the authority to purchase or contract for specified supplies, services and equipment independently, but shall require that such purchases or contracts be made in conformity with the procedures established by this Chapter, and shall further require periodic reports from the department on the purchases and contracts made under such written authorization.

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### 3.20.045 State and Local Agency Contracts

The bidding process described in this Chapter may be waived when advantageous for the City, and authorized by the City Manager for purchase of supplies, equipment or contractual services awarded in accordance with formally adopted bidding or negotiation procedures approved by the governing boards of other California public agencies. Purchases or contracts in excess of twenty thousand dollars (\$20,000) shall require the approval of the City Council.

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### 3.20.060 Requisitions

City departments shall submit requests for supplies, services and equipment to the purchasing officer, or designee, electronically or by standard requisition forms, for the purposes and within the limits of funds appropriated therefore.

3.20.070 Bidding

Purchases of supplies, services, equipment and the sale of personal property shall be by bid procedures pursuant to Sections 3.20.100 and 3.20.110. Bidding shall be dispensed with only (1) bid in cases of emergency as defined in this Chapter, and therefore requires that an order be placed with the best available source of service or supply; (2) when the amount involved is less than two thousand five hundred dollars (\$2,500) (but competitive quotes shall be obtained if it is in the City's best interest to do so), (3) when the commodity can be obtained from only one vendor, due to (a) product standardization by resolution of the City Council, or (b) need for branded replacement parts or supplies for equipment of like brand; (4) when professional or technical requirements preclude competitive bidding, pursuant to Part 3.20.075 of this Section, or (5) when the City Council determines that the purchase or method of purchase would be in the best interests of the city.

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3.20.075 Professional/Technical Services Contracts

The following professional services contracts are specifically exempt from the advertising and bidding requirements of Section 3.20.070:

Contracts for

(1) legal defense, legal advice, or legal services;

(2) architectural and engineering services, including, but not limited to construction management, aerial photography, laboratory and material testing services;

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(3) accounting and financial services;

(4) real estate appraisals;

(5) transportation services consultants;

(6) safety, environmental or hazardous material consultants;

(7) workshops, seminars, and conferences;

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(8) computer consulting services.

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Such contracts shall be awarded on the basis of professional qualifications and experience, quality of service, past performance, and negotiated prices.

3.20.076 Contract Authority

The City Manager shall have the contracting authority set forth in Chapter 2.12.060(T) of this Code.

3.20.077 Electronic Hardware and Software

Acquisition of electronic hardware and software shall be by negotiation, requests for proposal, or competitive bids, and award shall be based on 'best value' criteria as established by Section 3.20.15, under direction of the Information Systems Manager, and set forth in the terms of the negotiation, Request for Proposals, or bid. Alternatively, purchase of electronic hardware and software may be made in accordance with Section 3.20.045. Electronic software purchases shall also be made in accordance with the City of Lodi Administrative Policies – Information Systems – Section 5 Software Selection and Acquisition.

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3.20.080 Purchase orders.

Purchases of supplies and equipment in an amount of two thousand five hundred dollars (\$2,500) or more shall be made only by written contract or by purchase orders. Purchase orders should not be used to procure services, except as noted in Section 3.20.085.

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### 3.20.085 Professional Services Agreements

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Services, as opposed to goods or materials, shall be procured using a Professional Services Agreement as created, and revised as needed, by the City Attorney. Purchase orders, with the appropriate terms, conditions and insurance requirements, may be used in lieu of a Professional Services Agreement when the nature of the service is that of a one-time service. Ongoing, recurring services shall be procured using a Professional Services Agreement.

### 3.20.090 Use of unencumbered funds required.

Except in cases of emergency, the purchasing officer or purchasing authority shall not issue any purchase order or otherwise contract for supplies, services or equipment unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged.

### 3.20.095 State and Federal Grants

Where a procurement involves the expenditure of state or federal grant funds the procurement process shall comply with such state or federal laws and authorized regulations which are mandatorily applicable and which are not presently reflected in this code.

### 3.20.100 Formal contract procedure.

Purchases of supplies, equipment, contractual services, public projects, and sales of personal property of an estimated value greater than twenty thousand dollars (\$20,000) shall follow the formal contract procedure:

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A. Specifications and plans shall be subject to review and approval by the City Council prior to the solicitation of bids.

B. The advertisement for bids will be conducted as provided for in the Government Code.

C. Notice Inviting Bids. Notice inviting bids shall include a general description of the articles to be purchased or sold, or work to be performed, and shall state where bid forms and specifications may be secured and the time and place for opening of bids.

1. Published Notice. Notice inviting bids shall be published at least ten (10) calendar days before the date of opening of the bids. Notice shall be published at least once in a newspaper of general circulation, printed and published in the city, or if there is none, it shall be posted in at least three public places in the city that have been designated by ordinance as the places for posting public notices.

2. Bidders' List. The Purchasing Officer shall also solicit sealed bids from all responsible prospective suppliers whose names are on the bidders' list.

3. Internet Posting. The Purchasing Officer may also advertise pending bids for purchases or sales on the city's web page.

D. Bidder's Security. When required by law or deemed necessary by the Purchasing Officer, bidder's security may be prescribed in the notice inviting bids. Bidders shall be entitled to the return of their bid security; except that a successful bidder shall forfeit all or part of his or her bid security upon refusal or failure to execute the contract within ten days after the notice of award of contract has been mailed, unless the city is responsible for the delay. The City

Council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder. Thereafter, if the City Council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the city to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.

E. Bid Opening Procedure. Sealed bids shall be submitted to the purchasing officer and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the notice inviting bids. A tabulation of all bids received shall be available for public inspection during regular business hours for a period of not less than thirty calendar days after the bid opening.

F. Rejection of Bids. In its discretion, the city council may reject any and all bids presented and, if it is in the city's best interest to do so, readvertise for bids.

G. Award of Contracts. After evaluation of bids, contract shall be awarded by the city council to the lowest responsible bidder except as otherwise provided in this chapter. In determining the lowest responsible bid, considerations shall include but not be limited to such factors as (1) whether any portion of the state sales tax payable on the article which is the subject of the bid will be rebated to the city by reason of awarding such contract to a person or firm domiciled within the city, (2) total life-cycle costs, and/or (3) residual value.

H. Tie Bids. If two or more bids received are for the same total amount or unit price, with quality, service and factors considered in [Section 3.20.100 \(E\)](#), above, being equal and if the public interest will not permit the delay of readvertising for bids, the city council may accept the lowest bid determined by toss of a coin performed at a time as soon after the bid opening as is possible.

I. Performance Bond. The City Council shall have authority to require a performance bond before entering a contract in such amount as it shall find reasonably necessary to protect the best interests of the City. If the City Council requires a performance bond, the form and amount of the bond shall be described in the bidding documents.

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### 3.20.105 Public Works Projects

Public Works Projects in excess of five thousand dollars (\$5,000) shall be bid pursuant to the procedures of the Public Contract Code Public Contracts Code Section 20162. Public Works Projects under twenty thousand dollars (\$20,000) may be advertised for and contracted by staff as authorized under this Chapter. Public Works Contracts over twenty thousand dollars (\$20,000) shall be approved by Council. Public Works Project bid disputes, rejections and other exceptions shall be agendized for Council action regardless of contract value.

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### 3.20.110 Open market procedure

Purchases of supplies, equipment, contractual services and sales of personal property of an estimated value in the amount of twenty thousand dollars (\$20,000) or less may be made in the open market without observing the Formal Contract procedure prescribed by Section 3.20.100.

A. Minimum Number of Informal Bids or Quotations. Open market purchases shall, wherever possible, be based on at least three informal bids or quotations, and shall be awarded to the lowest responsible bidder.

B. Request for Quotations. The Purchasing Officer or purchasing authority shall solicit informal written bids or quotations from prospective vendors by written request, by telephone or by electronic data interchange. Quotations or informal bids shall be in writing for amounts greater than two thousand five hundred dollars (\$2,500).

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C. Quotations and written informal bids shall be submitted to the requestor, who shall keep a record of all quotations, bids, and open market orders for a period of one year after the submission of quotations or the placing of orders. This record, while so kept, shall be open to public inspection.

D. The Purchasing Officer or purchasing authority may reject any and all informal bids, offers and quotations when, in his or her discretion, it shall be in the best interest of the City to do so.

#### 3.20.115 Split Transactions

No person shall willfully split a single transaction into two or more transactions for the purposes of evading the bidding requirements of this section. (Public Contract Code § 10329, 20163)

#### 3.20.120 Inspection and testing of purchases.

The Purchasing Officer or purchasing authority shall assure the inspection of supplies and equipment delivered, and contractual services performed, to determine their conformance with the specifications set forth in the order or contract. The Purchasing Officer shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications. (Prior code § 2-66)

#### 3.20.130 Vehicle purchases and disposition exemption.

The purchase and disposition of fleet vehicles and other specific equipment governed by the City's Fleet Policies and Procedures, as adopted by resolution of the city council, is exempt from the provisions of this Chapter

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#### 3.20.135 Procurement Cards

The City Council shall select a vendor to provide Procurement Cards for use by city staff. Purchases in accordance with this policy shall be authorized to be paid for with such cards. The City Council shall approve issuance of Procurement Cards to specified staff positions by resolution for the efficient operations of the City. Authorized limits for individual and aggregate transactions shall be in accordance with the transaction and contract limits set forth in this chapter. The Purchasing Officer shall be responsible for preparing rules and procedures governing the use of Procurement Cards.

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#### 3.20.140 Restrictions

If any department purchases or contracts for any supplies, equipment or contractual services made contrary to the provisions of this Chapter, the purchase or contract shall be void and of no effect. The head of the department making the purchase transaction shall be personally liable for the amount of the purchase or contract, or, if already paid for out of city funds, the amount thereof may be recovered in the name of the city in appropriate action therefore.

#### 3.20.150 Penalty for violation

Any person who violates, or permits a violation of this chapter is guilty of an infraction which may be punishable as provided in Chapter 1.08 of this Code.

Section 3 - No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 4. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 5. This ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect 30 days from and after its passage and approval.

Approved this \_\_\_\_ day of \_\_\_\_\_, 20.

Attest:

RANDI JOHL  
City Clerk

\_\_\_\_\_  
BOB JOHNSON  
Mayor

State of California  
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. \_\_\_\_ was introduced at a regular meeting of the City Council of the City of Lodi held \_\_\_\_\_, 2011, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held \_\_\_\_\_, 2011, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. \_\_\_\_ was approved and signed by the Mayor of the date of its passage and the same has been published pursuant to law.

RANDI JOHL  
City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER  
City Attorney

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI AMENDING LODI MUNICIPAL CODE TITLE 2 – ADMINISTRATION AND PERSONNEL – CHAPTER 2.12, “CITY MANAGER,” BY REPEALING AND REENACTING SECTION 2.12.060(T) RELATING TO CONTRACT AUTHORITY OF THE CITY MANAGER; AND FURTHER AMENDING LODI MUNICIPAL CODE, TITLE 3 – REVENUE AND FINANCE – BY REPEALING AND REENACTING CHAPTER 3.20 IN ITS ENTIRETY RELATING TO THE PURCHASING SYSTEM

=====

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LODI AS FOLLOWS:

Section 1. Lodi Municipal Code Title 2 “Administration and Personnel” Chapter 2.12 “City Manager” is hereby amended by repealing and reenacting Section 2.12.060(T) – relating to contract authority of the City Manager, and shall read as follows:

2.12.060 (T) Contracts: To execute on behalf of the City, without City Council approval, contracts, as defined in Lodi Municipal Code 3.20.015, in the amount of twenty thousand dollars or less, and to delegate authority to subordinate officers and employees to execute contracts without city council or city manager approval contracts in the amount of fifteen thousand or less to the Public Works Director or designee, fifteen thousand or less to the Electric Utility Director or designee and ten thousand dollars or less to all other directors or designees. Nothing in this section shall allow departure from the other purchasing requirements of Chapter 3.20 of this Code. For contracts of not less than ten thousand nor greater than twenty thousand the City Manager shall quarterly prepare for the city council a report which includes a list of the contracts into which the city has entered during the previous three months. No contract shall be split into smaller segments to avoid the provisions of this subsection. (Government Code § 4526, Public Contract Code § 10359)

Section 2. Lodi Municipal Code Title 3 “Revenue and Finance” Chapter 3.20 “Purchasing System” is hereby repealed and reenacted in its entirety, and shall read as follows:

- Sections:
- 3.20.010 Purpose
  - 3.20.015 Definitions
  - 3.20.020 Purchasing Officer - Established
  - 3.20.030 Purchasing Officer - Powers
  - 3.20.040 Delegation of Purchasing Authority
  - 3.20.045 State and Local Agency Contracts
  - 3.20.060 Requisitions
  - 3.20.070 Bidding
  - 3.20.075 Professional/Technical Services Contracts
  - 3.20.076 Contract Authority
  - 3.20.077 Electronic Hardware and Software
  - 3.20.080 Purchase Orders
  - 3.20.085 Professional Services Agreements
  - 3.20.090 Use of unencumbered funds required
  - 3.20.095 State and Federal Grants
  - 3.20.100 Formal contract procedure
  - 3.20.105 Public Works Projects
  - 3.20.110 Open market procedure
  - 3.20.115 Split Transactions
  - 3.20.120 Inspection and testing of purchases

- 3.20.130 Vehicle Purchases and Disposition Exemption
- 3.20.135 Procurement Cards
- 3.20.140 Restrictions
- 3.20.150 Penalty for violation

### 3.20.010 Purpose

In order to establish efficient procedures for the purchase of supplies, services and equipment, to secure for the City supplies, services and equipment at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function and to assure the quality of purchases, the City's purchasing system is set forth in this Chapter.

### 3.20.015 Definitions

As used in this Chapter the following terms shall have the following respective meanings:

A. "Best Value" is associated with determining the greatest worth and benefit to the City based on a number of factors, including

- 1) Cost;
- 2) Quality of the product or service;
- 3) Delivery lead time;
- 4) Ability of the manufacturer or contractor to provide services, supplies, or equipment as required, and parts, repairs, maintenance and support after the sale;
- 5) The character, integrity, reputation, judgment, and experience of the manufacturer, contractor, or supplier.

B. "Bid" may mean a competitive sealed (formal) bid processed in accordance with §3.20.100, or an informal bid processed in accordance with §3.20.110 herein.

C. "Contract" means a written or oral agreement to expend money on a product or service including but not limited to purchase orders, formal contracts, invoices and oral orders.

D. "Department" or "Using Department" means any of the departments of the city government.

E. "Emergency" shall mean an unforeseen circumstance or combination of circumstances calling for immediate action to procure materials, supplies, equipment, or services in order to make repairs, safeguard lives or property, or maintain public health or welfare, as a result of extraordinary conditions created by war, disease, weather, fire, or other catastrophic or unforeseen occurrence, or imminent or actual failure of any plant, equipment, structure, street or public work.

F. "Equipment" shall mean items of property which are maintained on inventory as fixed assets. These items are durable and have a fixed, predetermined life expectancy.

G. "Professional services", as used in this section, shall mean all services which (1) are of an advisory nature, (2) provide a recommended course of action or personal expertise, or (3) have an end product which is basically a transmittal of information either written or verbal and which is related to the governmental functions of city administration and management and city program management or innovation, and which are obtained by awarding a services contract, a grant, or any other payment of funds for services of the above type. In general, "Professional services" are provided by qualified professionals in such disciplines as accounting, architectural, engineering, environmental, financial, legal, and medical fields.

H. "Professional Services Agreement" means the agreement entered into between the service provider and the City for services, as opposed to goods and materials, in a form created by the City Attorney.

I. "Public Project" shall mean a project for the erection, improvement, painting or repair of public buildings and works; work in or about streams, rivers, lakes, or embankments for protection against overflow; street, sewer, water and electrical distribution system work except maintenance or repair; furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers. (Public Contract Code § 20161)

J. "Purchases" shall mean legal transactions (including lease and rental) by which the City

acquires supplies, equipment, materials and contractual services.

K. "Purchasing Authority" shall mean any department head authorized to purchase or otherwise enter into contracts for the City under provisions of Part 3.20.040 herein.

L. "Procurement Cards" shall mean bank issued credit cards assigned to positions specified by resolution of the City Council.

M. "Responsible Bid" shall mean an offer, submitted by a responsible bidder to furnish supplies, equipment, materials, or services in conformity with the bid instructions, specifications, delivery terms and conditions, and other requirements contained in the Invitation for Bids.

N. "Responsible Bidder" shall mean a bidder who is financially responsible and has the resources, judgment, skill, ability, capacity, integrity, and reliability required and necessary to perform the requirements set forth in the bids, and which will assure good faith performance.

O. "Responsive Bid" is a bid that conforms in all material respects to the Invitation for Bids.

P. "Services" shall mean the furnishing of labor, time, or effort performed by specially trained and experienced persons, firms, or corporations rendering professional work and advice in such disciplines as the maintenance or repair of buildings or grounds, equipment or machinery, or other City-owned or operated property. Such term shall not include services rendered by city officers or employees, nor professional or technical services as defined elsewhere in this section.

Q. "Shall" denotes the imperative.

R. "Supplies" shall mean property, including but not limited to materials, required to perform a department's routine functions.

S. "Technical Services" shall mean design, installation, diagnostic or repair services for electrical, electronic, data/telecommunications, mechanical, and/or control systems and their components. These services are distinguished from general repair and maintenance services by their requirements for technical training and/or professional certification.

### 3.20.020 Purchasing Officer – Established

There is established the position of Purchasing Officer. The Purchasing Officer shall be appointed by the City Manager, and shall be the head and have general oversight of the purchasing functions of the City. The duties of the Purchasing Officer may be combined with those of any other office or position.

### 3.20.030 Purchasing Officer - Powers

The Purchasing Officer shall have the responsibility and authority to:

A. Purchase or contract for supplies, services and equipment required by any city department in accordance with purchasing procedures prescribed by this Chapter, such administrative regulations as the Purchasing Officer shall adopt for the internal management and operation of the purchasing function of the City and such other rules and regulations as shall be prescribed by the City Council or City Manager;

B. Negotiate and recommend execution of contracts for the purchase of supplies, services and equipment;

C. Act to procure for the city the needed quantity and quality in supplies, services and equipment at least expense to the City;

D. Discourage uniform bidding (wherein bidders conspire to submit the same cost for a given job or tangible item), and endeavor to obtain as full and open competition as possible on all purchases;

E. Prepare rules governing the purchase of supplies, services and equipment for the City;

F. Prepare and recommend to the City Council revisions and amendments to this Chapter;

G. Keep informed of current developments in the field of purchasing, prices, market conditions and new products;

H. Prescribe and maintain such forms as reasonably necessary to the operation of this Chapter and other rules and regulations;

I. Oversee the inspection of all supplies, services and equipment purchased to insure conformance with specifications;

J. Recommend the transfer of surplus or unused supplies and equipment between departments

as needed and the sale of all supplies and equipment which cannot be used by any department or which may become unsuitable for city use;

K. Maintain a bidders' list, vendors catalog file, and records necessary for the efficient operation of the purchasing function.

L. The foregoing responsibilities and authorities may be delegated by the Purchasing Officer to departmental Purchasing Authorities (as defined herein) under this purchasing policy.

#### 3.20.040 Delegation of Purchasing Authority

The City Manager, in accordance with Lodi Municipal Code Section 2.12.060(T), may authorize in writing any department head (hereinafter "Purchasing Authority") to purchase or contract for, or to delegate to qualified staff members the authority to purchase or contract for specified supplies, services and equipment independently; but shall require that such purchases or contracts be made in conformity with the procedures established by this Chapter, and shall further require periodic reports from the department on the purchases and contracts made under such written authorization.

#### 3.20.045 State and Local Agency Contracts

The bidding process described in this Chapter may be waived when advantageous for the City, and authorized by the City Manager for purchase of supplies, equipment or contractual services awarded in accordance with formally adopted bidding or negotiation procedures approved by the governing boards of other California public agencies. Purchases or contracts in excess of twenty thousand dollars (\$20,000) shall require the approval of the City Council.

#### 3.20.060 Requisitions

City departments shall submit requests for supplies, services and equipment to the purchasing officer, or designee, electronically or by standard requisition forms, for the purposes and within the limits of funds appropriated therefore.

#### 3.20.070 Bidding

Purchases of supplies, services, equipment and the sale of personal property shall be by bid procedures pursuant to Sections 3.20.100 and 3.20.110. Bidding shall be dispensed with only (1) bid in cases of emergency as defined in this Chapter, and therefore requires that an order be placed with the best available source of service or supply, (2) when the amount involved is less than two thousand five hundred dollars (\$2,500) (but competitive quotes shall be obtained if it is in the City's best interest to do so), (3) when the commodity can be obtained from only one vendor, due to (a) product standardization by resolution of the City Council, or (b) need for branded replacement parts or supplies for equipment of like brand; (4) when professional or technical requirements preclude competitive bidding, pursuant to Part 3.20.075 of this Section, or (5) when the City Council determines that the purchase or method of purchase would be in the best interests of the city.

#### 3.20.075 Professional/Technical Services Contracts

The following professional services contracts are specifically exempt from the advertising and bidding requirements of Section 3.20.070:

Contracts for

(1) legal defense, legal advice, or legal services;

(2) architectural and engineering services, including, but not limited to construction management, aerial photography, laboratory and material testing services;

(3) accounting and financial services;

- (4) real estate appraisals;
- (5) transportation services consultants;
- (6) safety, environmental or hazardous material consultants;
- (7) workshops, seminars, and conferences;
- (8) computer consulting services.

Such contracts shall be awarded on the basis of professional qualifications and experience, quality of service, past performance, and negotiated prices.

#### 3.20.076 Contract Authority

The City Manager shall have the contracting authority set forth in Chapter 2.12.060(T) of this Code.

#### 3.20.077 Electronic Hardware and Software

Acquisition of electronic hardware and software shall be by negotiation, requests for proposal, or competitive bids, and award shall be based on 'best value' criteria as established by Section 3.20.15, under direction of the Information Systems Manager, and set forth in the terms of the negotiation, Request for Proposals, or bid. Alternatively, purchase of electronic hardware and software may be made in accordance with Section 3.20.045. Electronic software purchases shall also be made in accordance with the City of Lodi Administrative Policies – Information Systems – Section 5 Software Selection and Acquisition.

#### 3.20.080 Purchase orders.

Purchases of supplies and equipment in an amount of two thousand five hundred dollars (\$2,500) or more shall be made only by written contract or by purchase orders. Purchase orders should not be used to procure services, except as noted in Section 3.20.085.

#### 3.20.085 Professional Services Agreements

Services, as opposed to goods or materials, shall be procured using a Professional Services Agreement as created, and revised as needed, by the City Attorney. Purchase orders, with the appropriate terms, conditions and insurance requirements, may be used in lieu of a Professional Services Agreement when the nature of the service is that of a one-time service. On-going, recurring services shall be procured using a Professional Services Agreement.

#### 3.20.090 Use of unencumbered funds required.

Except in cases of emergency, the purchasing officer or purchasing authority shall not issue any purchase order or otherwise contract for supplies, services or equipment unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged.

#### 3.20.095 State and Federal Grants

Where a procurement involves the expenditure of state or federal grant funds the procurement process shall comply with such state or federal laws and authorized regulations which are mandatorily applicable and which are not presently reflected in this code.

#### 3.20.100 Formal contract procedure.

Purchases of supplies, equipment, contractual services, public projects, and sales of personal property of an estimated value greater than twenty thousand dollars (\$20,000) shall follow the formal contract procedure:

- A. Specifications and plans shall be subject to review and approval by the City Council prior to

the solicitation of bids.

B. The advertisement for bids will be conducted as provided for in the Government Code.

C. Notice Inviting Bids. Notice inviting bids shall include a general description of the articles to be purchased or sold, or work to be performed, and shall state where bid forms and specifications may be secured and the time and place for opening of bids.

1. Published Notice. Notice inviting bids shall be published at least ten (10) calendar days before the date of opening of the bids. Notice shall be published at least once in a newspaper of general circulation, printed and published in the city, or if there is none, it shall be posted in at least three public places in the city that have been designated by ordinance as the places for posting public notices.

2. Bidders' List. The Purchasing Officer shall also solicit sealed bids from all responsible prospective suppliers whose names are on the bidders' list.

3. Internet Posting. The Purchasing Officer may also advertise pending bids for purchases or sales on the city's web page.

D. Bidder's Security. When required by law or deemed necessary by the Purchasing Officer, bidder's security may be prescribed in the notice inviting bids. Bidders shall be entitled to the return of their bid security; except that a successful bidder shall forfeit all or part of his or her bid security upon refusal or failure to execute the contract within ten days after the notice of award of contract has been mailed, unless the city is responsible for the delay. The City Council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder. Thereafter, if the City Council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the city to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.

E. Bid Opening Procedure. Sealed bids shall be submitted to the purchasing officer and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the notice inviting bids. A tabulation of all bids received shall be available for public inspection during regular business hours for a period of not less than thirty calendar days after the bid opening.

F. Rejection of Bids. In its discretion, the city council may reject any and all bids presented and, if it is in the city's best interest to do so, readvertise for bids.

G. Award of Contracts. After evaluation of bids, contract shall be awarded by the city council to the lowest responsible bidder except as otherwise provided in this chapter. In determining the lowest responsible bid, considerations shall include but not be limited to such factors as (1) whether any portion of the state sales tax payable on the article which is the subject of the bid will be rebated to the city by reason of awarding such contract to a person or firm domiciled within the city, (2) total life-cycle costs, and/or (3) residual value.

H. Tie Bids. If two or more bids received are for the same total amount or unit price, with quality, service and factors considered in Section 3.20.100 (E), above, being equal and if the public interest will not permit the delay of readvertising for bids, the city council may accept the lowest bid determined by toss of a coin performed at a time as soon after the bid opening as is possible.

I. Performance Bond. The City Council shall have authority to require a performance bond before entering a contract in such amount as it shall find reasonably necessary to protect the best interests of the City. If the City Council requires a performance bond, the form and amount of the bond shall be described in the bidding documents.

### 3.20.105 Public Works Projects

Public Works Projects in excess of five thousand dollars (\$5,000) shall be bid pursuant to the procedures of the Public Contract Code Public Contracts Code Section 20162). Public Works Projects under twenty thousand dollars (\$20,000) may be advertised for and contracted by staff as authorized under this Chapter. Public Works Contracts over twenty thousand dollars (\$20,000) shall be approved by Council. Public Works Project bid disputes, rejections and other exceptions shall be agendized for Council action regardless of contract value.

### 3.20.110 Open market procedure

Purchases of supplies, equipment, contractual services and sales of personal property of an estimated value in the amount of twenty thousand dollars (\$20,000) or less may be made in the open market without observing the Formal Contract procedure prescribed by Section 3.20.100.

A. Minimum Number of Informal Bids or Quotations. Open market purchases shall, wherever possible, be based on at least three informal bids or quotations, and shall be awarded to the lowest responsible bidder.

B. Request for Quotations. The Purchasing Officer or purchasing authority shall solicit informal written bids or quotations from prospective vendors by written request, by telephone or by electronic data interchange. Quotations or informal bids shall be in writing for amounts greater than two thousand five hundred dollars (\$2,500).

C. Quotations and written informal bids shall be submitted to the requestor, who shall keep a record of all quotations, bids, and open market orders for a period of one year after the submission of quotations or the placing of orders. This record, while so kept, shall be open to public inspection.

D. The Purchasing Officer or purchasing authority may reject any and all informal bids, offers and quotations when, in his or her discretion, it shall be in the best interest of the City to do so.

### 3.20.115 Split Transactions

No person shall willfully split a single transaction into two or more transactions for the purposes of evading the bidding requirements of this section. (Public Contract Code § 10329, 20163)

### 3.20.120 Inspection and testing of purchases.

The Purchasing Officer or purchasing authority shall assure the inspection of supplies and equipment delivered, and contractual services performed, to determine their conformance with the specifications set forth in the order or contract. The Purchasing Officer shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications. (Prior code § 2-66)

### 3.20.130 Vehicle purchases and disposition exemption.

The purchase and disposition of fleet vehicles and other specific equipment governed by the City's Fleet Policies and Procedures, as adopted by resolution of the city council, is exempt from the provisions of this Chapter

### 3.20.135 Procurement Cards

The City Council shall select a vendor to provide Procurement Cards for use by city staff. Purchases in accordance with this policy shall be authorized to be paid for with such cards. The City Council shall approve issuance of Procurement Cards to specified staff positions by resolution for the efficient operations of the City. Authorized limits for individual and aggregate transactions shall be in accordance with the transaction and contract limits set forth in this chapter. The Purchasing Officer shall be responsible for preparing rules and procedures governing the use of Procurement Cards.

### 3.20.140 Restrictions

If any department purchases or contracts for any supplies, equipment or contractual services made contrary to the provisions of this Chapter, the purchase or contract shall be void and of no effect. The head of the department making the purchase transaction shall be personally liable for the amount of the purchase or contract, or, if already paid for out of city funds, the amount thereof may be recovered in the name of the city in appropriate action therefore.

### 3.20.150 Penalty for violation

Any person who violates, or permits a violation of this chapter is guilty of an infraction which may be punishable as provided in Chapter 1.08 of this Code.

Section 3 - No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 4. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 5. This ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect 30 days from and after its passage and approval.

Approved this \_\_\_\_ day of \_\_\_\_\_, 20.  
Attest:

RANDI JOHL  
City Clerk

\_\_\_\_\_  
BOB JOHNSON  
Mayor

State of California  
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. \_\_\_\_ was introduced at a regular meeting of the City Council of the City of Lodi held August 17, 2011, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held \_\_\_\_\_, 2011, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. \_\_\_\_ was approved and signed by the Mayor of the date of its passage and the same has been published pursuant to law.

RANDI JOHL  
City Clerk  
Approved as to Form:

D. STEPHEN SCHWABAUER



TM

# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Introduce Ordinance Amending Lodi Municipal Code Title 13 – “Public Services” by Repealing and Reenacting Section 13.12.460(L), and Further Repealing and Reenacting Section 13.12.565 Relating to “Sewer Service”

**MEETING DATE:** August 17, 2011

**PREPARED BY:** City Attorney

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**RECOMMENDED ACTION:** Introduce Ordinance amending Lodi Municipal Code Title 13 – “Public Services” by repealing and reenacting Section 13.12.460(L), and further repealing and reenacting Section 13.12.565 relating to “Sewer Service.”

**BACKGROUND INFORMATION:** Recent review of our federally mandated sewer pretreatment standards require the City to amend its sewer pretreatment Ordinance to repair two typographical errors in cross-references. A redline strikeout draft of the changes is attached. Adopting these changes is a condition of maintaining the City’s discharge permit.

**FISCAL IMPACT:** None.

**FUNDING AVAILABLE:** Not Applicable.

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Steve Schwabauer, City Attorney

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APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE LODI CITY COUNCIL AMENDING LODI MUNICIPAL CODE TITLE 13 "PUBLIC SERVICES" BY REPEALING AND REENACTING SECTION 13.12.460 (L); AND FURTHER REPEALING AND REENACTING SECTION 13.12.565 RELATING TO SEWER SERVICE

=====

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LODI AS FOLLOWS:

Section 1. Lodi Municipal Code Section 13.12.460 "L" – is hereby repealed and reenacted to read as follows:

L. Requirements for "slug discharge" plans as required by 40 CFR 403.8(f)(2)(vi)(A)-(D).

Section 2. Lodi Municipal Code Section 13.12.565 – is hereby repealed and reenacted to read as follows:

13.12.565 Notice of Potential Problems, Including Slug Loading, Regardless of Whether or Not a Discharge Violates the Terms of this Chapter.

All Industrial users shall notify the Water Services Manager or White Slough Water Pollution Control Facility personnel immediately of all discharges that could cause problems to the WSWPCF including slug discharge as defined by Lodi Municipal Code §13.12.020 (504).

Section 3 - No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 4 - Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

Section 5. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 6. This ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect 30 days from and after its passage and approval.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
BOB JOHNSON  
Mayor

ATTEST:

\_\_\_\_\_  
RANDI JOHL  
City Clerk

State of California  
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. \_\_\_\_ was introduced at a regular meeting of the City Council of the City of Lodi held \_\_\_\_\_, 2011, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held \_\_\_\_\_, 2011, by the following vote:

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

I further certify that Ordinance No. \_\_\_\_ was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

\_\_\_\_\_  
RANDI JOHL  
City Clerk

APPROVED TO FORM:

D. STEPHEN SCHWABAUER  
City Attorney



**CITY OF LODI  
COUNCIL COMMUNICATION**

TM

**AGENDA TITLE:** Introduce Ordinance Amending Lodi Municipal Code Chapter 2.44 – Personnel System by Repealing and Reenacting Section 2.44.090 "Qualifications of Members"

**MEETING DATE:** August 17, 2011

**PREPARED BY:** City Attorney's Office

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**RECOMMENDED ACTION:** Introduce Ordinance Amending Lodi Municipal Code Chapter 2.44 – Personnel System by Repealing and Reenacting Section 2.44.090 "Qualifications of Members."

**BACKGROUND INFORMATION:** The Personnel System Ordinance establishes a Board to hear and determine employee appeals. Currently members of the board must be registered to vote in the City. The only other boards, committees, or commissions that have this requirement are the Planning Commission and SPARC. However, our commissions that serve the greater Lodi area, such as the Parks and Recreation Commission, allow residents outside the Lodi City limits. Because City employees come from outside City boundaries, including the unincorporated areas of the County, staff recommends that the voter registration requirement be changed to require voter registration within the County. The proposed recommendation will also allow for a greater pool of applicants.

**FISCAL IMPACT:** None.

**FUNDING:** None.

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Stephen Schwabauer  
City Attorney

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APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI  
AMENDING LODI MUNICIPAL CODE CHAPTER 2.44 – PERSONNEL  
SYSTEM – BY REPEALING AND RE-ENACTING SECTION 2.44.090,  
"QUALIFICATION OF MEMBERS" RELATING TO AN APPLICANT'S  
VOTER REGISTRATION

=====

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LODI AS FOLLOWS:

Section 1. Lodi Municipal Code Section 2.44.070, "Composition of Board – Vacancies," is hereby repealed and reenacted and shall read as follows:

2.44.090 QUALIFICATIONS OF MEMBERS

The members of the personnel board shall be qualified electors of the city **within the County** and shall serve without compensation. No person shall be ~~appointed to the board~~ who holds any position with the city nor shall any member while a member of the board be eligible for appointment to any position with the city.

Section 2. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 4. This ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect 30 days from and after its passage and approval.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
BOB JOHNSON  
Mayor

Attest:

\_\_\_\_\_  
RANDI JOHL  
City Clerk

State of California  
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. \_\_\_\_\_ was introduced at a regular meeting of the City Council of the City of Lodi held August 17, 2011, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held \_\_\_\_\_, 2011, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. \_\_\_\_\_ was approved and signed by the Mayor of the date of its passage and the same has been published pursuant to law.

---

RANDI JOHL  
City Clerk

Approved as to Form:

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D. STEPHEN SCHWABAUER  
City Attorney



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Approve Downtown Lodi Business Partnership 2011 Annual Report, Adopt Resolution of Intention to Levy Annual Assessment, and Set a Public Hearing for September 7, 2011 to Consider the Proposed Assessment

**MEETING DATE:** August 17, 2011

**PREPARED BY:** Deputy City Manager

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**RECOMMENDED ACTION:** Approve the Downtown Lodi Business Partnership (DLBP) 2011 Annual Report, adopt a Resolution of Intention to levy the annual assessment, and set a public hearing for September 7, 2011 to consider the proposed assessment.

**BACKGROUND INFORMATION:** Pursuant to Lodi Municipal Code Chapter 12.06 and Streets and Highways Code Section 36500 et seq., the DLBP membership board is required to present an annual report for City Council review and approval prior to September 1. This must be done prior to the public hearing and adoption of a resolution confirming the 2011 Annual Report and 2012 levy of assessment.

Streets and Highways Code Section 36533 provides that a Business Improvement District (BID) must file an annual report which shall include proposed assessments, budget, general descriptions of the proposed improvements and activities, description of the area served, and any declaration of intent to change boundaries of the parking and business improvement area or in any benefit zone within the area if changes are being proposed.

**FISCAL IMPACT:** The City does not charge the DLBP a fee to collect and distribute the assessment. On the other hand, the Lodi Tourism and Business Assessment district is charged a 5 percent collection fee.

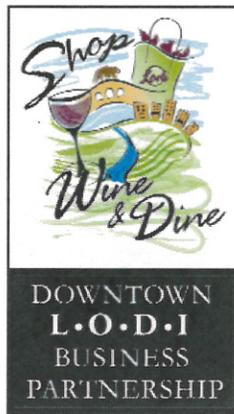
**FUNDING AVAILABLE:** Not applicable.

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Jordan Ayers  
Deputy City Manager

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APPROVED: \_\_\_\_\_  
Konradt Bartlam, City Manager



# DOWNTOWN LODI BUSINESS PARTNERSHIP **2011 ANNUAL REPORT**

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## **B.I.D. INFORMATION**

California Streets and Highway Code Requirements  
Articles of Incorporation  
Benefit Fee Schedule  
Map of Zoned Business Improvement District  
Mission Statement

## **BUDGET & FINANCIALS**

Funding & Expense Flow Chart  
2011 Proposed Budget  
2010 Balance Sheet  
2010 Profit & Loss Statement  
2011 2<sup>nd</sup> Quarter Balance Sheet  
2011 2<sup>nd</sup> Quarter Profit & Loss Statement

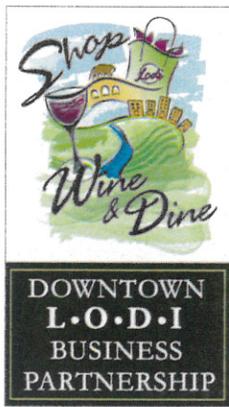
## **DOWNTOWN EVENTS**

2011 & 2012 Calendar of Events  
Event Highlights

## **DOWNTOWN MARKETING & CAMPAIGNS**

Marketing Activities and Plans  
DLBP Marketing Material

*Prepared by Jaime Watts, Executive Director  
& Nancy Byer-Hauan, President*



August 9, 2011

Mr. Rad Bartlam, City Manager  
City of Lodi  
221 W. Pine Street  
Lodi, CA 95240

Re: DLBP Annual Report 2011

Dear Mr. Bartlam,

Section 11.0 of the City Ordinance Number 1654, establishing the Downtown Lodi Business Improvement Area, requires that we submit to you by September of each year our annual report and budget.

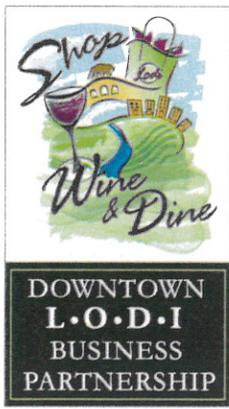
In addition, the State of California Streets and Highways code, which is the enabling legislation, also specifies that certain additional information be provided. You will find all of the required information contained in our report.

We have provided you with eight copies, five for the City Council, one for the City Clerk, one for the City Attorney and one for yourself.

Thank you for your continued support.

Sincerely,

Jaime Watts, Executive Director  
Downtown Lodi Business Partnership



## 2011 ANNUAL REPORT

**Items listed below refer to Section 36533(b) of the California Streets and Highway Code:**

No changes in boundaries of benefit zones within the area are proposed.

No physical improvements are planned.

Budget for the 2011 calendar year is enclosed.

The budget details all sources of income and projected expenses.

A Benefit Fee Schedule and a Map of the Business Improvement Area are enclosed.

2038309  
ENDORSED  
FILED

In the office of the Secretary of State  
of the State of California

MAR 31 1998

*Bill Jones*  
BILL JONES, Secretary of State

ARTICLES OF INCORPORATION OF  
DOWNTOWN LODI BUSINESS PARTNERSHIP  
A California Nonprofit Mutual Benefit Corporation

One: The name of the corporation is Downtown Lodi Business Partnership (A California Nonprofit Mutual Benefit Corporation).

Two: This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

Such purposes for which this corporation is formed are to promote and improve the downtown Lodi business area, to generally improve business conditions in the downtown area, and to generally enhance the downtown area of the City of Lodi. Notwithstanding any other provision of these articles, this corporation shall not engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation.

Three: The name and address of the corporation's initial agent for service of process is Ronald M. Beckman, Esq., 111 N. Church Street, Lodi, California, 95240.

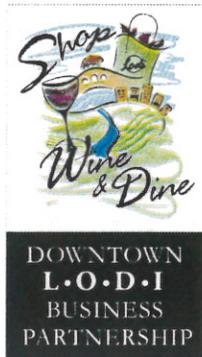
Four: The right to determine the consideration for which memberships will be issued shall be vested in the Regular Members, to be determined by a majority vote of the Regular Members in good standing.

Five: No part of the net earnings of the corporation shall inure to the benefit of any member or private shareholder, as defined for purposes of Section 501 (c) (5) of the Internal Revenue Code of 1954.

Dated: March 31, 1998

*Ronald M. Beckman*  
Ronald M. Beckman, Incorporator





## DOWNTOWN LODI BUSINESS PARTNERSHIP BENEFIT FEE SCHEDULE

BUSINESS TYPE	ZONE A	ZONE B
Retailers/Restaurants*	\$240 (1-3 Employees)	\$120
	\$360 (4-6 Employees)	\$180
	\$480 (7+ Employees)	\$240
Service Businesses	\$180	\$90
Professional Businesses	\$120	\$60
Financial Institutions	\$600	\$600

*\*Note: Retail and restaurant businesses are assessed based on the number of employees - either full-time, or the equivalent made up of multiple employees.*

### BUSINESS TYPE DEFINITIONS:

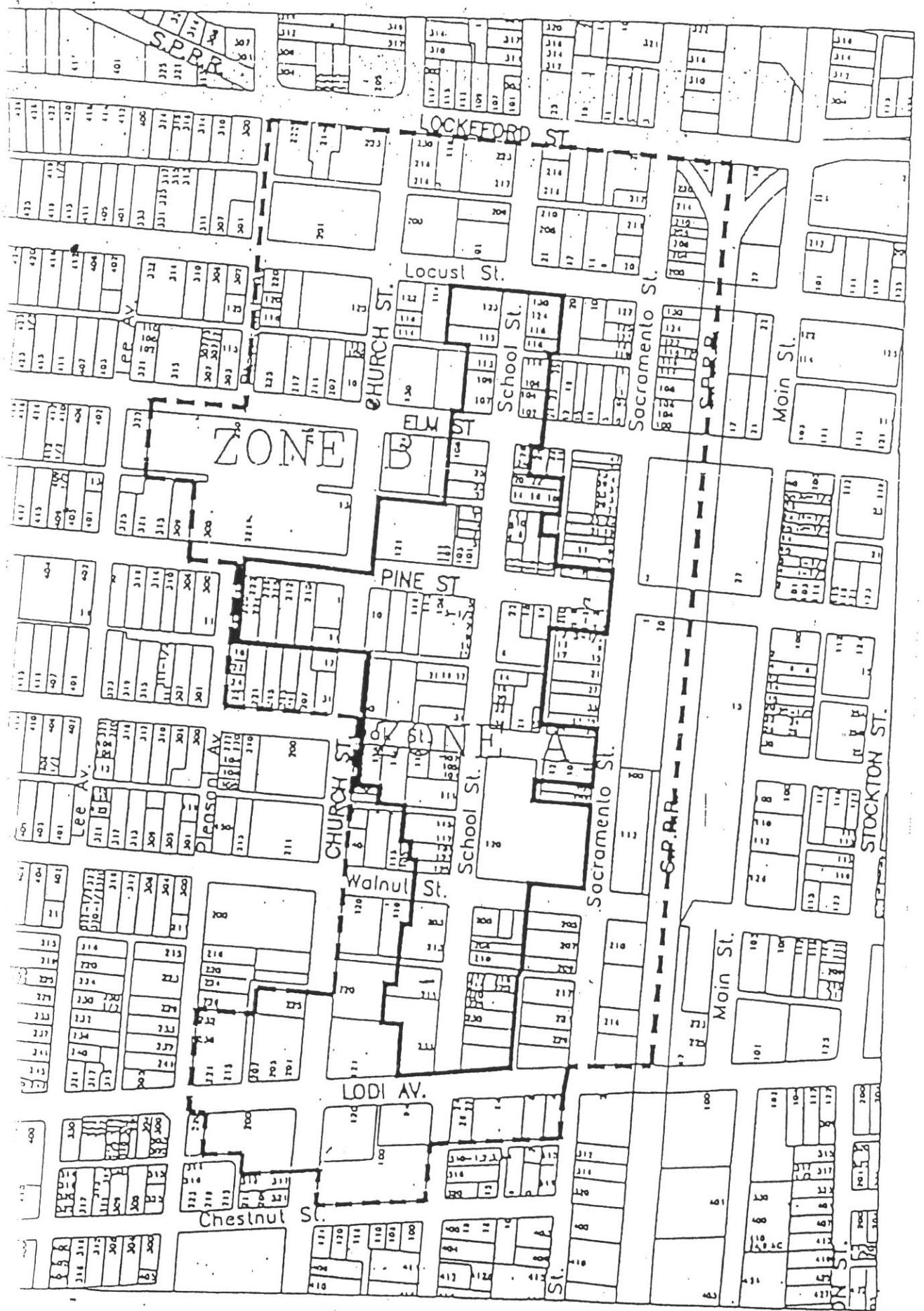
**Retail and Restaurant** – Businesses that buy and resell goods. Examples would be clothing stores, shoe stores, office supplies, as well as businesses that sell prepared food and drinks.

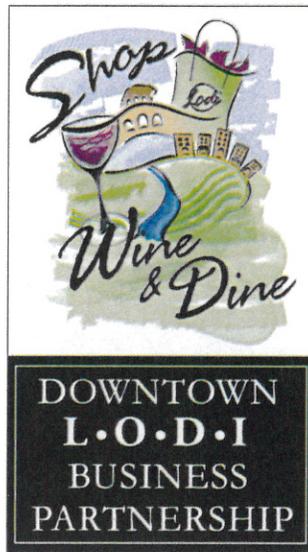
**Service Businesses** – Businesses that sell services. Examples are beauty and barber shops, repair shops, lodging, most automotive-oriented businesses, entertainment businesses such as theaters, etc.

**Professional Businesses** – Includes architects, engineers, attorneys, dentists, doctors, accountants, optometrists, realtors, insurance offices, mortgage brokers and most other businesses which require advanced or specialized licenses, and/or advanced academic degrees.

**Financial Institutions** – Includes banking and savings and loan institutions, as well as credit unions, etc.

**Downtown Lodi Business Partnership**  
 4 West Pine Street, Lodi, California 95240  
 209.369.8052 phone 209.369.8053 fax  
[www.downtownlodi.com](http://www.downtownlodi.com)





## MISSION STATEMENT

The Downtown Lodi Business Partnership, comprised of business owners, professionals and merchants, is a non-profit association developed to encourage growth and prosperity in the Downtown Community of Lodi, and to maintain its economic health on an on-going basis.

This will be accomplished by:

- Encouraging development of new businesses, while retaining and revitalizing existing businesses
- Promoting retail activity by creating and maintaining a quality environment through coordinated advertising and downtown events
- Serving as an advocate for downtown businesses in dealing with local government, maintenance projects, the media and general public

4 West Pine Street, Lodi, Ca 95240  
209.369.8052 phone 209.369.8053 fax  
[www.downtownlodi.com](http://www.downtownlodi.com)

**DLBP  
Member  
Assessments**  
(approx \$35,000)

**City of Lodi  
Annual  
Funding**  
(approx \$24,225)

**DLBP  
Revenue  
Generating  
Activities**



**DOWNTOWN  
L.O.D.I  
BUSINESS  
PARTNERSHIP**

**Administration**

**Marketing**

**Events**

**Beautification**

# Downtown Lodi Business Partnership

## Proposed Budget

*January 1, 2011 through December 31, 2011*

### Income

Assessment Fees	35000.00
City of Lodi	24225.00
Event Revenue	
Farmers Market	74500.00
Parade of Lights	11775.00
Street Banner Program	1500.00
Passport Promotions	1000.00
Miscellaneous Events & Sales	<u>2000.00</u>
<b>Total Income</b>	<b>150,000.00</b>

### Expenses

Administrative	
Director's Salary	47100.00
Staff Wages	2000.00
Payroll Taxes	4500.00
Contract Labor	5000.00
Event Commission	5900.00
Insurance	10000.00
Professional Fees	3000.00
Rent	4800.00
Storage	780.00
Office Supplies	3500.00
Office Equipment	1000.00
Bank & Merchant Fees	500.00
Postage	300.00
Utilities (phone, internet, alarm, etc.)	5000.00
Marketing Expenses	
Advertising, Marketing & Promotions	2900.00
Travel	800.00
Public Relations	600.00
Seminars & Conferences	500.00
Website	2000.00
Membership Expenses	
Newsletters	300.00
Quarterly Mixers	200.00
Plaques & Trophies	200.00
Sunshine Committee	200.00

Revitalization Expenses	
Downtown Beautification & Flowers	1000.00
Kiosks (maps, printing, maintenance)	1500.00
Event Expenses	
Farmers Market	40500.00
Parade of Lights	2000.00
Street Banner Program	525.00
Community Trick-or-Treat & Fall Fest	500.00
Winterfest	2000.00
Passport Promotions	200.00
Miscellaneous Events & Sales	<u>895.00</u>
<b>Total Expenses</b>	<b>150,000.00</b>

**Downtown Lodi Business Partnership**  
**Balance Sheet**  
As of December 31, 2010

Cash Basis

	Dec 31, 10
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Farmers Savings	195.40
Farmers & Merchants Bank	1,188.25
Petty Cash	-200.15
<b>Total Checking/Savings</b>	1,183.50
<b>Accounts Receivable</b>	
Accounts Receivable	475.00
<b>Total Accounts Receivable</b>	475.00
<b>Total Current Assets</b>	1,658.50
<b>Fixed Assets</b>	
Office Equipment	12,959.98
Furniture & Fixtures	2,712.99
Accumulated Depreciation	-9,985.63
<b>Total Fixed Assets</b>	5,687.34
<b>TOTAL ASSETS</b>	<b>7,345.84</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accounts Payable	-10.30
<b>Total Accounts Payable</b>	-10.30
<b>Credit Cards</b>	
Card Services - Visa	2,521.12
<b>Total Credit Cards</b>	2,521.12
<b>Total Current Liabilities</b>	2,510.82
<b>Total Liabilities</b>	2,510.82
<b>Equity</b>	
Retained Earnings	4,031.20
Net Income	803.82
<b>Total Equity</b>	4,835.02
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>7,345.84</b>

**Downtown Lodi Business Partnership  
Profit & Loss**

January through December 2010

Cash Basis

	Jan - Dec 10
Downtown Beautification - Other	429.88
Total Downtown Beautification	490.82
Kiosk Update	1,281.18
Total Revitalization	1,772.00
Event Expenses	
Refunds	837.50
Advertising	3,982.69
Awards/Banners/Posters	348.83
Beverage Expense	40,199.47
Entertainment	7,748.38
Equipment Rental	624.18
Labor/Repairs	5,908.16
License/Permits/Inspection	2,293.90
Mileage & Meetings	533.15
Other Expense	360.00
Postage & Delivery	644.98
Marketing / Promotions	1,465.67
Signage	468.95
Sanitation	1,873.53
Supplies	4,505.66
Total Event Expenses	71,793.05
Total Expense	189,852.67
Net Ordinary Income	803.82
Net Income	803.82

# Downtown Lodi Business Partnership Profit & Loss

January through December 2010

Cash Basis

	Jan - Dec 10
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Member Assessment Fees	37,712.00
City of Lodi Funds	35,825.00
<b>Event Revenue</b>	
Advertising & Promotion Revenue	950.00
Beverage Sales	44,591.49
Parade Entry Fees	9,285.00
Sponsorship	19,285.75
Vendor Fee	40,546.00
Other Income	1,843.00
<b>Total Event Revenue</b>	116,501.24
IRS Refund Income	118.25
Friends of Downtown	500.00
<b>Total Income</b>	190,656.49
<b>Expense</b>	
<b>Administrative Expenses</b>	
Advertising	55.79
Bank Service Charges	1,545.18
Contract Labor	3,742.00
Dues and Subscriptions	451.00
Insurance-D & O and State Fund	1,975.74
Insurance - Events Liability	5,778.59
Interest	331.10
Licenses & Permits	185.00
Office Maintenance & Repairs	1,019.91
Office Supplies	11,363.22
<b>Payroll Expenses</b>	
Director's Wages	49,607.79
Staff Wages	10,508.92
Payroll Taxes	10,763.89
Cell Phone	1,500.00
<b>Total Payroll Expenses</b>	72,380.60
Penalties	1,422.26
<b>Professional Fees</b>	
Accounting/Payroll Fees	563.00
<b>Total Professional Fees</b>	563.00
Rent	3,955.00
Taxes	75.00
Utilities	6,506.50
<b>Total Administrative Expenses</b>	111,349.89
<b>Marketing Expenses</b>	
<b>Advertising &amp; Promotions</b>	
Annual Banner Program	755.67
Advertising & Promotions - Other	1,102.50
<b>Total Advertising &amp; Promotions</b>	1,858.17
Mileage & Meetings	109.32
Public Relations	959.18
Website	1,177.19
<b>Total Marketing Expenses</b>	4,103.86
<b>Membership</b>	
Postage and Delivery	352.26
Quarterly Mixers	82.22
Sunshine Committee	399.39
<b>Total Membership</b>	833.87
<b>Revitalization</b>	
Downtown Beautification Supplies	60.94

**Downtown Lodi Business Partnership**  
**Balance Sheet**  
As of June 30, 2011

	<u>Jun 30, 11</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Farmers Savings	3,580.47
Farmers & Merchants Bank	4,981.52
Petty Cash	455.74
<b>Total Checking/Savings</b>	<u>9,017.73</u>
Accounts Receivable	
Accounts Receivable	-350.00
<b>Total Accounts Receivable</b>	<u>-350.00</u>
Other Current Assets	
Undeposited Funds	-305.00
<b>Total Other Current Assets</b>	<u>-305.00</u>
<b>Total Current Assets</b>	<u>8,362.73</u>
<b>Fixed Assets</b>	
Office Equipment	12,959.98
Furniture & Fixtures	2,712.99
Accumulated Depreciation	-9,985.63
<b>Total Fixed Assets</b>	<u>5,687.34</u>
<b>TOTAL ASSETS</b>	<u><u>14,050.07</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Payroll Liabilities	1,872.82
<b>Total Other Current Liabilities</b>	<u>1,872.82</u>
<b>Total Current Liabilities</b>	<u>1,872.82</u>
<b>Total Liabilities</b>	<u>1,872.82</u>
<b>Equity</b>	
Retained Earnings	-1,103.10
Net Income	13,280.35
<b>Total Equity</b>	<u>12,177.25</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>14,050.07</u></u>

**Downtown Lodi Business Partnership**  
**Profit & Loss**  
 January through June 2011

	Jan - Jun 11
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Member Assessment Fees	39,163.00
City of Lodi Funds	7,125.00
<b>Event Revenue</b>	
Advertising & Promotion Revenue	1,324.10
Beverage Sales	13,073.32
Parade Entry Fees	60.00
Sponsorship	16,200.00
Vendor Fee	24,930.00
Other Income	4,620.00
<b>Total Event Revenue</b>	60,207.42
TNT Fireworks	2,587.38
Return Check Charge	621.00
Friends of Downtown	250.00
<b>Total Income</b>	109,953.80
<b>Expense</b>	
<b>Administrative Expenses</b>	
Bank Service Charges	
Merchant Fees	240.00
Bank Service Charges - Other	204.02
<b>Total Bank Service Charges</b>	444.02
Contract Labor	3,854.00
CC Negotiated Settlement	-1,512.67
Dues and Subscriptions	51.00
Equipment Lease	2,737.14
Insurance-D & O and State Fund	672.00
Insurance - Events Liability	3,063.44
Interest	37.46
Licenses & Permits	20.00
Office Maintenance & Repairs	288.29
Office Supplies	2,501.50
<b>Payroll Expenses</b>	
Director's Wages	31,177.90
Payroll Taxes	8,326.47
<b>Total Payroll Expenses</b>	39,504.37
Postage	329.00
<b>Professional Fees</b>	
Accounting/Payroll Fees	1,342.00
<b>Total Professional Fees</b>	1,342.00
<b>Rent</b>	
Storage	390.00
Rent - Other	4,200.00
<b>Total Rent</b>	4,590.00
Security	550.00
Sponsorship Sales Commission	2,250.00
Taxes	50.00
Telephone/Internet	1,438.89
<b>Total Administrative Expenses</b>	62,210.44
Prior Years Taxes	0.00
<b>Marketing Expenses</b>	
Advertising & Promotions	
Annual Banner Program	179.44
<b>Total Advertising &amp; Promotions</b>	179.44
Public Realtions	340.00
Website	1,276.39
<b>Total Marketing Expenses</b>	1,795.83

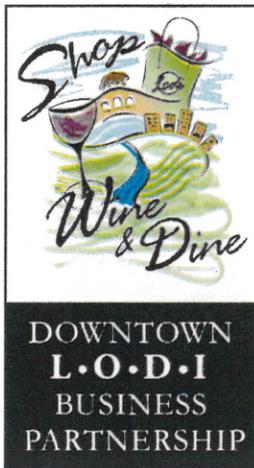
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08/05/11

Cash Basis

**Downtown Lodi Business Partnership**  
**Profit & Loss**  
January through June 2011

	Jan - Jun 11
<b>Membership</b>	
Plaques & Trophies	283.55
Postage and Delivery	259.84
<b>Total Membership</b>	543.39
<b>Revitalization</b>	
Downtown Beautification	
Supplies	555.73
Labor/Repairs	100.00
Downtown Beautification - Other	100.00
<b>Total Downtown Beautification</b>	755.73
Kiosk Update	472.13
<b>Total Revitalization</b>	1,227.86
<b>Event Expenses</b>	
Awards/Banners/Posters	79.71
Beverage Expense	15,227.45
Entertainment	3,900.00
Equipment Rental	53.00
Labor/Repairs	1,683.14
License/Permits/Inspection	2,075.05
Postage & Delivery	10.95
Marketing / Promotions	188.00
Signage	2,547.35
Sanitation	3,721.01
Supplies	1,410.27
<b>Total Event Expenses</b>	30,895.93
<b>Total Expense</b>	96,673.45
<b>Net Ordinary Income</b>	13,280.35
<b>Net Income</b>	<u>13,280.35</u>



## 2011 Calendar of Events

### **Valentine's Day Promotion**

"Couples Passport to Downtown Lover's Lane"  
Saturday, February 12<sup>th</sup>

### **Downtown Farmers Market**

Every Thursday beginning  
June 2<sup>nd</sup> through September 29<sup>th</sup>

### **6<sup>th</sup> Annual "Stuck in Lodi" Car Show**

Saturday, August 6<sup>th</sup>

### **3<sup>rd</sup> Annual Fall Flavor Fest**

"The Best of Downtown's Night Life"  
Saturday, October 8<sup>th</sup>

### **Downtown Trick-or-Treat & Festival**

Saturday, October 29<sup>th</sup>

### **16<sup>th</sup> Annual Parade of Lights**

Thursday, December 1<sup>st</sup>

### **Downtown Winterfest**

Horse Drawn Carriage Rides & Holiday Festivities  
Saturdays, November 26<sup>th</sup>, December 3<sup>rd</sup> & 10<sup>th</sup>

## 2012 Calendar of Events

### **Valentine's Day Promotion**

"Couples Passport to Downtown Lover's Lane"  
Saturday, February 11<sup>th</sup>

### **Downtown Farmers Market**

Every Thursday beginning  
June 7<sup>th</sup> through September 27<sup>th</sup>

### **7<sup>th</sup> Annual "Stuck in Lodi" Car Show**

Saturday, August 4<sup>th</sup>

### **4<sup>th</sup> Annual Fall Flavor Fest**

"The Best of Downtown's Night Life"  
Saturday, October 6<sup>th</sup>

### **Downtown Trick-or-Treat & Festival**

Saturday, October 27<sup>th</sup>

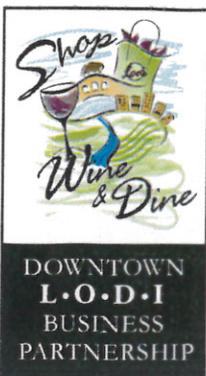
### **17<sup>th</sup> Annual Parade of Lights**

Thursday, December 6<sup>th</sup>

### **Downtown Winterfest**

Horse Drawn Carriage Rides & Holiday Festivities  
Saturdays, November 24<sup>th</sup>, December 1<sup>st</sup>, 8<sup>th</sup> & 15<sup>th</sup>

Visit [www.downtownlodi.com](http://www.downtownlodi.com)  
for detailed event descriptions and more information



# 2011 Downtown Marketing Program

The Downtown Lodi Business Partnership has three programs that provide marketing opportunities for your business. You can pick and choose any combination that best meets your organization's goals or all three programs at a discounted price!



## Annual Banner Attachment Program

Your annual sponsorship includes an attachment banner with your business name, address and phone number. For an additional \$40 you can add your full color logo. Please send a full color, high quality pdf file to [jaimed@downtownlodi.com](mailto:jaimed@downtownlodi.com). Your banner will be guaranteed a prime location downtown until March 2012. Advertise your business & support downtown!

- |   |  |   |  |
|---|--|---|--|
| <input type="checkbox"/> New Sponsorship<br>DLBP Member<br>\$250 year | <input type="checkbox"/> New Sponsorship<br>Non-Member<br>\$300 year | <input type="checkbox"/> Renewal<br>DLBP Member<br>\$200 year | <input type="checkbox"/> Renewal<br>Non-Member<br>\$250 year |
|---|--|---|--|
- Yes!** Add my full color logo on both sides of my banner for an additional \$40

## www.downtownlodi.com web advertisement - 6 month run

The Downtown Lodi Business Partnership has advertising space available on [www.downtownlodi.com](http://www.downtownlodi.com). The website averages over 20,000 hits per month and is the official site for downtown events and promotions. You can provide your own .jpg artwork that is 430 pixels wide x 60 pixels high, or for an additional \$25 the DLBP will design your advertisement for you. Your web advertisement will run for 6 months. Visit the website and view the banner ads at the bottom for examples. The exposure is priceless!

## Website Page linked to www.downtownlodi.com

If you don't have your own website, but want your business highlighted with photos and detailed information, the DLBP can custom design a page for you that links to downtown's website. We will come to your establishment, take photos, gather information and design a page that links to [www.downtownlodi.com](http://www.downtownlodi.com). If you are a DLBP member, your page will be linked to your business listing under your category, if you are a non-member, your page will be linked to a listing under the "Friends of Downtown" category. For an example of an existing website page visit the website, downtown businesses, category "Specialty Home", McKinley's Frame Shop.

### Menu for DLBP Members

- Banner Program \$ \_\_\_\_\_ (Amount from above)
- Website Ad \$50 for 6 months
- Web Ad Design \$25
- Website Page \$40

### Bundle Package for all 3 Programs!

**Only \$345 A Savings of \$60!**

*Includes Full Color Banner Attachment & Web Ad Design*

### Menu for Non-DLBP Members

- Banner Program \$ \_\_\_\_\_ (Amount from above)
- Website Ad \$75 for 6 months
- Web Ad Design \$25
- Website Page \$50

### Bundle Package for all 3 Programs!

**Only \$430 A Savings of \$60!**

*Includes Full Color Banner Attachment & Web Ad Design*

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

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

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

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ e-mail: \_\_\_\_\_

Total Amount Enclosed: \$ \_\_\_\_\_

Comments/Location Request: \_\_\_\_\_

Return application & payment to **DLBP, P.O. Box 1565, Lodi, CA 95241** or call (209) 369-8052 for more information

RESOLUTION NO. 2011-\_\_\_\_\_

A RESOLUTION OF INTENTION TO LEVY ANNUAL ASSESSMENT FOR  
DOWNTOWN LODI BUSINESS IMPROVEMENT AREA NO. 1, ESTABLISHING  
PUBLIC HEARING DATE, AND APPROVING ANNUAL REPORT

WHEREAS, Downtown Lodi Business Improvement Area No. 1 was established December 17, 1997, by City Council adoption of Ordinance No. 1654; and

WHEREAS, the Annual Report as required by Streets and Highways Code §36533 has been submitted to the Council by the Board of Directors of said improvement area.

NOW, THEREFORE, the City Council of the City of Lodi does hereby resolve, determine, and finds as follows:

1. Approves the Annual Report as submitted, said report being on file with the City Clerk.
2. Establishes September 7, 2011, in the City Council Chambers, Carnegie Forum, 305 West Pine Street, Lodi, California, at 7:00 p.m., or soon thereafter as possible, as the date, place, and time to hold the public hearing required by Streets and Highways Code §36534.
3. It is the intention of the City Council to levy and collect assessments within the parking and business improvement area for calendar year 2012 (the Area's fiscal year).
4. The boundaries of the entire area to be included in the Area and the boundaries of each separate benefit zone within the area set forth in a Map, Exhibit D, incorporated herein by reference. A true and correct copy of the map is on file with the City Clerk of the City of Lodi.
5. The types of improvements and activities proposed to be funded by the levy of assessments on businesses in the Area include marketing and promotional efforts; event coordination; and other activities with the goal to promote retail activities. A detailed description of activities is included in the Annual Report, Exhibit A, and incorporated by reference.
6. At the time of the public hearing, written and oral protests may be made. The form and manner of protests shall comply with Streets and Highways Code § 36524 and 36525.

Date: August 17, 2011

I hereby certify that Resolution No. 2011-\_\_\_\_\_ was passed and adopted by the Lodi City Council in a regular meeting held August 17, 2011, by the following vote:

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

RANDI JOHL  
City Clerk